

# OKLAHOMA WATER RESOURCES BOARD

## OFFICIAL MINUTES

October 12, 2010

### 1. Call to Order

The regular monthly meeting of the Oklahoma Water Resources Board was called to order by Chairman Rudy Herrmann at 9:35 a.m., on October 12, 2010, at the Oklahoma Department of Wildlife Conservation Outdoor Education and Training Center, Arcadia Conservation Education Area, 7201 E. 33rd Street, Edmond, 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 October 5, 2010, at 5:35 p.m. at the Oklahoma Water Resources Board's offices.

Chairman Herrmann welcomed everyone to the meeting and noted there would be field trip later in the meeting.

#### A. Invocation

Chairman Herrmann asked Mr. Ed Fite to give the invocation. Chairman Herrmann noted that Secretary Linda Lambert is absent and that he had asked Dr. Joe Taron to be Acting Secretary for the meeting.

#### B. Roll Call

##### **Board Members Present**

Rudy Herrmann, Chairman  
Mark Nichols, Vice Chairman  
Ford Drummond  
Marilyn Feaver  
Ed Fite  
Kenneth Knowles  
Richard Sevenoaks  
Joe Taron

##### **Board Members Absent**

Linda Lambert, Secretary

##### **Staff Members Present**

J.D. Strong, Interim Executive Director  
Dean Couch, General Counsel  
Joe Freeman, Chief, Financial Assistance Division  
Julie Cunningham, Chief, Planning and Management Division

Derek Smithee, Chief, Water Quality Programs Division  
Kyle Arthur, Director of Planning  
Josh McClintock, Director of Government and Public Affairs  
Mary Schooley, Executive Secretary

**Others Present**

Amy Ford, Citizens for the Protection of the Arbuckle Simpson Aquifer, Durant, OK  
Clint Sloan, eCapitol, Oklahoma City, OK  
John Rehering, CDM, Denver, CO  
Lori Smith, Oklahoma City, OK  
Bill Little, Oklahoma City, OK  
Bret Weingart, City of Oklahoma City, OK  
J. Bonsall, Unimin, Roff, OK  
Gary Froeming, Unimin, Roff, OK  
Rebecca Poole, Oklahoma Department of Environmental Quality, Oklahoma City, OK  
Vicki Reed, Oklahoma Department of Environmental Quality, Oklahoma City, OK  
Terri Sparks, OWRB, Oklahoma City, OK  
Cecil Bearden, Ski Island; Piedmont, OK  
Mary Jo Mitts, Senate Staff, Oklahoma State Senate, Oklahoma City, OK  
Lee Lindeen, AECOM  
Shawn Lepard, Central Oklahoma Water Resources Association, Oklahoma City, OK  
Denie Vinson, Central Oklahoma Water Resources Association, Oklahoma City, OK  
Ken Smith, Central Oklahoma Water Resources Association, Oklahoma City, OK  
Jessica Russell, Oklahoma House of Representatives, Oklahoma City, OK  
Sue Ann Nicely, Oklahoma Municipal League, Oklahoma City, OK  
Jeri Fleming, Oklahoma Water Resources Research Institute, Stillwater, OK  
Paul Smith, City of Moore, OK  
Satish Dasharathy, Moore/ECI, Oklahoma City, OK  
Noel Osborn, OWRB, Oklahoma City, OK  
David Benham, Oklahoma City, OK  
Karl Stickley, C.H. Guernsey & Co., Oklahoma City, OK  
Lydia Sullivan, Oklahoma City, OK  
Angie Burckhalter, Oklahoma Independent Petroleum Association, Oklahoma City, OK  
Bryan Richards, Cobb Engineering, Oklahoma City, OK  
Kim Sullivan, OWRB, Lawton, OK  
Brad Davis, Town of Calera, OK  
Deborah Townsend, Calera, OK  
Carmen Young, Calera, OK  
James Eaton, Mayor, Calera, OK  
Steve Eddy, City of Moore, OK  
Rick Lang, Wagoner Rural Water District #4, Wagoner, OK  
Bill Giles, Wagoner Rural Water District #4, Wagoner, OK  
Duane Riffe, Wagoner Rural Water District #4, Wagoner, OK  
Arnold Kunze, Oklahoma Department of Environmental Quality, Oklahoma City, OK

**C. APPROVAL OF MINUTES**

Chairman Herrmann stated the draft minutes of the August meeting had been distributed and he said he would accept a motion if the members had an opportunity to review the draft minutes. There were no corrections, and Mr. Fite moved to approve the minutes of the September 14, 2010, Regular meeting, and Mr. Nichols seconded.

