

OKLAHOMA WATER RESOURCES BOARD OFFICIAL MINUTES

June 18, 2019

1. CALL TO ORDER

The regular monthly meeting of the Oklahoma Water Resources Board was called to order by Vice Chairman Stephen B. Allen at 9:30 a.m. on June 18, 2019, at the offices of the Oklahoma Water Resources Board, 3800 N. Classen Boulevard, Oklahoma City, Oklahoma, 73118. 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 June 14, 2019, at 3:30 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.

A. Roll Call. Vice Chairman Allen asked for the roll call of members.

Board Members Present

Stephen Allen, Vice Chairman
Robert L. Stallings, Jr., Secretary
Jennifer Castillo
Charles Darby
Bob Drake
Suzanne Landess
Robert L. Melton

Board Members Absent

Ford Drummond
Matt Muller

Staff Members Present

Julie Cunningham, Executive Director
Sara Gibson, General Counsel
Cleve Pierce, Chief, Administrative Services Division
Joe Freeman, Chief, Financial Assistance Division
Kent Wilkins, Chief, Planning and Management Division
Bill Cauthron, Chief, Water Quality Programs Division
Mary Schooley, Executive Secretary

Others Present

Tom Elkins, Cherokee Nation, Tahlequah, OK
Brian Foughty, City of Nicoma Park, OK
Marla Peek, Oklahoma Farm Bureau, Oklahoma City, OK
Jason Childress, Oklahoma Gas & Electric, Oklahoma City, OK
Carly Cordell, Office of the Secretary of Energy and Environment, Oklahoma City, OK
Katie Lippoldt, Office of the Secretary of Energy and Environment, Oklahoma City, OK

Others present continued

Travis Blundell, Owasso Pubic Works Authority, Owasso, OK

Ben Oglesby, Municipal Finance Services, Edmond, OK

Newakis Weyer, Chickasaw Nation, Ada, OK

Tim Rundel, City of Durant, OK

Steven Hoffman, Oklahoma Department of Environmental Quality, Oklahoma City, OK

Dean Couch, Gable Gotwals, Oklahoma City, OK

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

Tyler Tetley, eCapitol, Oklahoma City, OK

Jeff Everett, Oklahoma Gas & Electric, Oklahoma City, OK

Bodie Bachelor, Centennial Law, Duncan, OK

B. Discussion, Amendments, and Vote to Approve Official Minutes of the May 21, 2019, Regular Meeting. Vice Chairman Allen asked if there were any comments or proposed amendments to the minutes of the May 21, 2019, meeting minutes. There were no changes or discussion.

Mr. Darby moved to approve the minutes of the May 21, 2019, meeting, and Mr. Stallings seconded. There was no discussion. Vice Chairman Allen called for the vote.

AYE: Drake, Darby, Stallings, Landess, Allen

NAY: None

ABSTAIN: Melton, Castillo

ABSENT: Drummond, Muller

C. Executive Director's Report

Ms. Julie Cunningham, Executive Director, welcomed everyone in attendance and referencing the weather, noted areas of the state with record-setting rainfall. Regarding her calendar, Ms. Cunningham and staff have participated in several activities including the Oklahoma Water and Environment meeting, at the May staff meeting the agency management recognized public service/employee appreciation and Mr. James Gammill with the Oklahoma Rural Water Association (ORWA) spoke to the staff about how the OWRB provides assistance to the ORWA. Also, new field staff for summer lakes monitoring were introduced, and the agency celebrated six staff members will longevity awards, which from 5 years' service to 30 years' service, whom she named. On June 3, Governor Stitt held an Agency Director's Summit to review his goals and vision and what he expects in order to make Oklahoma a "top ten state." She said he wanted the agencies to "tease out" what makes Oklahoma top ten -- the OWRB is top ten in water and water infrastructure investment through time and it is the agency's job is to help the Governor advertise that -- he also spoke about re-branding and advertising why people should move to Oklahoma. Secretary John Budd, Secretary of Agency Accountability, spoke about the role of the Cabinet Secretaries, agency practice improvement, efficiencies, opportunity for modernization such as the automation of field data collection which the OWRB has employed. The agencies will be developing 4-year goals and 1-year plans to implement those goals with check points.

