



OKLAHOMA

water news

MONTHLY NEWSLETTER OF THE OKLAHOMA
WATER RESOURCES BOARD

Gerald E. Borelli, Chairman

Earl Walker • Ervin Mitchell • Bill Secrest • Ralph G. McPherson • Gary W. Smith • Ernest R. Tucker • Robert S. Kerr, Jr. • R.G. Johnson

Board Receives Bids on Bonds; 9% Loans Soon to be Available

More than a year after the OWRB first announced a new concept in water resources financing, its first bond sale went to market last month. At the meeting of the Board May 14, Merrill Lynch Capital Markets won the bid on a \$50 million package of revenue bonds with an offer that will allow the OWRB financial assistance program to make loans available at an interest rate of less than nine percent. Cities, towns, rural water and sewer districts and other qualified applicants could have money in hand for construction and improvement projects this summer, according to Jim Barnett, OWRB executive director.

"We are extremely pleased with the response and the interest rate," said Barnett, "because this is the first time such a program has been offered in the financing of water resources." The financial community refers to it as a "pass-through" plan in which the Board will use the proceeds to buy water and sewer revenue bonds from Oklahoma cities, towns and special-purpose districts. It was a "blind pool" offering in that recipients of loans are not yet known—a concept that allows smaller communities and rural water

districts to receive loans and interest rates they might be denied under conventional programs. Small communities and RWDs often cannot find bond buyers on their own, but participation in the blind pool makes loans available to them.

Walid Maher, coordinator of the financial assistance program, said in order to obtain insurance on the bonds, the Board agreed to a security feature that provides for 15 percent, or \$7.5 million, of the bond issue to be set aside for communities that cannot receive at least a BBB rating from Standard and Poor's. Such loans are backed by collateral from the Board's \$25 million revolving fund. With such a commitment from the Board, Standard & Poor's, a firm that assigns ratings to bond issues according to the security of the investment, rated the OWRB package AAA.

Maher said the Board currently has 65 applicants awaiting approval of loans totaling more than \$46 million. According to Maher, the maximum loan to a rated entity for a single project will be \$12.5 million; to an unrated entity, \$2.5 million.

"The rating this first offering received is remarkable," said

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16 Seasonal Employees Face Numerous Duties, Challenges

Makeshift signs on two of three doors to OWRB's Water Quality area on the eleventh floor warn, "Door Blocked"—postings necessitated by the arrival of five seasonal helpers to an already crowded room. The influx prompted desk sharing, the removal of one door and the blocking of two. The need for assistance in a stream study this summer makes the Water Quality Division the biggest "user," with a total of seven seasonal employees.

Ten helpers already are on the job in Oklahoma City; John Hooper, an Oklahoma Baptist University student, is at work in the Lawton Branch; and Margaret Gibson of Eastern Oklahoma A&M has reported to the McAlester Branch. In the coming days, three more will report to Oklahoma City and one to the Tulsa Branch.

According to Jim Schuelein, chief of General Administration, there have been 75 to 100 applications received this

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At the bond sale bid opening, Gov. Nigh praised Oklahoma legislators for their effort in making the financial assistance program a reality. Among the several landmark bills, was the appropriation of \$25 million in 1982 to the Statewide Water Development Revolving Fund. Left to right: Board Member Ralph G. McPherson, General Counsel R. Thomas Lay, Gov. Nigh, Chairman Gerald E. Borelli, Executive Secretary Dale Metcalfe.

Board Receives Bids, continued from page 1

Bob Cochran of Stifel, Nicolaus & Co. who acts as adviser on the Board's financial assistance program. "This is the first state water financing program with enough security provisions to win such a high rating."

May 14 was a victory for the OWRB program that had met opposition repeatedly on the tedious road to acceptance. The Board saw the loan program as critical to Oklahoma towns left adrift by sharp cuts to the Farmers Home Administration and other traditional sources for water project funding. The Oklahoma Supreme Court ruled early on that the collateral backing feature constituted an unconstitutional loan of the state's credit—an assumption of a municipality's debt by the state. To smooth the road for the troubled program, the water resources board asked state voters to approve a constitutional amendment that would allow the loan program. When State Question 581 was served up to the voters in a special election last August, it passed handily. Then, just when it appeared that the way finally was cleared for a bond issue, still another obstacle rose in its path. Attorney General Mike Turpen ruled in September that the OWRB had to start over in choosing by competitive bid financial advisers, trustees and bond insurers. By the time the Board had taken bids and readied another offering, the market was so high the Board and its advisers backed off.