AYE: Feaver, Taron, Fite, Sevenoaks, Knowles, Nichols, Drummond, Herrmann  
NAY: None  
ABSTAIN: None  
ABSENT: Lambert

**D. Discussion of and Possible Action on Special Board Committee Recommendation Regarding Appointment and Hiring of Executive Director.**

Chairman Herrmann stated this item is for consideration of appointment and hiring an Executive Director for the Oklahoma Water Resources Board. He said the Board had asked the officers of the Board to serve as an Executive Committee and manage the selection process -- Chairman Herrmann, Vice Chairman Nichols, and Secretary Linda Lambert. He asked Mr. Nichols to present the committee's report and to make the corresponding motion.

Mr. Nichols said the Committee met on two different dates, interviewed four possible candidates, and conducted four excellent interviews. He said the Committee recommended to the full Board to hire as the full time Executive Director of the Water Resources Board, at the pay salary at the statutory maximum as allowed by the Legislature, J.D. Strong. Chairman Herrmann repeated the motion, and asked for a second. Mr. Drummond seconded the motion.

Chairman Herrmann added the Board interviewed four very capable candidates, and the members had seen the resumés. He said there was a strong pool with a total of 24 applicants. He said the Board had been impressed with the fact that J.D. Strong with the opportunity to "test drive" the Water Board had done a masterful job and they looked forward to now giving him the keys.

There was no discussion, and Chairman Herrmann called for the vote.

AYE: Feaver, Taron, Fite, Sevenoaks, Knowles, Nichols, Drummond, Herrmann  
NAY: None  
ABSTAIN: None  
ABSENT: Lambert

Chairman Herrmann complimented the OWRB staff for their dedicated work during this transition period.

**E. EXECUTIVE DIRECTOR'S REPORT**

Mr. J.D. Strong, under his report, addressed the members and echoed what the Chairman had said that the OWRB essentially runs itself; there are great Division Chiefs that oversee the work, and there are a lot of great folks at the OWRB. He said he has had the pleasure of working first for, and then with, the OWRB for the past 17 years having started when a college student.

He said he appreciated the Board's vote of confidence, and looked forward to the days ahead. He said there are challenging times ahead to continue managing and protecting the state's most valuable resources going forward with declining revenues, and other issues, but he believed the agency has the best staff in state government who are passionate about serving the State of Oklahoma. He thanked the Board for the opportunity.

Before beginning his report, Mr. Strong thanked the Oklahoma Department of Wildlife Conservation, an Environment Cabinet agency, for the use of its facility at Arcadia Lake, and especially Mr. Damon Springer for his assistance in hosting the Board. He asked Mr. McClintock to update the members on legislative matters and the upcoming water conference. Mr. McClintock said Congress is in recess until after elections and had approved a continuing resolution to keep the agencies running until they return. There was speculation about what legislation will be passed after the elections, and basically the OWRB requests are on hold. He expected they would come back and work on the appropriation bill. Regarding the Water Conference he said there are two weeks remaining and details for the panel participants are being confirmed and the program is being prepared for the printer. There are approximately 400 registrations, and there are more expected. Sponsorships are up to about \$20,000, and there are new sponsors this year, and he believed the new format will be well received. Mr. Strong added there would be concurrent sessions and meetings going on simultaneously and he expected a big gathering at the conference.

Mr. Strong continued his report stating the budget request has just been completed. This is the year the agencies are requested to update strategic plans. The management team held a retreat recently for that purpose; he provided a two page budget request summary and said the completed strategic plan will be provided very soon and once the Water Conference has concluded. He thanked Ms. Leslie Nance, and Ms. Amanda Storck of the OSE for their work in completing the budget request and getting it submitted to the Office of the State Finance, as well as to the Division Chiefs and staff for their response and assistance in completing the document. Mr. Drummond asked what level of budget reductions the agency has made, and what is projected. Mr. Strong responded there were no new amounts requested, and would hope to maintain the level of appropriations received last year. He said the agency, last year had 7% less than the year before which was 7% lower than the year before, so the agency has already endured a 14% decrease. The request asked for nothing new, but to keep steady and as the summary indicates the cuts already made, its clear many activities will be "cut to the bone" if there are further cuts. Regarding anticipating in going forward, the agency was not asked in this exercise for scenarios of different budget cuts at this stage, but as the Legislature begins to meet, that sort of activity will happen. Mr. Nichols asked the status regarding federal dollars. Mr. Strong responded that overall federal dollars have been mostly flat, with the some increases due to the Stimulus money in the Financial Assistance division, although it came with additional challenges. There have not been gaps closed with federal dollars, so to speak, and no additional revenues are expected due to fee increases because that is not yet in effect.

