

Oklahoma

# Water News

MONTHLY NEWSLETTER OF THE OKLAHOMA WATER RESOURCES BOARD

## New Regulations to be Costly, Fed, State Water Experts Say

"Drowning in the High Cost of Water" proved to be an appropriate theme for the Eleventh Annual Water Conference December 5 in which warnings of high costs ebbed and flowed with creative ideas for coping.

The conference, held at the Marriott Hotel in Oklahoma City, attracted 350 people seeking answers to the dilemma of how to have plenty of good water and how to pay for it from a shrinking budget. Strategies were advanced by federal agency execs, state legislators and panelists with expertise in paying for development, distribution and treatment of water supplies.

Tight budgets, new regulations and stringent quality criteria necessitate new partnerships between federal agencies and between feds and the private sector. Creative thinking and cooperation were the messages conferencees heard throughout the day. No longer can a single federal agency deal with today's complex water problems.

Keynoter E. Donald Elliott, EPA general counsel, noted that water often does not get as much attention as other environmental issues, perhaps because the Clean Water Act is working so well to resolve problems. The nation's groundwater presents a good news-bad news situation, he said.

"The bad news is that over 70 percent of the rural water wells tested showed some contamination from pesticides and nitrates. The good news is that the levels of contamination are very low," Elliott said.

Estimates show that one-third to two-thirds of water pollution problems can be tracked to nonpoint sources, and abating that pollution will be the focus of the future. Elliott

*Continued on page 2*



Look for OWRB Downtown

N.W. Fifth and Harvey is the new location of the Oklahoma Water Resources Board. The three-story building at 600 North Harvey, formerly housing Ricks Exploration, will provide more than 24,000 square feet of office space for the Board's 88 Oklahoma City employees. The OWRB's new mailing address will be P.O. Box 150, 73101-0150. (Note that the box number is different from that announced in November's newsletter.)



*Conference, continued from page 1*

pointed out that the cost of compliance with new regulations will continue to climb—from some \$90 billion per year to \$150 billion annually by the year 2000.

According to Elliott, one of the EPA's major battles will center on reauthorization of the Clean Water Act, and the administration is pushing two major themes. The first is "aiming where you shoot," that is, focusing efforts and being proactive rather than reactive. The second, he said, is to make programs more efficient, to rely on market-based approaches instead of regulatory-driven programs. He said this market-driven approach is a hybrid that could lead to the creation of health-based standards and the use of the market to implement them. Elliott expects that "the conflict between the quality and quantity issues will be played out over the next five years."

***Corps of Engineers puts new emphasis on the environment, says Kelly***

Maj. Gen. Patrick J. Kelly assured conferees that the Army Corps of Engineers has added the role of environmental protection to its two main missions, navigation and flood control. He noted that more than \$300 million—or nine percent of the agency's budget—is assigned to environmental protection issues.

Kelly also pointed out that Oklahoma is the beneficiary of a larger Corps budget, which includes \$975,000 for construction on the Tulsa levee project (a 75-25 federal-state funding split), \$13.6 million for Mingo Creek and \$5 million for work on Area IV of the chloride control project.

Joe D. Hall, deputy commissioner of the Bureau of Reclamation, said his agency also is taking a proactive stance in "not skating to where the puck was, but to where the puck will be." He explained that the Bureau operates in 17 western states in which one-third of the U.S. population is expected to live by the year 2010. He



**"Still, when construction is the best option for providing water supply, we'll have the guts to say so," asserted Joe Hall, deputy commissioner of the Bureau.**

pointed out that a 1988 Bureau study ranked issues facing the agency in the next 10 years. By 1998, construction will have slipped to number eight on a list of 13; water quality will rise to number two; groundwater protection number three, and operation and maintenance of Bureau projects will remain the number-one priority.

A mid-morning panel entitled "Increased Costs . . . Where's the Money to Come From?" was introduced by moderator Jim Barnett of the Water Resources Board. Jack Brown, chairman of the Tulsa Metropolitan Utility Authority, led off by forecasting that to attain compliance with new EPA regs, water utilities will have to spend 67 percent more by the year 2000 than they did in 1987. "Unless Congress comes to the aid of municipalities, the utility rate payers and taxpayers will shoulder the full cost of compliance," Brown said.

