

**OKLAHOMA WATER RESOURCES BOARD**  
**OFFICIAL MINUTES**  
**May 17, 2016**

**1. CALL TO ORDER**

The regular monthly meeting of the Oklahoma Water Resources Board was called to order by Chairman Linda Lambert at 9:33 a.m., on May 17, 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 May 13, 2016, at 3:15 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 called for the roll call of members.

A. Roll Call

Board Members Present

Linda Lambert, Chairman  
Ford Drummond, Vice Chairman  
Jason Hitch, Secretary  
Stephen Allen  
Bob Drake  
Marilyn Feaver  
Richard Sevenoaks

Board Members Absent

Tom Buchanan  
Ed Fite

Staff Members Present

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

Others Present

Leslie Smith, Oklahoma Department of Environmental Quality, Oklahoma City, OK  
Bill Millis, City of Stillwater, OK  
Don Kiser, Kiser Law/City of Stillwater, OK  
Kaylee Maddy, Weger/Doerner Saunders Daniel Anderson, Oklahoma City, OK

Russ Doughty, Tuskahoma, OK  
Jeff Everett, Oklahoma Gas & Electric, Oklahoma City, OK  
Charlie Swinton, BancFirst, Oklahoma City, OK

B. Discussion, Amendments, and Vote to Approve Official Minutes of the April 19, 2016, Regular Meeting.

Chairman Lambert asked if there were any corrections to the minutes of the April 19, 2016, meeting.

Mr. Russell Doughty apologized for interrupting the meeting proceedings; however, he wanted to announce he was walking out of the meeting in protest. He said that Southwest Oklahoma Region 9 deserved representation in accordance with Senate Bill 965.

Chairman Lambert returned to the agenda item to consider the April 19, 2016, meeting minutes. There were no changes, and Mr. Hitch moved to approve the minutes. Mr. Drummond seconded.

Chairman Lambert called for the vote.

AYE: Feaver, Drummond, Allen, Sevenoaks, Drake, Hitch, Lambert

NAY: None

ABSTAIN: None

ABSENT: Buchanan, Fite

C. Executive Director's Report

Mr. J.D. Strong, OWRB Executive Director brought the members up to date regarding legislative activities approaching the last month of the legislative session. He noted the meeting materials included the federal report containing information about the state budget process and appropriations markups and hearings. He said there is an addendum regarding the Water Resources Development Act of 2016 which was passed from Senator Inhofe's committee – the Environment and Public Works (EPW) Committee -- which worked in a couple of sections in the bill that deal with water supply ( sections 1012 and 1032) and charges the Corps of Engineers flexibility in managing reservoirs to benefit water supply, particularly in drought situations. He said, however, the way it is worded now could be interpreted that anyone could come request the COE to modify its operations, not necessarily approved by the storage rights holders in the reservoir. This is a concern and staff is working with the COE to close that loophole so that requests to modify the operations can only be made by water supply right holders, or at least be involved in the approval process so that any changes are not made to the detriment of existing water supply holders.

At the State level, Mr. Strong stated that all the bills concerning the OWRB have been through the Legislature and approved by the Governor, including: a bill effective now that allows the Board to only have to meet nine times a year without missing more than two consecutive months; the Gross Production Tax sunset was extended another three years securing 18% of the agency's budget; HB 2446 regarding "compelling state interest" passed and is on the Governor's desk. There is a resolution urging Congress and the federal agencies to consider reform of the current legislation regarding crop insurance, and that is still pending in the House. The request does not require a change in federal law, but a change in the training of federal representatives in the field. Mr. Strong said there still is no budget agreement, with nine days remaining, and the legislature is attempting to pass a number of bills to modify existing tax credits to free-up revenue. If a budget is not done soon, there is likely a need for a Special Session. Chairman Lambert asked if additional cuts to the agency are anticipated and Mr.

Strong responded it is highly likely the agency will have additional cuts, but he does not know how deep. The agency Division Chiefs have been working to prepare for 5-10% in addition to what has been taken already since the beginning of the fiscal year totals 12.5%, and 22% over the last two years. Positions have been held open and travel cut, scaling back temporary hires for water quality monitoring, etc.

