

**OKLAHOMA WATER RESOURCES BOARD
OFFICIAL MINUTES**

June 10, 2003

1. Call to Order

The regular monthly meeting of the Oklahoma Water Resources Board was called to order by Chairman Grandstaff, at 9:30 a.m., on June 10, 2003, in the Board Room of the Oklahoma Water Resources Board, 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.

A. Invocation.

Member Ervin Mitchell gave the invocation.

B. Roll Call

Board Members Present

Grady Grandstaff, Chairman
Richard Sevenoaks, Vice Chairman
Ervin Mitchell, Secretary
Harry Currie
Lonnie Farmer
Jack Keeley
Bill Secrest
Glenn Sharp

Board Members Absent

Richard McDonald

Staff Members Present

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

Others Present

Kathy Kaiser, Rush Springs, OK
Walt Beckham, Muskogee, OK
Cathie Arnold, Norman, OK
Angie Burckhalter, Oklahoma Independent Petroleum Association, Oklahoma City, OK
Bobby & Donna McSpadden, Sardis Lake Water Authority, Clayton, OK
Harriet Eden, Sardis Lake Water Authority, Clayton, OK
Jim Barnett, Kerr Irvine Rhodes Ables, Oklahoma City, OK
Larry Swanson, Sierra Club, Oklahoma City, OK
Martha Ober, BancFirst, Oklahoma City, OK
Jeff Packham, Capitol Network News, Oklahoma City, OK
Rep. Joe Dorman, State Representative
Sarah Penn, Office of the Attorney General, Oklahoma City, OK
Sharon K. Fleener, Rush Springs, OK
Charles Burchell, Rush Springs, OK
Gene Whatley, Oklahoma Rural Water Association, Oklahoma City, OK
Richard Lamb, Keota; Shawnee, OK
Jess Brewer, Leon, OK
Ann Keeley, Ada, OK

C. APPROVAL OF MINUTES

Chairman Grandstaff stated the draft minutes of the May 13, 2003 Regular meeting have been distributed. He said he would entertain a motion to approve the minutes unless there were deletions or additions. Mr. Sharp moved to approve the minutes of the May 13, 2003, Regular Meeting, and Mr. Mitchell seconded.

AYE: Currie, Farmer, Keeley, Mitchell, Secrest, Sevenoaks, Sharp,
Grandstaff

NAY: None

ABSTAIN: None

ABSENT: McDonald

D. EXECUTIVE DIRECTOR'S REPORT

Mr. Duane Smith, Executive Director, began his report introducing Mr. Jack Keeley, the newly confirmed Board member from Ada, Oklahoma. He announced that member Mr. Glenn Sharp had also been confirmed at the same Senate hearing. Mr. Smith asked Mr. Mike Melton to provide a "wrap-up" report on the Legislative Session. Mr. Melton provided a written report of the final version of legislative measures passed by the legislature and affecting the OWRB. He said that despite the dismal budget situation, it was a good year for the OWRB at the Capitol. Among the legislation highlighted: HB 1219 and 1478 creating a revolving fund and authorizing appropriation for the Tourism & Recreation Department to borrow from the OWRB in order to make infrastructure repairs at certain state lodge facilities; SB154 authorizing appropriations approximately \$4 million for OWRB duties and activities and for the first time since the inception of the program \$1 million added for the Beneficial Use Monitoring Program, pass through funding for the ORWA; appropriates \$2.2 million to REAP grant program, and set the FTE limit at 91; SB 155 appropriates \$535,000 for water studies, dam repair, rural development issues and other activities; ORWA technical assistance and training of \$118,000; SB288 establishes a

moratorium on issuance of certain temporary permits (Arbuckle-Simpson aquifer); and SB408 directs the Secretary of Environment to conduct a study of Grand Lake watershed. Mr. Smith introduced Rep. Joe Dorman who was present. He added that overall, the agency's appropriation represents about a 22.8% decrease over the previous year, including this year's previous cuts. It looked like there would not be a reduction in force or furlough days for the employees, but the budget is "still on the edge" if state collections are not what is expected in the coming months.

Mr. Smith concluded his report remarking that Board Member Bill Secret celebrated 20 years on the Board in May 2003.

