

4 **Water Preservation Infrastructure Fund Grant Point System and Procedures**

5 **1. Point System.** The point system shall be based on a mathematical equation that rates the
6 proposed project in accordance with the requirements of this section by means of a formula
7 awarding points for each criterion used in the evaluation.
8

9 **(a) Point Scale.** The maximum points total shall be 75. OWRB staff shall submit to he
10 OWRB Board only those applications receiving 23 points or more on the 75 point scale.
11 Applications OWRB staff determine to have 22 or fewer points shall not be submitted to the
12 OWRB Board for its consideration, and the OWRB staff shall issue notice to the applicant so
13 indicating.
14

15 **(b) Applications Considered Annually.** The OWRB staff shall evaluate and the OWRB
16 Board shall consider applications for Water Preservation Infrastructure grants annually as
17 provided herein.
18

19 **(c) Order of Consideration.** The OWRB Board shall consider applications in order of
20 points received, from highest to lowest, but with applications from the Settlement Area
21 considered first. If the OWRB Board determines that any applicant cannot promptly proceed
22 with a proposed project due to delays, including those caused by legal, engineering or feasibility
23 issues, or availability of other required or necessary funding sources, the OWRB Board may pass
24 over consideration of such application and proceed to the next application. Applications which
25 are bypassed shall retain their ratings and remain eligible for further consideration.
26

27 **(d) Separate Applications.** Total points will be calculated and awarded for individual
28 projects. An applicant must complete a separate application for each project for which grant
29 funds are requested.
30

31 **2. Point Formula for Eligible Projects** – The formula shall be as follows:
32

33 **(a) Formula.** $T = L + WR + I + MHI + FP + N + AR + BP + OB + PG$, where:
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35 **(1)** T = Total Points
36

37 **(2)** L = Location of Project
38

39 **(3)** WR = Water and Sewer Rate Structure
40

41 **(4)** I = Indebtedness per Customer
42

43 **(5)** MHI = Median Household Income
44

45 **(6)** FP = Applicant's Ability to Finance Project
46

- 1 (7) N = Need
- 2
- 3 (8) AR = Amount of grant requested
- 4
- 5 (9) BP = Project benefit to other systems
- 6
- 7 (10) OB = Overall benefits
- 8
- 9 (11) PG = Previous grant assistance

10 **(b) Explanation.** Each of these criteria is explained below:

11 **(1) Location of Project (L).** Projects located wholly or partially within the
12 Settlement Area shall be given 10 priority points.

13 **(2) Water and Sewer Rate Structure (WR).**

14 **(A)** For systems providing water service only, points are calculated
15 according to the same scale set forth in OAC Section 785:50-7-5(b)(2)(B)(i) in effect on the
16 Execution Date.

17 **(B)** For systems providing both water and sewer services, points are
18 calculated according to the same scale set forth in OAC Section 785:50-7-5(b)(2)(B)(ii) in effect
19 on the Execution Date.

20 **(C)** For systems providing sewer service only, points are calculated
21 according to the same scale set forth in OAC Section 785:50-7-5(b)(2)(B)(iii) in effect on the
22 Execution Date.

23 **(D)** 3 points will be deducted from the total of the Water and Sewer
24 Rate Structure ranking for any system which charges a flat water rate (unmetered) without regard
25 to the amount of water used, and 2 points for a decreasing block rate which lowers the cost per
26 1000 gallons for customers using larger amounts of water. No points will be added or subtracted
27 for systems using a fixed rate per 1,000 gallons rate. Entities who dedicate sales tax for water
28 and/or sewer improvements will be awarded 1 additional point. Under this category the
29 maximum number of points is 13 and the minimum is -3 points.

30 **(3) Indebtedness per customer (I).** The indebtedness per customer ranking is
31 calculated by taking the applicant's monthly requirements for debt service on debt incurred for
32 water and/or sewer system purposes and dividing it by the number of customers served. The
33 indebtedness per customer shall be adjusted annually based on the CPI for All Urban Consumers
34 specific to Water, Sewer and Trash Collection.

35 **(A)** If the indebtedness per customer is \$20.00 or greater, the applicant
36 shall be given 10 points.

