

**OKLAHOMA WATER RESOURCES BOARD
OFFICIAL MINUTES**

February 14, 2006

1. Call to Order

The regular monthly meeting of the Oklahoma Water Resources Board was called to order by Chairman Rudy Herrmann at 9:30 a.m., on February 14, 2006, in the Board Room of the Oklahoma Water Resources Board offices, 3800 N. Classen Boulevard, Oklahoma City, Oklahoma.

The meeting was conducted pursuant to the Oklahoma Open Meeting Law with due and proper notice provided pursuant to Sections 303 and 311 thereof. The agenda was posted on February 7, 2006, at 5:30 p.m. at the Oklahoma Water Resources Board's offices.

A. Invocation

Mr. Currie provided the invocation.

B. Roll Call

Board Members Present

Rudy Herrmann, Chairman
Mark Nichols, Vice Chairman
Bill Secrest, Secretary
Harry Currie
Lonnie Farmer
Ed Fite
Jack Keeley
Kenneth Knowles
Richard Sevenoaks

Board Members Absent

None

Staff Members Present

Duane A. Smith, Executive Director
Mike Melton, Assistant to the Director
Dean Couch, General Counsel
Joe Freeman, Financial Assistance Division
Jim Schuelein, Chief, Administrative Services Division
Mike Mathis, Chief, Planning and Management Division
Derek Smithee, Water Quality Programs Division
Mary Lane Schooley, Executive Secretary

Others Present

Susanne Bain, Save Our Water Lake Eufaula, Stigler, OK
Karen Weldin, Save Our Water Lake Eufaula, Stigler, OK
Ron Cooke, Save Our Water Lake Eufaula, Oklahoma City, OK
Robert Shelton, City of Tulsa, Tulsa, OK
Cheryl Dorrance, OK Municipal League and OK Municipal Utility Providers,
Oklahoma City, OK
Anne Burger, First Southwest, San Antonio, TX
Keith McDonald, Wells Nelson, Oklahoma City, OK
Marilyn Baldwin, City of Tulsa, TMUA, Tulsa, OK
Nate Ellis, Fagin Firm, Oklahoma City, OK
Trevor Hammons, Office of the Attorney General, Oklahoma City, OK
D.C. Anderson, Broken Arrow, OK
Jim Barnett, KIRA, Oklahoma City, OK
Tom Liu, UBS, New York, NY
Chris Gander, BOKE, Oklahoma City, OK
Marla Peek, OK Farm Bureau, Oklahoma City, OK
Angie Burckhalter, OIPA, Oklahoma City, OK
Floy Park Hill, CPASA, Tishomingo, OK
Dan Galloway, City of Stillwater, OK
Mark Johanntabers, Kiowa Tribe, Carnegie, OK
Alan Riffel, City of Woodward, OK
Jeff Dewey, DF&D, Cimarron, KS
Steve Dewey, DF&D, Cimarron, KS
Janell Fugitt, DF&D, Cimarron, KS
Shawn Leopard, Oklahoma Cotton Council, Edmond, OK
Andover Tarhule, University of Oklahoma, Norman, OK
Mike Langston, OK Water Resources Research Institute, Stillwater, OK
Will Focht, OK Water Resources Research Institute, Stillwater, OK
Barbara Bailey, BOK, Oklahoma City, OK
Todd Halihan, Oklahoma State University, Stillwater, OK
Ricky Pearce, Ryan Whaley & Coldiron, Oklahoma City, OK

C. APPROVAL OF MINUTES

Chairman Herrmann stated the draft minutes of the January 10, 2006, Regular Meeting have been distributed. He said he would entertain a motion to approve the minutes unless there were changes.

There were no amendments to the minutes as proposed, and Mr. Nichols moved to approve the minutes of the January 10, 2006, Regular Meeting, and Mr. Fite seconded.

AYE: Currie, Farmer, Fite, Keeley, Knowles, Nichols, Secrest, Sevenoaks, Herrmann

NAY: None

ABSTAIN: None

ABSENT: None

D. EXECUTIVE DIRECTOR'S REPORT

Mr. Duane A. Smith, Executive Director, began his report announcing that the 2006 Legislative Session had begun on February 6, and he asked Mr. Mike Melton to present the Legislative Report updating the members on introduced legislation that would impact the OWRB, Office of the Secretary of Environment, other environmental agencies, and employee measures, and measures that carried over from the 2005 session. Mr. Smith concluded this part of the report stating the tracking list will be pared down once the first deadline is past.

Mr. Smith commented on Governor Henry's "State of the State" address and in his proposed budget is \$25 million for the OWRB for capitalization grant and bond issue for water projects funding; historically, it has been difficult to pass the bond issue, so other avenues of funding are being explored such as Senator Corn's bill to divide the gross production tax revenue between the OWRB and the Conservation Commission; and Representative Winchester also has bill that will have language from the House leadership supporting that funding. The Governor also proposed \$2.25 million to the OWRB this year as part of the \$6.5 million over three years for the water plan, and then \$1.5 million for the Arbuckle-Simpson study. These are the three main items put forward and all three are represented in the Governor's budget, and Mr. Smith credited the Governor and his staff and Secretary Miles Tolbert, for the opportunity.

Mr. Smith said the Senate Democrats released their platform for a "Safer Oklahoma" including issues such as Department of Corrections funding, etc., and Senator Morgan also mentioned support of \$25 million for the Statewide Water Development Revolving Fund, \$2.2 million for the Comprehensive Water Plan, and \$2.5 million for the Arbuckle-Simpson Study. He said he has spent a lot of time over the summer visiting with leadership in the House and Senate and the Governor's office and that funding is in a good position as the session begins. He added that several organizations such as the Municipal League and Rural Water Association have issued resolutions from their member communities supporting the water plan and the financial assistance program.

As an update on the Arbuckle-Simpson study, Mr. Smith stated the study committee is making good progress and is on schedule and a new group, chaired by OWRB Water Quality Division Chief Derek Smithee, is looking at what impacts to the surface water could be tolerated....in other words, the statute says the springs in the Arbuckle-Simpson aquifer cannot be degraded so the committee is looking at what level those streams become impaired; that information will then go to the modelers on the groundwater and tie together the surface water and groundwater and surface water impacts. He mentioned the pollution complaint involving the mining operation that a task force comprised of agency representatives had been created to look into the complaint, and a report is completed. He cautioned the Board members that he would keep them advised, but would not be able to provide evidence to them outside the hearing process.

