

Annual Report 1998

ISSUE

Bimonthly Newsletter of the Oklahoma Water Resources Board

MARCH - APRIL 1999



Duane A. Smith
Executive Director

What did the Water Board *do* in 1998?

We're glad you asked!

Again, in our long-standing effort to economize in state government, the Water Resources Board presents its 1998 Annual Report in the format as a scheduled issue of the Oklahoma Water News. It is with pride I invite you to review the significant accomplishments of this agency.

It is also with pride and gratitude that I have again been allowed to direct a staff of professional employees who take very seriously their mission to provide the citizens of Oklahoma with the best and most responsive customer service available in state government.

Nineteen ninety eight was a watershed year -- a year in which we met the challenges of new programs such as the Drinking Water State Revolving Fund, the Beneficial Use Monitoring Program, implementation of new regulations on hog and poultry operations, adoption of the Oklahoma Drought Management Plan, new Geographic Information System applications, important work on biological criteria for Oklahoma waters and development of a nutrient management strategy. We welcomed these and other initiatives onto our already "full plate" of water resources responsibilities.

As we review the year, we do so with appreciation to all who have supported us in our efforts, with special thanks to Governor Keating, the Oklahoma Legislature and the Board members.

First let us tell you who we are...

The Oklahoma Water Resources Board is a state agency staffed by 85 dedicated men and women working in five Divisions -- Executive Administration, Administrative Services, Financial Assistance, Planning and Management, and Water Quality Programs. Six more employees work in Branch Offices to assist OWRB customers in Woodward, Lawton, Tulsa and McAlester. All in all, we are 91 people, committed to working hard for Oklahoma.



Offices of the Oklahoma Water Resources Board - 3800 N. Classen

Meet the Oklahoma Water Resources Board

The Oklahoma Water Resources Board was created in 1957 as a seven member board, then expanded to nine in 1972. Members are appointed by the Governor and approved by the Oklahoma Senate to serve staggered seven year terms. In the interest of balance, members

represent all categories of water use -- recreational, industrial, irrigation, municipal, agriculture, soil conservation and rural residential. There is geographic diversity as well, with members representing the Congressional Districts and three members serving at-large.



Seated: *Bill Secrest, Broken Arrow; Grady Grandstaff, Oklahoma City; Lonnie Farmer, vice-chairman, Davidson; Richard Sevenoaks, secretary, Tulsa; Ross Kirtley, chairman, Kingfisher.*

Standing: *Dick Seybolt, Afton; Ervin Mitchell, Balco; Wendell Thomasson, Sawyer; Richard McDonald, Walters; OWRB Executive Director Duane Smith.*

Administrative Services

builds a strong foundation to support the activities of all Divisions.

Accounting, under the direction of Jim Schuelein, prepared the agency's FY 99 budget, issued 294 purchase orders/contracts, paid 2,306 claims, processed payroll, maintained an inventory system, assisted in audits and prepared documents in support of the Board's loan and grant programs.

Information Services manages all Geographic Information Systems (GIS) activities and in 1998, developed coverages for the Rural Water Survey, Water Quality Standards, well logs, permitted water wells, diversion points and areas of use and land dedicated.

IS specialists assisted in the creation of an Internet Web Site, late in the year adding a full selection of Water Board forms and instructions for downloading by OWRB customers.

The Mapping and Drafting unit prepared 127 full color maps illustrating lake water quality for inclusion in the Beneficial Use Monitoring Program report, revised the Floodplain Ordinance Administrators' Guidebook, produced a water conservation brochure, charts, web graphics, FAP grant and REAP presentation checks, flip charts, and a wide array of graphics to enhance groundwater basin studies, the Oklahoma Water News and activities of the Office of the Secretary of Environment.

Legislative and Media Relations, managed by Mike Melton, assistant to the director, answered

OWRB activities, prepared six issues of the bimonthly newsletter, *Oklahoma Water News* and provided photography for all 1998 publications. The LMR Section coordinated a very successful 19th Annual Governor's Water Conference in Muskogee September 29. Melton coordinated 50 ceremonies attended by legislators and local officials at which REAP and emergency grants were presented.

Planning and Management

assesses water supplies, plans future development and administers a complex structure of water rights.

The Planning and Management Division, directed by Mike Mathis, allocates stream water and groundwater supplies to all applicants who meet the requirements of Oklahoma Statutes and propose to put the water to beneficial use without waste. In 1998, the Permitting Section of P&M issued 29 regular stream water permits and 691 provisional temporary stream water permits allowing water use up to 90 days. The Section issued 150 regular and temporary groundwater permits and issued 295 provisional temporary permits. In day-to-day activities, P&M maintained a file of more than 12,000 active water use permits and processed 134 change-of-ownership documents.

The P&M Technical Studies Section published the update of the Hydrologic Investigation of the Arkansas River Basin, the basis for determining water availability in the stream system. Geologists also performed a *Vulnerability Assessment of Twelve Major Aquifers in Oklahoma* for incorporation into Oklahoma Water Quality Standards. The Section also published *Groundwater Levels in Observation Wells in Oklahoma* and completed studies on two major basins and 23 minor basins. Geologist Mark Belden oversaw the annual mass measurement of 750 water wells throughout Oklahoma. The depth to water and saturated thickness data collected between January 1 and March 31, provide valuable information concerning water availability in the state's major groundwater basins.

