



OKLAHOMA

water news

MONTHLY NEWSLETTER OF THE OKLAHOMA
WATER RESOURCES BOARD

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Voters' Approval on SQ 558 Will Boost Water Development

"The key to Oklahoma's future is water. We have a great opportunity to succeed and set in place the mechanisms to address the most serious problem that looms on the horizon of our State's future. There is no excuse for delay."

With those words in his "State of the State" address in January, Gov. Nigh sent members of the Thirty-Eighth Legislature to work, their efforts resulting in the framework of a water development fund in May and a \$25 million appropriation to the fund in July. But the words could just as well be directed to citizens of Oklahoma for their consideration November 2, when voters will be asked to approve or reject State Question 558, a constitutional amendment that would clarify the authority of the Legislature to allocate state funds for local water projects.

A quick glance at the \$25 million appropriation might lead one to think the legislature already has that authority, as many believe it does. The odd timing of asking voters to legitimize what has already been done resulted

from intensive legislative bargaining in May. With some legislators harboring doubts about the constitutionality of the water development legislation before them, a deal was struck; the mechanics of the fund were set up with the passage of SB 145 while SJR 33 directed that a constitutional amendment be submitted to a vote of the people. The \$25 million appropriation was added in July's special session so that the fund would be available if the amendment passed.

A "no" from the voters will stall the program until constitutionality questions can be answered some other way. A "yes" vote will erase all doubts and allow the loan program to forge ahead. OWRB Executive Director James R. Barnett feels an affirmative response would be best for the state.

"Water is an economic issue, one that has direct bearing on Oklahoma's continued well-being. Failure of the amendment may not be devastating, but it wouldn't be meeting our needs, either," he said.

Water, a necessary ingredient for the successful operation of every factory, farm and home in the state, is the virtual lifeblood of cities and municipalities. An emergency transfusion of loan money is necessary to prevent that life from draining away. A January survey by OWRB's Planning and Development Division identified nearly 400 communities with immediate, short-term water and sewer problems that would require more than \$480 million to correct. As the water systems deteriorate across the state, it's hard to forget Gov. Nigh's warning to the Legislature that "nothing survives without water."

Those in favor of the amendment often point to the summer of 1980, when a long stretch of hot, dry weather created water problems statewide. Many localities were pumping water 24 hours a day to keep up with customer demand, leading to frequent breakdowns in pumps and delivery lines. By mid-August, physical damages stood at \$2 million, and 362 communities had curtailed their water services.

Even though Gov. Nigh declared a "water emergency," experts say that probably won't be the worst Oklahoma sees. Meteorologist and hydrologist Jim Schuelein, chief of the OWRB's administrative division, said the dry weather experienced during the summer of

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Staff photo by Barry Fogerty



Financial pressures are being felt most keenly by small and medium-sized towns and rural water districts which lack the funding alternatives available to cities.

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1980 didn't begin to approach the magnitude of droughts Oklahoma suffered during the 1930's, 1950's and 1970's.

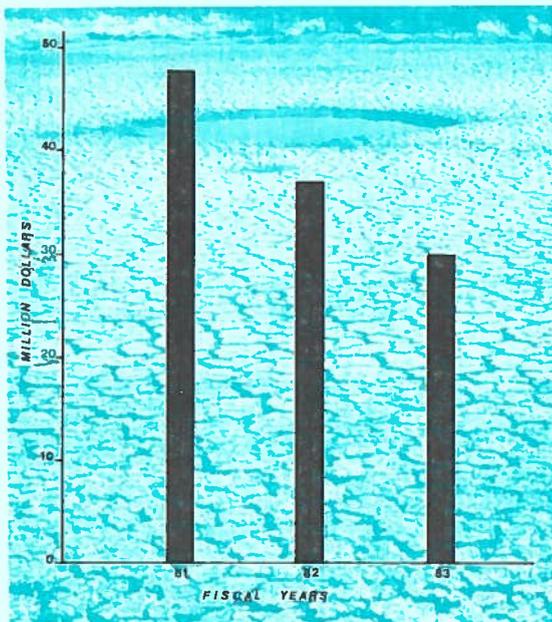
"Judging from past experience, Oklahoma will undoubtedly experience another serious drought at some time in the future. The only way to mitigate the effects of such a drought is to get our water supplies, treatment plants and delivery systems in good operating condition," he said.

If improvements must be made, who will pay for them? Requests for help are finding fewer takers these days. Historically, the federal government has been the major provider of aid, but that era is ending under the budget-cutting knife in Washington.

Assistant Secretary of the Interior for Land and Water Resources Garrey Carruthers spoke at the Governor's Second Annual Water Conference last December and told 900 Oklahomans that the responsibility for financing water improvements now rests with the states. Increasing federal debts probably assure that the federal aid situation will worsen rather than improve.