Ms. Cunningham and staff met with a group of the Scoop Stack oil and gas producers who meet quarterly and discussed how the OWRB can assist in developing the brackish water resources i.e., mapping and inventory. She spoke at the Sovereignty Symposium -- Agriculture Beyond Conservation: Preparing for the Future and the Food for the Land -- topics included water conservation and on-farm management, Farm Bureau priorities, and OSU's Master Irrigators Program. She and Mr. Pierce, Ms. Nance and Ms. Oak met with Secretary Maize about the agency's budget, benchmarks, and development of peak performance measures for the Governor's strategic plan. Ms. Cunningham mentioned the "Oklahoma Checkbook" and the agency directors attended a briefing which is now available providing raw data to the public. She summarized the final actions of the legislative session which included an employee pay raise, and she noted the US Congressional report regarding the House Financial Services Committee that includes the National

Flood Insurance Reauthorization Act, a bipartisan solution for NFIP; and the House Natural Resources Committee is looking at legislation for water recycling and reuse.

Ms. Cunningham concluded her report. There were no questions by members.

D. Financial Update

1. Budget Report. Mr. Cleve Pierce, Administrative Services Division Chief, addressed the members and stated the budget report is for the time period ending May 2019. He said for the time period the agency has spent 80% of the appropriated budget leaving 13%, and after June payroll there should not be much carryover for FY2020. The agency has spent 61% of the revolving budget leaving 39%, has spent 54% of budgeted funds leaving 46%. This year, the agency has spent federal dollars at a slower pace than last year, and overall has stayed in the same percentile of 1-2%, which has been the trend for the agency.

Mr. Pierce said the divisions are continuing work on the budget and he had submitted certain information to the Secretary of Energy and Environment's office; the deadline is June 30 to submit the budget.

Mr. Pierce concluded his report; there were no questions by members.

2. **FINANCIAL ASSISTANCE DIVISION**

A. Consideration of and Possible Action on a Proposed Order Approving State Loan Program Revenue Bond Loan Funding Application for Miami Special Utilities Authority, Ottawa County. Recommended for Approval. Mr. Joe Freeman, Chief, Financial Assistance Division, stated to the members that this item is a \$2,050,000.00 loan request from the Miami Special Utilities Authority located in Ottawa County. The Authority is requesting the loan to refinance two outstanding FAP loans with the Board which will utilize a cash reserve fund of approximately \$790,000.00 for projects and utilize the super debt coverage ratio option of the 2016 FAP Bond Issue Resolution. The Authority will use the reserve funds to go along with approximately \$1,966,000.00 in new money loan proceeds to install water and storm sewer lines, as well as a replacement sidewalk. Mr. Freeman said the loan will be funded through the 2019 FAP Bond Issue proceeds which issue is targeted to close on June 30, and he noted provisions of the loan agreement. Miami has six loans with the Board with a combined outstanding balance of \$3.5 million and the debt coverage ratio stands at approximately 1.92-times. Staff recommended approval of the loan application.

Mr. Tyler Cline was present representing the MSUA and is the Public Utilities Director, who expressed his appreciation to the Board and the staff.

Vice Chairman Allen asked if the debt coverage ratio assumed both items on the agenda, and Mr. Freeman answered, yes.

There were no other questions and Mr. Darby moved to approve the loan application to the Miami Special Utilities Authority. Mr. Stallings seconded. Vice Chairman Allen called for the vote.

AYE: Drake, Darby, Melton, Stallings, Landess, Castillo, Allen

NAY: None

ABSTAIN: None

ABSENT: Drummond, Muller

B. Consideration of and Possible Action on a Proposed Order Approving Clean Water Funding Application for Miami Special Utilities Authority, Ottawa County. Recommended for Approval. Mr. Freeman stated that this item is a \$4,450,000.00 Clean Water State Revolving Fund Loan request by the Miami Special Utilities Authority. He said this loan is for the installation of 9,400 feet of 15-inch gravity sewer lines, 7,500 feet of 8-inch force main, and for storm water sewer line. Proceeds will also be utilized for rehabilitation of 27 manholes and for lift station repairs. Mr. Freeman noted provisions of the loan agreement; the debt coverage ratio stands at 1.92-times. Staff recommended approval of the loan request.