The Section also coordinated training workshops for 668 water well drillers/pump contractors representing 333 firms. Gary Glover, who administers the D/PC program, with assistance from Branch Office associates, visited 40 drilling firms and inspected 210 water wells for compliance with minimum construction standards.

Ken Morris, coordinator of the National Flood Insurance Program (NFIP) in Oklahoma, worked with the Oklahoma Floodplain Management Association in implementing voluntary certification for local floodplain administrators. The Division conducted four one-day workshops for floodplain administrators throughout the state and a week-long Federal Emergency Management Agency (FEMA) Flood Damage Mitigation workshop in Norman. Planning and Management assists Oklahoma commissioners to four Interstate Stream Compacts in which the state participates. Division planners cooperate with local sponsors and the U.S. Army Corps of Engineers in developing plans for management, utilization and conservation of water resources. In 1998, the OWRB facilitated 11 studies under the Corps' Planning Assistance to States program.

Planning & Management assured inspection of all dams of high, significant and low-hazard; operated five stream gaging sites, administered the second successful year of the Oklahoma Weather Modification Demonstration Program, developed a comprehensive water conservation brochure, implemented the new Oklahoma Drought Management Plan and distributed bi-weekly updates during emergency drought conditions of 1998.

Water Quality Programs

aims to protect and enhance the integrity of Oklahoma's waters.

Among the primary concerns of the Water Quality Programs Division is the promulgation of Oklahoma Water Quality Standards, the cornerstone of the state's water quality management programs. The Standards define beneficial uses, set out strategies to protect them, and declare an anti-degradation policy. All other state agencies with environmental missions rely on the Standards for guidance. With direction by Derek Smithee, WQP Division chief, staff update the Standards every three years and prepare implementation

documents. The Division circulated the 1998 Standards for public comment and review at informal meetings held in the Fall and scheduled a formal hearing in January, 1999, and submittal to the Board in February.

The 1998 revision included use assessment protocols to standardize the collection of sampling data in documenting the frequency and magnitude that any body of water exceeds limits set out in the Water Quality Standards. Staff visited with Indian tribes to learn their concerns, and as a result, the revision proposed additional protection for some “culturally significant” waters, those used in tribal ceremonies. In answer to concerns regarding water quality degradation by swine and poultry operations, water quality specialists studied nutrient-vulnerable groundwater basins and nutrient-limited watersheds. The Standards identified 11 nutrient-limited watersheds, based on eutrophic status of their lakes.

In mid-year, at the close of the legislative session, the Water Resources Board was assigned the Beneficial Use Monitoring Program and awarded funding to implement the new program. Under the direction of Bill Cauthron, WQP staff established 84 permanent monitoring sites and 77 rotational sites on rivers and streams. Staff sample fixed sites for nutrients, general water quality parameters, metals, pesticides and bacteria. Water quality specialists will monitor rotational sites for the specific parameters known to impair the streams’ beneficial uses. A sampling program for state lakes is also underway, in many instances an expansion of the on-going Oklahoma Water Watch and Lake Water Quality Assessment efforts. At year’s end, the OWRB submitted to legislative leaders a 276-page report illustrating water quality in 127 lakes.

The Clean Lakes Section continued aquatic plantings in the shallowest areas of Lake Wister as means of reducing erosion and algae growth. The Section cooperated in sampling water supply lakes in Tulsa and Oklahoma City to determine reliable yield and assess impacts of hog and poultry industries. The Clean Lakes Section finished the 1996 Lake Water Quality Assessment, increased the number of volunteer monitors in Oklahoma Water Watch to 350 and produced the first OWW Monitoring Report on Grand Lake.

Meet the Water Board's Managers

Seated:

*Duane Smith,
executive director*

*Mike Melton,
assistant to the
director*

Standing:

*Mike Mathis, chief, Planning
and Management Division*

*Joe Freeman, chief,
Financial Assistance Division*

*Derek Smithee, chief, Water
Quality Programs Division*

Dean Couch, general counsel

*Jim Schuelein, chief,
Administrative Services Division*



Financial Assistance

offers an affordable array of financing alternatives for water and wastewater improvements.

One of the state's most important initiatives and one that has won the respect of the nation's financial community is the Board's Financial Assistance Program, a program administered by Joe Freeman, chief of the Financial Assistance Division. The successful bond loan program was fully established in 1983 with a \$25 million legislative appropriation to the Statewide Water Development Revolving Fund, and today, stands as the primary state provider for water and wastewater improvements. The loan program enabled by the revolving fund offers loans with terms as long as 30 years at fixed or variable interest rates. Since 1978, the FAP 6-month variable interest rate has averaged 4.95 percent. The integrity of the program has consistently won its bond issues Standard & Poor's AA rating.

