

**OKLAHOMA WATER RESOURCES BOARD**  
**OFFICIAL MINUTES**  
**October 23, 2014**

**1. Call to Order**

The regular monthly meeting of the Oklahoma Water Resources Board was called to order by Chairman Rudy Herrmann at 3:30 p.m., on October 23, 2014, in Meeting Rooms 14-15, Second Level of the Cox Convention Center, 1 Myriad Gardens, NW Corner of South E.K. Gaylord Blvd and West Reno Ave, Oklahoma City, Oklahoma.

The meeting was conducted pursuant to the Oklahoma Open Meeting Law with due and proper notice provided pursuant to Sections 303 and 311 thereof. The agenda was posted on October 17, 2014, at 3:30 p.m. at the Oklahoma Water Resources Board's offices at 3800 N. Classen Boulevard, and provided on the agency's website.

Chairman Herrmann welcomed everyone to the meeting, and asked for the roll call of members. Following the roll call, he recognized a quorum of members.

**A. Roll Call**

**Board Members Present**

Rudy Herrmann, Chairman  
Tom Buchanan, Secretary  
Bob Drake  
Ford Drummond  
Marilyn Feaver  
Ed Fite  
Jason Hitch

**Board Members Absent**

Linda Lambert, Vice Chairman  
Richard Sevenoaks

**Staff Members Present**

J.D. Strong, Executive Director  
Sara Gibson, Assistant General Counsel  
Amanda Storck, Chief, Administrative Services Division  
Joe Freeman, Chief, Financial Assistance Division  
Julie Cunningham, Chief, Planning and Management Division  
Derek Smithee, Water Quality Programs Division  
Lauren Sturgeon, Director of External Affairs  
Mary Schooley, Executive Secretary

**Others Present**

Cathy Mitchell, McIntosh County Rural Water, Sewer, and Solid Waste Management District  
No. 2, Checotah, OK

Steve Fox, Fox Engineering, Ardmore, OK

Jim Barnett, Doerner Saunders Daniel & Anderson, Oklahoma City, OK

Jackie Gates, BankFirst, Oklahoma City, OK

**B. APPROVAL OF MINUTES**

Chairman Herrmann stated the draft minutes of the September 16, 2014, Regular Meeting minutes had been electronically distributed. He commented about the discussion in regard to the complicated concurrent permits the Board issued.

Mr. Drummond moved to approve the September 16, 2014, minutes, as presented and Ms. Feaver seconded. There were no comments or corrections, and Chairman Herrmann called for the vote.

AYE: Buchanan, Feaver, Fite, Drummond, Drake, Herrmann

NAY: None

ABSTAIN: Hitch

ABSENT: Sevenoaks, Lambert

**C. EXECUTIVE DIRECTOR'S REPORT**

Chairman Herrmann invited Mr. J.D. Strong, Executive Director, to address the members and report activities in addition to the past two-day Governor's Water Conference. Mr. Strong recognized staff's hard work on planning and organizing the successful event. He also introduced Ms. Sara Gibson, OWRB Interim General Counsel.

Mr. Strong commented about the success of the state's Drought Challenge held September 17, prior to the Western Governors' Association Drought Forum held September 18-19, and that he also attended the WGA Drought Forum in Tempe, Arizona, and the Western States Water Council meeting in Scottsdale, Arizona, held October 7-10. Additional mediation meetings will be held with the Tribes the next week; the Arkansas-Oklahoma Arkansas River Compact annual meeting will be held in Rogers, Arkansas, October 30, and he invited the members to the annual agency Chili Cook-off on November 5 which concludes the State Charitable Contributions Campaign. Mr. Strong said he would be speaking at Cameron University at the Water Conservation Seminar on November 13, and speaking at the Oklahoma Farm Bureau Annual meeting in Tulsa on Sunday, November 16. There have been state interim study meetings about what has been accomplished and what is left to do in regard to water, but there had not been much Congressional activity due to elections. He concluded his report with the announcement that Julie Cunningham (Chief, Planning and Management Division) has been appointed to the Board of Directors of the Interstate Council on Water Policy, which is a great leadership opportunity for the Board.

**D. Monthly Budget Report**

Ms. Amanda Storck, Chief, Administrative Services Division, stated to the members that the monthly budget report for September 2014 had been provided. She said the agency has 85% of total funding available with 75% of the fiscal year remaining. She mentioned there was a lag in billing and

receiving at the end of the first quarter. At the November Board meeting she will present the 2016-2020 Strategic Plan.