Mr. Strong continued his report stating the Arkansas-Oklahoma Arkansas River Compact Commission met in Fort Smith, Arkansas, on September 23. In an effort to be creative about financing, the Commission agreed to match Oklahoma's funding for the USGS stream gage on the Arkansas River at Fort Smith, at least on a short term basis, making one less gage for the OWRB Water Quality division to fund. This is a critical gage measuring compliance with the Compact provisions.

Mr. Strong said there is a contract in the packet regarding a EPA 604(b) funding to conduct a re-evaluation of the .037 phosphorous standard. When the States entered the Statement of Joint Principals and Actions, the OWRB agreed to periodically re-evaluate the standards, and specifically the .037 phosphorous standard, to make sure it is still valid for protecting designations, and water quality standards assigned to the Scenic Rivers. A work plan has been approved by the EPA that will be funded to go through the process. There is a commitment to have it done by 2012, and there is a schedule stated in the work plan to be conducted with the full and timely involvement of Arkansas officials representing both point source and nonpoint sources. Letters have gone to the Arkansas Natural Resources Commission and the Arkansas Department of Environmental Quality to make appointments to serve on a Technical Advisory Group to conduct the evaluation. Chairman Herrmann interjected that during the standards update earlier this year, the agency received several comments about the agreement, and while the work plan already was being developed, this action addresses that particular concern, with funding.

Colonel Teague, newly appointed U.S. Army Corps of Engineers District Chief, made a courtesy visit to the agency September 24. A meeting was held on October 1 with the conservation organizations regarding in stream flows and specifically concerning the Comprehensive Water Plan, following consumptive use interests meeting in August. The House Rules Committee met in response to an Interim Study regarding whether the rules process ought to be changed such that only one chamber has to disapprove rules as opposed to both, also "ratcheting down" the rulemaking process. There was also a legal staffing interim study initially looking at whether agency in house counsel should be moved under the Attorney General umbrella, but now focusing on the process of contracting with outside counsel by agencies.

Staff met with the CPASA group on October 8 after having met with industry and landowners previously, moving forward toward implementation of SB 288. He noted several other meetings and events that he will be attending over the next few weeks. Mr. Strong concluded his report.

## 2. FINANCIAL ASSISTANCE DIVISION

A. Consideration of and Possible Action on a Proposed Order Approving Clean Water Funding Application for Calera Public Works Authority, Bryan County. Recommended for Approval. Mr. Joe Freeman, Chief, Financial Assistance Division, stated to the members that this is a Clean Water State Revolving Fund Loan request in the amount of \$5,000,000.00 by the Calera Public Works Authority to refinance a 2007 Bond Issue that was used to construct a new wastewater treatment plant, construct lift stations and force mains to serve an unsewered area of town. Mr. Freeman noted provisions of the loan agreement. He said that over the past ten years Calera's water connections have increased by approximately 12%, and sewer connections by 18%, and its debt coverage ratio stands at approximately 1.42-times. Staff recommended approval.

Calera Mayor James Eaton, Town Clerk Carmen Young, Town Treasurer Deborah Townson, and Public Works Director Brad David were present in support of the loan application.

Mr. Drummond asked how many homes are served by the Authority and Mayor Eaton answered approximately 900 homes. Chairman Herrmann asked because it is a refinancing,

what the interest rate was, and what will it be; Mr. Freeman answered that rate is based upon the conditions when the loan is closed, but recently a rate of 2.2% plus .5% administrative fee was available; the new rate will be about 5.2%, cutting the fee almost in half.

Dr. Taron moved to approve the Clean Water SRF loan to the Calera Public Works Authority, and Mr. Nichols seconded.