The Board provides low-interest loans for wastewater facilities under the Clean Water SRF, supported by the EPA Wastewater Facility Construction SRF and state matching money. The Board's Clean Water SRF program underwrites loans specifically for major wastewater construction projects, then, as loans are repaid, re-loans the proceeds to smaller communities for wastewater improvements that otherwise may have been out of reach. In annual evaluations, the EPA consistently commends the program for sound management and financial condition.

The newest initiative of the Financial Assistance Division is a loan program targeting drinking water infrastructure in which the Board is "banker" in a cooperative effort with the Oklahoma Department of Environmental Quality. With recommendations from the ODEQ, the Board approves Drinking Water State Revolving Fund loans to municipalities and rural water districts for the construction or improvement of treatment and distribution systems. Loans were enabled by a \$3.5 million legislative appropriation as a match for EPA grants to the Drinking Water State Revolving Fund (DWSRF.) The Board approved its first loan in the DWSRF program to Holdenville in August; the second to Cushing in September, 1998. Oklahoma's Drinking Water SRF program, administered by the FA Division, was the first in EPA Region 6 to approve and close loans under the new initiative.

In 1998, the Board approved 14 bond loans totaling \$43.7 million; 14 Clean Water SRF loans totaling \$53.3 million; and two Drinking Water SRF loans totaling \$9.17 million. In terms of dollars, 18% of all loans approved in the history of the Financial Assistance Program were approved in 1998.

Freeman and Paul Hodge, assistant chief, estimate that the Financial Assistance Programs have demonstrated profound and far-reaching results, with projects approved and funded touching the lives of more than one million Oklahomans.

An emergency grant program, enabled by interest earned on the Statewide Water Development Revolving Fund, awards grants up to \$100,000 for water and sewer improvements to communities who demonstrate greatest need and have no other funding options. Criteria set out by the Board dictate that conditions exist which "threaten life, health or property." In 1998, the program awarded 13 emergency grants for water projects; eight for sewer improvements; one for a water/sewer project. In all, the Board approved 22 emergency grants totaling \$1.59 million.

In 1998, the OWRB was again entrusted by the legislature for administering \$4.5 million appropriated to the Rural Economic Action Plan for grants for water and wastewater infrastructure. The program aims to revitalize the economic health of small towns and rural areas, in which tax bases and access to services are shrinking. At the onset of the REAP, specialists of the Financial Assistance Division formulated rules and a priority system to fairly evaluate applicants for REAP assistance. The program gives preference to communities with populations smaller than 7,000, and awards extra points to those with 1,500 or fewer residents. By the close of 1998, the Board had assisted 61 communities with more than \$4.9 million in infrastructure needs. Water improvements in 35 towns totaled more than \$2.7 million; 22 sewer projects amounted to nearly \$1.9 million; and four water/sewer improvements totaled \$388,158.

Oklahoma Water Resources Board Budget

FUND	FY-95	FY-96	FY-97	FY-98	FY-99
State Appropriated Funds:	\$3,125,864	\$3,136,194	\$4,200,453	\$3,866,678	\$3,837,343
Constitutional Reserve Fund					\$ 500,000
State Continuing/Revolving:					
205 Weather Modification Rev Fund	0	0	1,001,000	1,042,036	75,000
210 Well Drillers & Pump Installers Fund	1,699	1,153	26,000	0	57,000
240 Water Management Fund	471,011	342,935	390,417	318,934	457,950
420 USGS Cooperative Fund	249,793	109,129	200,000	145,985	200,000
426 Stripper Well Oil Overcharge Fund	5,139	5,761	0		
443 Reimbursement Fund	591,301	698,367	1,289,666	561,590	2,146,838
472 WRF-SRF Account	50,811	366,354	357,410	280,467	100,000
Total Revolving Funds	\$1,369,754	\$1,523,699	\$2,263,493	\$2,349,012	\$3,036,788
400 Federal Funds	\$ 744,026	\$ 805,474	\$ 998,395	\$ 455,503	\$1,083,378
410 Federal Water Quality Management	\$3,083,169	\$2,700,692	\$5,000,000	\$4,675,775	\$7,000,000
Total Expenditures by Fund	\$8,322,813	\$8,166,059	\$13,463,341	\$11,346,968	\$15,457,509
ACTIVITY/NUMBER AND NAME					
01 Administration	\$1,707,447	\$2,371,243	\$2,499,150	\$1,810,076	\$2,695,734
02 Water Quality Programs	666,364	557,252	845,602	707,189	937,391
03 Planning*	1,173,755	943,293	0		
04 Financial Assistance	599,685	600,867	1,051,463	778,810	1,288,624
05 Water Management*	866,442	832,158	0		
07 Planning & Management			3,902,954	3,125,185	3,224,008
11 USGS Cooperative Program**	73,730				
15 Office of Secretary of Environment	3,235,390	2,861,246	5,164,172	4,925,708	7,311,752
Total Expenditures by Activity	\$8,322,813	\$8,166,059	\$13,463,341	\$11,346,968	\$15,457,509

* These activities were combined in Activity 07 (Planning & Management) in FY-97

** This activity was transferred to Planning in FY-96