

# OKLAHOMA WATER RESOURCES BOARD

## OFFICIAL MINUTES

July 14, 2009

### 1. Call to Order

The regular monthly meeting of the Oklahoma Water Resources Board was called to order by Vice Chairman Mark Nichols at 9:30 a.m., on July 14, 2009, in the Board Room of the Oklahoma Water Resources Board, 3800 N. Classen Boulevard, Oklahoma City, Oklahoma.

The July 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 July 7, 2009, at 5:00 p.m. at the Oklahoma Water Resources Board's offices.

#### A. Invocation

Vice Chairman Mark Nichols asked Mr. Ed Fite to provide the invocation.

#### B. Roll Call

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

Mark Nichols, Vice Chairman  
Linda Lambert, Secretary  
Ed Fite  
Kenneth Knowles  
Richard Sevenoaks  
Vacant

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

Rudy Herrmann, Chairman  
Ford Drummond  
Jack Keeley

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

David Dillon, Assistant Director  
Dean Couch, General Counsel  
Joe Freeman, Chief, Financial Assistance Division  
Monte Boyce, Comptroller  
Julie Cunningham, Chief, Planning and Management Division  
Derek Smithee, Chief, Water Quality Programs Division  
Mary Lane Schooley, Executive Secretary  
Mike Melton, Executive Administration Division  
Kyle Arthur, Director of Planning

### **Others Present**

Tom Lay, Kerr Irvine Rhodes Ables, Grady County Rural Water District #6, Oklahoma City, OK

Bob Kellogg, Oklahoma City, OK

Glen Byrd, Poe & Associates, McCurtain County Rural Water District #8, Oklahoma City, OK

Jeannie Bledsoe, Minco, OK

Cheryl Dorrance, Oklahoma Municipal League, Oklahoma Municipal Utilities Provider, Oklahoma City, OK

Jay Watts, McCurtain County Rural Water District #8, Oklahoma City, OK

Hong Fu, Ponca City, OK

Chris Mattingly, City of Norman, OK

Anthony Francisco, City of Norman, OK

Greg Carr, Oklahoma Department of Environmental Quality, Oklahoma City, OK

Pam Polk, City of Collinsville, OK

Jason Henderson, McCurtain County Rural Water District #8, Oklahoma City, OK

Travis Small, Kellyville, Tulsa, OK

Mike Wofford, Central Oklahoma Master Conservancy District, Oklahoma City, OK

Stan Sims, Bank of America, Oklahoma City, OK

Jim Barnett, Kerr Irvine Rhodes Ables, Oklahoma City, OK

Randy Shiever, Lonna Shiever, Jason Shiever, Oklahoma City, OK

Donnie, Keesee, Julie Keesee, William and Johanna Keesee, Oklahoma City, OK

Rene Farmer, Oklahoma City, OK

Bodie Bachelor, Centennial Law Group, Duncan, OK

Vicki Reed, Oklahoma Department of Environmental Quality, Oklahoma City, OK

Leslie Smith, Oklahoma Department of Environmental Quality, Oklahoma City, OK

Patty Thompson, Oklahoma Department of Environmental Quality, Oklahoma City, OK

Jay R. Smith, McCurtain County Rural Water District #8, Broken Bow, OK

Marsha Slaughter, Oklahoma City Water Utilities Trust, Oklahoma City, OK

Billy Little, Oklahoma City Water Utilities Trust, Oklahoma City, OK

Sam Smandi, Oklahoma City Water Utilities Trust, Oklahoma City, OK

Allan Brooks, Public Finance Law Group, Oklahoma City, OK

Mike Hall, City of Bartlesville, OK

Ed Gordon, City of Bartlesville, OK

Terry L. Hawkins, McCurtain County Rural Water District #8, OK

Larry Roach, CH Guernsey, Oklahoma City, OK

Josh Caywood, CH Guernsey, Oklahoma City, OK

Paul Jones, Grady County Rural Water District #6, Amber, OK

Patsy Clem, Grady County Rural Water District #6, Oklahoma City, OK

Verta Lea Finch, Grady County Rural Water District #6, Minco, OK

Erin Boeckman, eCapitol, Oklahoma City, OK

Dan McMahan, McMahan & Vernon, Oklahoma City, OK

Jose T. Torres, Honeywell, Edmond, OK

David Richardson, Grady County Rural Water District #6, Pocasset, OK

James Mitchell, McCurtain County Rural Water District #8, Broken Bow, OK

Dale Pratt, McCurtain County Rural Water District #6, Oklahoma City, OK  
Monte Moyer, Caddo County, Gracemont, OK  
Rex Moyer, Caddo County, Gracemont, OK  
Joyce Moyer, Caddo County, Gracemont, OK  
Vera Liehman, Canadian County, Minco, OK  
David Dollar, Washington County Rural Water District #3, Broken Arrow, OK  
Betty Byrd, Caddo County, Binger, OK  
Jamie Childs, Caddo County, Oklahoma City, OK  
Gene Whatley, Oklahoma Rural Water Association, Oklahoma City, OK

C. APPROVAL OF MINUTES

Vice Chairman Nichols stated the draft minutes of the June 9, 2009, Regular Meeting had been distributed. He stated he would accept a motion to approve the minutes. Ms. Lambert moved to approve the minutes, and Mr. Knowles seconded.

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

D. EXECUTIVE DIRECTOR'S REPORT

Mr. Nichols stated that there will be a special presentation when those people arrived; he asked Mr. Dillon to present the Director's report.

Mr. David Dillon, Assistant Director, welcomed the members and stated the temperatures are expected to be in the triple digits and the reservoir levels on the website indicated the situation around the state is in fairly good shape, other than in the southwest section of the state. He said that Mr. Smith is absent today because he is speaking this morning to the EPA Clean Water SRF conference in Chicago, the title, "The Next 20 Years." One of the things we are excited about, he said, is the ARRA funds available to the State and roughly 50 projects have been identified between both the Clean Water and Drinking Water programs. The social and environmental benefits of a project are often overlooked and one of the things Mr. Smith is working on, along with the EPA and University of Oklahoma, is to review the social and environmental benefits from the ARRA funds. He said the item on the agenda today will be withdrawn, but expected the partnership contracts to be on the Board agenda at the next month's meeting. He said Mr. Smith is there today to change the direction of the EPA and to champion this effort. Following the Chicago meeting, Mr. Smith will travel to Park City, Utah, to attend the Western States Water Council Quarterly meeting and also Open House for Craig Bell, WSWC Executive Director who passed away suddenly about a month ago.