- 1 **(B)** If the indebtedness per customer is \$17.50 to \$19.99, the applicant
2 shall be given 9 points.
3
- 4 **(C)** If the indebtedness per customer is \$16.00 to \$17.49, the applicant
5 shall be given 8 points.
6
- 7 **(D)** If the indebtedness per customer is \$14.50 to \$15.99, the applicant
8 shall be given 7 points.
9
- 10 **(E)** If the indebtedness per customer is \$13.00 to \$14.49, the applicant
11 shall be given 6 points.
12
- 13 **(F)** If the indebtedness per customer is \$11.50 to \$12.99, the applicant
14 shall be given 5 points.
15
- 16 **(G)** If the indebtedness per customer is \$10.00 to \$11.49, the applicant
17 shall be given 4 points.
18
- 19 **(H)** If the indebtedness per customer is \$8.50 to \$9.99, the applicant
20 shall be given 3 points.
21
- 22 **(I)** If the indebtedness per customer is \$7.00 to \$8.49, the applicant
23 shall be given 2 points.
24
- 25 **(J)** If the indebtedness per customer is \$5.50 to \$6.99, the applicant
26 shall be given 1 point.
27
- 28 **(K)** If the indebtedness per customer is less than \$5.50, the applicant
29 shall be given 0 points.
30

31 **(4) Median household income (MHI).** The Median Household Income is
32 calculated according to the most current United States Decennial Census or American
33 Community Survey data available.
34

35 **(A)** The county median figure for Median Household Income will be
36 used in cases where data for the applicant's service area is not available.
37

38 **(B)** Points for the Median Household Income criterion are awarded
39 according to the scale set forth in OAC Section 785:50-7-5(b)(2)(E)(ii) in effect on the Execution
40 Date. The Median Household Income per customer shall be adjusted annually based on the
41 relevant CPI for All Urban Consumers.
42
43

1 **(5) Ability to finance project (FP).**

2
3 **(A)** The maximum points possible under this criterion is 12.

4
5 **(B)** The Ability to Finance Project ranking gives a standardized
6 account of the amount the existing water/sewer rates would have to be raised in order for the
7 applicant to finance the project through a loan without assistance from the State. A standard
8 interest rate and term of 5% for 25 years is assumed which can be adjusted based on the
9 prevailing applicable interest rate as determined by OWRB staff. The cost per customer per
10 month is calculated using the following formula: $FP = AR (0.1102)/(12)(C)$, where:

11 (I) FP = Estimate of the amount monthly water/sewer rates
12 would have to be raised to finance the amount of grant requested for the project

13 (II) AR = Amount of grant requested

14 (III) 0.1102 = Annual rate factor for a 25 year loan at 5%.

15 (IV) 12 = Number of months per year.

16 (V) C = Number of customers.

17 **(C)** Points in the Ability to Finance Project ranking, based upon the
18 cost per customer per month calculated as set forth in Section 2(b)(5), above, are awarded as
19 follows:

20 (I) If the FP is \$10.00 or greater, the applicant shall be given
21 12 points.

22 (II) If the FP is \$8.00 to \$9.99, the applicant shall be given 11
23 points.

24 (III) If the FP is \$6.00 to \$7.99, the applicant shall be given 10
25 points.

26 (IV) If the FP is \$5.00 to \$5.99, the applicant shall be given 9
27 points.

28 (V) If the FP is \$4.00 to \$4.99, the applicant shall be given 8
29 points.

30 (VI) If the FP is \$3.00 to \$3.99, the applicant shall be given 7
31 points.

32 (VII) If the FP is \$2.00 to \$2.99, the applicant shall be given 6
33 points.

34 (VIII) If the FP is \$1.75 to \$1.99, the applicant shall be given 5
35 points.

36 (IX) If the FP is \$1.50 to \$1.74, the applicant shall be given 4
37 points.

38 (X) If the FP is \$1.25 to \$1.49, the applicant shall be given 3
39 points.

1 (XI) If the FP is \$1.00 to \$1.24, the applicant shall be given 2
2 points.

3 (XII) If the FP is \$0.75 to \$0.99, the applicant shall be given 1
4 point.

5 (XIII) If the FP is less than \$0.75, the applicant shall be given 0
6 points.

7 (6) **Need (N).** An applicant who is subject to an enforcement order issued by a
8 governmental agency with environmental jurisdiction shall be given 5 priority points for a
9 proposed project which will remedy the violation out of which the order arose if the availability
10 of such funds would timely support such remedy.

11
12 (7) **Amount of Grant Requested (AR).** Points under this category for
13 amount of grant requested are determined as follows:

14
15 (A) If the AR is 100% or more of available funds, the applicant shall
16 be given -5 points.

17
18 (B) If the AR is 90-99% of available funds, the applicant shall be given
19 -4 points.