Mr. Strong continued his report noting the meetings attended since the last Board meeting, and upcoming meetings scheduled: the Red River Compact Commission met April 26 in Austin, the annual ScienceFest took place at the State Fairgrounds on April 28, APWAOK/OWEA conference in Tulsa on May, Water Supply Alliance in Kansas City May 4, and the aquifer Storage Recover Workgroup met May 13 and will tour Wichita, Kansas, on June 1. Mr. Strong discussed a pilot project which he will be attending a meeting regarding a grant project for water conservation based on the curriculum in Israeli centered on rain water harvesting in schools. The Beaver-Cache Water Conference will be at Cameron May 18 and Board Member Marilyn Feaver has been instrumental in the regional water planning project, and Ms. Feaver commented about the project. Mr. Strong continued stating the Produced Water Working Group will meet June 7, the ISF Technical Study Work Group will meet at the OWRB June 16 and in Tahlequah that evening. He said this is Amanda Storck's last meeting, and Mr. Cleve Pierce has been hired as her replacement. The Division Chiefs sponsored a pizza lunch for State Employee Appreciation week, and Mr. Strong announced Ms. Kate Burum, Financial Assistance Division, who was presented with the agency's Employee Excellence Award, who was recognized. The next Board meeting will be June 21, 2016, at 9:30 a.m. in the OKC OWRB meeting room.

There were no other questions, although Mr. Sevenoaks commented about the consolidation of GRDA and the Oklahoma Scenic Rivers Commission. Mr. Strong concluded his report.

#### D. Monthly Budget Report.

Ms. Amanda Storck expressed her support to the members during her tenure as the agency finance director, and she presented the budget report for April 2016. She stated the agency has been very conservative and funding available is at 42% with 17% of the fiscal year remaining. There were no questions, and Chairman Lambert wished Ms. Storck well in her new career.

## 2. **FINANCIAL ASSISTANCE DIVISION**

A. Consideration of and Possible Action on a Proposed Order Approving Drinking Water Funding Application for Stillwater Utilities Authority, Payne County. Recommended for Approval. Mr. Joe Freeman, Chief, Financial Assistance Division, stated to the members that this item is a \$29,900,000.00 loan request by the Stillwater Utilities Authority. He said the Authority is requesting the loan to acquire land, construct two booster pump stations, two one-million gallon water towers, and waterlines. The loan will fund design for upgrades to Stillwater's water treatment plant and for demolition of facilities no longer in use. He said in addition, loan proceeds will be used to design and acquire land for another booster pump station, and for water loss. Mr. Freeman said the loan will be funded through the Drinking Water State Revolving Loan Fund, and he noted provisions of the loan agreement. Stillwater has been a long-time, excellent loan customer of the Board's and has five outstanding loans with a principal balance amount of \$29 million. He said from the 2000 to 2010 US Census, Stillwater's population has increased by approximately 17%, and the debt coverage ratio stands at 4.75-times. Staff recommended approval.

Mr. Bill Millis, Stillwater Water Utilities Director, was present in support of the loan application. Mr. Millis thanked the OWRB and DEQ staff for their assistance and Board members for

their consideration. He explained the project would update shortcomings and provide for future growth, as part of its 2040 plan, and next year Stillwater will request a loan of \$20 million for Phase 2. Mr. Sevenoaks asked the capacity, Chairman Lambert noted the current loan obligation will be doubled, and Mr. Hitch asked about whether reclaimed land would be used for the location. Mr. Freeman stated the loan obligation will be doubled, plus an additional \$20 million next year. Mr. Millis answered the capacity is 18 mgd, and that some of the decommissioned property regards water lines and pump stations, and towers from a rural water district acquired by Stillwater; some property would be reclaimed and some returned to property owners.

There was no further discussion, and Mr. Sevenoaks moved to approve the loan request to the Stillwater Utilities Authority, and Ms. Feaver seconded.

Chairman Lambert called for the vote.

AYE: Feaver, Drummond, Allen, Sevenoaks, Drake, Hitch, Lambert

NAY: None

ABSTAIN: None

ABSENT: Buchanan, Fite

### 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 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 Mr. Drake seconded.

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

AYE: Feaver, Drummond, Allen, Sevenoaks, Drake, Hitch, Lambert

NAY: None

ABSTAIN: None

ABSENT: Buchanan, Fite

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>
NODA				
a.	FAP-16-0009-R	Goltry Public Works Authority	Alfalfa	\$50,200.00