Now that the bonds are sold, the next step for the Board's Planning and Development Division is the enormous task of examining and setting in order each applicant's paperwork—maps, engineering reports, plans, audits and all other assurances of security. An OWRB engineer will inspect the site of the proposed project and make recommendations for inclusion in the final draft to be considered by the 9-member Board. If it wins Board approval, the application will be forwarded for review to Stifel, Nicolaus & Co., consultant on the financial assistance program.

Once Stifel Nicolaus completes its review and assures the Board that all loan documents are in order, the application goes to Standard and Poor's for verification of its rating. If it does not qualify for an investment grade rating, the loan will be drawn on the 15 percent of the total collateralized by the Revolving Fund.

A companion of the loan program—the emergency grant provision—funded by interest earned on the \$25 million Statewide Water Development Revolving Fund, has had an easier time of it. To date, the Board has approved 78 grants totaling \$5,482,483 and funded 60 of them totaling \$3,737,886.

Seasonal Employees, continued from page 1

year with more coming in every week. The period for seasonal help is May 1 to October 15.

"All prospects must be high school graduates and should have at least one year of college, but most are college graduates," explains Schuelein.

"Usually, our seasonal staff is hired mainly for field work, but this year we have an unusually qualified group of summer employees who have writing skills," notes Shon Simpson, Water Quality biologist.

One such employee, Doug Jester, is a Professor of Fisher-

ies and Wildlife Sciences at Northeastern State University during the school year. Jan Walstrom of Water Quality, and Ralph Nichols of Ground Water are currently working on their master's degrees at Oklahoma University.

Other employees presently lending their help in Oklahoma City are Vickie Sutton of Springfield, Mo.; Craig Cain of Edmond, Bruce Wilcox of Okmulgee, Rick Nusz of Okeene, Li Cherng of Oklahoma City, Brian Vance of Edmond, and Doug Canter of Norman.

The Ground Water Division plans to train some of its seasonal staff in well sampling while it and other divisions use additional summer help to assist in data entry, filing, administrative duties and numerous aspects of field work.

Schuelein hopes some of the summer employees may eventually become full-time workers. About half of the present Water Board staff was seasonal at one time.

"I can't overstate how important they (seasonal help) are to the Board. They are an invaluable asset," he concludes.



Each summer, as the budget allows, the OWRB employs students and others to assist in the field and the Oklahoma City headquarters and branch offices.

Summer employees pictured from left are: (sitting) Li Cherng, (standing) Brian Vance, Ralph Nichols and Doug Canter.

Below, summer employees pictured from left are: (sitting) Vickie Sutton and Janet Walstrom; (standing) Craig Cain, Rick Nusz, Bruce Wilcox and Doug Jester.





Environmental Quality Conference June 7-8

The Oklahoma Conference on Environmental Quality will be held June 7 and 8 in Oklahoma City at the Lincoln Plaza Hotel and Conference Center, 4445 N. Lincoln Blvd.

Keynote speakers will be Dr. Oliver Houck of Tulane Law School and Dr. Robert Sandmeyer of Oklahoma State University. They will focus on national and state perspectives of resource management.

Panel discussions on Friday will embrace the topics of air quality, land management and water quality and quantity. Saturday's agenda includes panels on land management and the disposal of wastes and water quality management.

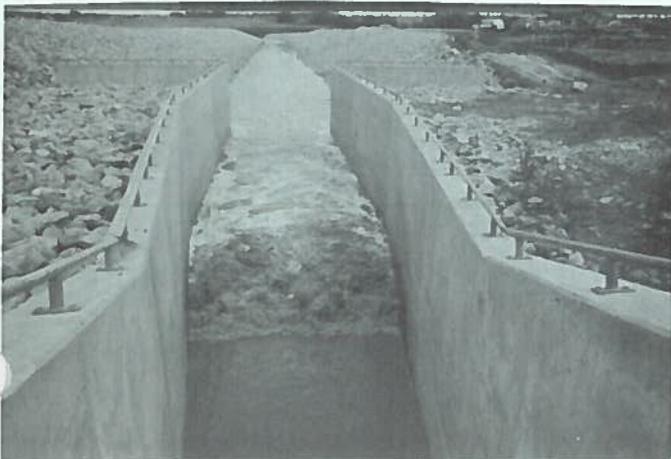
Advance registration for two days costs \$15; \$5 for Saturday only. On conference day, the registration fee will cost \$20. For further information, call (405) 271-4677.