2. FINANCIAL ASSISTANCE DIVISION

A. Consideration of and Possible Action on a Proposed Order Approving Loan for Rush Springs Municipal Authority, Grady County, Oklahoma. Recommended for Approval. Mr. Joe Freeman, Chief, Financial Assistance Division, stated to the members this item is for the consideration of a request for a \$565,000 Drinking Water SRF Small Community Loan for the Rush Springs Municipal Improvement Authority in Grady County. He said Rush Springs has requested the loan in order to upgrade two wells, plug an old well, drill a test well and increase the size of its existing standpipes. Mr. Freeman noted provisions of the loan agreement, and said that the Authority will save approximately \$340,000 over the 20-year life of the loan. He said that staff recommended approval.

Ms. Kathryn Kaiser, Mayor; Charles Burchell, trustee; Sharon Fleener, city clerk; David Wyatt, engineer; and financial advisors were present in support of the loan request.

Mr. Farmer moved to approve the Drinking Water SRF loan to Rush Springs Municipal Authority, and Mr. Mitchell seconded.

AYE: Currie, Farmer, Keeley, Mitchell, Secret, Sevenoaks, Sharp, Grandstaff
NAY: None
ABSTAIN: None
ABSENT: McDonald

B. Consideration of and Possible Action on a Proposed Order Approving Loan for Muskogee Municipal Authority, Muskogee County, Oklahoma. Recommended for Approval. Mr. Freeman said this item is for the consideration of a \$4,615,000 State Loan Program revenue bond loan for the Muskogee Municipal Authority. The loan funds will be used to refinance two fixed rate loans the Board provided in 1993 and 1994 which were for refinancing portions of Muskogee's interim SRF loans for wastewater system improvements. Mr. Freeman noted provisions of the loan agreement. Staff recommended approval.

City Manager Walt Beckham and Financial Advisor Rick Smith were present in support of the loan request.

Mr. Sevenoaks asked if this was the first refinancing on an existing loan to refinance to a lower rate? Mr. Freeman answered the Board has approved conversions of variable rate loans to fixed rate loans, but this is the first for a fixed rate loan to a fixed rate loan at a lower rate. Mr. Sevenoaks was concerned about the repayment on the old bond issue and whether that would impact the amount of money that would be available at the lower rate for small entities to borrow. There was a lengthy discussion about the Board's response to entities in regard to refinancing, whether the Board would sustain a loss in revenue, and whether money is available for borrowers who are unable to finance projects. It was decided that a presentation would be made the July Board meeting that would explain the structure of the Board's programs, and in particular in regard to this concern.

Mr. Secrest moved to approve the loan to the Muskogee Municipal Authority, and Mr. Mitchell seconded.

AYE: Currie, Farmer, Keeley, Mitchell, Secrest, Sevenoaks, Sharp, Grandstaff
NAY: None
ABSTAIN: None
ABSENT: McDonald

C. Consideration of and Possible Action on a Proposed Order Approving Loan for Enid Municipal Authority, Garfield County, Oklahoma. Recommended for Approval. Mr. Freeman stated the Enid Municipal Authority has applied for a \$2.7 million Clean Water SRF Interim Construction loan to rehabilitate and modify the existing bio-solids treatment system. This includes rehabilitation of a basin, rebuilding sludge belt presses, constructing new lime stabilization units, rebuilding a thermal stabilizer, filter exhaust and undigested sludge pumps. Enid will also be upgrading its screened sludge storage loading areas. Mr. Freeman noted provisions of the loan agreement. Staff recommended approval of the loan request.

Mr. Currie asked about the city's source and quality of water. Mr. Hitt responded that the city uses groundwater and must watch nitrates, but the nitrate level has actually decreased recently. Mr. Mitchell asked about the location of the city's well fields.

Mr. Robert Hitt and Mr. Tim Lundy, city engineers, and their financial advisors were present in support of the loan application.

Mr. Mitchell moved to approve the loan to the Enid Municipal Authority, and Mr. Sharp seconded.

AYE: Currie, Farmer, Keeley, Mitchell, Secrest, Sevenoaks, Sharp, Grandstaff
NAY: None
ABSTAIN: None
ABSENT: McDonald

D. Consideration of and Possible Action on a Proposed Order Approving Loan for Enid Municipal Authority, Garfield County, Oklahoma. Recommended for Approval. Mr. Freeman said this request by the Enid Municipal Authority is in the amount of \$6,480,000.00. He said Enid is requesting the loan in order to refinance previous loans for long-term financing for interim construction loans for wastewater system improvements. He enumerated the loans that will be refinanced, and noted the provisions of the loan agreement. Staff recommended approval of the loan request.

