

OKLAHOMA WATER RESOURCES BOARD
OFFICIAL MINUTES
March 15, 2016

1. CALL TO ORDER

The regular monthly meeting of the Oklahoma Water Resources Board was called to order by Chairman Linda Lambert at 9:35 a.m., on March 15, 2016, in the second floor meeting room of the Oklahoma Water Resources Board, 3800 N. Classen Boulevard, Oklahoma City, OK.

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 March 11, 2016, at 3:00 p.m. at the Oklahoma Water Resources Board's offices at 3800 N. Classen Boulevard, Oklahoma City, Oklahoma, and provided on the agency's website.

Chairman Lambert welcomed everyone to the meeting, and asked for the roll call of members.

A. Roll Call

Board Members Present

Linda Lambert, Chairman
Ford Drummond, Vice Chairman
Jason Hitch, Secretary
Stephen Allen
Tom Buchanan
Marilyn Feaver
Ed Fite
Richard Sevenoaks

Board Members Absent

Bob Drake

Staff Members Present

J.D. Strong, Executive Director
Rob Singletary, General Counsel
Amanda Storck, Chief, Administrative Services Division
Joe Freeman, Chief, Financial Assistance Division
Julie Cunningham, Chief, Planning and Management Division
Bill Cauthron, Assistant Chief, Water Quality Programs Division
Mary Schooley, Executive Secretary

Others Present

Buddy Thompson, Logan County Rural Water District #1, Guthrie, OK
Patty Thompson, Oklahoma Department of Environmental Quality, Oklahoma City, OK
Justin Hodge, Oklahoma Department of Environmental Quality, Oklahoma City, OK
Vicki Reed, Oklahoma Department of Environmental Quality, Oklahoma City, OK

Others Present Continued

Billy Little, Oklahoma City Water Utilities Trust, Oklahoma City, OK
Bret Weingart, Oklahoma City Water Utilities Trust, Oklahoma City, OK
Noel Clonts, Kaw City, OK
Eddie Rhandour, Oklahoma Department of Environmental Quality, OK
Bud Ground, Environmental Federation of Oklahoma, Oklahoma City, OK
Debbie Norton, Elks Lodge, Shawnee, OK
Charlie Swinton, BancFirst, Oklahoma City, OK
Jeff Everett, Oklahoma Gas & Electric, Oklahoma City, OK
Marilyn Barton, Logan County Rural Water District #1, Edmond, OK
S. Corey Stone, Shawnee Elks Lodge, Shawnee, OK
Mike Wofford, Doerner Saunders Daniel Anderson, Oklahoma City, OK

B. Discussion, Amendments, and Vote to Approve Official Minutes of the February 16, 2016, Regular Meeting.

Chairman Lambert asked if there were any corrections to the minutes of the February 16, 2016, meeting. There were none, and Mr. Fite moved to approve the minutes, and Mr. Buchanan seconded.

Chairman Lambert called for the vote.

AYE: Fite, Allen, Sevenoaks, Buchanan, Lambert

NAY: None

ABSTAIN: Feaver, Drummond, Hitch

ABSENT: Drake

C. Executive Director's Report

Mr. J.D. Strong, OWRB Executive Director, asked Ms. Amanda Storck, Chief of Administrative Services Division, to present the legislative report. Ms. Storck stated the monthly report is included in the members' packets and contains three tracking lists which she reviewed: budget bills related to Gross Production Tax revenues, the General Government report contain 13 bills, and the third section regards water bills with eight bills remaining after the committee deadline. Chairman Lambert asked about the modification of termination dates in HB2613, and Ms. Storck responded the date is modified to reflect expiration date from 2016 to 2019-- two additional years than previous extensions. Mr. Strong interjected that regards the Gross Production Tax funding the Board has received for a long time and in 2012 the Legislature allowed the Board to shift the use to Water Plan implementation for groundwater basin studies and surface water allocation models critical for water rights administration of stream water and groundwater permits, and he named the groundwater basin reports completed or near completion to date. If the date is not extended, the agency will incur a 16% cut or \$2.6 million (when fully funded); the past years' GPT revenue has not been at the level of previous years, but is a critical revenue source for the agency. He added that losing that funding, along with additional revenue cuts to agencies, will cripple the agency's ability to implement the Water Plan. He also noted HB 2446 regarding the protection of water as a compelling state interest related to right to farm on the ballot and will only allow the Legislature to pass regulation on farming and ranching activities if it is a compelling state interest. Senate Bill 16 is a carryover measure from last year by Sen. Fields to give the Board the flexibility to not have to meet monthly. Currently, the statute states the Board shall meet monthly but this legislation would give the Board flexibility if there is a month there is not business to bring before the Board. There is a minimum of nine meetings a year and prohibits missing more than two consecutive months. The reality is the Board would continue to meeting monthly to issue permits and approve funding, but gives the Board flexibility, i.e., the meeting in conjunction with the Governor's Water Conference and could also be a cost-saving measure.

