

OKLAHOMA COMMISSIONERS' REPORT
Arkansas-Oklahoma
Arkansas River Compact Commission

Annual Meeting
Ft. Smith, Arkansas
September 26, 2002

STATE CLIMATE & STREAMFLOW

An ongoing drought, beginning last summer, continues to damage much of northwestern Oklahoma, especially the Panhandle region. Since June 1, 2001, the Northwest/Panhandle climate region is approximately 11 inches below its normal rainfall (63 percent of normal). As expected, streamflows in the region are also much below normal. The Northwest region is in "extreme drought," according to the Palmer Drought Severity Index (PDSI). The Southwest and West Central climate divisions are also quite dry over the past year. Statewide precipitation is 82 percent of normal, with a precipitation deficit of almost nine inches since last summer.

This summer (since June 1, 2002), the Northeast and East Central climate divisions, encompassing much of the Arkansas River Compact area in Oklahoma, have received 91 and 84 percent of normal rainfall, respectively. Both climate divisions are in the "mild drought" category, according to the PDSI.

BASIN-AREA WATER REPORTS/STUDIES

Through cooperation with the Tulsa District of the U.S. Army Corps of Engineers and funded through the Corps' Planning Assistance to the States Program, the Board completed the following projects last year:

- The first phase of an investigation of a regional water treatment and distribution system in the Kaw Reservoir area of north central Oklahoma. Four alternatives were developed to provide water from Kaw Lake to the systems participating in the study. If funded, the second phase of the study will include development of conceptual designs and costs estimates and an analysis of potential environmental and cultural resources issues.
- A study on the feasibility of a regional sewer system in the Lake Texoma area of south central Oklahoma (completed in November).
- A study on water management strategies for the Oologah Lake watershed in northeast Oklahoma.

Planning projects initiated during 2001 include:

- An investigation of water supply alternatives for Adair County Rural Water District Number 5, and
- Geotechnical work at the proposed Mangum Reservoir site in southwestern Oklahoma.

The Board participated in the following water quality-related studies during 2001 (related to the Compact area):

- Results from sampling efforts to track nutrient loading at Lake Tenkiller established a critical link between ongoing efforts to reduce nutrients in the watershed and the effect of nutrient loading on the lake.
- Directed through legislation passed in 1997, a draft report was completed to assess the impact of CAFOs on the City of Oklahoma City's water supply reservoirs extending from Canton Lake to McGee Creek Lake. The beneficial use status of each reservoir was assessed to discern links between CAFO wastewater lagoons and lake tributaries.

- A cost-sharing agreement with the City of Tulsa enabled OWRB staff to address specific local water quality concerns at Eucha and Spavinaw Lakes (Tulsa 's two-reservoir water supply system). Based on two years of data, the OWRB determined that algae growth in both Eucha and Spavinaw were impairing fish and wildlife uses. Phosphorus load reductions were developed to reverse the nutrient enrichment process.
- A cooperative assessment with the Central Oklahoma Master Conservancy District (COMCD) to address water quality concerns, especially those caused by suspended solids, at Lake Thunderbird. A pilot demonstration program to control shoreline erosion at Thunderbird, in cooperation with the U.S. Bureau of Reclamation, Oklahoma Department of Tourism and Recreation, and COMCD, will be implemented in 2003.
- Completion of an EPA-funded demonstration project at Lake Wister to reduce suspended solids and control erosion through introduction of non-invasive aquatic plants. A project was also initiated between the OWRB and the Corps of Engineers to monitor water quality at Wister and develop a plan to control suspended solids and increase oxygen.

Last spring, due to the effects of a localized drought episode during late 2001 and early 2002, water supply storage at Hulah Lake, a Corps project on the Caney River just south of the Kansas-Oklahoma state line, was reduced to less than 18 percent of capacity. Officials with the City of Bartlesville, whose residents depend upon Hulah as their primary water source, have requested assistance from Congressman Don Nickles in securing federal funds to initiate a long-term water supply planning study for the community. The OWRB is assisting Bartlesville with the study authority request and will coordinate subsequent study efforts with appropriate federal agencies.