The second panelist, Henry Lamb, executive vice-president of Land Improvement Contractors of America, favors free market environmental control systems. He agreed that new partnerships must emerge in environmental regulation, but he favors alliances between the public sector and the private sector instead of between governmental agencies.

Next to the podium was Ernie Fawcett, president of the National Rural Water Association, who assured conferees that rural America is not

dead, but indeed, growing. He said it will take a lot of hard work to find financing for rural water systems, but it can be done. He pointed to Arkansas' success in getting the first bond issue passed in the state since 1949. The program makes available \$100 million for drinking water development to groups that generally could not get credit on their own. This program has been so successful, without a single default, that Arkansas is considering a \$250 million bond issue to finance a state wastewater treatment revolving fund.

Larry Wornom, director of the Lincoln County Conservation District and former member of the Oklahoma

*Continued on page 5*

**A. The OWRB's Mary Nell Sturgeon and Kim Neese register conferees.**

**B. Connie Ziegelgruber, of the OWRB's Administration Division, pins a name badge on Joe Freeman, Planning and Development.**

**C. Art Cotton, of the Benham Group, registers for the Eleventh Annual Oklahoma Water Conference.**

**D. Robert S. Kerr, Jr., Board chairman, welcomed conferees to the Marriott Hotel.**

**E. EPA General Counsel E. Donald Elliott delivers the keynote address.**

**F. Environmental protection is receiving increased attention from the Corps of Engineers, according to Major General Patrick Kelly, Corps director of Civil Works.**

**G. Enjoying the coffee break are (from left) Ron Hanson, with the U.S. Geological Survey; Ray Henson; Walid Maher, OWRB Planning & Development Division chief; and Mike Henson, OWRB member.**

**H. Mary Schooley, OWRB executive secretary, greets panelist Henry Lamb.**

**I. OWRB Water Quality Division Chief David Dillon and Mike Melton, assistant director, confer at break.**

**J. OWRB Executive Director James R. Barnett responds to questions posed by the television media.**

**K. As part of a morning panel addressing increasing costs of water, Henry Lamb, executive vice president of Land Improvement Contractors of America, offered a dim view of new regulations concerning wetlands.**

**L. Jack Brown, chairman of the Tulsa Metropolitan Utility Authority, discusses potential funding alternatives for Tulsa to meet increasingly stringent water quality regulations.**





*Conference, continued from page 2*

Conservation Commission, pointed out the success of 40 multipurpose SCS sites completed in Oklahoma. "In Lincoln County, 13 cities receive 184,000 cubic feet of municipal water and supplemental water for recreation from SCS sites."

Don Kiser, Oklahoma City bond attorney with Fagin, Brown, Bush, Tinney and Kiser, agreed that ultimately the money comes from the users or taxpayers. Among other financing options he listed loans and grants from the Farmers Home Administration and grants from the OWRB, Department of Commerce and, in some cases, the Indian Health Service. Sometimes municipalities and rural water districts may try to link grants from two or more of these entities.

**M. Ernie Fawcett, president of the National Rural Water Association, suggests ways rural America can finance water systems as federal funding decreases.**

**N. The OWRB's Margaret Graham assists a registrant.**

**O. Darryl Roberts, Senate majority leader, addresses the luncheon crowd.**

**P. Approximately 350 people attended the 1990 Oklahoma Water Conference.**

**Q. At the luncheon, Glenn Sullivan presented three Water Pioneer Awards, including one to Lila Shadid, who receives the award on behalf of her late husband, Hoyt Shadid.**

**R. Speaker-Designate Glen Johnson said that water quality will head the list of issues concerning the 1991 legislative session.**

**S. James Barnett discusses municipal water supply concerns with Jim Couch, City of Oklahoma City.**

**T. Glenn Sullivan, secretary of Natural Resources, presents a Water Pioneer Award to newspaper publisher and water development advocate, George Hill.**