Mr. Dillon said the agency conducted a management retreat just after the June meeting. One of the topics discussed is what the water plan will really look like--since the beginning of the project the concept has grown because of more and more we want to accomplish, partly

because more funding was received from the Legislature through the gross production tax. Each of the divisions identified projects that are in-line with the Plan, and also looked at the State budget for the next year anticipating budget cuts from appropriated dollars, and the possibility of future budget cuts. The Water Plan is the central focus, staff is excited and is "hitting on all cylinders!"

Mr. Dillon said today the first project involving the ARRA funding for the Drinking Water funding is on the agenda for the Board's consideration. He said Mr. Freeman will discuss further but he wanted to mention the sister state agency that does the work behind the scenes is the Department of Environmental Quality, which then turns the project over to the OWRB for funding by loans and grants.

The Kansas-Oklahoma Arkansas River Compact will be held in Muskogee at the Three Rivers Port on July 21. The Water Resources Research Advisory Board will meet on July 24 to look at next year's funding research dollars that tie into the water plan. Mr. Smith and Mr. Freeman will be meeting with Rural Development in Stillwater on July 27 to coordinate and maximize all the stimulus money to benefit public water supplies and sewer districts in communities in Oklahoma. Rural Development has received \$70 million in ARRA funding.

Mr. Dillon concluded his report announcing the public meeting for the Arbuckle Simpson Aquifer Study at Ada in the Pontotoc Technology Center, August 18, from 1:00-6:00 p.m. All the technical work has been conducted and will be presented and recommendations will be solicited at this meeting. He said the data is good, and there will be a change in the way we do business in that aquifer. Mr. Sevenoaks asked about the process; Mr. Dillon responded that following the public meeting, staff will process the input received. Mr. Dean Couch, General Counsel, answered the staff will propose a tentative order to the Board, followed by a more formal process of a public hearing, then the matter comes back to the Board for a final determination.

**Special Presentation to Lonnie Farmer Family.** Vice Chairman Nichols introduced the Lonnie Farmer family who attended today for a special presentation. Mr. Farmer passed away recently while serving on the Board, and Mr. Nichols noted Mr. Farmer's work in Oklahoma water. The Board members and staff of the OWRB presented a "Statement of Appreciation" to the family for the contributions made to the OWRB and Oklahoma water by Mr. Farmer through his dedication and work in rural water and while serving on the Board for 16 years. Secretary of Environment J.D. Strong presented a "Governor's Commendation" to the family. In attendance was Mrs. Rene Farmer, Mrs. Lonna Shiever, Randy Shiever and Jason Shiever; and Donnie, Julie, William and Johanna Keesee.

## **2. FINANCIAL ASSISTANCE DIVISION**

A. Consideration of and Possible Action on a Proposed Order Approving Emergency Grant for Town of Beaver, Beaver County. Recommended for Approval. Mr. Joe Freeman, Chief, Financial Assistance Division, stated to the members that this first item is a \$98,736.51 emergency grant request from the Town of Beaver. He said an electrical short caused a fire at Beaver's main water booster pump station, and the project will fund replacing the pump building, installing a liquid chlorination, repairing the existing pump and the electrical components. Total

cost of the project of \$154,309.78, with funding provided by \$55,573.27 in local funds and the requested OWRB Emergency Grant. Staff recommended approval of the request.

Beaver Town Administrator Randy Brasher was present in support of the application.

Ms. Lambert moved to approve the emergency grant to the Town of Beaver, and Mr. Knowles seconded.

AYE: Sevenoaks, Knowles, Lambert, Fite, Nichols

NAY: None

ABSTAIN: None

ABSENT: Keeley, Drummond, Herrmann

B. Consideration of and Possible Action on a Proposed Order Approving Funding Application for Rural Water, Sewer & Solid Waste Management District #2, Bryan County. Recommended for Approval. Mr. Freeman said as Mr. Dillon noted earlier, today for the Board's consideration is the first Drinking Water SRF funding application that contains ARRA, or Stimulus related, funding. He said the program is operated in conjunction with the Oklahoma Department of Environmental Quality, through the excellent, hard work that staff has been doing on getting projects ready for financial review. He said all of the environmental and engineering is reviewed by the DEQ and the priority list is maintained by DEQ. He introduced the DEQ staff members who work in that program and were in attendance at the OWRB meeting: Patty Thompson, Vicki Reed, Leslie Smith, Justin Hodge, and Greg Hart.

Mr. Freeman presented the project to the Board. He said Bryan County Rural Water, Sewer & Solid Waste Management District #2 is requesting funding for a water project in the amount of \$382,000.00. Funds will be utilized to install an emergency generator for the water treatment plant, a portable generator for the booster pump station; 2, 50-horsepower clear well pumps, and fencing around the perimeter of the treatment plant and backwash lagoons. The project will be funded with Drinking Water SRF loan funds, and ARRA funds will be made available in the amount not less than 20% but with a goal of 30%. He noted provisions of the loan agreement, stating ARRA funds are in the form of principal forgiveness. The District's customer base has increased by nearly 60% over the last 15 years to about 3,200 connections. The District's debt coverage ratio stands at approximately 2.5-times. Staff recommended approval.

Representing the District was Jason Henderson, engineer, and bond counsel Allan Brooks.

Ms. Lambert asked about the total amount of ARRA funds that are available to the State, and Mr. Freeman said approximately \$31 million for Drinking Water and approximately \$31 million for Clean Water projects, and must be spent between now, and February of 2010. Mr. Sevenoaks asked about the principal forgiveness, or about \$100,000 for this project; Mr. Freeman said there is a minimum of 20% and maximum of 30%. Ms. Lambert asked that the staff inform the Board members each month of the total amount of the ARRA funds expended.