Continuing, he said SB 1219 is Sen. Fields' and Rep. Osborn's bill to authorize the OWRB and DEQ to establish programs for aquifer storage and recovery (ASR); while not controversial it is complicated and it has been an educational effort. A measure as a result of the Water for 2060 Advisory Council is SCR 0033 by Sen. Fields and Rep. Murdock regarding crop insurance reform removing requirements to irrigate crops beyond the point of failure. The Congressional Delegation is interested and this resolution expresses the State Legislature's support.

Regarding the Congressional report, Mr. Strong highlighted issues related to Flint, Michigan, may have affects on the Safe Drinking Water Act programs by possibly providing addition funding or additional credit leveraged through the WIFIA program, as well as review by EPA of lead and copper rules. There is activity on the budget although the agency does not have any projects, except for the President's budget; a hearing was held on the WRRDA 2014 regarding feasibility studies and the WRRDA 2016 bill will mostly be focused on flood control and navigation. The Subcommittee on Agriculture held a hearing on the NRCS budget including investing millions in the Ogallala aquifer partnering with producers, and focused, targeted investments in Oklahoma, Louisiana and Arkansas by allowing stream segments and rivers to be de-listed from EPA's 303(d) list working with the state conservation districts assisting producers to reduce runoff. And lastly, EPA and USGS issued a draft technical report regarding hydrologic alteration in regard to flows and impact to water quality – "dilution is the solution to pollution" in some cases i.e., lower flows equal less dilution resulting in water quality impairment. He said the OWRB concern is that is not necessarily EPA's concern as regards water quantity and could be an opportunity to get into the state's business; EPA should understand it is important to partner with states as regulators of water quantity. He noted the upcoming deadline schedule for the legislative process, and displayed a 3D rendering of rainfall in Oklahoma for 2014 and 2015 produced by the Oklahoma MESONET.

Regarding calendar items, Mr. Strong reported that mediation meetings continue, he spoke to the Oklahoma Municipal League Water Summit, and Oklahoma Water Law Seminar, the Canadian River Compact met in Austin and Julie Cunningham is the newly-appointed Oklahoma Commissioner, and the first meeting of the Water for 2060 Produced Water Working Group was held March 3. He spoke to the Leadership Oklahoma at Jenks—as did Mr. Buchanan—and toured the impressive relief organization Water4 with Governor Fallin. He highlighted upcoming meetings including the bi-yearly WSWC/ICWP Washington Roundtable and the OWRB was one of four states invited to the White House Water Summit on World Water Day March 22 and he anticipated the summit will recognize Oklahoma's Water for 2060 initiative. The OWRB/DEQ Aquifer Storage Recovery group meets April 1, the ORWA annual meeting is April 12-13 at Norman, the OWRB is hosting the Tri-State Water Summit (COE, Texas, Kansas and Oklahoma), the OKC Marathon is April 24, Red River Compact Commission meets in Austin April 26, and SCIENCEFEST is April 28. Financial Disclosure Statements are due to the Ethics Commission May 15, and the next Board meeting is April 19, at 9:30 a.m., also the anniversary of the Murrah Building Bombing.

