

OKLAHOMA WATER NEWS

Bimonthly Newsletter of the Oklahoma Water Resources Board



*from
the desk
of Gary
Sherrer*

It's time to say goodbye. It's very difficult to leave this agency after two years as executive director, and to leave state government after four years at the Department of Agriculture, and eight years in the Oklahoma House of Representatives. However, my family and I believe it is time to move on. The "up" side is that we will remain in Oklahoma, living and working in Vinita.

On the inside and outside of the State Legislature, we learned that no one takes seriously an agency head who constantly asks for money over and above his/her agency's appropriation. One of the accomplishments of which we are most proud is that neither agency that I have had the opportunity to work with has asked for operations money over and above the appropriated amount. We have always believed in "living within one's budget" and being a good steward of the taxpayers' money.

One of the most successful programs at the OWRB is the Financial Assistance Program -- a strategy to assist Oklahoma entities with low interest loans for water and wastewater improvements. Traditionally, the program had required a special appropriation from the Legislature to collateralize each bond issue. We believed there might be an alternative, and we encouraged the Financial Assistance Division to seek different means of collateralization.

In October 1995, the FA Division developed a sound and innovative strategy to provide the necessary re-

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Colleagues and Friends Gather To Bid Gary Sherrer Farewell

*Water Resources Board honors Executive Director,
Secretary of Environment at reception on March 11*

Scores of Gary Sherrer's friends and associates in state government paid an early call at the Water Board's Offices March 11 to have a cup of coffee and wish Judith and Gary Sherrer good speed. He leaves the Water Resources Board and his post as Secretary of Environment March 31 to become chief administrative officer at KAMO Power Company, headquartered in Vinita.

Sherrer's responsibilities with KAMO will include overseeing the budget, working with the board of directors and members of rural electric co-ops in Arkansas, Oklahoma and Missouri, the states served by the company. He says he will continue being a zealot for customer service, a quality he con-

sistently coached at the OWRB.

Sherrer was named OWRB executive director on February 14, 1995, just two months before the bombing of the adjacent Murrah Building. He had served as Secretary and Commissioner of Agriculture since February 1991, and before that, four consecutive terms in the Oklahoma House of Representatives.

Sherrer said he regards as the most satisfying experience of his tenure the Water Board's recovery and move into new offices at 3800 N. Classen following the downtown bombing.

"We got back on our feet without having to ask the Legislature for

Continued page 2



Sherrer was photographed with members of the Board. Left, Lonnie Farmer, Executive Secretary Mary Schooley, Richard McDonald, Bill Secrest, Ross Kirtley, Sherrer, Ervin Mitchell, Dick Seybolt.

Farewell, continued from page 1

additional appropriations. That was awfully important to me and the staff. Governor Keating and the Legislature were so supportive, but I was proud that we were able to work with the insurance company to cover our losses in equipment, furnishings and office space."

He said he's happy that OWRB staff now have a good building in a convenient location, nicely furnished and well equipped -- all accomplished without a special legislative appropriation.

Sherrer says he leaves with a sense of disappointment that interested parties have not been able to consummate a contract for the purchase of Sardis Lake water. "We at the Water Resources Board have worked so long and hard as arbitrators, and so far, it seems, with only measured success," he said.



Jason Nelson of Governor Keating's Office attended the reception and presented a letter of appreciation from the Governor.



Coy Morse, executive secretary of the Department of Agriculture and Sherrer's long-time friend,

Sherrer is confident that an agreement on Sardis Lake will be reached eventually, but he regrets that it was not during his tenure.

Sherrer said that he has never worked with people more dedicated to doing the best job possible for the citizenry than the Board and staff. "These people truly have the interests of Oklahoma at heart."

Following the reception in Sherrer's honor, the Water Resources Board presented him a plaque that reciprocated his feelings for the Water Board: "... in grateful acknowledgment of his steadfast leadership, his compassion during the Board's most tragic time, and for his commitment and dedication to the Board, Staff and the State of Oklahoma, February 1995-March 1997." □



Chairman Ross Kirtley presents Sherrer with a plaque from the Board and staff of the OWRB, in appreciation for his service.

From the desk, continued from page 1 serves for its bond issue, independent of a legislative appropriation. Instead, the Board purchased a surety bond as additional collateral, and Standard and Poor's awarded the issue a AA rating.

It was the first time S&P's had allowed a AA rating on an issue with surety bond collateral.