Mr. Smith mentioned he would be speaking to the Oklahoma Association of Conservation Districts about the support for funding financial assistance for non-point source activities in Oklahoma. He announced the Canadian River Compact will meet in Sanford, Texas, on March 7, and he closed his comments informing the members that a book about Mr. Robert S. Kerr, Jr., had been published and is available.

2. FINANCIAL ASSISTANCE DIVISION

A. Consideration of and Possible Action on a Proposed Order Approving Loan for Tulsa Metropolitan Utility Authority, Tulsa County. Recommended for Approval. Mr. Joe Freeman, Chief, Financial Assistance Division, stated to the members that this item is for the consideration of an \$835,000.00 loan request from the Tulsa Metropolitan Utility Authority. He said Tulsa is requesting the loan to lay a 16"-18" sewer line along Highway 169 between East 36th Street North and East 46th Street North. He said the loan would be funded through the Board's series 2003A State Loan Program Revenue Bonds; he noted provisions of the loan agreement. He said that Tulsa's water and sewer connections have increased by 12% since 1988, and the debt coverage ratio stands at approximately 1.44-times. It is estimated Tulsa will save approximately \$81,000.00 by borrowing from the Board on this loan. Staff recommended approval of the loan request.

Ms. Tammy Fitz, treasury analyst; Marilyn Baldwin, financial services manager; and Bob Shelton, engineering project manager, were present in support of the loan application.

Mr. Secrest moved to approve the loan to the Tulsa Municipal Utility Authority, and Mr. Farmer seconded.

AYE: Currie, Farmer, Fite, Keeley, Knowles, Nichols, Secrest, Herrmann
NAY: None
ABSTAIN: Sevenoaks
ABSENT: None

B. Consideration of and Possible Action on a Proposed Order Approving Loan for Tulsa Metropolitan Utility Authority, Tulsa County. Recommended for Approval. Mr. Freeman said this item is for the consideration of a \$3,130,000.00 Clean Water State Revolving Fund Construction Loan application from Tulsa. The loan is requested to replace a boiler and structural repairs outside the Southside Wastewater Treatment Plant, 92 sewer interceptors, expanding the Lower Bird Creek Wastewater Treatment Plant, and citywide treatment plant improvements. Mr. Freeman noted provisions of the loan agreement. It is estimated that Tulsa will save approximately \$850,000.00 by utilizing the SRF loan program. Staff recommended approval of the loan application request.

Ms. Tammy Fitz, treasury analyst; Marilyn Baldwin, financial services manager; and Bob Shelton, engineering project manager, were present in support of the loan application.

Mr. Nichols moved to approve the loan to the Tulsa Metropolitan Utility Authority, and Mr. Knowles seconded.

AYE: Currie, Farmer, Fite, Keeley, Knowles, Nichols, Secrest, Herrmann
NAY: None
ABSTAIN: Sevenoaks*
ABSENT: None

*Mr. Sevenoaks commented that when Tulsa finishes this last set of projects, it will request the Department of Environmental Quality to release the City from consent orders and administrative orders that have been on the record with Tulsa for the past twenty years. The City has completed over \$500 million dollars worth of projects to come into total compliance with the DEQ/EPA regulations. He said that Tulsa is one of the few communities that are ahead of the curve in regard to building a wastewater system.

C. Consideration of and Possible Action on a Proposed Order Approving Loan for Owasso Public Works Authority, Tulsa County. Recommended for Approval. Mr. Freeman said this item is the consideration of a \$4,853,250.00 Drinking Water State Revolving Fund loan request from

the Owasso Public Works Authority. He said the Authority is requesting the loan to install two miles of 30" waterline along East 106th Street North from Mingo to Sheridan; install one mile of 12" waterline along East 106th Street North from Mingo to Memorial, construct a booster pump station, and replace 700 feet of 20" water line. Mr. Freeman noted provisions of the loan agreement, and said Owasso has been an excellent loan customer of the Board's since the early 1990s; currently having 9 other loans outstanding with the Board, and with this loan will have borrowed through all three of the Board's loan programs. Over the last ten years, Owasso's water connections have increased by 67%, and the sewer connections by 92%. Since 1980, Owasso's population has increased by over 200% to a population of about 26,000 residents. Owasso's debt-coverage ratio stands at a very strong 5.8-times, and it is estimated Owasso will save approximately \$990,000.00 in interest expense by borrowing from the Board. Staff recommended approval of the loan request.

Mr. Rodney Ray, City Manager; Anna Staff, public works director; and Keith McDonald, financial advisor, were present in support of the loan application. Additionally, Mr. Ray expressed his appreciation for OWRB staff and their attention to expediting the application. He said Owasso has saved hundreds or thousands of dollars, and perhaps even millions in interest costs, over the last ten years by financing projects through the OWRB. He said he believed nothing is more critical to Owasso, and every city in the state, than the recapitalization of the state financing programs.

Mr. Secrest moved to approve the loan to the Owasso Public Work Authority, and Mr. Keeley seconded.

AYE: Currie, Farmer, Fite, Keeley, Knowles, Nichols, Secrest, Sevenoaks, Herrmann
NAY: None
ABSTAIN: None
ABSENT: None

Ms. Smith added that Mr. Ray serves as the Chairman of the Oklahoma Municipal Utilities Trust, and he asked Mr. Ray to make a few comments. Mr. Ray said he believed it was time for the cities to get on board and be supportive of those projects and programs that will have a long-term impact for Oklahoma, particularly the recapitalization of the funding programs, but also are strong supporters of the development of the Comprehensive Water Plan. He said it is time for Oklahoma to join the ranks of those states with whom we compete, and it is time for the cities, politicians, and rural water districts to get behind the plan. He said the Oklahoma Municipal League's number one priority in water issues is for (1) support of a funding source for a comprehensive water plan, and (2) the recapitalization of these funding sources. He said the OML is working very hard with local legislators and with the leadership to assist the Board in getting the support it needs so that Oklahoma is not "out flanked" by sister surrounding states. He complimented the relationship between the Board and the OML and the efforts to work toward mutual partnership goals. He said the OML is supportive of a funding source for the plan that doesn't place a financial burden on the backs of the cities, and he appreciated Mr. Smith's efforts to assure the OML he is working hard to do just that.

Mr. Smith recognized Cheryl Dorrance with OML, as well as city managers Dan Galloway of Stillwater and Alan Riffel of Woodward.