Mr. Buchanan asked about statute changes in regard to the ASR, and Mr. Strong answered the legislation is general and authorizes the agencies to do rulemaking. The group recognizes the issue of water rights and water ownership and how that will be considered, and will look at states such as Texas that have private ownership of groundwater and public ownership of surface water like Oklahoma; he said he did not anticipate rules this year. There were no other questions, and Mr. Strong concluded his report.

D. Monthly Budget Report.

Ms. Amanda Storck presented the budget report for February 2016 and since that time, the agency had been notified of the amount of cut that will be taken for March which was 4%, or \$249,730.00, reduced from the Divisions. She said the agency pass-through funds were also reduced

for the same amount resulting in REAP grant reduction of \$58,000.00 and ORWA contract reduced by \$7,900.00, for the current fiscal year. In July 2015, the agency budget was down 5.5% from what was received the previous year – about \$350,000.00—and in January 2016 a 3% cut equaled \$187,000, and in March another 4% or \$250,000 for a total of \$789,000 less than the previous year and she is working with the Divisions to adjust the budget month-to-month, holding off on any expenditures that is not a fixed cost to assure there are funds at the end of the year. The P&M division is seeing reduced funds from decreased GPT collections and permitting fees, in addition to reduced general appropriations. The agency is keeping personnel vacancies open; Administrative Division has an IT position open because OMES has not found a qualified applicant; Water Quality Division is experiencing issues with the laboratory contract at DEQ for the savings, and P&M also is holding a position open. Staff is preparing information in various ways to the Legislative budget committees, including revolving fund and fixed cost summaries.

Mr. Sevenoaks asked about the laboratory issues and whether water quality samples were being taken, and Ms. Storck and Mr. Strong explained collections are being done but on a modified schedule due to not hiring summer employees, resulting in about 20% less sampling. Mr. Buchanan asked which funds can be moved, and Ms. Storck explained there is no flexibility to move funds once the budget is set. In terms of expenses, there is flexibility in travel, furniture, etc., and there is some flexibility in the IT budget because of projects that will not continue but funds can't be moved since it is separate. Mr. Sevenoaks asked if the budget continued to contract, at what point it will it affect staffing and Ms. Storck said it already has been affected because positions are open and not hiring summer employees. Mr. Drummond asked if the \$787,000 cut this year becomes the base for next year, and Ms. Storck answered that it usually does.

Ms. Storck concluded her report. Chairman Lambert thanked the OWRB Division Chiefs and OWRB Team for managing these challenging times and that the Board is grateful for the agency's efforts.

2. FINANCIAL ASSISTANCE DIVISION

A. Consideration of and Possible Action on a Proposed Order Approving Increase in Obligation of Drinking Water Funds for Rural Water, Sewer and Solid Waste Management District No.1, Logan County. Recommended for Approval. Mr. Joe Freeman, Chief, Financial Assistance Division, stated to the members that this item is a request by Logan County Rural Water Sewer and Solid Waste Management District #1 for an \$100,000.00 increase in obligation of funds for the loan approved at the December 2015 Board meeting. Subsequent to the loan approval, bids on the project came in higher than initially estimated and the District decided to increase the line size from a 4-inch to 8-inch water line. In addition to the \$1.5 million provided through the Drinking Water State Revolving Fund, the District will utilize approximately \$318,000.00 of local funds for the project. The District has requested the funds to provide water to the town of Meridian whose wells have high arsenic content. The project will entail laying approximately 36,000 feet of water line, constructing a new storage tank, relocating an existing standpipe, installing a pump station, and provide a chemical feed system. Mr. Freeman stated the District has three loans with the Board with an outstanding balance of approximately \$2.5 million, and the District's debt-coverage ratio stands at approximately 2.1-times. Staff recommended approval of the increase in obligation of funds.

Ms. Marilyn Barton, District Board Chair, and Mr. Buddy Thompson, District Manager, were present and spoke to the members in support of the request for increase of obligation of funds.

Mr. Hitch asked about the distance water will be delivered, and Mr. Thompson answered the District will purchase water from the City of Langston, which will have to be treated, and the distance is seven miles.

There were no other questions, and Chairman Lambert stated she would entertain a motion to approve the increase.