Vice Chairman Allen asked Mr. Cline the timeline for the project. Mr. Cline responded that once approved, the engineering work will begin and construction is anticipated to start in the Fall, will last for about 1-1/2 years. There were no other questions, and Vice Chairman Allen called for a motion.

Mr. Stallings moved to approve the Clean Water SRF loan to the MSUA, and Mr. Darby seconded. Vice Chairman Allen called for the vote.

AYE: Drake, Darby, Melton, Stallings, Landess, Castillo, Allen
NAY: None
ABSTAIN: None
ABSENT: Drummond, Muller

C. Consideration of and Possible Action on a Proposed Order Approving Clean Water Funding Application for Durant City Utilities Authority, Bryan County. Recommended for Approval. Mr. Freeman stated this item is a \$4,000,000.00 Clean Water SRF loan request by the Durant City Utilities Authority located in Bryan County. He said the Authority is requesting the loan to replace 7,400 manually read water meters with an Advanced Metering Infrastructure system. Mr. Freeman stated the loan will be funded through the CWSRF loan program, and he noted provisions of the loan agreement. Durant's water connections have increased approximately 4%, and sewer connections have increased approximately 8% over the last ten years. The Authority currently has two CWSRF loans with the Board with a combined balance of \$709,000.00, and the debt coverage ratio stands at 3.89-times. Staff recommended approval of the loan request.

Mr. Tim Rundel, Durant City Manager, was present in support of the loan application. He explained the city has experienced a 40-50% loss and anticipates that once the AMI system is operational, the city collections for water and sewer will increase toward \$1 million per year, and the loan payment will be about \$1 million per year.

Vice Chairman Allen asked if there were other questions; there were none. Mr. Drake moved to approve the CWSRF loan to the Durant City Utilities Authority, and Mr. Melton seconded. Vice Chairman Allen called for the vote.

AYE: Drake, Darby, Melton, Stallings, Landess, Castillo, Allen
NAY: None
ABSTAIN: None
ABSENT: Drummond, Muller

D. Consideration of and Possible Action on a Proposed Order Approving Drinking Water Funding Application for Nicoma Park Development Authority, Oklahoma County. Recommended for Approval. Mr. Freeman stated this item is a \$4,715,000.00 Drinking Water State Revolving Loan Fund request by the Nicoma Park Development Authority located in Oklahoma County. He said the loan is requested by the Authority to go along with \$315,000.00 in local funds to drill two water wells, lay 36,000 feet of 12-inch, 8-inch, and 6-inch water line, a chlorine feed system, and construction of 150,000 gallon elevated water storage tank. Mr. Freeman noted provisions of the loan agreement, and said Nicoma Park has one other outstanding CWSRF loan with a balance of \$4.35 million; the debt-coverage ratio is 1.5-times. Staff recommended approval of the loan request.

Nicoma Park Mayor Brian Foughty was present in support of the loan application who expressed his appreciation for the Board's approval. City Attorney Robert Thompson added a personal note of thanks to the Board and said this will be the first time publicly treated water will be delivered to the residents.

Vice Chairman Allen asked if there were other questions; there were none. Mr. Darby moved to approve the DWSRF loan to the Nicoma Park Development Authority, and Mr. Stallings seconded. Vice Chairman Allen called for the vote.

AYE: Drake, Darby, Melton, Stallings, Landess, Castillo, Allen
NAY: None

ABSTAIN: None
ABSENT: Drummond, Muller

E. Consideration of and Possible Action on a Proposed Order Approving State Loan Program Revenue Bond Loan Funding Application for Owasso Public Works Authority, Tulsa County. Recommended for Approval. Mr. Freeman stated this item is for a \$28,170,000.00 State Loan Program Revenue Bond Loan (FAP) for the Owasso Public Works Authority. The Authority is requesting the loan for wastewater treatment plant improvements, for constructing a lift station, water lines, and gravity sewer lines. Mr. Freeman stated the loan will be funded through the FAP Loan Program, and he noted provisions of the loan agreement. Owasso has been a longtime loan customer of the Board's and currently has seven loans outstanding with a combined balance of approximately \$14.1 million. Owasso's debt coverage ratio stands at 6.15-times. Staff recommended approval of the loan request.