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

1. Joint Funding Agreement with U.S. Geological Survey for the Continuation of the Data Collection and Water Monitoring Program FY15.
2. Memorandum Agreement with USGS and the City of Ada for water monitoring and data collection.
3. Memorandum Agreement with USGS and Applied Energy Services, Shady Point, Inc. for water monitoring and data collection.
4. Memorandum Agreement with USGS and Arkansas-Oklahoma Arkansas River Compact Commission for water monitoring and data collection.
5. Memorandum Agreement with USGS and Central Oklahoma Master Conservancy District for water monitoring and data collection.
6. Memorandum Agreement with USGS and CP Kelco for water monitoring and data collection.
7. Memorandum Agreement with USGS and Fort Cobb Reservoir Master Conservancy District for water monitoring and data collection.
8. Memorandum Agreement with USGS Grand River Dam Authority for water monitoring and data collection.
9. Memorandum Agreement with USGS Hardage Site Remedy Corp for water monitoring and data collection.
10. Memorandum Agreement with USGS and The City of Lawton for water monitoring and data collection.
11. Memorandum Agreement with USGS and Lugert-Altus Irrigation District for water monitoring and data collection.
12. Memorandum Agreement with USGS and the City of Moore for water monitoring and data collection.
13. Memorandum Agreement with USGS and the City of Norman for water monitoring and data collection.
14. Memorandum Agreement with USGS and the Oklahoma Department of Wildlife Conservation for water monitoring and data collection.
15. Memorandum Agreement with USGS and Poteau Valley Improvement Authority for water monitoring and data collection.
16. Memorandum Agreement with USGS and Cherokee Nation for water monitoring and data collection.
17. Intergovernmental Agreement between OWRB and the Central Oklahoma Master Conservancy District for water quality monitoring at Lake Thunderbird.
18. Interagency Agreement between OWRB and Grand River Dam Authority to continue the Dissolved Oxygen Monitoring Project.
19. Agreement with Oklahoma City Water Utilities Trust to improve water quality at Lake Stanley Draper through the Vegetated Wetland Project by strategically implementing and maintaining planting sites.
20. Amendment of Joint Funding Agreement with the U.S. Department of the Interior Geological Survey to add the Gerty Sand Aquifer as part of the review for Terrace Hydrologic Investigative Reports.

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

1. Jose R. Montalvo, McClain County, #2015-598
2. SEA Cattle Company, L.L.C., Carter County, #2015-601
3. Shawn & Velvet Kustanborter, Delaware County, #2016-501

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

1. Cherylynn Lindsey and Tommie Hill, Kay County, #2005-576

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

1. Aaron K. & Brenda J. Cromer, Texas County, #2016-504
2. George G. Jr. & Shirley Jean Freeman, Texas County, #2016-506
3. R. Paul & Nancy Hurst, Canadian County, #2016-508

- H. Consideration of and Possible Action on Applications to Amend Regular Permits to Use Groundwater:
  - 1. Flat Prairie Farms, Inc., Texas County, #2012-541
- I. Consideration of and Possible Action on Applications to Amend Prior Rights to Use Groundwater:  
None
- J. Consideration of and Possible Action on Applications for Regular Permits to Use Stream Water:
  - 1. Lacey & Diana Weger, Bryan County, #2014-079
  - 2. Rose Real Estate, LeFlore County, #2015-033
  - 3. Dustin Nichols, Pushmataha County, #2016-001
  - 4. Kelly & Cynthia Longanacre, Grady County, #2016-002
  - 5. Carl & Mary Buchanan, Carter County, #2016-003
  - 6. Kevin K. Gore & Kristi A. Gore, Trustees of the Gore Family Revocable Trust, Blaine County, #2016-004
- 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. Barnitz Creek Watershed Site No. 5, Dewey County, #OK00637
- M. Consideration of and Possible Action on Well Driller and Pump Installer Licensing:
  - 1. New Operators, Licensee Name Change, and/or Activities for Existing Licenses:
    - a. Licensee: Earth Tech DPC-0920
    - 1. Operator: Thomas Gassman OP-2061
- 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 Wildlife Conservation, Ottawa County, #FP-16-23
  - 2. Oklahoma Department of Transportation, Oklahoma County, #FP-16-26
- O. Consideration of and Possible Action on Applications for Accreditation of Floodplain Administrators:
  - 1. Timothy C. DeWitt, City of Heavener, #FPA-680
  - 2. Jennifer E. Santino, CFM, City of McAlester, #FPA-681
  - 3. Charbara J. Anna, Town of Wright City, #FPA-682

**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. No items. There were no Special Consideration Agenda 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. 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.*

Mr. Strong stated Mr. Patrick Wyrick, representing the Oklahoma Attorney General’s Office, was not yet at the meeting; therefore, Chairman Lambert called for a recess at 10:02 a.m.

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.

At 10:13 a.m. Chairman Lambert called the meeting to order, and asked Mr. Singletary to make a statement. 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 that are referenced on proposed 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. Drake so moved to enter Executive Session and designate Ms. Schooley to keep minutes, and Mr. Sevenoaks seconded. Chairman Lambert called for the vote.

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

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 10:13 a.m.

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

At 10:45 a.m., Chairman Lambert stated she would entertain a motion to return to Regular Session.

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

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

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 10:46 a.m. on May 17, 2016.

**OKLAHOMA WATER RESOURCES BOARD**

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

\_\_\_\_\_/Absent\_\_\_\_\_  
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:*

\_\_\_\_\_  
Absent  
Jason W. Hitch, Secretary (SEAL)