**U. Pat Morris, Lila Shadid and George Hill pose for a photo by the plaque bearing the names of all 54 Oklahoma Water Pioneers.**

**V. The Water Conference provided an opportunity for Board members Gerald Borelli, Dick Seybolt and Frank Condon to converse on water issues.**

**W. Mike Mathis, assistant chief of the OWRB's Planning and Development Division, answers questions concerning the Board's Financial Assistance Program.**



**Bond attorney Don Kiser pointed out utility users ultimately pay for construction and improvements. But who pays in the middle—while the system is being built and the debt accumulated must be paid, he asked.**

Kiser pointed out that the first sale of bonds under the OWRB Financial Assistance Program was at a fixed rate of interest, but subsequent bond sales have been variable rate bonds, where the interest is recalculated every six months and adjusted to reflect the market. Kiser said the variable rate has averaged just over six percent, the current rate being 6.59 percent. To date, the OWRB has approved 70 loans for \$75 million.

Water Resources Board Chairman Robert S. Kerr, Jr., introduced the speakers on the luncheon program. He prefaced their remarks with a quote from the report of the 1957 Water Study Committee appointed by the Governor and funded by the Twenty-fifth Oklahoma Legislature. The committee recommended that "The Water Resources Board should be charged with the enforcement of pollution control and should be empowered to correlate the activities of the various agencies whose obligations concerning pollution are fixed by law."

Kerr introduced Sen. Darryl Roberts, Senate Majority leader, and House Speaker-designate Glen Johnson, who agreed a priority in the 1991 legislative session will be reviewing the needs of the state water development fund. "I feel the financial assistance program has been very beneficial to Oklahoma's small com-

munities that don't have bonding capacity of their own," Johnson said. "Our door will be open to the whole water quality effort," Johnson affirmed.

Also highlighting the luncheon program was the presentation of awards to three Oklahoma Water Pioneers.

Conference sponsors recognized the late Hoyt Shadid, former Altus mayor who was president of the Mountain Park Master Conservancy District for 13 years. The award was accepted by Lila Shadid, widow of Hoyt Shadid.

Lt. Col. Eddie L. Morris, also deceased, served as deputy district engineer of the Tulsa District Corps of Engineers and director, president and chairman of the Arkansas Basin Development Association. Patricia Morris accepted the Water Pioneer award on behalf of her late husband.

The third Water Pioneer award was presented to George B. Hill, longtime promoter of water development in southeast Oklahoma and editor and publisher of the Coalgate "Record-Register" for 40 years. He was also an officer of Oklahoma Water, Inc., which named him Waternaut of the Year. He was presented the award by Glenn Sullivan, Secretary of Natural Resources.

**FINANCIAL ASSISTANCE PROGRAM UPDATE***Approved at November Board Meeting***Loans**

(rate—6.592%)

Davis Municipal Authority—\$380,000

*Approved at December Board Meeting***Grants**

Cache PWA—\$44,500

Davis Municipal Authority—\$40,000

Crowder PWA—\$93,755

Okfuskee Co. RW&amp;GD #2—\$25,000

**Loans**

(current rate—6.592%)

Cache PWA — \$105,000

**Totals as of 12/11/90**

	<b>Loans</b>	<b>Grants</b>
<b>Approved</b>	72	211
<b>Amount</b>	\$75,145,000	\$13,425,713
<b>Funded</b>	53	183
<b>Amount</b>	\$44,980,000	\$11,591,907