AYE: Feaver, Taron, Fite, Sevenoaks, Knowles, Nichols, Drummond, Herrmann  
NAY: None  
ABSTAIN: None  
ABSENT: Lambert

B. Consideration of and Possible Action on a Proposed Order Approving Drinking Water Funding Application for Rural Water, Sewer, Gas, & Solid Waste Management District #4, Wagoner County. Recommended for Approval. Mr. Freeman stated this request by Wagoner County Rural Water District #4 is for a \$6,200,000.00 Drinking Water State Revolving Loan Fund loan that will be used to construct a million gallon water storage tank, a 1.5 million gallon clear well, a high service pump station, make repairs to the Turkey Spring storage tank, and install 35,000 feet of water lines. Mr. Freeman noted provisions of the loan agreement, and said that over the past ten years, the District's water connections have increased over 75% and sewer connections have increased over 90%. The District is a long-time loan customer of the Board and has approximately four outstanding loans; the District's debt coverage ratio stands at approximately 1.28-times. Staff recommended approval.

District Chairman Arnold Kunze, Business Manager Bill Giles, Operations Manager Rick Lang, and Local Counsel Duane Riffe were present in support of the loan request.

Mr. Sevenoaks asked about whether there are any border disputes with Broken Arrow. Mr. Lang answered those issues have all been resolved.

Mr. Fite moved to approve the Drinking Water SRF loan to the Wagoner County Rural Water District #4, and Mr. Knowles seconded.

AYE: Feaver, Taron, Fite, Sevenoaks, Knowles, Nichols, Drummond, Herrmann  
NAY: None  
ABSTAIN: None  
ABSENT: Lambert

C. Consideration of and Possible Action on a Proposed Order Approving Clean Water Funding Application for Moore Public Works Authority, Cleveland County. Recommended for Approval. Mr. Freeman said this application by the Moore Public Works Authority is in the amount of \$6,637,000.00. The Clean Water State Revolving Fund loan is requested to complete the North Pond Storage System, construct metal buildings for the sequential batch reactor and aerobic digester, and to build roadways and sidewalks to the plant. Mr. Freeman noted provisions of the loan agreement; he said over the last ten years, Moore's water connections have increased 42%, and sewer connections increased 49%. The debt coverage ratio stands at a very strong 5.9-times. Staff recommended approval.

Moore City Manager Steve Eddy, Financial Advisor Paul Smith, and Engineer Satish Dasharaty were present in support of the loan application.

Mr. Sevenoaks asked the size of the treatment plant, and Mr. Eddy answered it is 9 mgd to start, and will have the capacity to eventually expand to 12 mgd. Discharge is to the Canadian River.

Mr. Drummond moved to approve the Clean Water SRF loan to the Moore PWA, and Mr. Sevenoaks seconded.

AYE: Feaver, Taron, Fite, Sevenoaks, Knowles, Nichols, Drummond, Herrmann  
NAY: None  
ABSTAIN: None  
ABSENT: Lambert

D. Consideration of and Possible Action on a Proposed Order Approving Clean Water Funding Application for Oklahoma City Water Utilities Trust, Oklahoma County.

Recommended for Approval. Mr. Freeman stated that this item is a \$35,000,000.00 Clean Water State Revolving Fund Loan request by the Oklahoma City Water Utilities Trust. Oklahoma City is requesting the loan proceeds for construction of a flow equalization basin, and to make improvements at the South Canadian wastewater treatment plant, make improvements at the Witcher pump station, construct a relief line at Chisholm Creek, and make improvements at the North Canadian wastewater treatment plant. He noted provisions of the loan agreement; and he said the city's water connections had increased by 15% and the sewer connections by 17% over the past ten years. The debt coverage ratio stands at approximately 2.0-times. Staff recommended approval.

Mr. Bret Weingart, Assistant Director; Mr. Billy Little, Finance Manager; and Ms. Lori Smith, Financial Specialist were present in support of the loan request.

Mr. Sevenoaks asked the size of the South Canadian plant; Mr. Weingart said he believed it was 8 mgd. Mr. Sevenoaks asked if it was privatized; Mr. Weingart said it is not. He said originally it was constructed as a privatized facility, but was taken over by the Oklahoma City Water Utilities Trust approximately 20 years ago. Mr. Sevenoaks asked if any of the Oklahoma City plants are privatized; Mr. Weingart answered that four of the five wastewater plants are privately operated and maintained and the city operates them in order to continue to receive funding. Chairman Herrmann commented the City of Tulsa is discussing this issue, and Mr. Weingart explained how the facilities are owned and maintained by the City of Oklahoma City, but are leased to the Oklahoma City Water Utilities Trust that provides for the financing. There are agreements for operation of the facilities; city employees are at the city to manage the agreement, and the City has the NPDES permits.