D. Report by Board Audit Committee and Report of and Possible Action on Audits of Oklahoma Water Resources Board State Loan Program Revenue Bonds and Clean Water State Revolving Fund Program (CWSRF) Financial Statements as of June 30, 2005 and 2004, Audits of the CWSRF Administrative Fund and the Drinking Water Treatment Loan Administrative Fund as of June 30, 2005 and 2004. Mr. Freeman stated this item is a report as a result of the

Board's annual Audit and Compliance Committee held in February. He recognized the members of the Board who serve on the committee: Mr. Farmer, chairman, and Mr. Keeley, Mr. Sevenoaks and Mr. Knowles. He said the committee reviewed the following items: annual financial audits of the Board's loan program as well as EPA's annual evaluation of the Board's operation of the loan programs; reports filed on rating agencies, standby bond purchase bank and the national repository; the loan status report; the loan performance status report; the policies regarding and balances of debt service reserve; the Board's policy of use of state purchasing cards; policy of the use of state-owned vehicles; and the Board's emergency preparedness policy. Representatives of the Board auditors, John M. Arledge and Associates, reviewed the annual financial audit of the Board's loan program with the Committee.

Mr. Freeman stated the Committee requested Mr. Kelly Swartz of the Arledge firm briefly review the audit results with the Board today. Mr. Swartz addressed the members and distributed a written report of the audit review of the Board's loan program policies and operations. He said he met with the Committee and discussed the results of the audit for the year ending June 30, 2005. He reviewed the result of the audit review with the members as it related to the bond issue audits, the Clean Water SRF program, and the administrative fund audits that go along with the Clean Water and Drinking Water program. Individual reports are issued for each of the components of the reports: audit results summary page, changes in reporting requirements, bond issue audits, and financial statement on each issue. He reviewed the synopsis of the total dollars and results for each of the audits. Mr. Swartz stated that each audit received an unqualified opinion and there were no violations reported on internal control issues.

There were no other comments by Board members, and no formal vote by the Board to accept the report was required. However, Mr. Smith complimented the members of the Audit and Compliance Committee for their work; he said the committee was suggested by Mr. Farmer years ago and has been good for the Board; he said the Audit Committee also looks at other programs in the agency, and not just the financial assistance programs. Chairman Herrmann added his thanks as well.

E. Consideration of and Possible Action on a Resolution Selecting a Liquidity Facility in Connection with Obligations Relating to the Board's State Loan Program. Recommended for Approval. Mr. Freeman stated this item is for the selection of a standby bond purchase provider for the series 2001 variable rate bond issue. He said bids were requested of 27 firms, and bids were received from seven banks. The standby provider provides liquidity for the issue while the bonds are in a variable rate mode; once any of the bonds are converted to a fixed rate or paid off, the facility is reduced and the Board's expenses are reduced. Mr. Freeman said the Board received five bids for a one-year commitment; all the banks bid a three-year commitment, six bids on a five-year commitment, and four bids on a seven-year commitment. Staff reviewed the bids with the Board's Finance Committee, composed of Mr. Herrmann, Mr. Secrest, Mr. Farmer, and Mr. Nichols. Mr. Freeman asked Mr. Secrest for the Committee recommendation.

Mr. Secrest stated the Committee recommended, and he so moved, that the Board select State Street Bank and Trust Company to serve as alternate liquid credit facility provider to the Board for the series of 2001 State Loan Program Revenue Bonds. Mr. Farmer seconded the motion.

AYE: Currie, Farmer, Fite, Keeley, Knowles, Nichols, Secrest, Sevenoaks, Herrmann

NAY: None

ABSTAIN: None

ABSENT: None

F. Consideration of and Possible Action on Selection of Bond Counsel in Connection with the Issuance of Obligations to Provide Funding for the State Loan Program; and

G. Consideration of and Possible Action on Selection of Bond Counsel in Connection with the Issuance of Obligations to Provide Funding for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund Loan Programs.

Mr. Freeman stated these items 2.F. and 2.G. are for the selection of bond counsel for the upcoming state loan program revenue bond issue and for the Clean Water and Drinking Water State Revolving Fund Bond Issue. Mr. Freeman said the Board requested bids from 10 bond counsel firms, and received responses from the Floyd Law Firm in Norman, and Fagin Brown Bush Tinney and Kiser of Oklahoma City. The state loan program proposals were reviewed by Jacob Bachelor and Mr. Freeman, and proposals for SRF bond counsel review by Mr. Bachelor, Mr. Freeman and the Board's financial advisors from First Southwest Company. The proposals were then reviewed with the Financial Committee. Mr. Freeman asked Mr. Secrest for the Committee recommendation.

Mr. Secrest stated that on behalf of the Finance Committee with respect to agenda items 2.F. and 2.G., the Committee recommends, and he so moved, that the Board select the law firm of Fagin Brown Bush Tinney & Kiser to serve as bond counsel to the Board for the proposed 2006 State Loan Program Debt Issuance and also the proposed 2006 State Revolving Fund Debt Issuance. Mr. Nichols seconded the motion.

Mr. Sevenoaks asked how long the Fagin Firm had served as the Board's bond counsel. Mr. Kiser responded the firm had served the Board for twenty years.

Chairman Herrmann called for the vote.

AYE: Currie, Farmer, Fite, Keeley, Knowles, Nichols, Secrest, Sevenoaks, Herrmann

NAY: None

ABSTAIN: None

ABSENT: None

H. Consideration of and Possible Action on Selection of Investment Banker(s) in Connection with the Issuance of Obligations to Provide Funding for the State Loan Program.

Mr. Freeman explained to the members that this item is for the selection of investment bankers for the Board upcoming State Loan Program Bond Issue, also known as FAP. He said it is anticipated the Board will be issuing possibly two fixed-rate issues in the range of \$70 million dollars, and at least one variable rate issue in the range of \$50 million over the next several months. Staff requested proposals from 23 firms, and received proposals from AG Edwards, Morgan Stanley, Bank of America, Capitol West, Bank of Oklahoma Securities (BOSC), and JP Morgan. Proposals were reviewed based on underwriting experience, experience of assigned personnel, quality of the proposed financing plan, marketing capabilities and fees.

The Board's Finance Committee reviewed the results and met with the finalists. Mr. Freeman asked Mr. Secrest for the Committee's recommendation.

Mr. Secrest stated in the matter of the selection of investment bankers to the Board for the proposed series 2006 State Loan Program Revenue Bond Debt Issuances, the Finance Committee recommends, and he so moved, the Board select the firm of Capitol West Securities, Inc., to serve as Senior Management Investment Banker to the Board, and BOSC, Inc., to serve as co-managing investment banker to the Board. Mr. Keeley seconded.