20
21 (C) If the AR is 80-89% of available funds, the applicant shall be given
22 -3 points.

23
24 (D) If the AR is 70-79% of available funds, the applicant shall be given
25 -2 points.

26
27 (E) If the AR is 60-69% of available funds, the applicant shall be given
28 -1 point.

29
30 (F) If the AR is 50-59% of available funds, the applicant shall be given
31 0 points.

32
33 (G) If the AR is 40-49% of available funds, the applicant shall be given
34 1 point.

35
36 (H) If the AR is 30-39% of available funds, the applicant shall be given
37 2 points.

38
39 (I) If the AR is 20-29% of available funds, the applicant shall be given
40 3 points.

41
42 (J) If the AR is 10-19% of available funds, the applicant shall be given
43 4 points.

44
45

1 (K) If the AR is less than 10% of available funds, the applicant shall be
2 given 5 points.

3
4 (8) **Project Benefit to other Systems (BP).** If the applicant's project will
5 benefit other adjacent systems as well as applicant's or result in or lead to consolidation of
6 systems, an additional 5 points will be included in the total of priority points assigned to the
7 application.

8
9 (9) **Overall Benefit (OB).** If the applicant's project will benefit or further the
10 goals and recommendations of the latest version of the Oklahoma Comprehensive Water Plan, an
11 additional 5 points will be included in the total of points assigned to the application.

12
13 (10) **Previous Grant Assistance (PG).** For purposes of this Section 2(b)(10), a
14 political subdivision and all its public trusts and similar subordinate entities together shall be
15 treated as one and the same qualified entity; provided, that rural water or sewer districts shall not
16 be construed to be subordinate entities of counties unless the effect would be to make multiple
17 grants to substantially the same entity and/or service area. If an applicant has received one (1) or
18 more Water Preservation Infrastructure grants from the OWRB Board in the ten (10) years
19 preceding the current grant cycle, which grant was not voluntarily abandoned and any disbursed
20 funds returned by the applicant to the OWRB, points shall be deducted from the application
21 according to all of the following provisions that apply. No points shall be deducted if an
22 applicant has received a Water Preservation Infrastructure grant more than ten years preceding
23 the current grant cycle:

24
25 (A) If the applicant has received one (1) Water Preservation
26 Infrastructure grant in the immediately preceding annual grant cycle, the application will be
27 given -8 points.

28
29 (B) If the applicant has received more than one (1) Water Preservation
30 Infrastructure grant in the immediately preceding annual grant cycle, the application will be
31 given -10 points for each Water Preservation Infrastructure grant so received.

32
33 (C) If the applicant has received one (1) Water Preservation
34 Infrastructure grant in the preceding ten years, the application will be given -5 points.

35
36 (D) If the applicant has received two (2) Water Preservation
37 Infrastructure grants in the preceding ten years, the application will be given -8 points.

38
39 (E) If the applicant has received three (3) Water Preservation
40 Infrastructure grants in the preceding ten years, the application will be given -10 points.

41
42 (F) If the applicant has received four (4) Water Preservation
43 Infrastructure grants in the preceding ten years, application will be given -12 points.

44
45 (G) If the applicant has received five (5) or more Water Preservation
46 Infrastructure grants in the preceding ten years, the application will be given -14 points.

1
2 **3. Procedures**
3

4 **(a) General Procedures.** The general procedure to be followed for grants under the
5 Water Preservation Fund Grant program will be as follows:
6

7 **(1) Pre-Application Conference.**
8

9 **(A)** All potential applicants are encouraged to contact the OWRB staff
10 for purposes of making arrangements for participating in a pre-application conference among
11 OWRB staff, applicant (or representative), applicant's legal, financial, and engineering
12 advisors, and such other persons whose attendance and participation may be deemed
13 appropriate and beneficial.
14

15 **(B)** At the pre-application conference, preliminary matters respecting
16 the applicant, the proposed project and the application for assistance may be generally discussed
17 in an effort to familiarize all concerned parties with the Water Preservation Infrastructure grant
18 program and application requirements and procedures.
19

20 **(2) Application.**
21

22 **(A)** In all instances, applications must be written and in a form
23 which meets the requirements of OAC Section 785:50-5.
24

25 **(B)** All applications must have a verification form signed and notarized
26 by the applicant representative, and must have the signature of an attorney representing the
27 applicant.
28