As directed through legislation passed in 2001, the OWRB has initiated dialogue with the states of Nebraska, Colorado, Kansas, New Mexico, and Texas, as well as federal agencies, regarding formation of a regional High Plains Ogallala Aquifer Compact. Activities related to creation of a compact will be initiated through the Western States Water Council.

THE 2002 OKLAHOMA LEGISLATIVE SESSION

The Water Resources Board was again very successful in achieving legislative goals established prior to the 2002 legislative session. The 2002 session concluded in May.

- SB 972—ensures that municipal dischargers will not be subjected to potential increased treatment costs until the phosphorus loadings from all impaired state-designated Scenic River watersheds are identified and addressed through the state's total maximum daily load (TMDL) process.
- SB 1247—expands eligibility for the Board's Rural Economic Action Plan (REAP) grant program, increasing the population limit for eligible entities from 1,500 to 1,750 and the household tap limit for rural water/sewer districts from 450 to 525.
- SB 1306—allows certain swine feeding operations to transfer water rights permits to heirs or other buyers without having to apply for a new permit.
- SB 1410—places a three-year moratorium on state efforts to compact with Oklahoma's Native American tribes or negotiate agreements to market large supplies of water out of state, unless repealed by the State Legislature. The bill also directs creation of a 19-member joint legislative committee to investigate state water planning issues.
- HB 1995—allows the Board, for the first time, to fund nonpoint source-related projects through the Clean Water SRF Loan Program.
- HB 2228—broadens the scope of the Oklahoma Floodplain Management Act and encourages training for Oklahoma's floodplain management officials.
- HB 2330—provides guidance to the OWRB in defining recreational sites related to the three-mile setback provision for swine feeding operations under state groundwater law.

- HB 2349—prohibits the siting of poultry operations within floodplains or close to Scenic Rivers, public drinking water wells, and other important water bodies in the state.
- HB 2525—appropriates \$3.84 million in General Revenue Funds to the OWRB, a 4.64% reduction (\$392,711) from last year's appropriation. This includes \$4.23 million for REAP grants and adds one FTE to the Board's Financial Assistance Division. The appropriation also includes \$220,430 for contractual services with the Oklahoma Rural Water Association to provide training and technical assistance for rural water systems.
- HB 2526—authorizes the OWRB to expend \$1 million from Gross Production Tax REAP funding for the Beneficial Use Monitoring Program and provides full funding (\$1.2 million) if tax revenues are sufficient. It provides \$1.872 million in REAP funding to the Oklahoma Conservation Commission as cost-share and \$250,000 for upstream flood control structure rehabilitation work. Also included from REAP monies is \$50,000 in additional funding to the Oklahoma Rural Water Association and \$171,758 to the OWRB for water study matching funds.

NUMERICAL WATER QUALITY STANDARD FOR PHOSPHORUS

Acting in part from a Compact Commission goal enacted in 1997, in March the OWRB approved the first-ever numeric water quality standard for phosphorus in Oklahoma's designated Scenic Rivers. Brian Griffin, Oklahoma's Secretary of Environment, is currently involved in discussions with Arkansas environmental officials to implement the new 0.037 milligrams per liter (mg/L) phosphorus limit, enacted as state law in July, while minimizing the potential economic impacts to municipalities and poultry operations in both states.

In seeking implementation of the new standard—especially in the Illinois River Basin, home to three of Oklahoma's six designated Scenic Rivers—Oklahoma has identified the following options and activities:

- Cooperation/partnerships with Arkansas through both the Compact Commission and appropriate Arkansas stakeholders (industries, agencies, and organizations) in development of a watershed-wide implementation plan.
- Implementation of best management practices through the Oklahoma Conservation Commission and state conservation districts.
- Utilization of future Total Maximum Discharge Load (TMDL) requirements to obtain compliance from point source dischargers.
- Funding through federal Clean Water Act (Section 319) appropriations.
- Funding for wastewater treatment facility/system upgrades through the OWRB's State Financial Assistance Program and other financial assistance opportunities.
- Monitoring of water quality improvements through the OWRB's Beneficial Use Monitoring Program and other monitoring efforts.
- Implementation of various nutrient/phosphorus control activities recommended by state and local agencies and organizations.