Mr. Sevenoaks asked if this was the first proposal submitted by Bank of Oklahoma; Mr. Freeman said that it is not, that in the past their proposals were submitted under the name of Oppenheim, a division of BOSC.

AYE: Currie, Farmer, Fite, Keeley, Knowles, Nichols, Secret, Sevenoaks, Herrmann
NAY: None
ABSTAIN: None
ABSENT: None

I. Consideration of and Possible Action on Selection of Investment Banker(s) in Connection with the Issuance of Obligations to Provide Funding for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund Loan Programs. Mr. Freeman explained this item is for the selection of investment banker in conjunction with the Board's Clean Water and Drinking Water SRF loan programs. He said he anticipated the issue would be around \$200 million. He said the request for proposals were provided to 23 firms, and he received eight responses. The proposals for senior manager were received from JP Morgan, Morgan Stanley, UBS Investments, BOSC, Bank of America, and AG Edwards. Two proposals were also received for co-managers, Capitol West Securities and Wells Nelson and Associates. Mr. Bachelor, Mr. Freeman and the Board's financial advisors from First Southwest, reviewed the proposals based upon relevant experience, marketing, distribution capabilities, quality of the proposed financing plan, and fees. The Board's Finance Committee heard presentations by JP Morgan, UBS Investment Bank, and Morgan Stanley. Mr. Secret presented the Committee's recommendation.

Mr. Secret stated in the matter of selecting investment banker for the proposed series 2006 Revolving Fund Revenue Bonds Debt Issuance, the Finance Committee recommends and he so moved the Board select the firm UBS Investment Bank to serve as Senior Management Investment Banker to the Board, and also that the Board select the firms Capitol West Inc., Wells Nelson and Associates and BOSC to serve as co-managing investment bankers to the Board. Mr. Farmer seconded the motion.

AYE: Currie, Farmer, Fite, Keeley, Knowles, Nichols, Secret, Sevenoaks, Herrmann
NAY: None
ABSTAIN: None
ABSENT: None

3. SUMMARY DISPOSITION AGENDA

Chairman Herrmann stated that any item listed under this Summary Disposition Agenda may, at the request of any member of the Board, the Board's staff, or any other person attending this meeting, be transferred to the Special Consideration Agenda. Under the Special Consideration Agenda, separate discussion and vote or other action may be taken on any items already listed under that agenda or items transferred to that agenda from this Summary Disposition Agenda.

A. Requests to Transfer Items from Summary Disposition Agenda to the Special Consideration Agenda, and Action on Whether to Transfer Such Items.

There were no requests to transfer items to the Special Consideration Agenda.

B. Discussion, Questions, and Responses Pertaining to Any Items Remaining on Summary Disposition Agenda and Action on Items and Approval of Items 3.C. through 3.O.

Mr. Smithee asked that item 3.D.2., agreement with the Corps of Engineers for Stream Monitoring be withdrawn as the contract details are still under discussion.

There being no further discussion, Mr. Farmer moved to approve the Summary Disposition Agenda as amended, and Mr. Secret seconded.

Chairman Herrmann directed the members' attention to item 3.C. regarding proposed use of the Statewide Water Development Revolving Fund, including the \$1 million request for the annual payment for storage costs at Sardis Lake; he encouraged their reading of the document.

AYE: Currie, Farmer, Fite, Keeley, Knowles, Nichols, Secret, Sevenoaks, Herrmann
NAY: None
ABSTAIN: None
ABSENT: None

The following items were approved:

- C. Consideration of and Possible Action on FY 2007 Proposal for Use of the Statewide Water Development Revolving Fund. Recommended for Approval.
- D. Consideration and Possible Action on Contracts and Agreements. Recommended for Approval.
 - 1. Intergovernmental Subagreement with Oklahoma State University Department of Plant and Soil Sciences for Work in Support of Arbuckle-Simpson Aquifer Hydrologic Study.
 - 2. *Memorandum of Agreement with U.S. Army Corps Of Engineers for Stream Monitoring in Red River Basin, Oklahoma. Item withdrawn*
 - 3. Letter Agreement between Tulsa District, U.S. Army Corps Of Engineers and Tulsa County, Oklahoma, for the Arkansas River Corridor Ecosystem Restoration and Floodplain Management Study (OWRB to provide attestation only in support of the Letter Agreement, with no monetary obligations for OWRB).
- E. Applications for Temporary Permits to Use Groundwater:
 - 1. City of Ponca City, Kay County, #2004-582
 - 2. Jerry Ray Harvey, J. Todd Harvey & G. Scott Harvey, Caddo County #2005-511
 - 3. Roy L. Jr. & Pansy C. Tinney, Greer County, #2005-566
 - 4. *Patricia Blubaugh, Kay County, #2005-567 Item withdrawn*
 - 5. *Betty M. Edgley, Kay County, #2005-571 Item withdrawn*
 - 4. Cherylynne Lindsey, Kay County, #2005-576
- F. Applications to Amend Temporary Permits to Use Groundwater:
None
- G. Applications for Regular Permits to Use Groundwater:
 - 1. Mark Carter, Canadian County, #2005-549
 - 2. Harper County Farms, Inc., Harper County, #2005-575
- H. Applications to Amend Regular Permits to Use Groundwater:
None

- I. Applications to Amend Prior Rights to Use Groundwater:
 - 1. Hitch Enterprises, Inc., Texas County, #1953-578

- J. Applications for Regular Permits to Use Stream Water:
 - 1. James Buchanan, III, Muskogee County, #2005-028

- K. Applications to Amend Regular Permits to Use Stream Water:
 - None

- L. Well Driller and Pump Installer Licensing:
 - 1. New Licenses, Accompanying Operator Certificates and Activities:
 - a. Licensee: Redman Drilling, Inc. DPC-0702
Operator: Joseph Lee Redman OP-1337
Activities: Groundwater wells, test holes and observation wells
Monitoring wells and geotechnical borings.
Heat exchange wells
 - b. Licensee: Surbec Environmental DPC-0704
Operator: Terry M. Tate OP-1470
Activities: Monitoring wells and geotechnical borings.
 - c. Licensee: Kenner Water Well Drilling DPC-0706
Operator: Lynn Kenner OP-1471
Activities: Groundwater wells, test holes and observation wells
Pump installation
 - d. Licensee: Aqua Well Drilling DPC-0708
Operator: Beau B. Baker OP-1473
Activities: Groundwater wells, test holes and observation wells
Pump installation
 - 2. New Operators and/or Activities for Existing Licenses:
 - a. Licensee: Associated Environmental Industries Corp. DPC-0269
Operator: Jeffrey M. Brammer OP-1469
Activities: Groundwater wells, test holes and observation wells
Monitoring wells and geotechnical borings
 - b. Licensee: Dennis W. Austin DPC-0589
Operator: Geoffrey Thomas OP-1472
Activities: Pump installation