Mr. Sevenoaks moved to approve the Drinking Water SRF loan to the Bryan County RWS&SWMD #2, and Mr. Fite seconded.

AYE: Sevenoaks, Knowles, Lambert, Fite, Nichols

NAY: None

ABSTAIN: None

ABSENT: Keeley, Drummond, Herrmann

Mr. Freeman recognized members of the OWRB Financial Division staff who had been working very hard on the Clean Water SRF projects associated with ARRA funding. He said that the OWRB not only has worked diligently on the Clean Water and Drinking Water SRF projects, but also maintaining all five the Board's funding programs at the same time. He introduced Ben Balasko, Johannes Sugeng, Tony Mensah, Angela Thompson, Vivek Rajaraman, Gary Bradley, Biju Sudhakaran, Matt Cogburn, Tamara Griffin, Kate Burum, Simeon Stoitzev, and Sonia Mock. Vice Chairman Nichols personally thanked the staff for getting this much money out the door in the short time frame requested.

Mr. Freeman noted for interest that the amount of loans for the Board's consideration today equals the amount of loans approved by the Board during the first six years of the program.

C. Consideration of and Possible Action on a Proposed Order Approving Funding Application for Collinsville Municipal Authority, Tulsa County. Recommended for Approval.

Mr. Freeman stated this item is a \$683,040.00 funding request from the Collinsville Municipal Authority located in Tulsa County. The funding will be utilized to upgrade the wastewater treatment plant in order to comply with the requirements of the Department of Environmental Quality. The project is to install ultra violet disinfection equipment and piping, and will be funded with Clean Water SRF loan funds, and ARRA funds to be made available in an amount not less than 20%, but with a targeted goal of 30%. Mr. Freeman noted provisions of the loan agreement, and stated ARRA funds will be in the form of principal forgiveness. Over the last ten years, Collinsville's water connections have increased by about 11%, and sewer 6%; the debt coverage ratio stands at approximately 1.5-times. Staff recommended approval.

Collinsville City Manager Pam Polk was present in support of the loan request.

Mr. Sevenoaks asked about the type of treatment plant; Mr. Freeman responded the system is a lagoon with filter, with a capacity of 20 MGD.

Mr. Fite moved to approve the loan request to the Collinsville MA, and Mr. Knowles seconded.

AYE: Sevenoaks, Knowles, Lambert, Fite, Nichols

NAY: None

ABSTAIN: None

ABSENT: Keeley, Drummond, Herrmann

D. Consideration of and Possible Action on a Proposed Order Approving Funding Application for Ponca City Utility Authority, Kay County. Recommended for Approval.

Mr. Freeman said that this \$890,000.00 request by the Ponca City Utility Authority is to install an emergency generator in its main lift station. In addition, proceeds will be used to make improvements at the Brentwood lift stations, including larger pumps, new SCADA controls, connections for a portable pump and generator, and constructing a holding basin. Mr. Freeman said the project will be funded with Clean Water SRF loan funds and ARRA funds in an amount not less than 20% of the project costs, with a targeted goal of 30%. Mr. Freeman noted provisions of the loan agreement indicating ARRA funds in the form of principal forgiveness. He said that Ponca has been a long-time excellent loan customer with the Board and currently

has six loans outstanding with the Board; the debt coverage ratio stands at approximately 4.8-times. Staff recommended approval of the loan request.

Ms. Hong Fu, Environmental Services Director, was present in support of the loan request. Mr. Sevenoaks asked what type of treatment system Ponca City had; Ms. Fu answered it is a biotreatment facility. Ms. Lambert asked if there were an increased number of customers; Mr. Freeman answered the connections of Ponca have remained steady over the last years while enduring economic hard times, but it has a very strong financial profile.

A citizen inquired about the refinery closing, and Mr. Freeman said it is down to about 750 employees, but Ponca is well diversified and fiscally conservative, but these improvements are necessary. Mr. Sevenoaks asked if the city was under a DEQ consent order, and Ms. Fu responded that it is.

Mr. Sevenoaks moved to approve the loan to the Ponca City Utility Authority, and Ms. Lambert seconded.

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

E. Consideration of and Possible Action on a Proposed Order Approving Funding Application for Grove Municipal Services Authority, Delaware County. Recommended for Approval. Mr. Freeman said this item is a \$1.9 million request from the Grove Municipal Services Authority. Grove will utilize the funds along with approximately \$327,000 in local funds to improve its wastewater treatment facility by adding a third cell to the sequential batch reactor, install a new belt filter press, and construct a new compost facility. The project will be funded with Clean Water SRF funds, and ARRA funds as previously described and in the form of principal forgiveness. Mr. Freeman noted provisions of the loan agreement; stated that Grove's water and sewer connections have increased by more than 25% over the last ten years, and has one loan outstanding with the Board with a current principal balance of approximately \$6 million. The debt coverage ratio stands at 5.4-times. Staff recommended approval.

Representing Grove is City Manager Bruce Johnson, and their financial advisors. Mr. Sevenoaks asked the point of discharge and the level of phosphorous. Mr. Johnson replied Grand Lake is the discharge location, and the phosphorous is at about .18. Mr. Sevenoaks asked, and Mr. Fite answered that in 2012, the discharge is to be .037; Mr. Johnson said the discharge is below that level.

Mr. Sevenoaks moved to approve the Clean Water SRF loan to the Grove Municipal Services Authority, and Mr. Fite seconded.

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

F. Consideration of and Possible Action on a Proposed Order Approving Funding Application for Rural Water District #8, McCurtain County. Recommended for Approval. Mr. Freeman said the McCurtain County Rural Water District #8 has requested a \$7,038,410.00 Drinking Water SRF loan. The funds will be used to construct a 1,440 gpm raw water pump

station, a sedimentation basin, membrane units, back wash pumps, chemical feed systems, two high service pump stations (800-gpm and 200-gpm), a booster pump station and an one million gallon clear well. The project will be funded through the DWSRF loan funds and ARRA funds. Mr. Freeman noted provision of the loan agreement. He said the ARRA funds will be in the form of principal forgiveness. He said the District has grown about 20% in last ten years, to more than 2,200 connections. The District's debt coverage ratio is stands at approximately 1.38-times. Staff recommended approval.