Mr. Robert Hitt, Mr. Tim Lundy, and Mr. Jon Wolfe were present in support of the loan request. Mr. Wolfe stated the refinance would save the city more than \$800,000.00 over the 15-year life of the loan note.

Mr. Sharp moved to approve the loan to the Enid Municipal Authority, and Mr. Sevenoaks seconded.

AYE: Currie, Farmer, Keeley, Mitchell, Secrest, Sevenoaks, Sharp, Grandstaff
NAY: None
ABSTAIN: None
ABSENT: McDonald

E. Consideration of and Possible Action on a Proposed Order Approving Loan for Grove Municipal Services Authority, Delaware County, Oklahoma. Recommended for Approval. Mr. Freeman stated the Grove Municipal Services Authority has requested a loan in the amount of \$7.5 million from the Clean Water SRF Small Community Loan fund for constructing a new sequencing batch reactor treatment facility, a new pump station and approximately 8,000 feet of 18-inch force main. Mr. Freeman noted provisions of the loan agreement. He said the city

would save approximately \$3 million, or \$2.00 per tap per month over the life of the 20-year loan. Staff recommended approval.

Mr. Bill Gallatly, Grove City Manager, and financial advisors, were present in support of the loan application .

Mr. Mitchell moved to approve the loan to the Grove Municipal Services Authority, and Mr. Secrest seconded.

AYE: Currie, Farmer, Keeley, Mitchell, Secrest, Sevenoaks, Grandstaff
NAY: None
ABSTAIN: Sharp
ABSENT: McDonald

F. Consideration of and Possible Action on a Proposed Order Approving Loan for Tulsa Metropolitan Utility Authority, Tulsa County, Oklahoma. Recommended for Approval. Mr. Freeman said this \$10.2 million loan request from the Tulsa Metropolitan Utility Authority is to rehabilitate two anaerobic digesters at the Northside wastewater treatment plant, rehabilitation of manholes and pipelines in the Upper Mingo area, and rehabilitating manholes and pipelines in the Central Business District Mid-Town area. He noted provisions of the loan agreement that will be made through the Board's Clean Water SRF Interim Construction Loan program. Staff recommended approval of the loan request.

Mr. Bob Shelton, city engineer, was present in support of the loan request.

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

AYE: Currie, Farmer, Keeley, Mitchell, Secrest, Sharp, Grandstaff
NAY: None
ABSTAIN: Sevenoaks
ABSENT: McDonald

G. Consideration of and Possible Action on a Proposed Order Approving Loan for Tulsa Metropolitan Utility Authority, Tulsa County, Oklahoma. Recommended for Approval. Mr. Freeman stated the TMUA has made application for a State Loan Program revenue bond loan in the amount of \$12,195,000.00 for the Central Park relief line, rehabilitation of the Flat Rock Creek relief line, a Newblock relief line, lift station, sewer line and lift station, and construction a waste treatment system in an area that does not have sewer facilities. Mr. Freeman noted provisions of the loan agreement, and staff recommended approval.

Mr. Bob Shelton was present to represent the TMUA.

Mr. Sharp moved to approve the loan to the TMUA, and Mr. Secrest seconded.

AYE: Currie, Farmer, Keeley, Mitchell, Secrest, Sharp, Grandstaff
NAY: None
ABSTAIN: Sevenoaks
ABSENT: McDonald

H. Consideration of and Possible Action on a Resolution Selecting a Liquidity Facility in Connection with New and Existing Obligations Relating to the Board's State Loan Program. Recommended for Approval. Mr. Freeman said this item is for the consideration of a stand-by bond purchase provider for the Board's series 1999 revenue bond issue and the proposed series 2003 A variable rate bond issue. He said requests for bids were made to 22 firms; and bids were received from four banks—Dexia Credit, Lloyds TSB Bank, Bank of America, and Bayerische Landesbank. The stand-by provider provides liquidity for the issue while the bonds are in a variable rate mode; once the bonds are converted to a fixed rate, or paid off, the amount of bonds covered by the liquidity facility is reduced and the Board's expenses are

reduced. Mr. Freeman said the Board received one bid for a one-year commitment with annual renewals, while all four banks bid on a three-year commitment, three banks bid on a five-year commitment, and one bank bid on a seven-year commitment. Mr. Freeman said he had visited with the members of the Board's finance committee concerning the bids and selection. Therefore, Mr. Freeman stated that the committee recommended the selection of the one-year commitment with annual renewals and fourteen basis points as submitted by the Bank of America.