- M. Dam and Reservoir Plans and Specifications:
 - 1. TXI Operations, L.P., Johnston County, DS-06-01

- N. Permit Applications for Proposed Development on State Owned or Operated Property within Floodplain Areas:
 - 1. Oklahoma Department of Transportation, Tulsa County, FP-05-12

- O. Applications for Accreditation of Floodplain Administrators:
 - Names of floodplain administrators to be accredited and their associated communities are individually set out in the February 14, 2006 packet of Board materials

4. QUESTIONS AND DISCUSSION ABOUT AGENCY WORK AND OTHER ITEMS OF INTEREST.

Presentation of Draft Proposed New Permanent Rules and Amendments to Current Rules of the Board Scheduled for Consideration and Action at the March 14, 2006 Board meeting:

Chairman Herrmann emphasized this agenda item is for the reporting of proposed amendments and new rules to the Board's current rules, and no action would be taken at this meeting.

A. Background and Summary of Public Participation – Mr. Duane Smith stated to the members that Mr. Couch would distribute a packet of information regarding the public participation and comments in regard to the rules amendment process. He clarified that no action would be taken today, allowing thirty days for the Board's review before considering action at the March meeting. He said public participation is a key element in rulemaking – there is a process for the agency's rules and a process for the water quality standards, which is driven heavily by the EPA.

B. Proposed Amendments to Chapter 1 - Organization and Procedure of the OWRB

1. Summary of final draft proposed rules – Duane Smith spoke to the amendment to the definition of "complaint." The amendment is to make clear a complaint shall not include something that is in a protested permit application. He explained there are procedures the agency follows when someone files a complaint, but if the matter is in an application before a hearing examiner then that issue is not a complaint, it is a matter before the hearing examiner, it will still be resolved, the people will still have an opportunity to place evidence in the record. The Board will make a determination, but it is treated separately from a complaint.

2. Questions and Discussion by Board Members. Mr. Sevenoaks asked if the staff assisted the public in processing the complaint, for example referring them to the appropriate agency. Mr. Smith said one of the requirements of the complaint process is to follow up to the complainant in writing, if a complaint is referred to another agency, the person is notified of the referral, the contact, and the complaints hotline, as well as contacting the Secretary of Environment.

3. Comments by Public. There were no comments by the public.

C. Proposed Amendments to Chapter 4 - Rules of Practice and Hearings

1. Summary of final draft proposed rules – Mr. Dean Couch explained Chapter 4 deals with hearings and there are three stages in the process: completion of the application resulting in the publication of notice and in some instances certified mail notice which is given by the applicant wishing to move forward; those who receive or are informed of the notice and make protest; and, thereafter various proceedings the Board schedules a hearing. The rule proposals (chapter 4, page two) attempt to streamline the process and take advantage of technology available for instance the Internet and email, and clarification was needed for a protest that is received in bulk not to limit participation but to be informed about who wants to be formally involved and present evidence at a hearing, and those that simply want to voice concern, objection or comment to an application. He said the hearing examiner attempts to deal with most of these matters through issuance of an order or on an ad hoc basis.

2. Questions and Discussion by Board Members. Mr. Sevenoaks asked if the Attorney General had reviewed the proposals. He said the proposals deal with large mailing and responses, and he wondered if email notification both to the agency and from the agency--

was legal. Mr. Couch responded he had looked at both issues and that was a specific matter discussed in an informal meeting. Professor Drew Kershen emailed that he thoroughly reviewed and agreed with it and did not find a problem with fundamental legal issues about notice. The initial certified mailing required for notice of application to adjoining landowners is a requirement in the rules as well as the proposed findings to the Board are two places where certified mail notice is provided and the proposals do not change, unless the party waived and agreed that sending by email is acceptable. Mr. Sevenoaks asked if there were different sets of statutes that govern public notice; Mr. Couch stated there is the Administrative Procedures Act, the Board's rules, and general law, all of which were reviewed and analyzed by staff.

Mr. Sevenoaks said he advocated informing the public the hearing is a legal proceeding and would suggest hiring an attorney. Mr. Smith responded that the OWRB receives the vast majority of protests from an adjacent landowner, not from someone who hires lawyers. Mr. Sevenoaks was concerned that the public is unaware it is a legal proceeding when they appear, and Mr. Smith stated those people are interested in making comments, worried their well may go dry, and they don't have evidence to present. The hearings are a forum for people to come and talk about and learn about the law and the vast majority of protests are resolved in that context and do not come before the Board; probably only 5 percent come before the Board that have been protested. He said some people may feel they are overwhelmed and can't protest; however, they learn there are laws that govern and have a better understanding that just because they don't want a well next to them doesn't mean there won't be one located next to them. Mr. Smith stated he wanted to make sure that everyone has access to the procedures, and that everyone feels they can come to the Board and make a comment and be heard. He said the Board could go in the direction of making the process so the public would need a lawyer, but these proposals are to manage the very large protests that have been extremely difficult and extremely expensive. He hoped the proposals would modify the process somewhat but still keep the Board's "open door policy" in tact.

3. Comments by Public. There were no comments by the public.

D. Proposed Amendments to Chapter 5 - Fees

1. Summary of final draft proposed rules – Mr. Duane Smith said the agency had received more comment on this proposal than any other. The approach is that the agency has requested an appropriation from the Legislature, and he told them that if the appropriation is received, the Board will not pursue a fee increase. He said he has met personally with a number of entities; most of the farm groups felt the Board would take action today and he assured it would not. One of the comments, for example, was a comment by Hitch Enterprises that has 68 permits and said it would have to pay \$6,800 per year for permit administration, and staff agreed that probably is high for one individual, so the proposal was modified to include a limit of \$500, whether city, or individual. Mr. Smith said there are persons wanting to comment, so he would respond to their comments then.