**STORAGE IN SELECTED OKLAHOMA LAKES & RESERVOIRS  
AS OF DECEMBER 11, 1990**

PLANNING REGION LAKE/RESERVOIR	CONSERVATION STORAGE (acre-feet)	PRESENT STORAGE (acre-feet)	PERCENT OF STORAGE		PLANNING REGION LAKE/RESERVOIR	CONSERVATION STORAGE (acre-feet)	PRESENT STORAGE (acre-feet)	PERCENT OF STORAGE	
			conservation	flood				conservation	flood
<b>SOUTHEAST</b>					<b>EAST CENTRAL</b>				
Atoka	124,100	123,475	99.5	N/A	Eufaula	2,314,600	2,283,462	98.7	0.0
Broken Bow	918,070	915,943	99.8	0.0	Tenkiller	654,100	654,100	100.0	0.0
Hugo <sup>1</sup>	187,603	187,603	100.0	0.2	Wister <sup>1</sup>	58,601	48,433	82.7	0.0
McGee Creek	113,930	113,930	100.0	0.0	<b>NORTHEAST</b>				
Pine Creek <sup>1</sup>	73,346	73,346	100.0	0.2	Birch	19,200	17,018	88.6	0.0
Sardis	274,330	274,330	100.0	0.2	Copan	43,400	38,478	88.7	0.0
<b>CENTRAL</b>					Eucha	80,000	80,000	100.0	N/A
Arcadia	27,520	27,520	100.0	0.1	Fort Gibson	365,200	365,200	100.0	0.0
Hefner	75,400	59,016	78.3	N/A	Grand	1,672,000	1,547,560	92.6	0.0
Overholser	15,900	15,900	100.0	N/A	Heyburn	7,105	6,288	88.5	0.0
Stanley Draper	100,000	71,463	71.5	N/A	Hudson	200,300	200,300	100.0	2.8
Thunderbird	119,600	118,174	98.8	0.0	Hulah	31,160	24,193	77.6	0.0
<b>SOUTH CENTRAL</b>					Oologah	553,400	549,172	99.2	0.0
Arbuckle	72,400	72,400	100.0	0.3	Skiatook	322,700	279,799	86.7	0.0
Texoma	2,643,300	2,631,190	99.5	0.0	Spavinaw	30,590	30,590	100.0	N/A
Waurika	203,100	194,572	95.8	0.0	<b>NORTH CENTRAL</b>				
<b>SOUTHWEST</b>					Kaw <sup>1</sup>	428,600	424,795	99.1	0.0
Altus	132,830	80,934	60.9	0.0	Keystone	557,600	529,284	94.9	0.0
Ellsworth	72,490	56,165	77.5	N/A	<b>NORTHWEST</b>				
Fort Cobb	80,010	79,377	99.2	0.0	Canton	111,310	91,509	82.2	0.0
Foss <sup>2</sup>	256,220	117,303	45.8	0.0	Fort Supply	13,900	13,900	100.0	0.2
Lawtonka	56,574	47,988	84.8	N/A	Great Salt Plains	31,420	31,420	100.0	1.0
Tom Steed	88,970	74,264	83.5	0.0	<b>STATE TOTALS</b>				
						<b>13,130,879</b>	<b>12,550,394</b>	<b>95.6</b>	<b>0.2</b>

<sup>1</sup> Seasonal pool operation

<sup>2</sup> Conservation pool lowered to enhance project operation  
N/A—not applicable; no flood storage allocation.

Data courtesy of the U.S. Army Corps of Engineers, Bureau of Reclamation, Oklahoma City Water Resources Department, Central Oklahoma Master Conservancy District, City of Tulsa Water Superintendent's Office, City of Lawton, City of Altus, Altus Irrigation District, Foss Reservoir Master Conservancy District and Fort Cobb Master Conservancy District.

This monthly newsletter, printed by the Central Printing Division of the Office of Public Affairs, Oklahoma City, Oklahoma, is published by the Oklahoma Water Resources Board as authorized by James R. Barnett, executive director. Ten thousand copies are printed and distributed monthly at an approximate cost of 20 cents each.

MARY E. WHITLOW, Editor

BRIAN VANCE, Writer

BARRY FOGERTY, Photographer

BRAD NESOM, Layout Artist

**OKLAHOMA WATER NEWS**

**WE'RE MOVING**

January 2, 1991

In order to better serve Oklahomans, the OKLAHOMA WATER RESOURCES BOARD is moving to new offices at . . .

**600 N. Harvey  
P.O. Box 150  
Oklahoma City, OK  
73101-0150**

Call us at (405) 231-2500  
FAX 231-2600

**BULK RATE  
U.S. POSTAGE  
PAID**

Oklahoma City, Okla.  
Permit No. 310