Chairman Herrmann asked what guidance the agency had received from the State in regard to planning the next budget cycle. Ms. Storck answered the budget request was submitted October 1, 2014, and the agency is required to re-submit the original budget into the new system by the end of the calendar year, requiring more detailed line-item personnel information. Mr. Hitch asked about the new system, and Ms. Storck explained the budget has been entered into a PeopleSoft system, and the budget request and strategic plan were entered into an Oracle-based program; now, both will to be submitted into the same system for better information flow.

There were no other questions by members, and Ms. Storck concluded her report.

## **2. FINANCIAL ASSISTANCE DIVISION**

A. Consideration of and Possible Action on a Proposed Order Approving State Loan Program Revenue Bond Loan Funding Application for Rural Water, Sewer, and Solid Waste Management District No. 2, McIntosh County. Recommended for Approval. Mr. Joe Freeman, Chief, Financial Assistance Division, stated to the members that the McIntosh County Rural Water, Sewer and Solid Waste Management District No. 2 requested \$2,640,000.00 in order to consolidate the debt with the OWRB and for construction of a new intake structure in Lake Eufaula. He said the loan will be funded through the State Revenue Bond Loan Program, and he noted provisions of the loan agreement. The District has approximately 1,000 water customers, and the debt coverage ratio stands at approximately 1.3-times. The District will save in excess of \$300,000.00 in interest expense by borrowing from the Board. Staff recommended approval.

Ms. Cathy Mitchell, District Office Manager, was present in support of the loan request.

Chairman Herrmann asked the rate on the existing Rural Utilities Services loans and Mr. Freeman answered one loan is 4.75% and one loan is 4.25%.

Mr. Fite moved to approve the State Loan Program funding to the McIntosh County RWSSWM District No. 2, and Mr. Hitch seconded.

AYE: Buchanan, Feaver, Fite, Drummond, Drake, Hitch, Herrmann

NAY: None

ABSTAIN: None

ABSENT: Sevenoaks, Lambert

## **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.

Chairman Herrmann read the statement above and asked if there were requests to transfer items from the Summary Disposition Agenda to the Special Consideration Agenda. There were no requests to transfer items.

B. Discussion, Questions, and Responses Pertaining to Any Items Remaining on Summary Disposition Agenda and Action on Items and Approval of Items listed.

There were no changes to the agenda or questions by members.

Mr. Hitch moved to approve the Summary Disposition Agenda, and Mr. Buchanan seconded.

Chairman Herrmann called for the vote.

AYE: Buchanan, Feaver, Fite, Drummond, Drake, Hitch, Herrmann

NAY: None

ABSTAIN: None

ABSENT: Lambert, Sevenoaks

The following items were approved:

C. Consideration of and Possible Action on Financial Assistance Division Items:

1. Rural Economic Action Plan (REAP) Grant Applications:

<u>Item No.</u>	<u>Application No.</u>	<u>Entity Name</u>	<u>County</u>	<u>Amount Recommended</u>
None				

D. Consideration of and Possible Action on Contracts and Agreements:

1. Agreement with Office of the Secretary of Energy & Environment (“OSEE”) for OWRB to receive reimbursement through Oklahoma’s Cooperative Agreement with the EPA to maintain water quality standards for the State of Oklahoma.

2. Contract with Oklahoma Floodplain Managers Associations, Inc. (“OFMA”) for advanced training workshops for floodplain administrators and officials, and producing, publishing and distributing certain educational materials.

3. Extension of Professional Services Agreement with Parsons Environment & Infrastructure Group, Inc., to perform a Dam Breach Analysis for certain areas in Oklahoma, to extend the original agreement end date to December 31, 2014.

4. Contract for Professional Services with HISNC, LLC, to prepare and present the National Flood Insurance Program training course for floodplain administrators and other duties as requested by the OWRB.