Mr. Dale Pratt, Chairman, was present in support of the loan application.

Mr. Fite moved to approve the loan request to the McCurtain County RWD #8, and Mr. Knowles seconded.

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

G. Consideration of and Possible Action on a Proposed Order Approving Funding Application for Bartlesville Municipal Authority, Washington County. Recommended for Approval. Mr. Freeman stated this item is a \$9,820,000.00 funding request from the Bartlesville Municipal Authority. Bartlesville is requesting the loan to construct a 4-million gallon water storage tank, 4,550 feet of 36-inch water line, a 1 MG elevated water storage tank, renovate pump station, clean existing lagoons, and demolish two existing water storage tanks and treatment plant. He said the project will be funded with Drinking Water SRF loan funds, and ARRA funds; ARRA funds will not exceed \$2 million. Mr. Freeman noted provisions of the loan agreement, stating the ARRA funds would be in the form of principal forgiveness. Bartlesville's water and sewer connections have increased about 8% over the past ten years, and currently have four outstanding loans on their water system, all with the OWRB; the debt coverage ratio is about 1.55-times. Staff recommended approval.

City Manager Ed Gordon was present in support of the loan application, Mike Hall, Water Utilities Manager, and their financial advisors.

Mr. Sevenoaks asked about the contents of the residual lagoons, and Mr. Gordon said it is the sludge ponds from the old water treatment plant; he said the plant has been abandoned but the ponds are still in existence and need to be removed as they are a hazard. Mr. Gordon explained the Authority's operation of the water tanks and preparedness for emergency water storage. Mr. Sevenoaks asked if Bartlesville had solved its raw water supply issue; Mr. Gordon answered they are currently working with the federally-elect officials to find an additional water supply from Copan Lake. He added the study had been completed with the Corps of Engineers, and they are moving expeditiously to secure the water contracts with the COE. He said they have looked at Kaw Lake, but the COE recommended the first resource to be Copan. He said he had met with Mr. Ridley (ODOT) about laying a regional water supply line from Kaw Reservoir to serve all the communities along Highway 60, and that is still under consideration.

Mr. Fite moved to approve the DWSRF loan to the Bartlesville Municipal Authority, and Ms. Lambert seconded.

AYE: Sevenoaks, Knowles, Lambert, Fite, Nichols  
NAY: None



ABSTAIN: None  
ABSENT: Keeley, Drummond, Herrmann

H. Consideration of and Possible Action on a Proposed Order Approving Funding Application for Oklahoma City Water Utilities Trust, Oklahoma County. Recommended for Approval. Mr. Freeman said this item is a \$10 million funding request from the Oklahoma City Water Utilities Trust for replacement, rehabilitation of sanitary sewer lines and mains in several locations throughout the city. He said the project will be funded with Clean Water SRF funds and ARRA funds will be made available in an amount not to exceed \$2 million. He noted provisions of the loan agreement, stating ARRA funds will be in the form of principal forgiveness. Oklahoma City's water and sewer connections have increased by approximately 15% over the past ten years. This is Oklahoma City's first loan with the Board, and its debt coverage ratio stands at approximately 2.1-times. Staff recommended approval.

Ms. Marsha Slaughter, Trust General Manager; Mr. Brent Weingart, Assistant Director; Mr. Billy Little, Finance Manager; and Mr. Sam Smandi, Engineering Manager were present in support of the loan application.

Vice Chairman Nichols welcomed Oklahoma City as a Board customer.

Ms. Lambert moved to approve the CWSRF loan to the Oklahoma City Water Utilities Trust, and Mr. Knowles seconded.

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

I. Consideration of and Possible Action on a Proposed Order Approving Funding Application for Norman Utilities Authority, Cleveland County. Recommended for Approval. Mr. Freeman said this item is for the consideration of a \$14 million request by the Norman Utilities Authority. The funds will be utilized to make improvements to the water treatment plant including installation of a new clarifier, new chemical feed systems, an emergency generator, SCADA and process control equipment, and replacing filter media. He said funds would also be used for construction of an electrical building and a chemical building. The project will be funded with Drinking Water SRF loan funds, and ARRA funds in an amount not to exceed \$2 million. He noted provisions of the loan agreement, stating the ARRA funds would be in the form of principal forgiveness. Norman's water and sewer connections have increased by approximately 20% over the past ten years. Norman has been a long-time, excellent loan customer of the Board's and its debt coverage ratio stands at approximately 1.5-times. Staff recommended approval.

Mr. Chris Mattingly, Water Utilities Director; Anthony Francisco, Finance Director; and financial advisors were present in support of the loan application.

Mr. Sevenoaks asked if this project will solve the arsenic problems, and Mr. Mattingly said this would help with the plant's water expansion to serve peak capacity times; the arsenic problems are being remediated with a different strategy--wells above the 10 (EPA limit), and are developing pressure wells in the northeast part of town that do not have an arsenic problem.

Ms. Lambert moved to approve the DWSRF loan to the Norman Utilities Authority, and Mr. Fite seconded.

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

J. Consideration of and Possible Action on a Proposed Order Approving Funding Application for Rural Water District No. 3, Washington County. Recommended for Approval. Mr. Freeman said this final item is a \$17, 394,645.00 funding request from Washington County Rural Water District No. 3. He said the District is requesting funds to expand its north water treatment plant to an increased capacity of 10.7 MGD. The project will be funded with Drinking Water SRF loan funds, and ARRA funds in an amount not to exceed \$2 million. Mr. Freeman noted provisions of the loan agreement. The District has grown by approximately 65% over the past ten years, to 7,400 connections. The debt coverage ratio stands at 1.4-times. Staff recommended approval.

Mr. Gerry Gammill, District Manager, and Mr. David Dollar, engineer were present in support of the loan application. Mr. Sevenoaks asked about boundary line disputes with Owasso and whether those were resolved. Mr. Gammill stated they had not been resolved. Mr. Sevenoaks asked then if the water plant would be delivering water to the disputed areas, and Mr. Gammill answered, yes.