Confidence in the Board's bond issue was reflected in full subscription of the bond issue by investors within an hour after trading began.

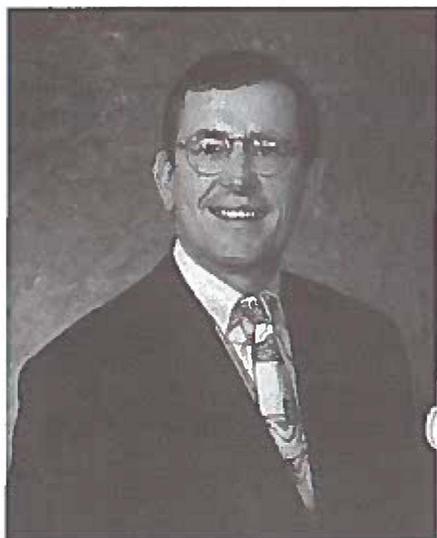
The staff of the Oklahoma House of Representatives estimated this strategy of using surety bond collateral has saved taxpayers \$9 million to \$10 million in two years. We are so proud of the hard work and creativity in this agency that enabled such an achievement. It was terribly important to me that we did it our way, independent of a legislative appropriation. □



Smith Named Acting Director

Duane A. Smith was named acting executive director of the Oklahoma Water Resources Board March 11 at the regular monthly meeting of the Board. Smith's appointment will fill the vacancy created by the resignation of Gary L. Sherrer. Smith's appointment is effective April 1.

Smith was named assistant director in 1991, after serving as division chief of the OWRB Groundwater Division since 1983. He joined the Board in 1978. He is a graduate of the University of Oklahoma with a



Duane A. Smith

bachelor's degree in meteorology.

As assistant director, Smith had responsibility in the management of the Board's four divisions and four branch offices, the Financial Assistance Program and the agency's \$13.5 million budget. Smith is a member of the Groundwater Management Districts Association, in which he served two terms as president; National Water Well Association, Interstate Council on Water Policy and Western States Water Council.

Three Picked in Denver Lottery

Joe Freeman, chief of the Board's Financial Assistance division, Connie Ziegelgruber of the Planning and Management division and Leslie Nance of the Secretary of Environment's Office, were notified of their selection to attend the trial of Timothy McVeigh in Denver. The three were among only 192 selected to attend one week of the first 16 weeks of the McVeigh trial. Nance will attend the first week, Ziegelgruber the seventh week and Freeman, the 11th week.

Freeman, Ziegelgruber and Nance were present in the building shared by the OWRB and OSE, across the street from the Murrah Building on April 19, 1995.

According to the Office of the U.S. Attorney General, lotteries for tickets to the Denver courtroom were held in three survivor groups -- families of victims, injured and uninjured. Of the 12 available seats, nine were allotted to family members of victims, two to injured survivors and one to uninjured survivors.

New OWRB Reports Available

Duane A. Smith, acting director, announces four new technical reports are available at nominal cost.

They are "The Incorporation of Ambient Concentration With That Due to Effluent for Wasteload Allocation," by Main R. Hutcheson, \$1; "Estimation of Mean Annual Average Flows," by Main R. Hutcheson, \$2; "Hydrologic Report of the Minor Groundwater Basins in Comanche, Cotton and Tillman Counties," by Mark Belden, Kim Sullivan and Kent Wilkins, \$5; and Hydrologic Report of the Minor Groundwater Basins in Nowata and Rogers Counties," by Mark Belden, \$5.

For further information or to order, please call Susan Birchfield at (405) 530-8800.

Board Honors Kamas Family

A reception for the family of the late Lewis Kamas, longtime member of the House of Representatives and Oklahoma Commissioner to the Canadian River Compact was held at Water Resources Board offices preceding the February 11 Board meeting.

Members and former members of the Legislature who served with Kamas, friends, Board members and OWRB staff took the opportunity to visit with Mrs. Kamas, daughter Carol Jeanne Rooney of Oklahoma City and son, Leslie Allan Kamas of Freedom.

The first agenda item at the Board meeting, which immediately followed the reception, was the presentation of a framed Resolution of Appreciation for Kamas' distinguished career of service to the State of Oklahoma.

Kamas had been a resident of Freedom since 1923 and a member of the House of Representatives from 1966 until his retirement in 1988. Governor Henry Bellmon appointed Kamas compact commissioner in November 1988, a position he held until his death on October 26, 1996.