Mr. Hitch moved to approve the increase in obligation of funds to the Logan County RWS & SWMD #1, and Mr. Drummond seconded.

AYE: Fite, Feaver, Allen, Sevenoaks, Drummond, Buchanan, Hitch, Lambert
NAY: None
ABSTAIN: None
ABSENT: Drake

B. Consideration of and Possible Action on a Proposed Order Approving Drinking Water Funding Application for Oklahoma City Water Utilities Trust, Oklahoma County. Recommended for Approval.

Mr. Freeman said this item is a \$65,550,000.00 loan request from the Oklahoma City Water Utilities Trust (OCWUT). The OCWUT is requesting the loan for improvements at its Hefner Water Treatment Plant, Lower Lift Pump Station and Sludge Handling Facility, improvements to the Overholser Water Treatment Plant and Dual Pump Station, and for water line replacement in various sections of the City. Mr. Freeman said the loan will be funded through the Drinking Water State Revolving Fund Loan Program, and he noted provisions of the loan agreement. He said the City's water and sewer connections increased by approximately 15% over the past 10 years; the City has six outstanding loans with the Board for a principal balance of approximately \$98.8 million; and, the debt coverage ratio stands at 3.37-times. Staff recommended approval of the loan request.

Mr. Bret Weingart, OCWUT Assistant Director, and Billy Little, OCWUT Finance Director, were present and spoke to the members in support of the loan application, stating the City had many projects planned over the next ten years for water and wastewater and the SRF program funding supplements its ability to provide for the needs of the community.

Mr. Sevenoaks asked if the OCWUT intended to continue to use the OWRB program, and Mr. Weingart responded that is the City's plan, there is a finance strategy presentation at the OCWUT (today) where it will be presented with options, one of which is continuation with the SRF program. Mr. Drummond asked if there were capacity issues with the loan, and Mr. Freeman responded the next agenda item is a bond issue to continue to supplement funds for the DWSRF program. The Board does have the capacity for this loan and staff has reviewed with Oklahoma City its ten-year plan to assess management of financing projects.

There were no other questions and Chairman Lambert called for a motion. Mr. Buchanan moved to approve the DWSRF loan to OCWUT, and Mr. Sevenoaks seconded.

AYE: Fite, Feaver, Allen, Sevenoaks, Drummond, Buchanan, Hitch, Lambert
NAY: None
ABSTAIN: None
ABSENT: Drake

Mr. Buchanan stated looking forward, there is significant money invested in metro areas, and he asked if in the future that may impact the Board's ability to fund projects in rural Oklahoma, and also impact the Board's overall ratings if too concentrated in certain areas. Mr. Freeman responded the Board needs to be aware of concentration, and that is reviewed with the rating agencies, and the DWSRF program, even with the addition of this loan, there will not be too high a concentration. With the CWSRF and FAP programs, there is a higher concentration with TMUA which has been manageable. Mr. Sevenoaks added the TMUA's approach is to combine water and sewer bonds which will allow going to the private market, resulting in a reduction of borrowing by the City of Tulsa.

C. Resolution Authorizing the Issuance of Oklahoma Water Resources Board Revolving Fund Revenue Bonds – Drinking Water Program (Master Trust), in the Aggregate Principal Amount not to Exceed \$90,000,000; Approving and Authorizing Execution of a Bond Indenture Providing for the Issuance of the Bonds; Providing for the Sale and Delivery of the Bonds and Authorizing a Certificate of Determination; Waiving Competitive Bidding on the Bonds and Authorizing the Sale Thereof by Negotiation Pursuant to the Terms of a Contract of Purchase Pertaining Thereto; Approving a Preliminary Official Statement with Respect to the Bonds; Authorizing Execution of Such Other and Further Instruments, Certificates and Documents as may be Required for the Issuance of the Bonds; Directing Payment of Costs of Issuance and Containing other Provisions Relating to the Issuance of the Bonds. Recommended for Approval. Mr. Freeman stated this item is a resolution authorizing the issuance of Drinking Water SRF bond issue and is scheduled to be approved by the Oklahoma Bond Oversight Council on April 28. If needed, staff will make presentations to the rating agencies the week of May 9, with targeted pricing and closing of the issue by the end of June. The resolution before the Board provides for the following items: issuance of DWSRF bonds not to exceed \$90,000,000.00 for the DWSRF program, authorizing execution of a bond indenture providing for the issuance, authorizing issuance be on a negotiated basis, approval of a preliminary official statement, directing payment of cost of issuance, and authorizing other documents necessary to close the issue. Staff recommended approval of the resolution.