Mr. Knowles moved to approve the DWSRF loan to the Washington County RWD #3, and Mr. Lambert seconded.

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

Vice Chairman Nichols asked the total dollar amount of loans approved today; Mr. Freeman said 61.2 million. He said he did not have an exact number of ARRA funds as that would change as each project if funded.

Prior to consideration the remainder of the agenda, the Board members took a five-minute recess.

### **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.**

There were no 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.**

There being no further questions or discussion regarding items on the Summary Disposition Agenda, Vice Chairman Nichols asked for a motion.

Mr. Knowles moved to approve the Summary Disposition Agenda, and Ms. Lambert seconded.

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

**The following items were approved:**

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

<b>REAP</b>				<b>Amount</b>
<b><u>Item No.</u></b>	<b><u>Application No.</u></b>	<b><u>Entity Name</u></b>	<b><u>County</u></b>	<b><u>Recommended</u></b>
ASCOG				
1.	FAP-08-0032-R	Town of Temple	Cotton	\$97,000.00
INCOG				
2.	FAP-08-0023-R	Kellyville Public Works Authority	Creek	99,990.00
OEDA				
3.	FAP-08-0006-R	Felt Public Schools	Cimarron	77,400.00

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

1. Intergovernmental Subagreement with the Board of Regents of the University of Oklahoma, Oklahoma Climatological Survey for operation and maintenance of the Oklahoma Mesonet weather station.
2. Memorandum Agreement between OWRB, USGS and The Chickasaw Nation Commerce Division for water monitoring and data collection.
3. Agreement with the Office of the Secretary of the Environment for the Clean Water Act FY 09 §604(b) Water Quality Management Planning Program CA #C6-400000-48.
4. Service Agreement with The Journal Record, Legislative Report for subscription to Journal Record's online system of legislative information and tracking services.

5. Memorandum Agreement between OWRB, USGS and The Choctaw Nation of Oklahoma for water monitoring and data collection.
6. Interagency Agreement with the Grand River Dam Authority for fish and wildlife mitigation activities within Grand Lake.
7. Amended and Restated Intergovernmental Agreement with OSU Water Resources Research Institute for sharing costs of Water Research Symposium and Governor's Water Conference events.
8. Agreement with the Office of the Governor for providing office space and compensation to the Secretary of the Environment.
9. Intergovernmental Agreement with Central Oklahoma Master Conservancy District for water quality monitoring at Lake Thunderbird.
10. Interagency Agreement with the Oklahoma Department of Agriculture, Food and Forestry for groundwater sampling at monitoring wells of licensed managed feeding operations.
11. Contract with the Oklahoma Rural Water Association to provide workshops for study and instruction of rural water district and nonprofit rural water corporation board members in areas of finance, law and duties of board members.
12. Professional Engineering Services Contract with Utley & Associates, LLC for processing FEMA microfiche images to be used in providing floodplain mapping assistance to the public.
13. Renewal and Amendment to the Standby Bond Purchase Agreement with Bank of America related to the Board's State Loan Program Revenue Bond Series 1999 and Series 2003A.
14. Professional Services Engagement Contract with Centennial Law Group to provide legal services in connection with the Board's American Recovery and Reinvestment Act financial assistance.
15. Intergovernmental Agreement with the Board of Regents of the University of Oklahoma, Outreach/College of Continuing Education, to sponsor and host workshops and courses on floodplain management for floodplain administrators and others.
16. Interagency Agreement with Grand River Dam Authority for dissolved oxygen monitoring above and below Lakes Hudson and Grand.
17. Professional Engineering Services Contract with C.H. Guernsey & Company for water transfer and reservoir viability studies in support of the update of the Oklahoma Comprehensive Water Plan.

- E. Applications for Temporary Permits to Use Groundwater:
1. Charles R. Freeman, II & Carrie Freeman, Kiowa County, #2009-506
  2. Edwin L. & Mary Evelyn Vadder, Kingfisher County, #2009-513
  3. Robert M. Stutzman, Custer County, #2009-515
  4. Robert M. Stutzman, Custer County, #2009-516
  5. Janet Dalton, Pittsburg County, #2009-518
- F. Applications to Amend Temporary Permits to Use Groundwater:  
None
- G. Applications for Regular Permits to Use Groundwater:
1. The Danny Ray Leck & Marsha Hope Leck Revocable Trusts, Canadian County, #2009-509
- H. Applications to Amend Regular Permits to Use Groundwater:
1. Woodward County Rural Water District No. 1, Woodward County, #1998-525
  2. Dusty R. & Chelsea N. Embery and Jonathan R. Keahey, Beckham County, #2002-538B
- I. Applications to Amend Prior Rights to Use Groundwater:  
None
- J. Applications for Regular Permits to Use Stream Water:
1. Mark & Pam Harbin, Hughes County, #2009-005
  2. Eugene Meeks, Muskogee County, #2009-011
  3. Oklahoma State Parks – Fountainhead Golf Course, McIntosh County, #2009-013
- K. Forfeitures of Stream Water Rights:
1. Steward Barrick, Custer County, #1955-1179A
- L. Well Driller and Pump Installer Licensing:
1. New Licenses, Accompanying Operator Certificates and Activities:
    - a. Licensee: Wait Pump Service
 

1. Operator: Craig Wait	DPC-0771
Activities: Pump installation	OP-1699
    - b. Licensee: Harper Drilling Company
 

1. Operator: Andrew C. Harper	DPC-0775
Activities: Groundwater wells, test holes and observation wells	OP-1701
Pump installation	
    - c. Licensee: Sunbelt Environmental Services
 

1. Operator: Brian K. Bauer	DPC-0779
Activities: Groundwater wells, test holes and observation wells	OP-1704
Monitoring wells and geotechnical borings	

## Heat exchange wells

### M. Dam and Reservoir Construction:

1. Daniel L. Hamilton, Hamilton East Dam, Johnston County, #DS-09-07
2. Daniel L. Hamilton, Hamilton West Dam, Johnston County, #DS-09-08

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

1. Oklahoma Department of Transportation, Cleveland County, #FP-09-11
2. Oklahoma Department of Transportation, Pittsburg County, #FP-09-12
3. Oklahoma Department of Transportation, Payne County, #FP-09-14

### O. Applications for Accreditation of Floodplain Administrators:

Names of floodplain administrators to be accredited and their associated communities are individually set out in the July 14, 2009 packet of Board materials.