Chairman Herrmann said that staff recommended approval, and he would entertain a motion.

Mr. Nichols moved to approve the Clean Water SRF loan to the Oklahoma City Water Utilities Trust, and Mr. Fite seconded.

AYE: Feaver, Taron, Fite, Sevenoaks, Knowles, Nichols, Drummond, Herrmann  
NAY: None  
ABSTAIN: None  
ABSENT: Lambert

E. Consideration of and Possible Action on a Proposed Order Approving Drinking Water Funding Application for Oklahoma City Water Utilities Trust, Oklahoma County. Recommended for Approval. Mr. Freeman stated that this item is also for the OKC Water Utilities Trust, for a \$35,000,000.00 Drinking Water State Revolving Fund loan. The Trust is requesting the loan to install nine miles of 48" and 42" water line and replace 1,200 feet of 60" concrete pipe. Mr. Freeman noted provisions of the loan agreement; this is Oklahoma City's fourth loan with the Board, and the debt coverage ratio stands at 2.0 times.

Mr. Weingart stated 20 metro area cities receive water service through retail/wholesale agreements from these facilities. Some of these projects will allow the expansion and growth to these cities, as well as other communities outside the city. Mr. Sevenoaks asked about the City's decision to finance the projects through the Board; Mr. Weingart said while there is a "break even" point which the city is not near that point at this time, the net cost was reviewed and with the financing its receiving now, there is no 10% debt service reserve required so that combined with the financing being equivalent of a AAA bond the Trust already has, there is not a negative cost to providing this financing. Mr. Sevenoaks asked about debt coverage percentage, and Mr. Weingart explained the Trust's formula and philosophy for reaching a goal of 2.0-times, and break-even analysis. Mr. Drummond asked about the total debt by OKC, and Mr. Freeman answered with this loan, the total is \$88 million.

Chairman Herrmann stated staff recommended approval, and he would accept a motion. Mr. Sevenoaks moved to approve the Drinking Water SRF loan to the Oklahoma City Water Utilities Trust, and Mr. Drummond seconded.

AYE:	Feaver, Taron, Fite, Sevenoaks, Knowles, Nichols, Drummond, Herrmann
NAY:	None
ABSTAIN:	None
ABSENT:	Lambert

Chairman Herrmann commented that the OWRB serves both large and small communities; and the large communities help to keep the OWRB bond ratings strong in order to benefit everyone. Mr. Drummond noted the historically low rate, and asked how does that affect the market. Mr. Freeman said there is a pricing call on the Waurika loan that afternoon, and while he has not looked at the numbers for today, they are unbelievably low. The most recent fixed rate was 2.2%, and is 40% below the market because it was subsidized so the market rate is higher. There will be a market update at the workshop at the Governor's Water Conference, but there is not an increase in rates expected at this time. Chairman Herrmann asked how the demand has been affected, and Mr. Freeman said that those communities that can finance now are; and the fees that are charged are actually higher than the interest rate.

Mr. Ed Fite departed the meeting at 10:20 a.m.

### **3. SUMMARY DISPOSITION AGENDA ITEMS**

Any item listed under this Summary Disposition Agenda may, at the requested of any member of the Board, the Board's staff, or any other person attending this meeting, may 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.**

Chairman Herrmann read the summary disposition agenda introductions, and asked if there were any questions about any items, or any items that needed to be separated out from the agenda.

There were no questions or requests to transfer items from the Summary Disposition Agenda 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. Josh McClintock informed the members that staff requested to withdraw item 3.D.6., Agreement with OWRI regarding the Governor's Water Conference. He said the agreement needed clarification, but is not quite ready; the agreement is actually approved to carry through to 2011. Ms. Julie Cunningham asked to withdraw item I.1., regarding a regular stream water permit for Roy Fouts, #2010-016.

There being no further questions or discussion regarding items on the Summary Disposition Agenda.

Dr. Taron moved to approve the Summary Disposition agenda as amended, and Mr. Nichols seconded.