On February 12, Governor Keating announced the appointment of Leslie Allan Kamas, Freedom, the son of the late Lewis Kamas, to serve as Oklahoma commissioner to the Canadian River Compact, filling the vacancy left by the death of his father.

Charles Huddleston Died

Charles Huddleston, longtime legislative counsel to the Oklahoma Farm Bureau, died February 7. He died at his home in Ames, Oklahoma, at the age of 70 following an extended illness.

Huddleston was a founding member of the Oklahoma Water Law Advisory Committee formed in 1957 and served on the committee more than 30 years. In 1987, he was honored as an Oklahoma Water Pioneer at the Governor's Water Conference in Oklahoma City.

He served as board member and general counsel to Oklahoma Water, Inc. Huddleston was recognized as a prolific author of articles and legislation.

Henson Stillwater Mayor Again

Former OWRB member Michelle (Mike) Henson, mayor of Stillwater prior to her appointment to the Water Resources Board in 1989, was re-elected mayor on March 4.

Henson represented municipal water users on the Board and actively supported cities, towns and rural entities in their efforts to reduce costly federal regulation.

Henson is active in numerous Stillwater civic groups, boards and commissions. She and her husband, Ray, are property managers in Stillwater.



Mrs. Lewis Kamas receives a Resolution of Appreciation from Board Chairman Ross Kirtley. Looking on are son, Leslie Allan Kamas, daughter, Carol Jeanne Rooney, and OWRB Executive Director Gary Sherrer. Leslie Allan Kamas succeeds his father as commissioner to the Canadian River Compact.

Secrest Honored by Wagoner County Rural Water District #4



Shown at right is the plaque on the outside of RWD #4 Water Treatment Facility named for Secrest.

Senator Kevin Easley presents a special legislative citation to OWRB member Bill Secrest commending his 20 years of dedicated service to rural water. Earlier that evening, the Board of Directors of Wagoner County RWD #4 presented Secrest a plaque in appreciation. The presentations were made at the district's regular meeting December 16.



Red Cross Offers Safety Tips

April is the American Red Cross "Safe Families Month." As you begin making plans for vacations, the Red Cross reminds that accidents happen very quickly, even to expert swimmers. Remember these water safety rules:

- Learn how to swim and teach children. The Red Cross offers classes year-round.
- Never swim alone.
- Always closely supervise children around water.
- Alcohol and swimming don't mix.
- Know your swimming limits and stay within them.
- Always wear a life jacket in a boat or while swimming in a lake.
- Have safety equipment near the water (pole, ring, buoy, rope.)
- If someone is in trouble, yell for help, send someone to call 911, use a rope, branch, towel or other nearby object to reach swimmer.
- Begin CPR only if you are trained.

OCLA Conference April 9-11

The Oklahoma Clean Lakes Association announces the 1997 Clean Lakes Symposium to be held at Lake Murray Lodge April 9-11. Registration begins at 3 p.m. on Wednesday, April 9. The conference opens at 8:30 a.m. April 10 and ends at noon on April 11.

Speakers include Dr. Robert "Bob" Carlson from Kent State University, who pioneered lake eutrophication studies, and Elizabeth Fellows, chief of the Monitoring Branch, USEPA Office of Water, Washington, D.C.

According to J.D. Strong, conference coordinator, other speakers will represent Oklahoma State University, OWRB, Oklahoma Conservation Commission, EPA Region 6 and U.S. Fish and Wildlife Service. Registration costs \$60.

For information, call J.D. Strong at (405) 530-8995.

New Grants Available for Leak Detection

One of the Board's most promising programs remains a secret to many who could benefit, despite promotional efforts by Hydrologist Terri Sparks, who oversees the program. It is the Statewide Rural Energy and Water Conservation (Leak Detection) Program, funded by oil overcharge money from the U.S. Department of Energy and recently enhanced by a Bureau of Reclamation initiative to provide grants up to \$5,000 per participant.

Previously, the joint effort of the OWRB and the Oklahoma Rural Water Association offered only interest-free loans up to \$30,000 to water districts and other eligible entities that provide water service to populations of 10,000 or less. Now, with the \$5,000 grant incentive, Sparks says she expects many more applications.

She said the program targets rural communities which lose millions of gallons of treated drinking water through line leaks and malfunctioning meters. The program has enormous potential for saving energy and water which

can translate into a healthier bottom line for the supplier, lower rates and more dependable service to customers.