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

A. Update Report on Oklahoma Comprehensive Water Plan Activities. Mr. Kyle Arthur, Director of Planning, addressed the members and presented an update on activities that had occurred over the past couple of months regarding important events moving toward completion of the Plan. He said this is a five-year process, year four has now begun and staff are starting to have discussions about what the Plan will look like, what will it contain and perhaps most importantly what is the story we want it to tell. He said he believed the plan should have a theme that is common throughout the entire composition, and should be explicitly or implicitly stated in all analysis, reports, research, and recommendations because it helps to define the purpose, to stay on point, and to develop an implementable plan. A water planning summit was held recently with the OWRB, OWRRI, and CDM to discuss elements of the plan, issues of the plan, and components of the plan, the organization, what it will look like, how it will be presented, timelines, etc. In addition to the detailed technical work being done by CDM, Mr. Arthur said there are approximately 30 other reports, research investigations and studies that will be a part of the plan. He said the team discussion agreed the story should be ensuring reliable water supply to all Oklahomans through and integrated and coordinated water resources plan, utilizing a watershed approach, consistent with policies and visions, robust public participation process, and documentation of water source information; accurate, dynamic, adaptable and implementable.

Mr. Arthur discussed the public participation process and efforts to make sure the process as well as the plan serve the needs of the people of Oklahoma. The next planning workshop is August 13 at the Oklahoma City Spring Lake MetroTech, and it will follow the same format and schedule. He said the state and federal agencies along with CDM and OWRRI will be coordinating answers to approximately 120 questions posed by planning workshop discussants. He said the technical work on demand analysis is almost completed and includes a detailed analysis of surface water and groundwater availability, in addition to projections for future planning. He said the next step will be to summarize information of 82 planning basins across

the state, identifying any gaps and utilizing specially-designed software and modeling program to help find solutions.

Mr. Arthur said that at the August Board meeting, he would present a comprehensive update on the activities currently ongoing, then at successive Board meetings he will describe how each OWRB division's programs fit into the Oklahoma Comprehensive Water Plan--the plan is also the story of the OWRB.

Mr. Arthur introduced Mr. Josh McClintock who recently joined the Board as the Director of Government and Public Relations. Mr. McClintock presented a status of the federal appropriations process.

Ms. Lambert asked that during the planning process, what has been identified as the "Achilles' heel?" Mr. Arthur said that he had not identified anything that has been an Achilles' heel, but that one of the most difficult has been making certain the process in place--the format of the public meetings and discussion, and communicating with the participants to assist them in the discussions--leads to good solid well thought-through recommendations, that at the end of the day are implementable and will benefit the State. He said the planning process is an experiment in a way because no one had ever done it like this before, and with that comes necessary periods of adjustment and corrections.

A citizen commented about the public participation process and her difficulty in obtaining information. Vice Chairman Nichols instructed Mr. Arthur to visit with the person after the Board meeting.

Mr. McClintock addressed the members and said the U.S. House and the Senate had marked up the Energy and Water bill, which had never occurred before, and he was hopeful a bill would be ready before Christmas. He detailed the funding measures in the bill for water and flood control projects, and he discussed with the members the likely process of the bill and what he anticipated the bill to look like. He highlighted funding for the Comprehensive Water Plan through the Planning Assistance to the States program. He distributed a spreadsheet detailing the FY2010 federal appropriations priorities as regarded the requested funding and additional projects not requested by OWRB.

## **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. In the Matter of Stream Water Right No. 1970-080 of Freddie Reinking Estate, Stream System 1-8-3, Caddo County, Oklahoma:

1. Summary - Ms. Julie Cunningham, Chief, Planning and Management Division, stated to the members that this item is a proposed cancellation of a stream water permit for the Freddie Reinking Estate. In this case, no water use was reported since 1995; a show cause hearing was held to give opportunity to produce evidence of water use, and the hearing examiner left the hearing record open for a time to submit any documentation to show water use. However, none was presented and the hearing examiner determined the water right has been lost due to operation of law. Staff recommended approval of cancelling water right 1970-080. A loss of the water right due to nonuse is no bar to filing an application for additional water rights.

2. Discussion and presentation by parties. No parties were present, and there was not discussion.

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.

Ms. Lambert moved to approve the cancellation of water right no. 1970-080, and Mr. Sevenoaks seconded.

AYE: Sevenoaks, Knowles, Lambert, Fite, Nichols

NAY: None

ABSTAIN: None

ABSENT: Keeley, Drummond, Herrmann

Vice Chairman Nichols stated that there are several protestants that may be interested in speaking to the Board on this next matter. He said that he would allow 15 minutes for each side to represent their concerns. He said it appeared the Jason Aamodt, (attorney for the some of the protestants) was not in attendance, and he allowed a 5-minute break for persons to decide how they want to use the 15 minutes. The Board recessed at 10:50 a.m.; Vice Chairman Nichols reconvened the meeting at 10:55 a.m.

B. In the Matter of the Application of Rural Water, Sewer and Solid Waste Management District No. 6, Grady County, Oklahoma for a Permit to Use Groundwater in Caddo and Grady Counties, Application No. 2008-553:

1. Summary - Ms. Julie Cunningham stated to the members that this application for a permit to use groundwater is by Grady County Rural Water, Sewer and Solid Waste Management District #6. She reviewed the application stating the request is to withdraw a total of 886.38 acre-feet per year from land dedicated in Caddo County for rural water supply to existing and new customers in Grady and Caddo Counties. The water is proposed to be withdrawn from two wells located on 473.19 acres. Ms. Cunningham reviewed the four points of law that is required to be met in order to be granted a permit: the Applicant has a valid right to the dedicated land, the land overlies the Rush Springs Sandstone groundwater basin--for which the maximum annual yield and equal proportionate share has not been determined, therefore, each landowner is entitled to two acre-feet of water per acre of land dedicated. Rural water supply is a beneficial use, and waste will not occur--there were several test holes, and there is a test well that needs to be plugged, and the Department of Environmental Quality permit regulates (public water supply). The hearing examiner, University of Oklahoma law professor



Emily Meazell prepared a very thorough order, she was willing to leave the record open for evidence, and she determined the applicant met the requirements of law.