AYE: Feaver, Taron, Sevenoaks, Knowles, Nichols, Drummond, Herrmann  
NAY: None  
ABSTAIN: None  
ABSENT: Fite, Lambert

Mr. Drummond asked about whether the Ski Island application was for a wakeboarding facility (item M.3., #OK02535). Mr. Strong answered that is a residential dam, and Ms. Julie Cunningham said the application is for a rehabilitation project, an alteration to the dam, adding to the gates.

The following items were approved:

**C. Financial Assistance Division Items:**

1. Rural Economic Action Plan (REAP) Grant Applications:

<u>Item No.</u>	<u>Application No.</u>	<u>Entity Name</u>	<u>County</u>	<u>Amount Recommended</u>
None				

**D. Consideration of and Possible Action on Contracts and Agreements, Recommended for Approval:**

1. Approval and Ratification of Assistance Agreement with U.S. Department of Interior Bureau of Reclamation for Development of Practitioner Tools to Predict Runoff and Reservoir Yield under Climate Change Conditions.

2. Second Amendment to Agreement with Office of the Secretary of the Environment for the Clean Water Act FY 09/10 §604(b) Water Quality Management Planning Program CA # C6-400000-48.
  3. Intergovernmental Agreement with Central Oklahoma Master Conservancy District for the Lake Thunderbird Aquatic Ecosystem Restoration Project.
  4. Contract for Professional Services with CR Watts L.L.C. for assistance in implementing the National Floodplain Insurance Program and other floodplain management responsibilities of the Board.
  5. Grant Contract with the Kerr Foundation, Inc. in support of the 31<sup>st</sup> Annual Governor's Water Conference and 8<sup>th</sup> Annual OWRI Research Symposium.
  6. *Second Amended and Restated Intergovernmental Agreement with Oklahoma State University Water Resources Research Institute for cost sharing of the Governor's Water Conference and WRI Symposium. Item withdrawn*
  7. Grant Agreement with U.S. Department of Homeland Security, Federal Emergency Management Agency for Funding for Dam Safety Program including but not limited to dam inspections and development of Emergency Action Plans for dams.
- E. Applications for Temporary Permits to Use Groundwater:  
None
- F. Applications to Amend Temporary Permits to Use Groundwater:  
1. Johnston County Rural Water District No. 3, Johnston County, #2005-582
- G. Applications for Regular Permits to Use Groundwater:  
None
- H. Applications to Amend Regular Permits to Use Groundwater:  
1. Mark D. & Amy J. DeLeon, Beckham County, #1984-610B
- I. Applications for Regular Permits to Use Stream Water:  
1. *Roy Gerald Fouts, Sequoyah County, #2010-016 Item withdrawn*  
2. Baker Petrolite Corporation, Osage County, #2010-017
- J. Reductions of Stream Water Rights:  
1. Dr. Ed L. Calhoun, Beaver County, #1939-026  
2. Herbert Penner c/o Philip & Sara Penner, Beaver County, #1980-055  
3. James W. Pierce, Blaine County, #1988-031  
4. David J. Alig, Kingfisher County, #1981-032  
5. Raymond & Wesley Short, Kingfisher County, #1981-088

K. Forfeitures of Stream Water Rights:

1. Lex Majors, Caddo County, #1991-059
2. Frank E. Rhodd, Pottawatomie County, #1981-004
3. Rex Lundy, Oklahoma County, #1999-024

L. Well Driller and Pump Installer Licensing:

1. New Licenses, Accompanying Operator Certificates and Activities:

- a. Licensee: A & W Drilling Services, Ltd. DPC-0800  
1. Operator: William B. Atkins OP-1776  
Activities: Heat exchange wells
- b. Licensee: Steve Harrison Drilling DPC-0818  
1. Operator: Steve Harrison OP-1796  
Activities: Groundwater wells, test holes and observation wells  
Heat exchange wells
- c. Licensee: Hauser Water Resources DPC- 0820  
1. Operator: Ben Hauser OP-0833  
Activities: Groundwater wells, test holes and observation wells  
Installation of water pumps Item added

2. New Operators, Licensee Name Change, and/or Activities for Existing Licenses:

- a. Licensee: Burton Drilling, LLC DPC-0029  
Name change: Hollifield Service Company
1. Operator: Dash Burton OP-1793  
Activities: Heat exchange wells - adding activity