It's already a gloomy situation. The budgets for the Environmental Protection Agency, Corps of Engineers, Bureau of Reclamation and Soil Conservation Service were reduced, while the Ozarks Regional Commission was eliminated entirely. Most damaging was the diminished funding for the Farmers Home Administration, the main source of water improvement loans in Oklahoma for nearly two decades. In fiscal year 1982, FmHA funds allocated to Oklahoma were reduced to \$8.5 million, down from the \$14.3 million the year before. Interest on regular loans zoomed from a fixed five percent to a quarterly adjusted 12 to 13 percent.

There is currently a financial assistance program offered by the OWRB under authorization of SB 215, pass-



Federal money formerly available from major funding sources such as Farmers Home Administration, EPA, Economic Development Administration and Ozarks Regional Commission for municipal and rural water and sewer improvements continues to shrink.

ed in 1979. Under provisions of the legislation, the OWRB is empowered to sell bonds, with proceeds of the sale used as loan money for qualified entities to assist in construction, development and improvement of water resource works. The project itself serves as security for the loan, repayment coming from revenues generated in the water system.

In August, the OWRB issued bonds to finance water improvements in Haileyville, Geary and Eufaula for two years at 9.45 percent interest. Had the Board been able to make the sale under the new program, in which the \$25 million serves as security or "collateral," a deal could have been made at a lower interest rate over a longer period of time. Using the \$25 million as security for the investment certificates would allow them to have a higher rating in the marketplace, thus lowering the effective interest rate.

"As a result of making the certificates a more secure investment, the applicants would end up paying less, in effect creating cheaper water supplies and sewage treatment facilities," Barnett said.

Perhaps the best way to understand the differences between the existing program and the one a "yes" vote would bring is to look at a hypothetical case. Since the state's water needs are particularly critical in rural areas and small communities that lack the financial base to make improvements without loan help, consider the example of a system serving 500 customers in need of a \$350,000 loan. Under the current program, the system could likely acquire a 25-year loan at 13 percent interest, making yearly payments of nearly \$48,000 and monthly payments of almost \$4000. Total payment over the 25 years would be in the neighborhood of \$1.1 million.

Using the \$25 million as security, the OWRB would be in a position to offer a much better deal. For the same loan of \$350,000, the entity could probably acquire 15-year terms at eight percent interest. Annual payments would be just over \$40,000, and monthly payments not quite \$3,500. The big advantage comes when one looks at total payment, which should be approximately \$613,000. In this case, total payment would be reduced by about one-half million dollars by using the newer program — a gold mine for any system.

Loans aren't the only provision in the new legislation that voters would be approving. There is also an allowance for emergency grants of no more than \$100,000 per entity each year. Only the interest accrued on the \$25 million may be spent for grants, and that only after approval by the Contingency Review Board composed of the Governor, Speaker of the House and Senate President Pro Tempore.

On November 2, Oklahomans will get their chance to demonstrate a commitment to recognizing and solving the water problems that have plagued Oklahoma for so long.

The fundamental resource upon which our homes, businesses, farms and recreation rely, water is where our future begins.

Competition for Water Intense as Western Water Use Soars

"The demand for water from all sectors is still growing. The water future in the western part of the United States could fairly be characterized by one word, and that word is competition," says J.A. Wood, OWRB Stream Water Division chief.

Wood's comments are on-target. Studies have shown that the national demand for fresh water is doubling every 20 years, and competition is expected to be especially sharp in the West, where Oklahoma is one of 17 states that combine to use approximately 80 percent of the nation's water. It's the job of Wood and the Stream Water Division staff to make sure Oklahoma fares well in the competition.

Oklahoma is party to four stream water compacts, organizations set up as forums to work out differences arising between neighboring states over waters they share. Oklahoma's commissioners to the compacts rely on the Stream Water Division to provide them with the background information concerning conservation storage projects, water quantity and water quality data necessary to negotiate with other states in the compacts.

Arkansas and Oklahoma are joined in a compact to equitably apportion the Arkansas River and its tributaries, as are Kansas and Oklahoma; representatives from Oklahoma, Louisiana, Texas and Arkansas compose the Red River Compact; and Oklahoma, Texas and New Mexico are incorporated in the Canadian River Compact Commission.

Although the Governor's appointees to the four compact commissions have water-related backgrounds, the issues necessarily stray from time-to-time into highly technical matters. Since an OWRB staff member serves on the engineering sub-committee for each of the compacts, the commissioners have a reliable source for acquiring interpretation of detailed engineering data. As a group, the commissioners also make periodic requests for reports or studies, seeking to determine future quantities of water needed, what water should be covered by compact and what quality of water is available.

"From our standpoint, the primary objective is to see that Oklahoma gets its fair share of water," Wood says.

Some states claim they don't always get their fair share, as the legion of interstate water disputes attests to. California, Arizona, New Mexico, Utah and Colorado have all engaged in battles over the waters of the Colorado River, which has been called the most litigated river in the nation. In fact, the amounts allocated to each of the states added to the 1,500,000 acre-feet allocated to Mexico by international treaty has led to a situation where the total apportionment is considerably greater than the actual flow of the river.