2. Questions and Discussion by Board Members. The members responded to comments by staff and the public (see below).

3. Comments by Public. Ms. Marla Peek, Oklahoma Farm Bureau, commented to the members that the OFB comments are included in the packet, and it is opposed to the fee increase and are opposed to fee increases in general. However, the OFB feels this increase falls disproportionately on agriculture as 80% of the permits are agricultural use permits. She questioned whether the revised language would allow the fee to change every year depending upon what the legislature appropriates. Mr. Smith stated that was not intended. She said the OFB supports what the OWRB does, and supports the Board having adequate funding, but is opposed to a fee increase.

Mr. Jim Barnett, Environmental Federation of Oklahoma representing most of the major industries in Oklahoma, addressed the members and stated in regard to Chapter 4 proposals that he supported those changes that some of the hearings have become inherently unmanageable and need to be streamlined. Regarding the fee issue, he said he submitted comments at the informal meeting that he does not object to the fee issue as long as it is across the Board and everyone pays proportionately. He said the \$500 cap addresses their concerns, but he would also like to see the Board reinstate the rule pertaining to consolidation of groundwater permits. He explained the benefit of consolidating permits. He said he believes the Board needs the additional money, and of all the possibilities he is aware of what the Board could ask for, he supports what has been proposed.

Mr. Alan Riffel, City of Woodward and representing the Oklahoma Municipal Utilities Providers, addressed the members and stated in regard to the fee structure he was concerned about equitability, and thought the \$500 cap goes further than what was originally proposed. However, he said there is still a disproportionate share, i.e., if a community has one permit where the use is larger than another community that has several permits, and democratically he is opposed. He said he appreciates the fact that fees need to be raised, and asked that the Board tie the permits to the costs to all users who participate, and supports consolidating permits by source.

Mr. Dan Galloway, City of Stillwater and member of the OMUP Steering Committee of OML, said he would applaud the change to seek funding for the management of the permitting program of the OWRB through an appropriation or through a fee increase. He said he believed it incumbent upon all water users to support legislative appropriation for the program, and if that is not possible, all users to support the enforcement and management program. He said he thought the state has been experiencing a climatological "era" having ample water recharge of the groundwater and lakes. He hoped that the current drought is a blimp on the map, but there is reason to believe in some circles we may be entering a new era, such as that which Oklahoma experienced 80 years ago. If that is to be the case, Mr. Galloway said, the demands upon the water is far greater than 80 years ago, and it is imperative that the management and enforcement program of the OWRB not only be sustained but be given a higher level of intensity. He said it is a very essential counterpart of the statewide plan and regardless of whether you are a municipal user or a agriculture user, it is incumbent upon all of us to support this program to ensure protection of all uses in an equitable manner.

Mr. Keeley asked about the cost to process one permit, or in the case of an applicant having four permits would it cost four times the amount, and is the request for an agriculture permit significantly different than a steel mill or industry, for instance. Mr. Smith responded there are some permit applications that are more difficult than others, for example, the Arbuckle-Simpson applications. And, when there is a city that has platted land that is mixed in with privately owned or leased lands can also be difficult. Once the permit is issued, and a file is maintained, the difficulty between those is not significant. In regard to the consolidation issue, Mr. Smith stated that regards the number of permits, not the number of wells, and if an applicant asked for a certain amount of water at the same time, it would have been granted on one permit, and simply because the applicant made two separate applications to do it, staff is maintaining two separate files, so we ought to look at ways to consolidate permits. One of the reasons for the appropriation is that domestic users don't have permits, they use water and have protections under the groundwater law, and the entire burden is borne by the permit holder. He believed that is a strong argument for an appropriated amount so that everyone that doesn't have a permit fee is part of the "mix" in terms of water management.

Mr. Keeley asked if it would be more reasonable to have fees based upon a matrix rather than a fixed fee? There was some discussion about that option, and Mr. Smith reminded the members the proposal is not for an application fee, but an annual fee that everyone pays to

maintain permits. He said staff looked at a matrix, but it was very convoluted and would be difficult to administrate, but there are many ways to do it. Mr. Nichols asked about the consolidation issue, and Mr. Smith explained the former rule that if a permit holder had several permits overlaying the same aquifer, the permit could be consolidated. Controversy had arisen when the large swine farm operators were combining all their applications into one and people wanted transparency in the system, and felt that was not. The applicant could put all wells on one permit, and people that wanted to review those permits felt it was more difficult; however, from an administrative perspective, it is not. There was further discussion about the ways in which persons could be charged for the administrative fee, but if the Board wants to have these rules considered this session, there would have to be approval at the March meeting, therefore the conditional language was inserted.

E. Proposed Amendments to Chapter 20 – Taking and Use of Streamwater

1. Summary of final draft proposed rules – Mike Mathis stated the proposals for the chapter concerns language for the water rights administrative fee as discussed for the groundwater fee.

2. Questions and Discussion by Board Members. There were no questions or discussion by the members on the streamwater rule proposals.

3. Comments by Public. There were no comments by the public.

F. Proposed Amendments to Chapter 30 – Taking and Use of Groundwater

1. Summary of final draft proposed rules – Mike Mathis stated the proposals for the chapter concerns language for the water rights administrative fee as discussed.

2. Questions and Discussion by Board Members. There were no questions by members.

3. Comments by Public. There were no comments by the public.

G. Proposed Amendments to Chapter 35 – Well Driller and Pump Installers Licensing

1. Summary of final draft proposed rules – Mike Mathis stated the Well Driller's Advisory Committee, with whom staff is in contact with year-long about possible language changes etc., have proposed the recommendations that include clarification on definitions, minimum distance locations and, when a license is required from an electrician. He noted other proposals in regard to drilling rigs and pump installation.

2. Questions and Discussion by Board Members. There were no questions or discussion by the members.

3. Comments by Public. There were no comments by the public.

H. Proposed Amendments to Chapter 50 – Financial Assistance

1. Summary of final draft proposed rules – Joe Freeman stated to the members that the proposed rule changes for this year include updating a few minor changes including the water and sewer rate structure considering an emergency or Rural Economic Action Plan grant application and the amounts reflect rate increase. Median household income is modified based upon consumer price index. Neither of these have been adjusted since 1995.

Other changes include remove rate structures for the REAP that were identical for the emergency grant program and referral is to made to the section of the emergency grant rules; and defining what type of projects are not required to have an environmental review.

2. Questions and Discussion by Board Members. There was no discussion by Board members.

3. Comments by Public. There were no comments by the public.

5. SPECIAL CONSIDERATION

For INDIVIDUAL PROCEEDINGS, a majority of a quorum of Board members, in a recorded vote, may call for closed deliberations for the purpose of engaging in formal deliberations leading to an intermediate or final decision in an individual proceeding under the legal authority of the Oklahoma Open Meeting Act, 25 O.S. 2001, Section 307 (B)(8) and the Administrative Procedures Act, 75 O.S. 2001, Section 309 and following.