M. Dam and Reservoir Construction:

1. Oklahoma City Water Utilities Trust, Atoka County, #OK00092
2. Washita County Conservation District, Washita County, #OK01110
3. Ski Island Lake Club, Inc., Oklahoma County, #OK02406
4. Oklahoma City Water Utilities Trust, Oklahoma County, #OK02535
5. Royce L. Casey, Pittsburg County, #OK30360 Item withdrawn
6. Robert E. & Linda H. Hall, Pittsburg County, #OK30361 Item withdrawn
7. M. L. Lenardo, Pittsburg County, #OK30362 Item withdrawn
8. David Webster, Hughes County, #OK30363 Item withdrawn

N. Permit Applications for Proposed Development on State Owned or Operated Property within Floodplain Areas:

1. Oklahoma Department of Transportation, Woods County, #FP-10-16

O. Applications for Accreditation of Floodplain Administrators:

Names of floodplain administrators to be accredited and their associated communities are individually set out in the October 12, 2010 packet of Board materials.

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

**A. Presentation and Overview of Water Planning and Garber-Wellington Aquifer Study and Tour at Lake Arcadia.** Mr. Kyle Arthur, Director of Planning, addressed the members and reviewed the Garber-Wellington Aquifer Study as it relates to the Oklahoma Comprehensive Plan Update, in a present sense and a future sense, and he spoke to the idea that planning is going on in an after sense, and the tour will give some sense of what planning is all about beyond an action document, and give a sense of what the future will hold as we move toward implementation. He said the match to the USGS funding for modeling for the study has been provided through the OCWP funding, so not all the money is going toward the publication of the document. He mentioned the bathymetric mapping of the lake to understand the storage capacity of the lake, which is also being done on other important water supply lakes in the state such as Hula, Waurika and Wister by the OWRB Water Quality Division. Regarding BUMP (Beneficial Use Monitoring Plan), he said water quality data gathering regarding Lake Arcadia also plays a role in planning as that data has been collected for ten years. He said \$1.3 million is received annually for publication of the document as well as active planning such as what will be seen today. He said this can be done in other parts of the state through OCWP funding through implementation, as long as that funding continues. Also from the gross production tax funding for the OWCP, \$1.3 million each year also goes to the Financial Assistance Division funds to capitalize federal funding for infrastructure needs across the state, and he noted that the City of Edmond had received \$27 million in DWSRF funds. He asked Ms. Noel Osborn, OWRB Geologist and Study Team Leader to brief the audience on the study components and expected activities during the tour.

Ms. Osborn, using a PowerPoint Presentation, described the program, the study and what is remaining to be done. She noted the boundaries of the Garber-Wellington Aquifer, which is a major aquifer in Oklahoma covering about 2,000 square miles, and she provided a map indicating the dedicated lands for groundwater permits--most of the large water withdrawals occur in the western portion of the aquifer, and along the I-35 corridor, and there are thousands and thousands of groundwater wells, with an estimated 75,000 households using the groundwater. The USGS estimated 45,000 acre-feet of water (per year) is withdrawn from the aquifer, and about 60% of wells are public water supply. Water quality is generally good, but major cities west of I-35 depend upon the aquifer and water quality problems including arsenic, which the new lower standards have cities looking at ways to deal with the arsenic, including a pilot program in Norman to remove it. She said the study that began in 2008 is a hydro-investigation for the determination of the maximum annual yield and equal proportionate share for water users. The study is funded 50% by the U.S. Bureau of Reclamation, and is tied to the OCWP as it is critical to planning for the central region and targeted to be completed by September 2011. This is the final year of the study, and after the study is completed, stakeholder meetings and public meetings will be held, a recommendation to the Board and the separate procedure for setting the maximum annual yield and equal proportionate share will be conducted. Ms. Osborn introduced members of the Technical Peer Review Study Team and researchers.

Ms. Osborn noted the geographic characteristics of the aquifer, how it compares to the geography of the Arbuckle Simpson, the historical development of the aquifer, the useful information provided by digitized well logs, the use of groundwater flow modeling over the next

year to determine what amount can be withdrawn safely, and spoke of the benefits of the maximum annual yield, and recharge. Ms. Osborn concluded her presentation with details about the scheduled 19-mile trip tour and activities.