29 **(3) Preliminary Review.** Upon receipt of the application by OWRB,
30 the submitted application shall be given preliminary review by OWRB staff for an initial
31 determination of project eligibility and for completeness and accuracy of all required and
32 necessary information. If OWRB staff finds an application to be materially incomplete or
33 inaccurate, staff shall notify the applicant by letter stating the deficiency. An applicant shall
34 file all documentation and information required by OWRB staff within thirty (30) days after the
35 date of the letter describing the deficiency, or the application shall be deemed denied;
36 provided, that nothing herein extends the deadline specified at Section 3(d).
37

38 **(4) Final review.** Subsequent to preliminary review and based upon the
39 determination of project eligibility and the adequacy of information submitted, the application
40 shall thereafter be reviewed by OWRB staff in accordance with this Exhibit 11 for
41 recommendation to the Board.
42

43 **(5) Submittal to Board.** Upon completion of OWRB staff review, the
44 submitted application (with staff recommendations, if any) shall be placed upon the Board's
45 agenda at the meeting set to consider applications from the Water Preservation Infrastructure
46 Funds. All applicants shall be provided the OWRB staff recommendations relevant to their

1 respective application in advance of the Board meeting set to consider the staff
2 recommendations.

3
4 **(b) General Consideration.** In the review and consideration of applications for grants
5 under the Water Preservation Infrastructure grant program, the Board shall follow the point
6 system set forth this Exhibit 11. The Board also shall give consideration to the following
7 criteria for application funding and approval:
8

9 **(1) Compliance with Laws.** The application and proposed project must
10 be found to be in compliance with all applicable federal, state, and local laws and
11 regulations, and applicant must possess all necessary and incidental legal rights and privileges
12 necessary for project commencement and operation.
13

14 **(2) Eligibility.** The applicant must propose a project for public water
15 infrastructure which shall include but not be limited to projects relating to drinking water,
16 irrigation water supply, and wastewater projects.
17

18 **(3) Local Need, Support, and Priority.** The project must be found to be
19 needed in the area to be served and must be found to be sufficient, as proposed, to serve such
20 needs. The Board shall consider the project's relative needs in relation to the needs of other
21 proposed projects which have applied for funding in the current grant cycle and the extent of
22 local support, interest, and commitment in and to the proposed project.
23

24 **(4) Availability of other assistance.** The Board shall consider the
25 feasibility and availability of alternative sources of revenue which could be obtained and
26 utilized by applicant for project financing.
27

28 **(5) Economic Feasibility.** The Board shall consider the overall economic
29 viability and feasibility of the project as a whole.
30

31 **(6) Project Feasibility.** The Board shall consider, based on the engineering
32 data submitted and otherwise available whether the proposed project appears to be feasible and
33 must determine as a prerequisite to application approval and funding that the project is cost
34 effective.
35

36 **(7) Water Preservation Infrastructure Fund Grant Amount;**
37 **Availability of Funds.** In sizing a Water Preservation Infrastructure grant, the Board
38 shall take into consideration the availability of Water Preservation Infrastructure funds in the
39 current grant cycle. Grants to projects in the Settlement Area shall not receive more than 75% of
40 the available grant funding in any one grant cycle; provided, that in the event that no eligible
41 applications are received for projects in areas outside of the Settlement Area within the relevant
42 grant cycle, this restriction shall not apply.
43
44

1 **(c) Board Action.**

2
3 **(1)** After reviewing and considering the submitted application in
4 conformance with this Section, the Board may:

5
6 **(A)** Approve and fund the application as submitted, in whole or in part,
7 and thereby authorize such further action as may be necessary to effectuate the disbursement of
8 funds.

9
10 **(B)** Deny the application, in whole or in part, based upon any
11 criteria of this Section which may be applicable.

12
13 **(C)** Approve and fund the application, in whole or in part, such
14 approval being conditioned and contingent upon the existence of adequate and available grant
15 funds or conditioned and contingent upon receipt and approval by Board staff of any outstanding
16 and necessary material, information, documents, verifications, or other authorization.

17
18 **(2)** Upon approval of an application, the Board may authorize the
19 execution of all necessary grant documents and instruments by the Chairman of the Board, or
20 other designated Board member, and may accordingly authorize and provide for disbursements
21 and may authorize such further or additional action as may be necessary to complete and
22 implement the approved transaction.

23
24 **(3)** The OWRB shall issue written notice to the applicant of the Board's final
25 action.