Mr. Fite moved to approve the resolution authorizing issuance of DWSRF revenue bonds, and Mr. Hitch seconded. Chairman Lambert asked if there were questions.

Mr. Sevenoaks asked if there was a primary user of this issuance, and Mr. Freeman responded currently there are \$54 million in loans closed that are actively drawing, and \$26 million of DWSRF funds on hand; it will be used for loans already closed, with the remainder of funds used for Oklahoma City and other loans in the future.

There were no other questions or comments, and Chairman Lambert called for the vote.

AYE: Fite, Feaver, Allen, Sevenoaks, Drummond, Buchanan, Hitch, Lambert

NAY: None

ABSTAIN: None

ABSENT: Drake

D. Resolution Authorizing the Issuance of Oklahoma Water Resources Board Revolving Fund Revenue Refunding Bonds – Drinking Water Program (Master Trust), in the Aggregate Principal Amount not to Exceed \$85,000,000; Approving and Authorizing Execution of a Bond Indenture Providing for the Issuance of the Bonds; Providing for the Sale and Delivery of the Bonds and Authorizing a Certificate of Determination; Waiving Competitive Bidding on the Bonds and Authorizing the Sale Thereof by Negotiation Pursuant to the Terms of a Contract of Purchase Pertaining Thereto; Approving a Preliminary Official Statement with Respect to the Bonds; Authorizing Execution of Such Other and Further Instruments, Certificates and Documents as may be Required for the Issuance of the Bonds; Directing Payment of Costs of Issuance and Containing other Provisions Relating to the Issuance of the Bonds. Recommended for Approval. Mr. Freeman stated this item is an authorizing resolution for a Drinking Water SRF bond issue for refunding the Board’s series 2010 Drinking Water SRF Bond issue. He explained the refunding will be structured in a similar manner as the Board’s previous SRF refunding bond issue. He said the purpose of the refunding is to take advantage of favorable valued savings which are possible in the current interest rate environment. Mr. Freeman stated that resolution authorizes an issuance of refunding bonds not to exceed \$85,000,000.00, authorizes execution of a bond indenture providing for the issuance, authorizes the issuance to be on a negotiated basis, approval of the preliminary official statement, authorizing execution of other documents necessary for the issuance of the bonds, and directing payment of the cost of issuance. Staff recommended approval of the resolution.

Mr. Sevenoaks asked if there would be additional refinancing, and Mr. Freeman responded at this time this is the only refinance staff is proceeding with, but are monitoring five issuances for potential refunding and an additional four in the future. He said right now the net present value savings on this issue was compelling to move forward as it would be over 10%, net present value savings, or \$7.3 million. Mr. Sevenoaks stated 90% of borrowers have refinanced and he was surprised the Board had not refinanced all its debt. Mr. Freeman answered what remains are loans that have been funded in the last 4-5 years. Mr. Drummond asked if there were concerns from the rating firms in regard to current budget issues, and Mr. Freeman said no concern had been expressed since the program does not receive appropriated dollars. On the State issuance, he would defer to the State Treasurer on that matter. Mr. Sevenoaks asked if the savings is passed on to borrowers, and Mr. Freeman answered the savings is split between the Board and the borrowers, providing savings to the borrowers and increasing the Board's capacity to lend. The split is 70/30. Mr. Sevenoaks asked if, while the agency is facing a budget shortfall, is there is a statutory requirement on the split, and he also asked about management expenses and available funds from the refinancing. Mr. Freeman responded there is not a statutory split, and the managing expense is covered by the administrative fee, but other funds must be kept within the bond issue. Mr. Strong said there is a statutory prohibition to moving the savings and using it for monitoring, for example; staff had looked at that, but it is not possible.