A majority vote of a quorum of Board members present, in a recorded vote, may authorize an executive session for the purposes of CONFIDENTIAL COMMUNICATIONS between the public body and its attorney concerning a pending investigation, claim, or action if the public body, with the advice of its attorney, determines that disclosure will seriously impair the ability of the public body to process the claim or conduct the pending investigation, litigation, or proceeding in the public interest, under the legal authority of the Oklahoma Open Meetings Act, 25 O.S. 2001, Section 307(B)(4).

A. Consideration of Protestants' Request for Reconsideration of Amendment to Regular Permit to Use Groundwater No. 1999-519, D F & D, LLC, Harper County:

1. Summary– Mr. Mike Mathis, Chief, Planning and Management Division, stated to the members that this item is for consideration of a request to reconsider an amendment to a permit to use groundwater by DF&D, LLC, approved by the Board at the January meeting. The protestant is now requesting the Board reconsider the approval by adding a condition to the permit that the applicant's use of groundwater shall not stop or substantially reduce the flow of the Beaver River at the protestant's property line.

2. Discussion and presentation by parties. Chairman Herrmann invited the applicant for the motion, or the protestant to the permit amendment, to present his request. He asked the presenters to keep their comments to five minutes.

Mr. Bob Kellog, representing the application for the motion to reconsider, addressed the Board and said he represented the Barbys' and other ranchers along the Beaver River. He thanked the Board for the time to consider the request and said that at the last meeting, he had asked the Board to issue a temporary permit as a way to administer the administrative law judge's suggestion (page 5019), "However, is actual pumping in the future is shown to stop or substantially reduce the flow of the river at Barbys' property line." He said that is what he is looking to implement, and the Board denied that request at the last meeting. He said he believes now the Board was correct in denying the temporary permit, but in denying that the Board adopted the proposed order without making any change, so a mechanism to implement the hearing examiner's suggestion still is not in place. He said he found in the law and in the Board's rules the ability to issue conditions on permits, and that is the mechanism that will allow the Board to implement the condition. Mr. Kellog asked the Board to add the language (8th line of paragraph d., page 5019) a condition to the permit that says, "the applicant's pumping shall not stop of substantially reduce the flow of the Beaver River at the Barbys' property line." He said he recognized it would be the protestant's burden of proof that the pumping of wells by the applicant affected the river, and the protestors had agreed with the Board and staff to allow installation of wells or work with the Barbys to monitor the situation in the future and to collect data. He said the applicant is not the only party with constitutional rights that are at stake.

Mr. Jim Barnett, representing the protestant to the reconsideration motion, responded to Mr. Kellog's presentation and provided the members with a history of the state's groundwater law in order to put into context the request by Mr. Kellog. He said the law was developed and all interest groups were involved and agreed on an appropriate way to regulate and manage

Oklahoma's groundwater resources. This effort came after the 1949 law had been proven unworkable, and the mining concept law has worked well since. He discussed the Board's approval of the maximum annual yield (MAY) for this aquifer approved by the Board in 1983, and determining the property right to be one acre-foot per acre per year, and all permit holders were converted to regular permits. Lawsuits have been filed regarding the same aquifer and the Supreme Court affirmed the Board's decision and the statutes that outside the cut banks of the river is groundwater, not streamwater, and the groundwater law applies, and if the four points of law are met in an application, the Board must grant the permit. He reviewed the situation now before the Board that the application is a simple amendment to the permit—swapping 960 acres of their permitted land under this permit to the School Land Commission for 960 acres—to make all lands contiguous which necessitated new well locations. The permit deletes four authorized well locations and establishes three new ones—same amount of water, same amount of acreage, one less well. Mr. Barnett said the protestants (to the permit amendment application) want to put a condition on this one single application that they are responsible for maintaining the flow in the Beaver River. Mr. Barnett stated that there are 1100 permits and 277 different permit holders in this basin attributing to 511 wells, all of which would become subject to the same condition should Board approve. There are also some 1800 permits upstream in the Panhandle, 350 in Beaver County, and essentially the entire Panhandle of Oklahoma is in the drainage basin of the North Canadian/Beaver River. He pointed out the Board had just approved at the meeting under the summary disposition agenda a permit for two acre-foot immediately adjacent to his client's farm with no discussion of a condition. Mr. Barnett said to the Board that until the Legislature changes the law, the Board doesn't have authority to put this kind of condition on a groundwater permit, and he urged the Board not to do so.

Mr. Kellog asked for rebuttal—saying Dr. Tom Alexander has conducted modeling of the pumping of these three wells and he has proven the drawdown from the pumping of these three wells will reduce the Beaver River by 7-9 feet and its only 2 feet deep.

3. Possible executive session. The Board did not vote to enter executive session.

4. Vote on whether to reconsider approval of permit amendment.

Chairman Herrmann asked Mr. Couch how the Board is to proceed. Mr. Couch responded that the Administrative Procedures Act generally allows for Request for Reconsideration of a final order and in this case the protestants represented by Mr. Kellog have requested reconsideration, not to send back to hearing but for the addition of the condition on a permit that has already been issued. The Board's action today is to consider that request to add the condition to the permit. Chairman Herrmann clarified there would need to be a motion from a member to authorize the amendment to the permit issued. Mr. Smith said to approve the request would be to add the condition; to deny the request would leave the permit as it is. Or if there is no motion, the action at the January meeting on the permit approval would stand. Mr. Couch said that is correct, and it would be assumed that to be a denial de facto of the reconsideration request.

Mr. Farmer moved that the request to reconsider be denied. Mr. Sevenoaks seconded.

Chairman Herrmann asked Mr. Couch to explain the legal remedies to the original protestants in regard to this particular situation. Mr. Couch answered the final order issuing a permit from last month the APA allows a 30-day appeal time, which was put in abeyance until such time a decision on this request for reconsideration is acted upon. Mr. Couch said there are other remedies, but not before the Board or within the order that was previously approved.

Chairman Herrmann repeated the motion before the Board is to deny the request for reconsideration. He called for the vote, there being no further discussion.

AYE: Currie, Farmer, Keeley, Knowles, Nichols, Secret, Sevenoaks,
Herrmann

NAY: Fite

ABSTAIN: None
ABSENT: None

- B. Consideration of items transferred from the Summary Disposition Agenda, if any.
There were no items transferred from the Summary Disposition agenda.