Mr. Travis Blundel, Assistant Public Works Director, was present in support of the loan application who spoke to the five projects that will be funded by the loan that will accommodate the growth of the community.

Vice Chairman Allen asked if there were questions; there were none. Mr. Stallings moved to approve the FAP loan to the Owasso Public Works Authority, and Ms. Castillo seconded. Vice Chairman Allen called for the vote.

AYE: Drake, Darby, Melton, Stallings, Landess, Castillo, Allen
NAY: None
ABSTAIN: None
ABSENT: Drummond, Muller

F. Consideration of and Possible Action on Selection of Bond Counsel in Connection with the Issuance of One or More Obligations to Provide Funding for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund Loan Program. Recommended for Approval. Mr. Freeman explained the last item is for the selection of bond counsel for the Clean Water SRF and Drinking Water SRF loan programs. He said the request for proposal was distributed to 29 firms and staff received proposals from four firms. The proposals were from Norton Rose Fulbright, McCall Parkhurst Horton, The Centennial Law Group, and Locklord. The proposals were reviewed based upon each firms' SRF bond counsel experience, and new money and pooled revenue bond counsel experience, experience with Oklahoma bond issuances, experience of the attorney assigned to the OWRB account, and proposed fees. The proposals were also reviewed by the OWRB Financial Advisor at Hilltop Securities, and with the Deputy State Treasurer and the State Bond Advisor. Mr. Freeman provided a review to the Board's Ad Hoc Finance Committee whose members are Stephen Allen, Rob Stallings, and Rob Melton. Based upon the review and analysis, Mr. Freeman said it is recommended that the Board retain McCall Parkhurst Horton as the Board's bond counsel for the proposed upcoming SRF bond issuances.

Vice Chairman Allen asked for questions on the recommendation to retain bond counsel. There were none. Mr. Stallings moved to approve the recommendation and Mr. Darby seconded. Vice Chairman Allen called for the vote.

AYE: Drake, Darby, Melton, Stallings, Landess, Castillo, Allen
NAY: None
ABSTAIN: None
ABSENT: Drummond, Muller

Mr. Freeman noted there will be a document signing for the FAP loans that were approved today for Miami and Owasso, and the new Board officers selected at the meeting today will need to participate as those will be the officers when the loan closes.

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. Vice Chairman Allen asked if there were any items that needed to be moved to the Special Consideration Agenda. There were no requests to move items to the Special Consideration Agenda.

B. Discussion, Questions, and Responses Pertaining to Any Items Remaining on Summary Disposition Agenda and Action on Items Listed. There were no requests for changes to the Summary Disposition Agenda. Vice Chairman Allen stated he would entertain a motion.

Mr. Melton moved to approve the Summary Disposition Agenda, and Mr. Stallings seconded. There was no discussion, and Vice Chairman Allen called for the vote.

AYE: Drake, Darby, Melton, Stallings, Landess, Castillo, Allen

NAY: None

ABSTAIN: None

ABSENT: Drummond, Muller

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>
EODD				
a.	FAP-19-0012-R	Porum Public Works Authority	Muskogee	\$99,999.00

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

1. Agreement with Arbitrage Compliance Specialist, Inc. for arbitrage services in connection with the issuance of state government entity obligations and indebtedness for OWRB loan programs.

2. Interagency Agreement with the Oklahoma Department of Environmental Quality Regarding the Drinking Water State Revolving Fund.

3. Professional Services Contact between OWRB and the Oklahoma Rural Water Association for training and education for water system board members and operators, technical assistance and long-term planning.

4. Professional Services Agreement between OWRB and BondLink, Inc. for investor support services for OWRB bond issuances.

5. Interagency Agreement between OWRB and the Oklahoma Department of Agriculture, Food and Forestry ("ODAFF") for collecting groundwater samples at monitoring wells of swine licensed managed feeding operations ("LMFOs").