There were no other questions and Chairman Lambert called for a motion. Mr. Allen moved approval of the resolution, and Mr. Drummond seconded. Chairman Lambert called for the vote.

AYE: Fite, Feaver, Allen, Sevenoaks, Drummond, Buchanan, Hitch, Lambert
NAY: None
ABSTAIN: None
ABSENT: Drake

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 Lambert stated there are no requests for items to be deferred or withdrawn from the Summary Disposition Agenda.

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

Chairman Lambert stated if there were no questions, she would entertain a motion to approve the Summary Disposition Agenda.

Mr. Allen moved to approve the Summary Disposition Agenda, and Ms. Feaver seconded. There were no questions or comments, and Chairman Lambert called for the vote.

AYE: Fite, Feaver, Allen, Sevenoaks, Drummond, Buchanan, Hitch, Lambert
NAY: None
ABSTAIN: None
ABSENT: Drake

The following items were approved:

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

Rural Economic Action Plan (REAP) Grant Applications:

<u>Item No.</u>	<u>Application No.</u>	<u>Entity Name</u>	<u>County</u>	<u>Recommended</u>
NODA				
a.	FAP-14-0006-R	Kaw City Municipal Authority	Kay	Change of Scope

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

1. Intergovernmental Agreement with Department of Environmental Quality to continue the maintenance and operation of monitoring equipment that provides water quality data in support of technical studies of the ongoing fish kills in the Salt Fork of the Arkansas River.

2. Amendment Agreement with Meshek & Associates, PLC to provide professional engineering services in connection with Cooperating Technical Partnership Program Assistance for the creation and maintenance of Flood Hazard Data.

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

1. Don Prater Dozers, Inc., Stephens County, #2015-520

F. Consideration of and Possible Action on Applications to Amend Temporary Permits to Use Groundwater:

1. City of Harrah, Oklahoma County, #1980-702

2. City of Harrah, Oklahoma County, #2000-560

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

1. Clay & Kara Curtis, Texas County, #2015-588

2. The Smith Family Revocable Trust and the Frank C. Nightengale & Phyllis L. Nightengale Revocable Trust, Blaine County, #2015-602

H. Consideration of and Possible Action on Applications to Amend Regular Permits to Use Groundwater:

1. Gerald A. & Jolena A. Graves, Beaver County, #1979-552

2. Seaboard Foods, L.L.C., Texas County, #1994-651

3. Donald L. Graber, Edward W. & Christine Graber, Scott D. & Peggy Lawrence, and Steven W. & Loretta Voran, Texas County, #1998-512

I. Consideration of and Possible Action on Applications to Amend Prior Rights to Use Groundwater:

1. Oklahoma Department of Wildlife Conservation, Cimarron County, #1969-403B

J. Consideration of and Possible Action on Applications for Regular Permits to Use Stream Water:

1. City of Hominy, Osage County, #2015-021

2. Lottawater, L.L.C., Kingfisher County, #2015-035

K. Consideration of and Possible Action on Applications to Amend Permits to Use Stream Water:

None

L. Consideration of and Possible Action on Dam and Reservoir Construction:

1. City of Purcell, McClain County, #OK12149

M. Consideration of and Possible Action on Well Driller and Pump Installer Licensing:

1. New Licenses and Operators:

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|--|----------|
| a. Licensee: Maneo Consulting, LLC | DPC-930 |
| 1. Operator: Michael Sean Vanston | OP-2131 |
| 2. New Operators, Licensee Name Change, and/or Activities for Existing Licenses: | |
| a. Licensee: Maneo Consulting,, LLC | DPC-0930 |
| 1. Operator: Darin Ingram | OP-2132 |
| b. Licensee: Pense Bros. Drilling Co. | DPC-0360 |
| 2. Operator: Larry Pense | OP-2150 |

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, Logan County, #FP-15-37
2. Oklahoma Department of Transportation, Greer County, #FP-15-38
3. Oklahoma Department of Transportation, Logan County, #FP-15-39
4. Oklahoma Department of Transportation, Osage County, #FP-15-40
5. Oklahoma Department of Transportation, Washita County, #FP-15-41

O. Consideration of and Possible Action on Applications for Accreditation of Floodplain Administrators:

1. Ronald H. Kroop, City of Duncan, FPA-665
2. Steven M. Pope, City of Durant, FPA-667
3. Thomas W. Gibson, City of Nichols Hills, FPA-668
4. Luke J. Tallant, City of Watonga, FPA-669

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

- A. No items. There were no items of discussion for the Members.