Mr. Secrest moved to approve the selection of Bank of America as the Board's Liquidity Facility for the bond series noted, and Mr. Mitchell seconded.

AYE: Currie, Farmer, Keeley, Mitchell, Secrest, Sevenoaks, Sharp, Grandstaff
NAY: None
ABSTAIN: None
ABSENT: McDonald

Mr. Smith commented about the phenomenal amount of money saved by communities because of the Board's program, and that there is an estimated \$3 billion in need currently identified. He talked about the recognized need to provide cash in the program for the long-term viability of the program while saving communities and water districts as much money as possible. There was discussion among the members, and Mr. Smith said the Board's providers would make a presentation at the July Board meeting about the program's structure and options for future funding.

Mr. Don Kiser, Board bond counsel, noted that the Board's only surety provider is now out of the market because the rating agencies are requiring the surety providers to collateralize their risk on the surety bonds at a higher rate than in the past. Fortunately, the Board had enough cash reserve on hand to complete the last issue, but is now "tapped out" of the cash that was provided initially by a legislative appropriation. He said the Board would have to have a source of revenue to capitalize the reserve if the Board is going to continue to do bond issues in the future.

3. SUMMARY DISPOSITION AGENDA

Chairman Grandstaff 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. However, Mr. Mathis stated agenda items 3.E.3. temporary permit to use groundwater #2002-612, and 3.G.1., #2002-570, 2. #2002-571, 5. #2002-596 regular permits to use groundwater, and 3.J.I., #2002-025, application for term permit to use stream water, should be withdrawn from the Board's consideration as there were publication and notification inaccuracies with these applications, and one protest.

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

Mr. Currie asked about the status of Haileyville, in consideration of the REAP grant listed under item 3.C.5. Mr. Freeman brought the members up to date about council elections, providing financial reports, hiring new operator and accurate reading of the meters, instituting a rate increase and paying the city bills. There was some discussion about the project at Haileyville and its ability to oversee the the REAP grant funds.

Mr. Sharp moved to approve the Summary Disposition Agenda items, as amended, and Mr. Farmer seconded.

AYE: Currie, Farmer, Keeley, Mitchell, Secrest, Sevenoaks, Sharp, Grandstaff
 NAY: None
 ABSTAIN: Secrest*
 ABSENT: McDonald

*Mr. Secrest corrected his vote at the conclusion of the meeting to reflect an abstention on item 3.D.9., regarding the contract with the Oklahoma Rural Water Association.

The following items were approved:

C. Consideration of Approval of the Following Applications for REAP Grants in Accordance with the Proposed Order Approving the Grants:

<u>REAP Item No.</u>	<u>Application No.</u>	<u>Entity Name</u>	<u>County</u>	<u>Amount Recommended</u>
COEDD 1.	FAP-02-0009-R	Dustin Public Works Authority	Hughes	\$89,999.00
EODD 2.	FAP-97-0089-R	Vian Public Works Authority	Sequoyah	150,000.00
GGEDA 3.	FAP-01-0002-R	Welch Public Works Authority	Craig	112,000.00
4.	FAP-97-0083-R	Ochelata Utility Authority	Washington	99,450.00
KEDDO 5.	FAP-01-0080-R	Haileyville Public Works Authority	Pittsburg	99,900.00
6.	FAP-02-0051-R	Keota Public Works Authority	Haskell	amend scope
SODA 7.	FAP-02-0006-R	Rural Water District #1	Love	130,950.00
SWODA 8.	FAP-02-0035-R	Rural Water, Sewer & Solid Waste Management District #2	Beckham	99,950.00

D. Contract and Agreements Recommended for Approval

1. Consideration of Intergovernmental Agreement with the Central Oklahoma Master Conservancy District to Assist in Implementing a Pilot Plant Testing Program.
2. Consideration of Intergovernmental Agreement with the Central Oklahoma Master Conservancy District for FY-2004 Water Quality Monitoring at Lake Thunderbird.