Chairman Herrmann asked about surface water use in the area. Ms. Osborn stated that as the reservoirs have become available, water use has changed. Lake Thunderbird began in the 1960s, and before that Norman relied only upon wells, and now uses more water from the lake than from the aquifer, and the City of Edmond uses one-third from the aquifer and two-thirds from the lake. Oklahoma City does not use water from the Garber-Wellington. Chairman Herrmann asked if it is known what the yield will be, and Ms. Osborn answered that the recharge estimated rate is between 1-2 inches per year and two acre-feet would probably not last forever with this aquifer. She said that there are other factors to consider and while she did not know what the answer will be, it should probably be less than two acre-feet; surface water flows will not have to be maintained, but it should be known what the impact will be. Mr. Sevenoaks asked how much the aquifer has dropped, and Ms. Osborn said the study in the mid 1980s-90s, was a comprehensive snap shot of the aquifer using 360 wells, and a measuring many of the same wells a few years ago showed that on average the wells were four feet lower, which may not sound like a lot of change, but calculated over the aquifer is significant, and she noted the variables to consider regarding the change.

Mr. Strong made some closing comments recognizing the OWRB technical staff and what the OWRB does for water resources management, staff can go to any area of the state and talk about the resources there and they will be different than any other area; today we are looking at Arcadia and the Garber-Wellington and the study is important to other areas of the metro area as regards providing drinking water to the citizens. He mentioned the communities in the area are developing and interested in water supply and what the Garber Wellington can provide. Chairman Herrmann asked the population that is the footprint of the aquifer, and Mr. Strong answered about 1.2 million people in the Metropolitan Statistical Area, or a little over one-third of the state's population.

## **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. No items. There were no items on the Special Consideration Agenda for the Board's consideration.

B. Items transferred from Summary Disposition Agenda, if any. There were no items transferred from the Summary Disposition Agenda for further consideration.

**6. DISCUSSION AND POSSIBLE ACTION ON AGENCY BUDGET REPORT AN FORMAT.**

Ms. Leslie Nance stated to the members that the most recent budget report through the end of September had been provided. She said there were no comments regarding the new format, and the members said the new format was a big improvement. She said the Finance Committee met and the members were provided a two-page summary of the budget request submitted to the Office of State Finance. There were no questions.

**7. CONSIDERATION OF SUPPLEMENTAL AGENDA ITEMS, IF ANY**

There were no Supplemental Agenda items for the Board's consideration.

**8. 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.

**9. TOUR OF LAKE ARCADIA and POINTS of INTEREST REGARDING AGENCY PROGRAMS – Board members, staff, tour guides and the public may discuss program issues during the tour. No votes and no action will be taken during the tour.** Chairman Herrmann asked for clarification and OWRB General Counsel Dean Couch stated that the tour is listed on the agenda, and the meeting will be recessed for the tour, and meeting adjournment following the tour.

Chairman Herrmann recessed the meeting at 11:15 a.m. for Board members, staff, and members of the public to have lunch and gather for the tour scheduled to begin at 12:00 noon. He stated that the meeting is adjourned following the tour, or when there is a lack of a quorum, and there would be no business conducted during the tour which is strictly informational and educational.

No votes or actions were taken by the members of the Board during the tour.

**10. ADJOURNMENT**

The members returned from the tour at 3:00 p.m. There being no further business, the meeting of the Oklahoma Water Resources Board was adjourned at 3:00 p.m. upon conclusion of the tour and return to the ODWC facility on Tuesday, October 12, 2010.

**OKLAHOMA WATER RESOURCES BOARD**

\_\_\_\_\_/s/\_\_\_\_\_  
Rudolf J. Herrmann, Chairman

\_\_\_\_\_/s/\_\_\_\_\_  
Jess Mark Nichols, Vice Chairman

\_\_\_\_\_/s/\_\_\_\_\_  
Edward H. Fite

\_\_\_\_\_/s/\_\_\_\_\_  
Richard Sevenoaks

\_\_\_\_\_/s/\_\_\_\_\_  
Marilyn Feaver

\_\_\_\_\_/s/\_\_\_\_\_  
Kenneth K. Knowles

\_\_\_\_\_/s/\_\_\_\_\_  
F. Ford Drummond

\_\_\_\_\_/s/\_\_\_\_\_  
Joseph E. Taron

**ATTEST:**

\_\_\_\_\_/s/\_\_\_\_\_  
Linda P. Lambert, Secretary  
(SEAL)