E. Consideration of and Possible Action on Applications for Temporary Permits to Use Groundwater:

1. International Energy Corporation, Kay County, #2014-513
2. Harold E. & Elda Lou Schmidt, Major County, #2014-529
3. Jana Williams, Harmon County, #2014-556
4. Braden & Raegan Cunningham, Harmon County, #2014-571
5. Bobby & Joy Faulks, Harmon County, #2014-572
6. Bobby & Joy Faulks, Harmon County, #2014-573
7. Braden & Raegan Cunningham, Harmon County, #2014-574
8. Duncan Regional Hospital, Stephens County, #2014-579
9. Richard C. & Phyllis J. Brown, Alfalfa County, #2014-587
10. DPC Midstream, L.P., Stephens County, #2014-590
11. James & Deann Smith, Pottawatomie County, #2014-591

F. Consideration of and Possible Action on Applications to Amend Temporary Permits to Use Groundwater:  
None

G. Consideration of and Possible Action on Applications for Regular Permits to Use Groundwater:

1. Logan Brakhage and Devin Brakhage, Cimarron County, #2014-569

2. USDA, Agriculture Research Service, Harper & Woodward Counties, #2014-580
  3. Irene Gladys Griffith Revocable Trust, Texas County, #2014-594
  4. Marilyn J. Cluck, Texas County, #2014-599
- H. Consideration of and Possible Action on Applications to Amend Regular Permits to Use Groundwater: None
- I. Consideration of and Possible Action on Applications to Amend Prior Groundwater Rights:  
None
- J. Consideration of and Possible Action on Applications for Regular Permits to Use Stream Water:
1. City of Stigler, Haskell County, #2014-014
  2. Alice & Jimmy Patterson, Washita County, #2014-023
  3. Loren & Vera Dierksen, Garfield County, #2014-024
  4. William J. Godfrey, Mandy E. Godfrey, and Richard H. Godfrey, Payne County, #2014-027
  5. Donald Rempe, Grady County, #2014-030
  6. Haley Ranch, Sequoyah County, #2014-031
  7. James & Deann Smith, Pottawatomie County, #2014-033
  8. James L. & Linda R. McElvany, Grady County, #2014-035
  9. Earl Allen Pierce, Garfield County, #2014-037
  10. Barbara Green Bollenbach, Kingfisher County, #2014-042
  11. Wesley & Carolyn Madison, Garfield County, #2014-049
- K. Consideration of and Possible Action on Order Vacating Summary Disposition Approval of Application for Temporary Permit to Use Groundwater in the names of Larry & Linda Dobbins, Custer County, #2014-512
- L. Consideration of and Possible Action on Dam and Reservoir Construction:
1. Custer County Conservation District, Custer County, #OK00573
  2. City of Norman, Cleveland County #OK12572
  3. Tommy Challacombe, Tillman County, #OK21248
- M. Consideration of and Possible Action on Well Driller and Pump Installer Licensing:
1. New Licenses and Operators:  
None
  2. New Operators to Existing Licenses:
 

a. Licensee: Fire & Ice Geothermal, L.L.C.	DPC-0432
1. Operator: Michael Hall	OP-2060
b. Licensee: Burton Drilling Co.	DPC-0029
1. Operator: Dash Burton	OP-1421
- N. Consideration of and Possible Action on Permit Applications for Proposed Development on State Owned or Operated Property within Floodplain Areas:
1. Oklahoma Department of Transportation, Kay County, #FP-14-21
- O. Consideration of and Possible Action on Applications for Accreditation of Floodplain Administrators:  
None

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

A. No items. There were no items presented for discussion.

**5. SPECIAL CONSIDERATION**

A. No items. There were no items for the Board’s consideration.

B. Consideration of and Possible Action on Items Transferred from Summary Disposition Agenda, if any. There were no items transferred from the Summary Disposition Agenda.

**6. 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.

Chairman Herrmann stated there were no New Business items for the Board’s consideration.

**7. ADJOURNMENT**

There being no further business, Chairman Herrmann adjourned the meeting of the Oklahoma Water Resources Board at 3:44 p .m. on Thursday, October 23, 2014.

**OKLAHOMA WATER RESOURCES BOARD**

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

\_\_\_\_\_/s/\_\_\_\_\_  
Linda P. Lambert, Vice Chairman

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

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

\_\_\_\_\_Absent\_\_\_\_\_  
Marilyn Feaver

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

\_\_\_\_\_/s/\_\_\_\_\_  
Bob Drake

\_\_\_\_\_Absent\_\_\_\_\_  
Jason W. Hitch

***ATTEST:***

\_\_\_\_\_Absent\_\_\_\_\_  
Tom Buchanan, Secretary (SEAL)