Terri Sparks

"We focus on applicants with the most immediate needs," Sparks said. "Some systems may lose up to 30 percent of their treated water to leakage."

The seven water suppliers who have taken advantage of the leak detection program to date are well pleased with the results.

A northeast Oklahoma water system reported water losses from 10 to 31 percent. Following the audit and leak detection survey, the system followed the recommendations concerning its lake pump and plant operation which resulted in \$2,600 in energy savings and water loss savings of \$2,300. The payback of audit/leak detection costs, versus water and energy savings, was less than eight months.

Another water system reporting losses of 50% was able to improve record keeping and monitoring procedures, repair main leaks, lines, meters and control valves to save the district \$89,042 a year.

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*May is Flood
Awareness
Month
Please Remember...
Don't Drive
into Floodwaters!*

Leak, continued from page 4

She invites every small water system manager who suspects excessive loss to call the Oklahoma Rural Water Association or the OWRB at (405) 530-8800. □

Sevenoaks Named to Board

On March 12, Governor Frank Keating announced the appointment of Richard C. Sevenoaks of Tulsa to the Oklahoma Water Resources Board. He will fill the unexpired term of Jack Civiens, Mangum, who was appointed to the Board of Regents of State A&M Colleges.

Sevenoaks is owner of Leake Auction Company of Tulsa. He is a graduate of the University of Arizona with a Bachelor of Science degree in Public Administration and an elementary teaching certificate. He has worked in sales and management for television stations in San Juan, Puerto Rico, and Tulsa.

Sevenoaks is a member of the Tulsa Metropolitan Utility Authority, Tulsa Utility Board, Regional Metropolitan Utility Authority and past member of the Water Quality Advisory Council of the Oklahoma Department of Environmental Quality. □

Board Approves 17 REAP Grants

The Board approved nine grants to small communities on February 11 and eight at the March 11 meeting. Chairman Ross Kirtley said the grants authorized under the Rural Economic Action Plan (REAP) will assist small communities in making water and sewer improvements. Grants in February totaled \$606,541; grants in March totaled \$491,479, bringing the total to \$2.7 million since the REAP began January 1. In January, the Board had approved 24 grants that amounted to \$1.63 million.

The Rural Economic Action Plan, created in the previous legislative session allocated \$17 million in REAP funding. Of that, \$4.5 million specifically targets water and wastewater projects for Oklahoma's small communities, those sometimes excluded from traditional funding mechanisms.

February grant recipients and amounts were: Okmulgee County RWD #5, \$92,000; the Town of Manitou, \$39,350; Town of Optima, \$79,999; Hughes County RWD #4, \$95,000; Town of Bokchito, \$98,912.10; Town of Garvin, \$60,509; Beckham RWD #3, \$62,700; Locust Grove PWA, \$37,071; and Tullahassee, \$41,000.

Grants approved at the March Board meeting were Kingfisher County RWD #4, \$134,500; Hughes County RWD #6, \$41,400; East Central Oklahoma Water Authority, \$59,700; Town of Delaware, \$37,650; Red Oak PWA, \$57,800; Barnsdall PWA, \$47,040; Dacoma PWA, \$48,390; and Roff PWA, \$64,999.

The REAP grant program is administered by the OWRB Financial Assistance division, with 11 years' experience in overseeing the Board's successful Financial Assistance Program (FAP). The FAP makes emergency grants to communities according to priority of need; loans for water and sewer infrastructure; and State Revolving Fund loans for financing construction or renovation of wastewater facilities.

According to Joe Freeman, chief of the Financial Assistance division, the REAP has been a boon to entities with populations of 1,500 or less.

He pointed out that the Board has received 233 REAP applications requesting \$21.1 million, showing the enormous need for such funding in rural areas. □

Agency Picked for New Budget Model

The Water Resources Board will serve as a prototype for the Oklahoma House of Representatives in its studies of zero-based budgeting, an initiative expected to eventually expand to all state agencies. Rep. Elmer Maddux, the subcommittee liaison who will work with the OWRB, said the Board's programs will be measured against its mission statement to see if they are achieving the missions set out.

Administrative Services Division chief Jim Schuelein pointed out the OWRB mission is "to manage and protect the waters of the state and plan for Oklahoma's long-

range water needs in a responsive, innovative and professional manner to ensure that Oklahomans have adequate supplies of good water." He said he is proud of the way the OWRB conducts more than 30 programs in its

charge, including the loan and grant programs supported by the state revolving fund.