3. Consideration of Renewal and Amendment Agreement with the University of Oklahoma Acting through its Sam Noble Oklahoma Museum of Natural History for Fish Taxonomy.
 4. Consideration of Second Renewal and Amendment Agreement with Oklahoma State University for the Development of Bioassessment Protocols in Non-Wadable Streams.
 5. Consideration of Interagency Agreement with the State Department of Agriculture, Food and Forestry for Rural Development Initiative.
 6. Consideration of Interagency Agreement with the State Department of Environmental Quality for the FY-2004 Drinking Water State Revolving Fund Program.
 7. Consideration of Cooperative Agreement with Science Applications International Corporation (SAIC) for Work Related to the Monitoring of Groundwater in Oklahoma County.
 8. Consideration of Agreement with the Indian Nations Council of Governments for Technical Assistance in a Water Quality Study of Polecat Creek.
 9. Consideration of Contract with the Oklahoma Rural Water Association for Technical Assistance and Training.
 10. Consideration of Shared Services Agreement with the office of the Governor for the Office of the Secretary of Environment.
- E. Applications for Temporary Permits to Use Groundwater:
1. Russell Allard, Kiowa County, #2002-573
 2. J. B. & Dorothy Shepherd, Woods County, #2002-600
 3. ***Milo-Woodford RWSG&SWMD, Carter County, #2002-612 withdrawn***
 4. Byrum Family Trust, Caddo County, #2003-508
 5. Southwestern Oklahoma State University, Custer County, #2003-511
 6. Patrick J. Brueggen, Kingfisher County, #2003-525
- F. Applications to Amend Temporary Permits to Use Groundwater:
1. Bryan & Lavonne Kroeker, Garfield County, #1996-545
- G. Applications for Regular Permits to Use Groundwater:
1. ***Sheldon W. & Julee D. Meliza, Harper County, #2002-570 withdrawn***
 2. ***Stoney & Joyce Lacey, Custer County, #2002-571 withdrawn***
 3. Texhoma Public Works Authority, Texas County, #2002-588
 4. Little's Property, Inc., Marshall County, #2002-593
 5. ***Roy L. Ryan, Tillman County, #2002-596 withdrawn***
 6. Richard E. & Mabel Joyce Ogle, Cimarron County, #2003-505
 7. Meridian Aggregates Company, Kiowa County, #2003-509
 8. Russell Howard, Beaver County, #2003-521
 9. Harper County Water Corporation, Woodward County, #2003-523

- H. Applications to Amend Regular Permits to Use Groundwater:
None
- I. Applications to Amend Prior Rights to Use Groundwater:
1. Terry L. & Brenda Kay Beck, Roger Mills County, #1936-083
- J. Applications for Term Permits to Use Stream Water:
1. John Boyd McMahan, Jackson County, #2002-025 withdrawn
- 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: Chris Dickson	DPC-0597
(1)	Operator Chris Dickson	OP-1349
	Activities Groundwater wells, test holes and observation wells Pump installation	
 - 2. New Operators and/or Activities for Existing Licenses:

a.	Licensee: Standard Testing & Engineering Co.	DPC-0244
(1)	Operator: Merlin Bridge	OP-1348
	Activities: Monitoring wells and geotechnical borings	
- M. Dam and Reservoir Plans and Specifications:
None
- N. Permit Applications for Proposed Development on State Owned or Operated Property within Floodplain Areas:
None

04000 4. QUESTIONS AND DISCUSSION ABOUT AGENCY WORK AND OTHER ITEMS OF INTEREST.

No items.

05000 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. Consideration of Proposed Reduction and Revision to Schedule of Use for Stream Water Right No. 1966-495 of Avant Utilities Authority, Osage County:

1. Summary – Mr. Mike Mathis, Chief, Planning and Management Division, stated to the members that this item is for the consideration of the proposed reduction and revision to schedule of use for stream water permit #1966-495 for the Avant Utilities Authority in Osage County. In 1966, the Board issued this water right authorizing the Authority to use up to 75 acre-feet of stream water per year for public water supply from a small municipal reservoir on a tributary to Bird Creek. The water right reserved a schedule of use for certain percentages of the allocation to be used by specified years. Under the Board’s review of stream water permits, evidence in the record at the time indicated the permit could be subject to some level of reduction, and a hearing was conducted. Evidence in the record indicated that certain annual water use reports should be corrected, and that the Authority has forfeited a portion of this water right in the amount of 20 acre-feet due to nonuse. There is a senior water right to this permit held by the Authority, and staff was able to apply part of the water use in order to totally preserve the senior right. The Authority is eligible to apply for any other stream water right. Staff recommended approval of the order reducing the water right and adjusting the schedule of use.