6. Memorandum Agreement with USGS and Grand River Dam Authority for water monitoring and data collection.
 7. Memorandum Agreement with USGS and Central Oklahoma Master Conservancy District for water monitoring and data collection.
 8. Memorandum Agreement with USGS and Fort Cobb Reservoir Master Conservancy District for water monitoring and data collection.
 9. Memorandum Agreement with USGS and Lugert-Altus Irrigation District for water monitoring and data collection.
 10. Memorandum Agreement with USGS and City of Lawton for water monitoring and data collection.
 11. Memorandum Agreement with USGS and Oklahoma Gas & Electric for water monitoring and data collection.
 12. Memorandum Agreement with USGS and City of Moore for water monitoring and data collection.
 13. Memorandum Agreement with USGS and City of Norman for water monitoring and data collection.
 14. Memorandum Agreement with USGS and Hardage Site Remedy Corp for water monitoring and data collection.
 15. Memorandum Agreement with USGS and Arkansas-Oklahoma Arkansas River Compact Commission for water monitoring and data collection.
 16. Memorandum Agreement with USGS and CP Kelco for water monitoring and data collection.
 17. Memorandum Agreement with Oklahoma Department of Wildlife Conservation for water monitoring and data collection.
 18. Memorandum Agreement with USGS and Poteau Valley Improvement Authority for water monitoring and data collection.
 19. Interagency Agreement with DEQ to perform bathymetric surveys to determine lake oxygen quality standards.
 20. Interagency Agreement with DEQ to collect water quality data in Lake Arcadia and its watershed to assist in TMDL development.
 21. Amendment to Interagency Agreement with the Office of the Secretary of Energy and Environment to extend the budget and project period of the Water Quality Management Planning Program.
 22. Amendment to Interagency Agreement with Office of the Secretary of Energy and Environment to extend the budget and project period of the Water Management Planning Program.
- E. Consideration of and Possible Action on Applications for Temporary Permits to Use Groundwater:
1. Joe E. Mackey, Kingfisher County, #2013-639
 2. Vincent A. & Donna K. Barnes, Dewey County, #2019-506
 3. Chris Allen & Donna Jean Lawles, Caddo County, #2019-512
 4. Edward D. Repp and Mary Jane Repp Revocable Trusts, Washita County, #2019-517

- F. Consideration of and Possible Action on Applications to Amend Temporary Permits to Use Groundwater:
1. Dolese Bros. Co., Kingfisher County, #2001-503
 2. Dolese Bros. Co., Kingfisher County, #2007-571
 3. Dolese Bros. Co., Kingfisher County, #2009-540
 4. Dolese Bros. Co., Kingfisher County, #2009-551
 5. Stutzman Land, LLC, Custer County, #2015-515
- G. Consideration of and Possible Action on Applications for Regular Permits to Use Groundwater:
1. Glen Dale Wilson and Jo Lynn Wilson Revocable Trusts, Dewey County, #2019-503
- H. Consideration of and Possible Action on Applications to Amend Regular Permits to Use Groundwater:
1. Anna Marion Sarchet, Texas County, #2017-570
- I. Consideration of and Possible Action on Applications to Amend Prior Rights to Use Groundwater:
1. Nicoma Park Development Authority, Oklahoma County, #1973-087
- J. Consideration of and Possible Action on Applications for Regular Permits to Use Surface Water:
1. Pecan Plantation, LLC, Okmulgee County, #2018-081
 2. Alysea Bedell Johnson, Canadian County, #2019-014
- K. Consideration of and Possible Action on Applications for Term Permits to Use Surface Water:
None
- L. Consideration of and Possible Action on Dam and Reservoir Construction: None
- M. Consideration of and Possible Action on Well Driller and Pump Installer Licensing:
1. None
 2. New Operators, Licensee Name Change, and/or Activities for Existing Licenses:

a. Licensee: Rusco Water Well	DPC-0948
Operator: Cyle Colwell	OP-2169
Activities: Groundwater wells	
- 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, Rogers County, #FP-18-51
 2. Oklahoma Department of Transportation, Rogers County, #FP-18-52
 3. Oklahoma Department of Transportation, Stephens County, #FP-19-01
 4. Oklahoma Department of Transportation, Stephens County, #FP-19-02
 5. Oklahoma Department of Transportation, Stephens County, #FP-19-03
 6. Oklahoma Department of Transportation, Stephens County, #FP-19-04
 7. Oklahoma Department of Transportation, Woodward County, #FP-19-05
 8. Oklahoma Department of Transportation, Lincoln County, #FP-19-07
 9. Oklahoma Department of Transportation, Muskogee County, #FP-19-08
- O. Consideration of and Possible Action on Applications for Accreditation of Floodplain Administrators:
1. Jeremy Justin, Town of Carter, FPA-795
 2. Jeb S. Jones, City of Eufaula, FPA-796
 3. William A. McLain, Town of Gene Autry, FPA-797
 4. Daniel J. Kassik, City of Guthrie, FPA-798
 5. Shawn Alan Glidewell, City of Guymon, FPA-799
 6. Rodney (Chris) Young, City of Lone Grove, FPA-800
 7. Chad E. Holcomb, Ottawa County, FPA-801
 8. Terry J. Blalock, City of Sulphur, FPA-802

Vice Chairman Allen stated item 4. is a Board Education presentation regarding mapping of lakes, and in the interest of time and persons attending regarding items 5.A. and 5.B., he stated the Board would consider the Special Consideration Agenda items prior to the mapping presentation.

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 Surface Water No. 2017-052, Oklahoma Energy Acquisitions, LP, Kingfisher County:

1. Summary – Mr. Kent Wilkins, Chief, Planning and Management Division, stated this first item is an application for a regular permit to use stream water #2017-052 in the name of Oklahoma Energy Acquisitions, LP. He provided information on the background of the permit application date and publication notice which were within compliance with the Board's requirements and was for an allocation of 706 acre-feet of stream water from one point of diversion on an unnamed tributary of Campbell Creek in Kingfisher County. The applicant requested a maximum pumping rate of 6,000 gallons per minute for the purpose of drilling and primary completion of oil and gas wells. A timely protest was filed by Mr. Allen Forman and an administrative hearing was held where he provided testimony regarding flow measurements taken from that stream by the US Geological Survey and expressed concerns the use could have long term impacts and possible permanent interference to existing stream water rights. The applicant supplied testimony for a present or future need for the 706 acre-feet, that drilling and primary completion of oil and gas wells are beneficial uses, the proposed use would not interfere with existing appropriative or domestic uses, and that water was proposed to be used in the stream system. Therefore, the record showed the applicant has met the five points of law: unappropriated water is available in the amount applied for, demonstrated a present or future use, the water will be put to beneficial use, the proposed use will not interfere with existing uses, and use of the water will occur inside the stream system. Mr. Wilkins stated staff recommendation is approval of the application as presented in the proposed order, including a special condition that the water shall not be transported outside the boundaries of stream system 2-9-2. Kingfisher County is the listed area of use and in the NE there is part in another stream system and the application would have to be amended to use that water.

2. Discussion and presentation by parties. The applicant nor the protestant were in attendance at the meeting.

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.

There were no questions by Board members.

Mr. Drake moved to approve regular application to use stream water 2017-052, Oklahoma Energy Acquisitions LP, and Mr. Stallings seconded. Vice Chairman Allen called for the vote.

AYE: Drake, Darby, Melton, Stallings, Landess, Castillo, Allen

NAY: None

ABSTAIN: None

ABSENT: Drummond, Muller

B. Consideration of and Possible Action on Proposed Findings of Fact, Conclusions of Law and Board Order in the Matter of the Reduction/Cancelation of Stream Water Permit Nos. 1985-043 and 2006-014, AES Shady Point, LLC, SS 2-1, LeFlore County:

1. Summary – Mr. Kent Wilkins explained this matter concerned a reduction/cancellation of stream water permits 1985-043 and 2006-014, in the name of AES Shady Point LLC, in LeFlore County. He said AES obtained water right 1985-043 in 1986 to use 11,600 acre-feet of stream water per year to be released from Wister Lake and conveyed through the Poteau River for electric power generation. The AES later obtained a second water right 2006-014 in 2007 to use 8,527 acre-feet of stream water per year to be released from Wister Lake and conveyed through the Poteau River Steam System 2-1 for electric power production. Based upon a recent review of the Board's water use records for the two water rights, it appeared the permit holder had not used stream water at least one year of the continuous seven-year period. A show cause hearing at the request of the permit holder for the proposed cancellation/reduction was held on April 26, 2019, and it was determined AES has entered into an agreement with OG&E regarding purchase of the assets of the power plant near Poteau, Oklahoma. This agreement would include any water rights that were held by AES. The OG&E representatives testified future use of the power plant will be different under OG&E operation, and under contract obligations, AES was not allowed to reach the full anticipated production and water use. Demand will be much higher under the new operation and the plant will always have the ability to produce the peak power required. Mr. Wilkins stated that OG&E has demonstrated a present and future need for the water by providing an estimated amount of water required for plant operation and based on the evidence the hearing examiner found that water right 1985-043 should remain in effect in the full amount of 11,600 acre-feet per year for electric power generation which also includes a proposed schedule of use. Additionally, water right 2006-014 will be voluntarily cancelled. Staff recommended that surface water permit 2006-014 be voluntarily relinquished and permit 1985-043 shall be renewed in the amount of 11,600 acre-feet of water per year. Mr. Wilkins said staff recommends approval of the hearing examiner's proposed order as presented.

2. Discussion and presentation by parties. Mr. Jason Childress and Mr. Jeff Everett were present on behalf of OG&E. Mr. Everett, Environmental Regulatory Manager, expressed appreciation working with OWRB staff and the Board's consideration of the recommendation.

Vice Chairman Allen asked for questions. Ms. Castillo stated for the record that because of her employment with OG&E, she has recused herself from the matter and will abstain on the vote.

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.

There were no other questions or concerns, and Mr. Stallings moved to approve staff recommendation, and Mr. Darby seconded. Vice Chairman Allen called for the vote.

AYE: Drake, Darby, Melton, Stallings, Landess, Allen

NAY: None

ABSTAIN: Castillo

ABSENT: Drummond, Muller

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

Vice Chairman Allen returned to the regular order of the agenda.

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

A. Presentation and Discussion of Board Education Series, "Contour Mapping of Lakes." Mr. Bill Cauthron, Division Chief, Water Quality Programs Division, said it was a pleasure to bring to the Board a presentation about one of the many activities in the Water Quality Division. He asked the agency's Lakes Monitoring Program Coordinator, Julie Chambers, to introduce the presentation. Ms. Chambers stated the Lakes Beneficial Use Monitoring Program has been in place since 1998 and currently samples 130 lakes -- sampling 4 times a year on a rotating basis over a 5-year time period. There are also a variety of special projects through grant or contract work and she noted two on the agenda for the Board's approval today -- Lake Thunderbird and the Central Oklahoma Master Conservancy District, providing monitoring services as well as analysis and data, for the major water resource in central Oklahoma. The second regards Lake Arcadia and working with the Department of Environmental Quality on a TMDL (total maximum daily load) study as the lake is currently listed as impaired due to chlorophyll and turbidity. The services provided by OWRB determine if the beneficial uses are truly impaired, provide analysis and data for the TMDL process, and modeling work. The streams section is characterizing the watershed at Lake Arcadia which is a more in-depth analysis of the lake rather than the snapshot obtained through the BUMP. She added the section is also working on analyzing wetlands located near the shoreline along with habitat information, and the lakes section also works with the Financial Assistance Division to map infrastructure in communities. Contour mapping under the direction of Mr. James Decker, Program Lead, is a service provided by contract to DEQ and municipalities. She concluded her remarks and invited Mr. Decker to present to the Board regarding bathymetric mapping.

Mr. James Decker addressed the members and stated the program is in addition to the key monitoring programs conducted by the agency. In bathymetric mapping, staff is on a boat with high quality GPS that collects x-y position data and depth through a sound system, all data is collected real time at 20-times per second and uploaded to the software in the agency computer on the boat. The data is three-dimensional, allowing staff to view the data -- maps, tables, graphs -- of calculated volumes of contours and details of the lake previously unseen. With a PowerPoint presentation and photos, Mr. Decker described the process composed of four main stages including the very technical equipment necessary to perform the tasks: pre-survey planning, surveying, post processing, and GIS application and reporting to collect and verify the data, the types of data, including shoreline data, transects QC lines, shallow areas, lake arms, and riverine sections. Once the data is in and verified, staff conduct application and reporting and develop the contour maps or shaded relief map allowing the calculation of volume, area, at depth, and elevation.