"These provide critical assistance in water and wastewater projects in rural areas," Schuelein said. "For the past several years, the Water Board has not asked for money above its base budget."

Schuelein told subcommittee members that the OWRB is working very hard on a cost analysis program that will show precisely what it costs to provide services. He pointed out that vacancies were held open and two divisions merged to reduce overhead.

Joe Freeman, chief of the OWRB Financial Assistance division, told members that his division oversees six programs with only \$100,000 in appropriated funds. The balance of the funding is self-generated.

In 1979, the legislature appropri-

ated \$25 million for the Statewide Water Development Revolving Fund. The Board created a bond program with the fund as collateral and has issued \$250 million in loans.

FAP loans enabled projects that serve 1.7 million Oklahomans

Freeman said 65 percent of all water and wastewater projects now under construction in the state are funded by the OWRB program.

Interest earnings from the \$16 million held as collateral for the bonds supports the FAP grant program.

The OWRB also administers the State Revolving Fund (SRF) program to assist in the construction of sewage treatment facilities. Soon, the Board will have responsibility in the new State Revolving Fund created by the federal Safe Drinking Water Act and a federal Hardship Grant Program for wastewater facility construction in eligible communities under 3,000 population. □



Jim Schuelein

At the March 11 Board Meeting:

The Board approved an emergency grant to Rural Water District #2, serving the Town of Bessie in Washita County, to replace a section of water pipe broken during flooding of the Washita River. Members also voted to approve an emergency grant to the Welch Public Works Authority, Craig County, to replace a sanitary sewer main. The Board approved eight Rural Economic Action Plan (REAP) grants.

Financial Assistance Division Chief Joe Freeman said the Board proposes to issue \$2 million in debt for the state match for the SRF wastewater loan program and proposes to issue \$50 million in new bonds to continue the loan program. Freeman said the Board's subcommittee had reviewed proposals from bond counsel and underwriters and recommended Fagin, Brown, Bush, Tinney and Kiser to serve as bond counsel on two upcoming issues. Paine Webber was selected to serve as underwriter on the \$50 million bond issue and Capital West Securities to serve as underwriter for the \$2 million promissory note.

Derek Smithee, Water Quality Programs division chief, asked and received Board approval of the mid-term update of the Water Quality Standards and revisions to existing OWRB rules. Freeman of the FA division, asked four changes intended to clarify rules pertaining to the Board's loan and grant programs. Planning and Management chief Mike Mathis explained new rules that would make well spacing requirements more flexible. He pointed out that the current well spacing standard requires 1320 feet from the nearest well, but the more flexible standard would consider well spacing on a case-by-case basis.

Duane Smith, assistant director, pointed out that the 1320-foot well spacing was adopted statewide, but allows exceptions if evidence confirms that adequate water is not available outside the limit.

The Board approved five temporary and two regular permits

for the use of groundwater and one regular permit for the use of stream water. The Board amended two regular permits for the use of groundwater.

Driller/pump contractor licenses were approved for Don W. Dulaney of Hydro-Logic, Inc., and Dana June Bowlin of Whitetail Services, Inc.

The Board approved a contract with the Oklahoma Rural Water Association to provide technical assistance and training to rural water districts and community water systems. ORWA has provided such training since 1977.

In executive session, the Board voted to accept the resignation of Executive Director/Secretary of Environment Gary L. Sherrer, effective March 31, and to appoint Duane Smith acting executive director, effective April 1.

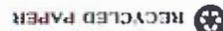
FINANCIAL ASSISTANCE PROGRAM UPDATE			
Approved at February and March 1997 Board Meetings			
FAP Loans			
4.172% 1995 Bonds: 28 year maximum term			
4.172% 1994: 28 year maximum term			
None			
FAP Grants			
Welch PWA	\$	26,315.57	
Washita RWD #2	\$	9,876.75	
SRF Loans			
Muskogee MA	\$	15,060,000.00	
TOTALS			
	FAP Loans	FAP Grants	SRF Loans
APPROVED	178	401	53
Amount	\$233,460,000.00	\$22,466,859.32	\$211,644,702.83
FUNDED	170	374	50
Amount	\$217,192,500.00	\$20,525,895.14	\$193,859,702.83

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