STATUS OF STATE-TRIBAL WATER COMPACT & CONTRACT FOR WATER MARKETING TO NORTH TEXAS

In January 2002, Oklahoma Governor Frank Keating, Choctaw Nation Chief Gregory Pyle and Chickasaw Nation Governor Bill Anoatubby announced that the out-of-state water sale contract negotiations with the North Texas Water Agency had been terminated due to substantial differences between the Oklahoma entities and NTWA regarding the value of marketed water. Earlier this year, the OWRB and Corps of Engineers (Tulsa District) completed Phase I of the Southeast Oklahoma Water Availability Study, which included development of a detailed computer model to assess various water usage scenarios; future study phases are on hold. The

OWRB's status report to Governor Keating on compact and contract negotiations, completed in March, is available on the OWRB's Web site (www.owrb.state.ok.us).

CANADIAN RIVER COMPACT DISPUTE (OKLAHOMA-TEXAS)

Through Senate Concurrent Resolution 18, passed in 2001, the OWRB is directed to pursue U.S. Supreme Court action against the State of Texas for violating terms of the Canadian River Compact. Texas' development of Palo Duro Reservoir (on Palo Duro Creek, a tributary of the Beaver-North Canadian River) in 1991, approximately 12 miles upstream from the Texas/Oklahoma state line. The situation precludes water releases sufficient to satisfy Oklahoma's apportionment under terms of the Compact. Of specific concern is reduced flows for Canton Lake, a primary source of water for Oklahoma City on the North Canadian River, which could be further impacted by a second proposed reservoir on a separate tributary of the North Canadian in Texas.

UPDATE OF THE OKLAHOMA COMPREHENSIVE WATER PLAN (2005)

OWRB staff recently began making initial preparations for the 2005 update of the Oklahoma Comprehensive Water Plan. The plan will incorporate a region-based planning approach to maximize citizen involvement.

WEATHER MODIFICATION

For the second consecutive year, the Legislature declined funding for the state's weather modification program, directed by the OWRB. The OWRB continues to support implementation of a multiyear research program to determine the effectiveness and applicability of cloud seeding technology in mitigating severe weather events, especially hail damage, and as a drought/water resource management tool.

Oklahoma is seeking continued, out-year support and state/federal funding for a long-term regional weather modification research effort—involving the States of Oklahoma, Kansas, Texas, New Mexico, and others—that would scientifically verify the effectiveness of cloud seeding technology. Oklahoma will utilize research scientists and agencies of the Oklahoma Weather Center, a unique alliance of federal, state and University of Oklahoma organizations who work together to improve understanding of weather-related events.

WATER RESOURCES FINANCING

The Oklahoma Water Resources Board administers the State *Financial Assistance Program* (FAP), backed by the Statewide Water Development Revolving Fund, which awards loans and grants for the construction and improvement of water and sewer facilities. The Board offers loans from proceeds of revenue bonds to eligible communities for sewer and water improvements and refinancing. To date, the Board has approved 55 bond loans totaling almost \$58 million in the Arkansas River Compact region. The emergency grant program, funded by interest earnings on the Revolving Fund, has approved 102 grants for 6.7 million in the Compact area. These grants have stimulated many millions of dollars more in water/wastewater projects throughout the region.

The Board also provides loans through the Clean *Water (CWSRF) and Drinking Water Construction Revolving Fund (DWSRF) Programs* for various wastewater and water treatment/distribution projects, respectively, which are often required to bring borrowers into compliance with EPA requirements. The CWSRF Loan Program, which provides funds for the construction of new wastewater facilities or the replacement or rehabilitation of existing facilities, has approved 24 loans for more than \$59 million in the Compact region. The DWSRF, a cooperative program recently developed by the OWRB and Oklahoma Department of

Environmental Quality, was created to assist municipalities and rural water districts in constructing drinking water treatment and distribution system improvements required to comply with the federal Safe Drinking Water Act. The program has approved 2 loans for \$5.7 million in the area.

The *Rural Economic Action Plan (REAP)* grant program is operated by the Board in a manner very similar to its emergency grant program. REAP gives priority to communities with populations less than 1,500 and rural water districts with less than 450 household taps. The Board has approved 51 REAP grants totaling \$4.7 million in the Arkansas River Compact region.