The method for dividing waters in the compacts Oklahoma belongs to will hopefully prevent that from happening here, Wood points out.

ACTIVE CONSERVATION STORAGE IN SELECTED OKLAHOMA LAKES AND RESERVOIRS AS OF SEPTEMBER 20, 1982

PLANNING REGION LAKE/RESERVOIR	CONSERVATION STORAGE (AF)	PERCENT OF CAPACITY
SOUTHEAST		
Atoka	106,500	86.2
Broken Bow	794,407	86.5
Pine Creek	77,700	100.0
Hugo	134,391	85.3
CENTRAL		
Thunderbird	101,153	95.5
Hefner	71,300	94.6
Overholser	15,000	98.9
Draper	80,000	80.0
SOUTH CENTRAL		
Arbuckle	60,391	96.5
Texoma	2,471,300	93.7
Waurika	194,988	96.0
SOUTHWEST		
Altus	73,407	55.2
Fort Cobb	74,277	94.7
Foss	148,553	60.9 ²
Tom Steed	80,574	90.6
EAST CENTRAL		
Eufaula	1,907,068	81.8
Tenkiller	538,980	85.9
Wister	27,100	100.0
NORTHEAST		
Eucha	63,700	80.0
Grand	1,067,410	71.5
Oologah	514,280	94.5
Hulah	27,530	90.0
Fort Gibson	365,200	100.0
Heyburn	6,600	100.0
Birch	17,614	91.7
Hudson	200,300	100.0
Spavinaw	29,700	99.0
NORTH CENTRAL		
Kaw	410,618	95.8
Keystone	567,072	92.0
NORTHWEST		
Canton	74,679	76.6
Optima	6,576	— ¹
Fort Supply	12,290	88.4
Great Salt Plains	30,993	98.7
STATE TOTALS	10,351,651³	86.4³

1. In initial filling stage

2. Temporarily lowered for maintenance

3. Conservation storage for Lake Optima not included in state total

Data courtesy of U.S. Army Corps of Engineers, Bureau of Reclamation, Oklahoma City Water Resources Department, and City of Tulsa Water Superintendent's Office.

"The mechanics of how they accomplish it vary, but all the compacts have the same goal— to insure that states upstream and downstream all receive their just allotment."

The scarcity of water sometimes creates passions which make it a difficult and delicate matter to apportion it. It's not surprising, then, that compact commissions almost always state as their purpose the intention to "promote interstate harmony" and "remove causes of present and future controversy."

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Competition for Water, continued from page 3

Even though Oklahoma has been involved in some disputes over water under the jurisdiction of the compacts, Wood says he wouldn't want to apportion interstate water without them.

"The compacts don't alleviate tensions, but they do provide a forum through which they can be addressed and resolved. Without compact commissions, every time there was a conflict the only recourse would be the courtroom. With the compacts, we have a standing body to use in protecting our interests."



Governor's Water Conference Set December 7

Gov. George Nigh and President Reagan's top water policymaker, William R. Gianelli, will be featured speakers at the Governor's Third Annual Water Conference scheduled for December 7 at the Hilton Inn West in Oklahoma City. "Meeting the Challenge" is the theme chosen for the conference, which is expected to attract more than 800 attendees.

Gianelli, Assistant Secretary of the Army for Civil Works, will help Oklahomans define the answers to water problems by presenting the Administration's perspective of federal water programs. Recounting California's successes in water conservation will be luncheon speaker Ronald B. Robie, director of the California Department of Water Resources.

Individuals or organizations can request further information by calling (405) 271-2581.

Bureau Appoints Wright Regional Planner

Oklahoma City native Gerald L. Wright has been appointed regional planning officer for the Bureau of

Reclamation's Southwest Region, Regional Director Gene Hinds announced in late September. Wright will supervise the extensive planning studies necessary for development of the water, power and related land resources through the construction of multiple-purpose public works projects.

The Southwest Region is composed of Oklahoma, Texas, New Mexico and portions of Colorado and Kansas.

SEPTEMBER CROP AND WEATHER SUMMARY

Accumulations of up to four inches of rain received in scattered showers in parts of the state substantially improved crop conditions late in the month, although dry weather continued in the northwest and in parts of the east. Rainfall amounts by region ranged from .38 inch in the Panhandle to 1.62 inches in the southwest. Only 20 percent of the reporting counties rated topsoil supplies adequate, while subsoil moisture supplies were adequate in 55 percent of the counties.

Although little rain was received in the Panhandle, cool temperatures helped advance crop development, particularly corn and sorghum. Soybeans, peanuts and cotton were mostly in fair condition across the state at the end of the month, and alfalfa was in good to fair condition.

Pastures and ranges were in good shape with grass supplies adequate to surplus in 85 percent of the counties. Cattle and livestock were in good condition with no major parasite activity reported.

Temperatures for the month averaged four degrees below normal in the Panhandle to one to four degrees above elsewhere.

Oklahoma Crop and Livestock Reporting Service

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