26
27 **(d) Deadline for Applications; Eligible Project Costs**

28
29 **(1)** To be considered for and receive funding from funds available for Water
30 Preservation Infrastructure grants in any given grant cycle, an application must be completed
31 in accord with this Exhibit 11 and on any prescribed application form. Completed applications
32 must be filed and received by the Board on or before 5:00 p.m. the first business day of
33 September of that grant cycle. Any application not properly completed and filed shall not be
34 considered for or funded from funds that may become available during that grant cycle. Each
35 grant cycle shall end on the final business day of August.

36
37 **(2)** A Water Preservation Infrastructure grant application submitted for
38 consideration in a prior grant cycle that was not approved for funding out of funds made
39 available in that prior grant cycle shall expire and be deemed denied.

40
41 **(3)** For purposes of evaluating, approving, and funding an application
42 for a Water Preservation Infrastructure grant, categories of project costs which are eligible for
43 assistance shall, in addition to those project costs described in OAC Section 785:50-3-1 in effect
44 on the Execution Date, include:

1 (A) Architecture and/or engineering fees related to the project;
2 provided, that in order for these costs to be eligible for award, applicants shall provide
3 documentation that all construction funding is available. If construction funding is not available
4 the request for these costs will be placed in a “pending” status until such time as the construction
5 funding is available. If, however, an Engineering Report is a requirement of an enforcement
6 order issued by a governmental agency with environmental jurisdiction, an applicant under such
7 enforcement order may be awarded a grant to cover the engineering costs without construction
8 funding being available.

9
10 (B) Fees for soil testing.

11
12 (C) Fees for surveying.

13
14 (D) Payments to contractor(s) for construction of the improvements.

15
16 (E) Legal fees and expenses of counsel for the applicant which are
17 related to the project.

18
19 (F) Services of full-time or part-time inspector.

20
21 (G) Administrative expenses shall not be eligible project costs.

22
23 (e) **Disbursement of Funds.**

24
25 (1) **Action Following Board Approval and Prior to Disbursement of**
26 **Funding.**

27
28 (A) **Notification of Approval.** Upon approval of an application, the
29 Board shall furnish to the applicant a written notice of grant approval. The notice shall
30 advise the applicant that the grant application has been formally and officially approved by the
31 Board and that the grant funds approved shall be made available to the applicant by the Board
32 for such purposes and upon such other terms and conditions as the Board may require.

33
34 (B) **Bid Filing.** Within ninety (90) days following the date of the
35 written notice of approval, the applicant shall file with the Board a bid for work necessary to
36 initiate work necessary for the proposed project. Where determined necessary and
37 appropriate, the Board or its staff may permit additional time to file such a bid; provided, that
38 notwithstanding any approval of additional time, if such a bid is not filed within one (1) year
39 following the date of Board approval of the application, then the Board's approval shall expire
40 and no funds shall be released; provided further, that if an acceptable bid for completion has not
41 been filed due to circumstances that lay outside the applicant’s control, the applicant may
42 request, and the Board may approve or deny, a one-time extension of time not to exceed six
43 (6) months to file an acceptable bid; provided finally, that in the event of such expiration the
44 applicant may file a new application which shall be subject to due consideration on its own
45 merits.

1 (C) **Additional Conditions Prior to Disbursement of Grant Funds.**

2
3 (I) Applicant shall establish, in such manner as is acceptable
4 to the Board or staff, a special and separate federally insured account in and through which the
5 grant proceeds shall be administered and accounted for by the applicant.
6

7 (II) Unless otherwise provided and approved by the Board,
8 the applicant shall submit to the Board all plans, specifications and engineering reports for
9 the project for staff approval, all of which shall be complete and in sufficient detail as would be
10 required for submission of the project to a contractor for bidding or contracting the project.
11 If not previously provided, applicant shall provide Board with a written and verified statement
12 setting forth:

13
14 i. the amount of funds necessary for release and
15 disbursement at closing, which funds are needed for initial commencement of the project; and
16

17 ii. information reflecting the reasonable availability of
18 and/or a commitment from all other revenue or funding sources needed to finance and complete
19 the project.
20

21 (III) The applicant, the Board, and all other necessary parties,
22 shall have executed all necessary and incidental instruments and documents, including but
23 not limited to a grant agreement.
24

25 (2) **Board Action on Request for Increase in Approved Amount.** If prior
26 to disbursement of the grant monies to the applicant, the project bids exceed the engineer's
27 estimates or it otherwise develops that the Water Preservation Infrastructure grant amount
28 approved by the Board, when combined with any other sources of funding, will be insufficient
29 to complete the approved project, then the applicant may file a written request:
30