Mr. Decker said the staff has mapped over 15 lakes, mapped three lakes last year and are finalizing the report for this year's lakes. He described the more recent projects including, ODEQ dissolved oxygen mitigation projects, the Waurika Dredge Project (WLMCD) Pre Dredge Volume, GRDA Grand Lake shoreline project side scan, and seabed classification. Data users include federal and state agencies, municipalities, universities, lake and fisheries managers, citizens, data uses assessments, management, research, modeling, recreation, as well as DO assessments, firm yields, models for indirect potable reuse, sedimentation analysis, dam safety, permitting, and publications. He said regarding the Waurika project, the pre-and post-dredge sediment volume was measured, using those numbers to calculate payment for the contractor for the USCOE and Waurika Lake MCD project. And, staff mapped the sediment type on the Grand Lake shoreline, and the dredged channels for all boat docks at Grand Lake. Over forty lakes have been mapped in the last ten years for the USCOE, which is generally the life of a map; mapping a total of 67 lakes by the OWRB. He concluded the presentation illustrating the importance of mapping lakes due to the dynamic nature of changes that occur over a period of time with aerial photos of Clinton Lake from 1957 and 2018 and current mapping verified the drastically incorrect numbers presumed from the earlier photo and calculated a volume loss of 30%. All the data and reports are available on the OWRB website and bathymetric portal.

Mr. Allen asked about weather, and Mr. Decker talked about working with recreational activities, and dock managers. Mr. Cauthron added the use of volumetric data aids in more accurate assessment.

Ms. Cunningham added that this program had been discussed with Secretary Maize which is a priority for the State and the OWRB is the designated lakes management agency. Considering investment in storage capacity and the federal funding to build lakes, the design life is 50 years, yet there is no data on some lakes to see how much sediment is actually present and how much storage capacity is available. She said the mapping could be useful to yield studies and is very important work and a priority for the agency.

6. ELECTION OF OFFICERS

Vice Chairman Allen stated that since the last meeting in May, the Nominating Committee had met which consisted of Mr. Drake, Mr. Darby, and Mr. Drummond. He asked Mr. Darby to present the recommendation of the Nominating Committee.

Mr. Darby stated any Board member could serve in any of the positions, and it was the consensus of the Nominating Committee to submit to the Board: Robert Stallings as Chairman, Stephen Allen as Vice Chairman, and Bob Drake as Secretary.

Mr. Darby said that he would make the recommendation a motion. Ms. Castillo seconded the motion. Vice Chairman Allen called for the vote.

AYE: Drake, Darby, Melton, Stallings, Landess, Castillo, Allen
NAY: None
ABSTAIN: None
ABSENT: Drummond, Muller

The following officers were elected for the 2019-2020 year:

Chairman: Robert L. Stallings, Jr.
Vice Chairman: Stephen B. Allen
Secretary: Bob Drake

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.

Vice Chairman Allen stated there is a question of whether there needs to be a July Board meeting, which he asked Ms. Cunningham to address.

Ms. Cunningham stated the Board has authorization to skip meetings to save funds and for the last several years the Board has chosen to miss the July meeting. The Chiefs have worked with their staff and constituents and are prepared to skip that meeting.

Vice Chairman Allen asked if there were objections by the members to miss the July meeting, and there were none. Vice Chairman Allen stated it is the consensus of the Board to cancel the July Board meeting and reconvene for the August meeting.

There were no other New Business items for the Board's consideration. The next regular meeting will be held on August 20, 2019.

8. ADJOURNMENT

There being no further business, Vice Chairman Allen adjourned the meeting of the Oklahoma Water Resources Board at 10:30 a.m. on June 18, 2019.

OKLAHOMA WATER RESOURCES BOARD

_____/s/_____
Robert L. Stallings, Jr., Chairman

_____/s/_____
Stephen B. Allen, Vice Chairman

_____/s/_____
Charles Darby

_____/s/_____
F. Ford Drummond

_____/Absent_____
Robert L. Melton, Sr.

_____/Absent_____
Jennifer Castillo

_____/s/_____
Matt Muller

_____/s/_____
Suzanne V. Landess

ATTEST:

_____/s/_____
Bob Drake, Secretary

(SEAL)