Ms. Cunningham stated there are numerous protests to the permit application, the largest being the concern of possible impacts to existing wells. There were also concerns on wells and water being taken outside the county boundary, but the hearing examiner recognized that does not affect the permit as the groundwater is determined by the basin and not county boundaries. In response to the protests, staff conducted a pre-hearing conference to help citizens understand water law, and Mr. Duane Smith met with the attorney for the protestants, Mr. Aamodt, and he has agreed to conduct a meeting with the protestants, look at the current monitoring and if additional monitoring wells can be added to the program. Also, one of the protest letters suggested that a comprehensive study of the aquifer be conducted, of which the Board staff is very interested in identifying funding sources in order to perform the study. Staff recommended approval of the application according to the terms of the proposed order.

Vice Chairman Nichols asked if there were any well spacing issues. Ms. Cunningham responded that this is not a studied basin; therefore, well spacing rules do not apply. Mr. Fite asked if Mr. Smith preferred the Board consider the permit prior to the public meeting, and Mr. Dillon responded that had been discussed; however, while the people have well-intentioned concerns, the matter before the Board today is an application that has met the four points of law, but Mr. Smith believed the permit should be approved, but to work with the people to perhaps set up separate monitoring that even might aid in the study once it might get away. There are monitoring wells in the area that is separate from the permit issue. Ms. Lambert stated there is a modest precedence in that a permit was approved recently with the caveat that staff assists the landowners to monitor affects on domestic wells. Mr. Dillon stated there is a revalidation process available on temporary permits, so if there a problem the permit can be challenged through due process. Mr. Smith would say this permit should not be conditioned based on the voluntary effort of staff that has yet to be determined, he said; the application should go forth, and staff's commitment is to work with the landowners as we move forward on a basin study.

2. Discussion and presentation by parties. Vice Chairman Nichols stated the applicant is represented by Mr. Tom Lay, and he reminded Mr. Lay he had 15 minutes. Mr. Lay approached the members and he introduced those persons in attendance representing the District. He described the District area and customers, and said it does not have its own water supply source, but has an agreement with Chickasha from Fort Supply, but that agreement expires in 2011, and Chickasha has agreed to enter the agreement for an additional term of ten years, but will not renew after that. Hence, the District engaged engineer's services that determined groundwater is the only alternative source. He affirmed the presentation regarding the number of acre-feet requested, the land dedicated, and the use, storage and distribution. Mr. Lay said he would prefer to use about 10 minutes for presentation and five minutes for rebuttal. He said the protests that are concerned about the impact to the use of water, but the law says everyone has the right to use the water. He said he was impressed with the proposed order and that all the issues had been properly addressed, particularly the hearing examiners statement in Finding of Fact No.28, no evidence was presented that showed the applicant's use would impermissibly or unlawfully deplete the groundwater. Mr. Lay said that the hearing examiner did a good job in reviewing the evidence and proposing the findings and order; he said he accepted the conditions and proposed order, it is well-reasoned and well-founded and he requested the Board's favorable consideration.

Vice Chairman Nichols invited the protestants' representative to approach the Board. A protestant stated her objections to the proceedings set forth by Mr. Nichols; however, Mr. Nichols instructed the participants to abide by the format as he has allowed as that would be in

fairness to both sides. Ms. Vera Lehman addressed the members and expressed the concerns about Mr. Lay's statement regarding no other water source, whether the Board could approve the permit even though the validity of the lease is being debated and whether the contract to take water would then be valid.

Mr. Sevenoaks stated that each landowner has a right to use the water from the basin, and this is not the forum for the debate of the validity of the contract. Vice Chairman Nichols said the issue was addressed in the order on page 5018, under "Ownership." Ms. Lehman said she was not disputing the ownership, just the validity of the contract.

Mr. Dean Couch, OWRB General Counsel, responded that the hearing examiner's duty is to review the facts as they are presented at the time of the hearing, and it was presented the applicant has a lease contract for the land. At that moment in time, it was determined valid. It is now said to be before the District Court, but this Board does not have jurisdiction over title to land or validity of contract. It is now before a court, to make a determination in the future, and whatever happens in the future is not written and cannot be part of this findings and conclusion as to what the current status is; to the extent there is a change in status, that may be presented to the Board in a revalidation protest, or the applicant may present that, but that is not what is before the Board today, based on facts presented to the hearing examiner at the hearing. He said this Board cannot make a determination as to title, conclusion of law no. 17, and cannot withhold a determination to grant the permit or a determination on ownership or leasehold interest, but can only make a decision based upon the facts presented at that hearing.

Ms. Lehman also asked why a study had not been done, and Vice Chairman Nichols stated the Board hoped to have the funds, and it's purely a financial issue. She commented about the loans and grants given today, and why that money isn't available for the study and other studies have been funded. Vice Chairman Nichols answered those studies had been funded, and that financial assistance money could not be used to fund the study. Ms. Cunningham said there is a request for funding to the Bureau of Reclamation under its 2012 funding cycle for the Rush Springs. Ms. Lehman showed a map of the aquifer to the members; Mr. Couch instructed that the document could not be presented unless it is in the record. Ms. Lehman and others answered it had been presented to Ms. Meazell, and she illustrated where she is located within the basin.

Ms. Belita Byrd talked to the members about the aspects of the controversy over the contract. She explained her brother who was guardian of the parent's estate was killed and detailed proceedings she has been undergoing to challenge the lease and contract. She said these issues were talked about at the hearing, and she questioned how the Board could consider the request when the information is invalid.

Mr. Lay yielded the remainder of his time to other protestants who might want to speak. Ms. Lehman asked about the Board's monitoring program and Mr. Dillon explained how that program might be able to understand what is going on in the area. He explained the temporary permit process and that maximum annual yields may reduce the permitted amounts and how that is done. Ms. Byrd talked about available wells and proposed operation of the wells which she disputed, as well as the history of the family business and lease in which she believed to be unfair, and she felt was not taken into consideration by the hearing examiner.