Pond Management Symposium August 23-24

The Samuel Roberts Noble Foundation is sponsoring a Symposium on Pond Management at the Lincoln Plaza in Oklahoma City on August 23 and 24. The symposium will be held in conjunction with the annual fall meetings of the Oklahoma chapters of the American Fisheries Society and Wildlife Society.

The Noble Foundation has invited numerous nationally recognized speakers to discuss various aspects of pond management including water quality management, wildlife damage control, agricultural and domestic use of ponds, sportfish management, aquaculture, aquatic vegetation management, pond impacts on terrestrial life and potential income from ponds.

There is a \$2 registration fee which covers admission to the programs, meetings and trade show which will be conducted during the symposium. For more information, contact the Noble Foundation at (405) 223-5810.



Shown is the outlet spillway of Arcadia Lake Dam which is currently under construction about five miles east of Edmond. The 7 x 10 ft. conduit will channel water out of

ACTIVE CONSERVATION STORAGE IN SELECTED OKLAHOMA LAKES AND RESERVOIRS AS OF MAY 21, 1985

PLANNING REGION LAKE/RESERVOIR	CONSERVATION STORAGE (AF)	PERCENT OF CAPACITY
SOUTHEAST		
Atoka	123,500	99.5
Broken Bow	917,501	99.9
Pine Creek	77,700	100.0
Hugo	157,600	100.0
CENTRAL		
Thunderbird	105,925	100.0
Hefner	75,000	99.5
Overholser	15,300	96.2
Draper	82,000	82.0
SOUTH CENTRAL		
Arbuckle	62,571	100.0
Texoma	2,637,700	100.0
Waurika	203,100	100.0
SOUTHWEST		
Altus	32,824	24.7
Fort Cobb	69,237	88.2
Foss	134,519	55.2 ¹
Tom Steed	65,470	73.6
EAST CENTRAL		
Eufaula	2,329,700	100.0
Tenkiller	627,500	100.0
Wister	21,833	80.5
Sardis	301,597	99.7
NORTHEAST		
Eucha	79,567	100.0
Grand	1,491,800	100.0
Oologah	544,240	100.0
Hulah	30,594	100.0
Fort Gibson	365,200	100.0
Heyburn	6,600	100.0
Birch	19,200	100.0
Hudson	200,300	100.0
Spavinaw	30,000	100.0
Copan	43,400	100.0
Skiatook	—	— ¹
NORTH CENTRAL		
Kaw	428,600	100.0
Keystone	616,000	100.0
NORTHWEST		
Canton	82,119	84.2
Optima	3,000	— ¹
Fort Supply	13,900	100.0
Great Salt Plains	31,400	100.0
STATE TOTALS	12,026,497³	95.2³

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.

Arcadia Lake into the Deep Fork River. The project, which is being constructed by the Corps of Engineers, is tentatively scheduled for closure this fall. The lake will provide flood control and water supply for the upper Deep Fork River Basin. The recreation areas to be developed will provide water-oriented recreation for 1,150,000 visitors annually.

Careful! Floods Happen Fast

Flash floods pay devastating—often deadly—visits to Oklahoma, with little notice dimming the sky and drawing a curtain of rain across the darkened land. Suddenly, roiling, tumbling waters fill the lowlands, swallowing cars and sweeping away bridges and structures.

Last year, flooding caused \$4 billion in property damage and affected 34,000 families in the United States. Closer to home, the 1984 Memorial Day flood in Tulsa damaged 5000 homes and killed 14 people. In Lawton last month, 3.5 inches of rain in two hours swallowed up cars and quenched power to much of the city. Earlier, an Oklahoma City youth lost his life in a ditch of stormwaters.

The OWRB Engineering Division, representative of the National Flood Insurance Program, reminds Oklahomans that the threat of flooding is now greater than ever. Demands for progress have led to the leveling of woodlands and overbuilding and paving of lands that prevent soil from absorbing water.

During the spring flood season:

Listen to weather advisories from the National Weather Service. A flood watch means there may be flooding, so watch rivers and streams. A flash flood warning means there is flooding, so act fast in moving out to high ground.

Don't permit youngsters to play in storm drains or irrigation ditches, dry washes or other waterways. When it rains, water can get deep fast and the current can be very strong.

When you're camping out, be ready to move out quickly if you see or hear water increasing in speed or depth. Climb high enough to get away from flood waters, but stay off hilltops and from under trees to avoid lightning strikes.

If you're in a car, watch for flooding at bridges and dips in the road. Never drive where water is over bridges or roads. Anytime your car or recreational vehicle is trapped in water, leave it and move quickly to high ground. At night you can't see the dangers of flooding, so be especially careful.



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