2. Discussion and presentation by water right holder. There were no representatives present.

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

4. Vote on whether to approve the proposed order as presented or as may be amended, or vote on any other action or decision relating to the proposed order.

Mr. Farmer moved to approve staff recommendation to reduce stream water right #1966-495 and revise the schedule of use, and Mr. Currie seconded.

AYE: Currie, Farmer, Keeley, Mitchell, Secrest, Sevenoaks, Sharp, Grandstaff

NAY: None

ABSTAIN: None

ABSENT: McDonald

B. Considerations of Items Transferred from Summary Disposition Agenda, If any.

There were no items transferred from the Summary Disposition Agenda.

6. PRESENTATION OF AGENCY BUDGET REPORT.

Mr. Jim Schuelein, Chief, Administrative Services Division, began his report saying the monthly budget-to-actual report reflects the agency’s budget through the eleventh month of the fiscal year, and the agency is with the budgetary limits set by the Governor and Legislature. He said the report does reflect an overall decrease of 7.85% due to the revenue collections of the state and the agency’s appropriated money, all other funding has remained as expected and combined with reduced personnel, equipment and travel expenditures. He said there will be a new budget-to-actual report next month, the beginning of the next fiscal year, and there are some remaining expenditures from this fiscal year coming in. Mr. Mitchell asked about maintenance expenses, and Mr. Sevenoaks complimented Mr. Schuelein and staff on doing a good job of managing the down cycle and the decreased budgetary times. Mr. Schuelein credited Mr. Smith and the Division Chiefs for keeping a close watch on expenditures.

7. CONSIDERATION OF SUPPLEMENTAL AGENDA, IF ANY.

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

8. ELECTION OF OFFICERS

Chairman Grandstaff stated this item is for the annual election of officers, and that he would entertain nominations.

A. Mr. Ervin Mitchell nominated Grady Grandstaff as Chairman. Mr. Sevenoaks seconded the nomination. There were no other nominations for the office of the Chairman.

AYE: Currie, Farmer, Keeley, Mitchell, Secrest, Sevenoaks, Sharp, Grandstaff
NAY: None
ABSTAIN: None
ABSENT: McDonald

B. Mr. Secrest nominated Glenn Sharp as Vice Chairman. Mr. Currie seconded. There were no other nominations for the office of Vice Chairman.

AYE: Currie, Farmer, Keeley, Mitchell, Secrest, Sevenoaks, Sharp, Grandstaff
NAY: None
ABSTAIN: None
ABSENT: McDonald

C. Mr. Farmer nominated Ervin Mitchell as Secretary. Mr. Sharp seconded the nomination. There were no other nominations for office of Secretary.

AYE: Currie, Farmer, Keeley, Secrest, Sevenoaks, Sharp, Grandstaff
NAY: None
ABSTAIN: Mitchell
ABSENT: McDonald

9. 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. However, Mr. Smith reminded the members about the agency's annual picnic and golf tournament set for Friday, June 20, at Eldon Lyon Park in Bethany at 6:00 p.m. Agency personnel participating in the golf tournament will be taking annual leave.

He also mentioned conducting a Board meeting out of town. There are several possibilities and invitations including Grand Lake, Illinois River, Arbuckle-Simpson area, and Bartlesville. After some discussion, the board decided to tour the Grand Lake projects and meet at Shangri-La for the August meeting.

Chairman Grandstaff welcomed new Board member Jack Keeley, and recognized State Representative Joe Dorman to make a few comments. Mr. Currie asked about the EPA approval of the Board's rule on the Illinois River phosphorous level, and Mr. Smith said the rule was to have been approved at the first of June, but that has not been done, and meetings

continue in that regard. The Secretary of Environment and the Attorney General have been conducting negotiations with the State of Arkansas.

10. ADJOURNMENT

There being no further business, Chairman Grandstaff adjourned the regular meeting of the Oklahoma Water Resources Board at 11:30 a.m., June 10, 2003.

OKLAHOMA WATER RESOURCES BOARD

_____/s/_____
Grady Grandstaff, Chairman

_____/s/_____
Glenn Sharp, Vice Chairman

_____/s/_____
Harry Currie

_____/s/_____
Lonnie Farmer

_____/s/_____
Richard McDonald

_____/s/_____
Bill Secrest

_____/s/_____
Jack W. Keeley

_____/s/_____
Richard Sevenoaks

ATTEST:

_____/s/_____
Ervin Mitchell, Secretary

(SEAL)