31 (A) to amend the scope of the approved project in a manner
32 consistent with Section 3(e)(3); or
33

34 (B) decline funding and withdraw its application for the current grant
35 cycle and request that the Board reconsider the application with an increased Water
36 Preservation Infrastructure grant amount during the following grant cycle. The request for
37 an increased Water Preservation Infrastructure grant amount shall be treated as a new
38 application on its own merits; provided, the original application shall not be counted for
39 purposes of the previous grant assistance portion of the priority point determination.
40

41 (3) **Board Action on Request for Change in Scope of Approved Project.**
42 If prior to disbursement of the grant monies to the applicant, the applicant wishes to change
43 the scope of the project from that approved by the Board, then the applicant may file a written
44 request for approval of such a change. If Board staff determines that the change is reasonably
45 and in all material aspects within the scope of the project description approved by the Board,
46 then the staff shall be authorized to approve such requested change. If Board staff

1 determines that the change is not in all material respects within the scope of the project
2 description approved by the Board, then such a request shall be presented to the Board for
3 action; provided, that the Board shall not approve a change in scope of project if the change,
4 if considered as part of the original application, would have resulted in a lower priority point
5 determination on the application.
6

7 **(4) Disbursement of funding to applicant; action following disbursement.**
8

9 **(A) Disbursement Contingent on Completion of Conditions; Reduction from Approved Amount.** At the time and upon compliance by the applicant with
10 the applicable requirements in Section 3(e)(1), the Board may disburse the approved amount of
11 grant funds to the applicant for the approved project.
12
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14 **(B) Disbursement in Whole or in Part; Timing.** As the Board
15 may direct, grant funds may be disbursed to the applicant in installments or in lump sum and/or
16 prior to, during, or upon completion of the project. Such disbursements shall rest with the
17 Board's assessment of what is appropriate under the project circumstances presented.
18

19 **(C) Post-Disbursement Requests for Increases in Funding Amount.** If after disbursement of the grant monies to the applicant it develops that the applicant
20 needs more money for the project than the Water Preservation Infrastructure grant
21 amount disbursed by the Board, then any request for additional Water Preservation
22 Infrastructure grant money shall follow the rules in this Exhibit 11 governing, and shall be
23 treated as, a new application on its own merits.
24
25

26 **(D) Post-disbursement requests for changes in scope of approved project.** If after disbursement of the grant monies to the applicant it develops that the
27 applicant wishes to change the scope of the project from that approved by the Board, then the
28 applicant may file a written request for approval of such a change. If the applicant successfully
29 demonstrates reasonably unforeseeable or extraordinary circumstances that in the Board's
30 judgment and sound discretion represent a better utilization of Water Preservation
31 Infrastructure grant funds by the applicant to serve the public interest and welfare, then the
32 Board shall approve the change in project scope. If the applicant does not make such a
33 demonstration, then the Board shall deny the request and the applicant shall either proceed
34 with the project as approved or abandon the project and return the grant monies to the Board
35 within thirty (30) days after the date of the Board's action.
36
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38 **(5) Post-Disbursement Action Regarding Unexpended Funding.** If
39 following completion of the project it develops that the applicant needed less money for the
40 project than disbursed by the Board, the applicant shall return the unexpended amount to the
41 Board.
42

43 **(6) Additional requirements.** The Board may impose additional reasonable
44 and necessary conditions or requirements for the disbursement to the applicant or expenditure
45 by the applicant of Water Preservation Infrastructure grant funds, all as may be deemed
46 appropriate by the Board.

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4. OWRB Administrative Fee. To offset the administrative costs of processing and administering the Water Preservation Infrastructure Fund, each year the OWRB shall be authorized to draw one-half of one percent (0.5%) of the amount of funds awarded from the Water Preservation Infrastructure Fund in that grant cycle.

5. Amendments. The evaluative factors and process of this Exhibit 11 (but not the preferences afforded Settlement Area projects) may, from time to time, need to be adjusted to address changed economic or other unforeseen circumstances to ensure the fair and efficient evaluation, processing, and administration of grant applications and grants. In the event OWRB staff determines that such adjustments are warranted, the OWRB shall notify the Nations and provide copies of any proposed amendments. In the event the Nations agree that the proposed amendments are appropriate to further the fair and efficient evaluation, processing, and administration of grant applications and grants, the OWRB may implement the agreed upon amendment. In no event may the provisions of Section 5.3.3.5 of the Settlement Agreement or the preferences of Section 1(c) and 2(b)(1) of this Exhibit 11 be changed.