5. SPECIAL CONSIDERATION

A. Consideration of and Possible Action on Proposed Findings of Fact, Conclusions of Law and Board Order on Application for Regular Permit to Use Stream Water No. 2014-065 filed October 15, 2014, Donald J. and Betty J. Tetik Revocable Trust, Noble County:

1. Summary – Ms. Julie Cunningham, Chief, Planning and Management Division, stated to the members this item is an application for a regular permit to use stream water under the name of Donald and Betty Tetik Revocable Trust in Noble County. The applicant has requested a permit to divert 65 acre-feet of stream water per year from one point of diversion on Upper Bear Creek NRCS Site #57 for the purpose of drilling and primary completion of oil and gas wells. She stated the record showed the five points of stream water law have been met; there was one protestant that alleged the applicant’s proposed use would interfere with their ability to access the water for domestic use. The Hearing Examiner was satisfied the evidence indicated interference would not occur. There are no parties present today – applicant nor protestant. Staff recommended approval of the proposed findings of fact, conclusions of law and Board order with corrections: paragraph 2 of the “findings,” 2nd sentence should be “eastern” instead of western; paragraph 11, references to groundwater should be “surface water.”

Mr. Drummond asked if the NRCS site was an impoundment, and Ms. Cunningham stated it is. Mr. Strong said for upstream flood control.

2. Discussion and presentation by parties. There were no parties in attendance.

3. Possible Executive Session; and 4. Return to open meeting and possible vote or action on any matter discussed in the Executive Session, if authorized. The Board did not vote to enter Executive Session.

5. 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.

Chairman Lambert stated if there no questions she would entertain a motion.

Mr. Drummond moved to approve regular stream water permit #2014-065, and Mr. Sevenoaks seconded.

AYE: Fite, Feaver, Allen, Sevenoaks, Drummond, Buchanan, Hitch, Lambert
NAY: None
ABSTAIN: None
ABSENT: Drake

During the vote, Mr. Sevenoaks observed that the parties received notice but both chose not to show today, and Mr. Strong said the order must be right.

Mr. Buchanan left the room between 10:30-10:32 a.m.

B. Consideration of and Possible Action on Proposed Order for Informal Disposition on Application for Regular Permit to Use Groundwater No. 2012-596 filed April 24, 2012, Shawnee Lodge No. 657 B.P.O. of Elks of USA, a Corporation, Pottawatomie County:

1. Summary – Ms. Julie Cunningham stated this item is an application to use regular groundwater in the name of Shawnee Lodge No. 657 B.P.O. of Elks of USA, a Corporation, in Pottawatomie County. This applicant has requested a permit to withdraw 11.2 acre-feet of groundwater per year—a small amount of water—from one well for the purpose of irrigating a 100-acre golf course. In this case, Ms. Cunningham stated the record showed that the Applicant has met the four points of groundwater law. The application was protested; however, there were parties that reached a settlement agreement after submittal by the Applicant and a pre-hearing settlement conference was held and no protestant attended that were outside of the settlement agreement. Board rules provide a hearing examiner in such case prepare an Informal Disposition which is what is before the Board today. Mr. Singletary clarified that this matter was protested, the protestants to this application were also a party to the settlement agreement; there was a second application that is also covered by the settlement agreement. No hearing was conducted due to the settlement agreement. Chairman Lambert stated both parties have agreed, and staff confirmed that is correct.

2. Discussion and presentation by parties. There was no presentation by parties.

3. Possible Executive Session; and 4. Return to open meeting and possible vote or action on any matter discussed in the Executive Session, if authorized. The Board did not vote to enter Executive Session.