6. PRESENTATION OF AGENCY BUDGET REPORT.

Mr. Monte Boyce, OWRB Comptroller, addressed the members and presented the budget report reflecting agency operations through the first half of the fiscal year. He said the agency had completed 58% of the fiscal year, and extended and obligated 73% of the budget and collected 57% of the budget.

7. CONSIDERATION OF SUPPLEMENTAL AGENDA, IF ANY.

There were no Supplemental Agenda items for the Board consideration.

8. Presentation and Consideration of Proposed OWRB Permanent Rules

Chairman Herrmann stated the proposed rules for Chapter 45 and 46 have previously been presented to the Board at two meetings, and this item is for the Board's action on the proposed new rules and amendment.

- A. Proposed Amendments to Chapter 45 – Water Quality Standards

And

- B. Proposed Amendments to Chapter 46 – Water Quality Standards Implementation

1. Summary of final draft proposed rules – Mr. Derek Smithee, Chief, Water Quality Division, reminded the members of the process for developing, presenting and reviewing the rules proposals for these chapter with the public and the Board.

2. Questions and Discussion by Board Members. There were no further questions of discussion by the Board.

3. Comments by Public. There were no comments by the public.

4. Vote on whether to approve proposed amendments as presented or as may be revised after discussion and comment.

Mr. Fite moved and Mr. Nichols seconded the approval of the proposed amendments to both Chapter 45 and Chapter 46, Water Quality Standards.

AYE: Farmer, Fite, Kelley, Knowles, Nichols, Secrest, Sevenoaks, Herrmann

NAY: None

ABSTAIN: None

ABSENT: Currie

Following the vote, Ms. Marla Peek with Oklahoma Farm Bureau, had been out of the room during the invitation by the Chairman for public comment. Therefore, Chairman Herrmann allowed Ms. Peek the opportunity to make comments to the Board.

Ms. Peek approached the members and stated her concerns about proposals in Chapter 45 in regard to the chlorophyll A standard. She cited the rural impact statement and the estimated \$24-48 million implementation cost for nonpoint source, and the additional water bodies that may be added to the impaired list. She also commented about the nutrient limited watershed designations and the OWRB's estimate there would be no fiscal impact, and the OFB felt there should be consideration about what something costs, and does it have to be designated impaired before it is worked on.

Chairman Herrmann stated that while the Board has acted, in the spirit of openness, he asked Mr. Smithee to respond. Mr. Smithee responded to the two issues, and said in regard to the determination of the net cost of benefits of establishing the chlorophyll A criteria which was built around the principal that downstream users of a resource should not be held financially responsible for treating upstream pollution sources. With that concept in mind, OWRB staff working cooperatively with the OFB and others, came up with a dollar amount of \$25-45 million that could be an impact to the nonpoint source community and then evaluated that against the cost savings that would be realized by rural water districts and municipalities, which was estimated to be between \$400-600 million in water treatment costs. The cost benefit showed then that the benefit outweighed the cost.

On the second issue, Mr. Smithee said nutrient limited watersheds were a statutory requirement and the OWRB defined the term to insert reservoirs that were nutrient limited watersheds in the water quality standards. Through rulemaking the 62 chlorophyll A TSI, a measure how nutrient enriched a reservoir is, with 62 being very high, and established as a rule with implementation by the DEQ and DAFF in various programs to prevent reservoirs from reaching that level and also to reduce the chlorophyll A concentrations in reservoirs that exceed that. There is no statutory requirement the DEQ use that as an end point for a TMDL, but it is a number they chose and they could have chosen myriad of other number. The 62 TSI does not call a reservoir impaired but threatened, and drive a study to determine whether it is further impaired. The agency has been awarded a grant to make determinations on the transition of threatened to impaired.

Chairman Herrmann then asked if the discussion triggered anyone wanting to revisit the Board' action. There was no further action by the Board.

9. Presentation by Oklahoma State University Water Resources Research Institute on 2005 Grant Activities. Mr. Duane Smith, and Dr. Will Focht, Oklahoma State University

Mr. Smith said he has invited Dr. Focht to make presentations on several research projects. Dr. Focht, director of the Oklahoma Water Resources Research Institute explained the purpose of the organization to the Board that it was established in 1964 and received grants from the Congress through the US Geological Survey to fund water research. The law requires consolation with the state needs. While the effort has been somewhat informal in the past, Dr. Focht explained that this year a formal Water Resources Advisory Board was formed with representatives of 17 organizations, with three purposes: (1) to listen to presentations from research conducted the prior year, (2) to review this year's proposals and comment on how well they meet state water research needs, and (3) to set research priorities for the following year.

He asked the Board whether this would be an appropriate forum for discussion of the state water plan. He also provided the Board with the list of funding priorities for 2007

Dr. Focht introduced Dr. Andover Tarhule who made a presentation on his work regarding, "Time Comparison of Present and Historical Flows," and Dr. Todd Halihan, for his work, "Estimating the Orientation and Intensity of Fractures in Sedimentary Rocks Using Multi-Component 3-D Ground Penetrating Radar," conducted the past year.

Mr. Smith commented about the newly formed Advisory Group, and the discussions at the meeting about future needs having centered on the future of the comprehensive water plan. He added he believed it would be a good forum for working on the water plan, and the research has already touched upon issues that will be included in the plan. He said he would be writing a letter that explains the relationship between the research the Institute is doing and the OWRB plans for moving forward with the comprehensive water plan. He added, however, that information used for the plan is not confined to the Institute's, but includes research from many university and other technical organizations.

10. NEW BUSINESS

Under the Open Meeting Act, this agenda item is authorized only for matters not known about or which could not have been reasonably foreseen prior to the time of posting the agenda or any revised agenda.

There were no New Business items for the Board's consideration.

11. ADJOURNMENT

There being no further business, Chairman Herrmann adjourned the regular meeting of the Oklahoma Water Resources Board at 12:45 p.m. on February 14, 2006.

OKLAHOMA WATER RESOURCES BOARD

_____/s/_____
Rudolf J. Herrmann, Chairman

_____/s/_____
Jess Mark Nichols, Vice Chairman

_____/s/_____
Lonnie Farmer

_____/s/_____
Jack W. Keeley

_____/s/_____
Harry Currie

_____/s/_____
Richard Sevenoaks

_____/s/_____
Edward H. Fite

_____/s/_____
Kenneth K. Knowles

ATTEST:

_____/s/_____
Bill Secrest, Secretary

(SEAL)