Mr. Fite asked and Vice Chairman Nichols invited any other persons who wanted to speak. Mr. Monte Moyer said he is an adjacent land owner and cattle owner concerned about the impact to the aquifer, the area has already experienced drought, and he requested the Board carefully consider the application and aquifer study.

Mr. Sevenoaks said he had read the order and asked if staff was satisfied with the issue of notice with the Caddo Tribe. Ms. Cunningham said staff is satisfied, she explained the requirement regarding notice for 1320 feet, and that the Caddo Tribe is actually 2200 feet away. The Tribe was afforded the opportunity to participate; the hearing examiner determined staff went above and beyond.

Ms. Lambert stated the temporary permit is for one year, and she asked what kind of follow up the OWRB can look into -- without committing to -- that can be done over the next year. Mr. Dillon said he could not state specifics because staff hasn't met and those things haven't been discussed, but Mr. Smith and Mr. Aamodt have committed to meet and to be involved in the area and looking at the water table; staff can look at certain aspects of the study, but the Bureau funding would be for modeling and other determinations. Ms. Lambert said that even the informal study will be enlightening.

Vice Chairman Nichols stated he has been concerned that temporary permits do not allow the 1320 foot requirement to come into play, and that is a matter of concern for him. He wanted the citizens to know that he understood their concern. Mr. Sevenoaks asked if that can be changed by rule, and Mr. Couch said the law would have to be changed. Mr. Sevenoaks stated in response to a question by another protestants that all the Board can do today is to determine the permit has met the requirements of law so that water can be withdrawn under the temporary permit. Mr. Dillon added that issues such as the 1320 will come up through the Comprehensive Water Planning process, and there may be recommendations to the Board.

Ms. Cunningham stated a protestant informed her a landowner was not properly noticed; however, Mr. Couch said that the proposed order is written based upon what has been presented and a new matter cannot be considered, even regarding notice.

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. Sevenoaks moved to approve groundwater permit 2008-553, and Ms. Lambert seconded.

AYE: Sevenoaks, Knowles, Lambert, Fite, Nichols

NAY: None

ABSTAIN: None

ABSENT: Keeley, Drummond, Herrmann

Ms. Lambert asked that the minutes reflect that goodwill is involved on the part of staff to followup. Mr. Dillon committed to report back to the Board about those activities.

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

## **6. PRESENTATION OF AGENCY BUDGET REPORT.**

Mr. Monte Boyce, OWRB Comptroller, addressed the members and stated the report regards the last report of FY2009. He said the agency had at the end of the year expended and obligated 93% of the budget and collected 94%. Currently, staff is working on the 2010 budget,

and that will be presented at the August Board meeting. Mr. Sevenoaks asked how money is saved--through cutback in travel--and how many positions are vacant. Mr. Boyce said the agency has 140 PIN numbers, is limited to 91 FTE, and has about 94 total personnel. Mr. Sevenoaks asked about carryover funds; Mr. Boyce answered that carryover funds can be used in the next year, and he anticipated only a few thousand dollars left from FY'09. The FY'08 carryover funds have been spent.

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

Chairman Nichols stated there is a Supplemental Agenda for the Board's consideration.

**A. Contracts and Agreements Recommended for Approval.**

1. Consideration of Contract for Professional Services of Lawyer to Provide Memorandum of Law on Dam Safety Issues, Recommended for Approval. Mr. Dean Couch stated this matter to hire an outside lawyer to look at legal issues came about as a result of House Bill 1884 because of a request by the Conservation Commission dealing with when a dam must be upgraded to ensure that if it fails it will not take human life downstream. In the OWRB rules, there are hazard classifications (low-med-high), and as a result, engineers must design dams to meet certain rainfall events, and other requirements, all of which cost much more money moving from low to high, and as Conservation Districts across the state are looking to rehabilitate dams, while obtaining some federal funding, they find there may be one house that would move a small farm pond dam from low hazard to high, so what constitutes an inhabitable structure, etc., and the issues was raised to limit the design requirements and contain the extreme costs. The Legislature directed through HB 1884 that the OWRB and OCC study the issue as to what can be done and created a study group. Mr. Smith has met with Mr. Thralls, the agencies' general counsels have reviewed the situation, and asked the question what is the liability of rule change that might occur to change in design requirements, and the legislation also required an investigation into whether private dams could take advantage of the change in requirements. It was decided that "outside eyes" needed to take a look at the situation, and a Request for Proposals was sent out, and only one response was received, by Mr. Bob Kellog.

Mr. Couch said the Study Group will meet on August 10 and asked for a preliminary review and memorandum of law proposed by that time. Mr. Kellog has agreed and this item will reflect that agreement. Additionally, Mr. Smith said the matter is certainly one for discussion in the OCWP meetings.

Mr. Fite moved to approve the contract for professional services, and Ms. Lambert seconded.

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

Speaking of legislation, Vice Chairman Nichols mentioned the Speaker had appointed an interim water study and he was encouraged the Legislature is taking note of water issues. Mr. McClintock mentioned a tour of southwest water issues is being organized.

2. Contract with The Board of Regents of the University of Oklahoma by and through University Outreach/College of Continuing Education's Center for Public Management for Community Case Studies of Benefits of Clean Water State Revolving Fund Program. Mr. Dillon said this item is withdrawn from the Board's consideration today. He said it is a two-part project and both parts need to be presented together at a future Board meeting.

**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. Vice Chairman Nichols reminded the members to review the Board Committee assignments and contact Chairman Herrmann if they have contacts.

**10. ADJOURNMENT**

There being no further business, Vice Chairman Nichols adjourned the meeting of the Oklahoma Water Resources Board at 12:05 p.m. on Tuesday, July 14, 2009.

**OKLAHOMA WATER RESOURCES BOARD**

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

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

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

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

\_\_\_\_\_/s/\_\_\_\_\_  
Jack W. Keeley

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

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

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

***ATTEST:***

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