Mr. Fite moved to approve the application.

Ms. Cunningham stated that staff is recommending approval, and she noted there were edits to the proposed order which she enumerated: in paragraph 1, location reference should be SE NW SW of Section 3; in paragraph 11, location reference should be SE NW SW; in paragraphs 6 and 11, references to conditions in the settlement agreement include 1., 2., and 3., and staff recommends including 1. and deleting 2. (relating to the inspection of meters) and 3.(relating to another application which has been withdrawn).

5. 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. Fite moved to approve the proposed informal disposition for regular groundwater permit 2012-596, with the amendments, and Ms. Feaver seconded. Chairman Lambert called for the vote.

AYE: Fite, Feaver, Allen, Sevenoaks, Drummond, Buchanan, Hitch, Lambert

NAY: None
ABSTAIN: None
ABSENT: Drake

C. 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. PROPOSED EXECUTIVE SESSION

Chairman Lambert

As authorized by the Oklahoma Open Meeting Act in Section 307(B)(4) of Title 25 of the Oklahoma Statutes, an executive session may be held for the purpose of confidential communications between a 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 a pending investigation, litigation or proceeding in the public interest.

Pursuant to this provision, the Board proposes to hold an executive session for the purpose of discussing Chickasaw Nation and Choctaw Nation v. Fallin, et al., and Oklahoma Water Resources Board v. United States on behalf of the Choctaw Nation et al.

Statement by legal counsel advising on whether disclosure of the discussion of the litigation will seriously impair the ability of the Board and State to conduct the present and proposed litigation in the public interest.

Mr. Robert Singletary, OWRB General Counsel, stated to the members that pursuant to Section 307(b)(4) of the Open Meetings Act, it is his advice as General Counsel that the disclosure of the communications and discussions proposed under agenda item 6. related to the pending litigation referenced on the agenda, would seriously impair the ability of the Board to conduct the pending litigation in the public interest.

A. Vote on whether to hold Executive Session upon determination that disclosure of the discussion of the litigation will seriously impair the ability of the Board and State to conduct the present and proposed litigation in the public interest. Before it can be held, the Executive Session must be authorized by a majority vote of a quorum of members present and such vote must be recorded.

Chairman Lambert asked for a motion that the Board move into Executive Session, and to appoint Mary Schooley to keep written minutes.

Mr. Buchanan so moved to enter Executive Session, and Mr. Sevenoaks seconded. Chairman Lambert called for the vote.

AYE: Fite, Feaver, Allen, Sevenoaks, Drummond, Buchanan, Hitch, Lambert
NAY: None
ABSTAIN: None
ABSENT: Drake

B. Designation of person to keep written minutes of Executive Session, if authorized.
Executive Secretary Mary Schooley kept written minutes of the session.

C. Executive Session, if authorized.
The Board entered Executive Session at 10:34 a.m.

Return to open meeting and possible vote or action on any matter discussed in the Executive Session.

At 11:20 a.m., Chairman Lambert stated she would entertain a motion to return to Regular Session.

Mr. Hitch moved to return to Regular Session, and Ms. Feaver seconded. Chairman Lambert called for the vote.

AYE: Fite, Feaver, Allen, Sevenoaks, Drummond, Buchanan, Hitch, Lambert
NAY: None
ABSTAIN: None
ABSENT: Drake

The Board did not vote or take action on any matter discussed in the Executive Session.

7. 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.

8. ADJOURNMENT

There being no further business, Chairman Lambert adjourned the meeting of the Oklahoma Water Resources Board at 11:21a.m. on March 15, 2016.

OKLAHOMA WATER RESOURCES BOARD

_____/s/_____
Linda P. Lambert, Chairman

_____/s/_____
F. Ford Drummond, Vice Chairman

_____/s/_____
Edward H. Fite

_____/s/_____
Marilyn Feaver

_____/s/_____
Richard Sevenoaks

_____/s/_____
Bob Drake

_____/s/_____
Tom Buchanan

_____/s/_____
Stephen B. Allen

ATTEST:

_____/s/_____
Jason W. Hitch, Secretary (SEAL)