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OKLAHOMA Water News

Bimonthly Newsletter of the Oklahoma Water Resources Board



Duane A. Smith
OWRB Executive Director

From the Director

We recognized a very special milestone at the Water Resources Board in November with the "Billion Dollar Celebration" at the State Capitol. At the October meeting, Board approval of a bond program loan to Lexington Public Works Authority signified a total of more than \$1 billion in loans and grants from the State Financial Assistance Program. The following month's event in the Capitol Blue Room provided us with a unique opportunity to thank all those individuals, especially former Governor George Nigh and FAP bill author Senator Cal Hobson, who contributed so much to the program's creation. It was also great to see former OWRB members Gerald Borelli, Robert S. Kerr, Jr., and Ralph McPherson, as well as directors Jim Barnett, Patty Eaton, and Gary

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Billion Dollar Celebration Marks FAP Milestone

To celebrate the billion dollar mark of the agency's water and wastewater system financing program, the Oklahoma Water Resources Board hosted a special celebration in the Blue Room of the Oklahoma State Capitol on November 12.

Board Chairman Grady Grandstaff and Executive Director Duane Smith hosted the event, marking 20 years and \$1 billion in financing through the state's Financial Assistance Program (FAP), administered by the OWRB. The Billion Dollar Celebration was highlighted by comments on the historical significance of the FAP from former Governor George Nigh, Lt. Gov. Mary Fallin, Sen. Cal Hobson, and Secretary of Environment Brian C. Griffin. Nigh successfully lobbied for creation of the financing program during his tenure while Hobson is the author of legislation that paved the way for the program.

Extolling the virtues of the FAP, as well as providing a retrospective of the program, were former OWRB directors Jim Barnett, Patty Eaton, and Gary Sherrer, and former OWRB Chair, Gerald Borelli. The ceremony was also attended by numerous other individuals who were involved in the creation and success of the 1982 financing initiative.

"As we look back on the history of this great program and its tremendous economic impact upon Oklahoma, it is so difficult to single out just one, two, or even a dozen individuals who provided the most significant contributions," said Duane Smith. "Certainly, Gov. Nigh was a tremendous supporter of the FAP and he realized that our communities require a dependable source of water and

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Grady Grandstaff, OWRB Chair; Walt Allen, Lexington City Manager; Former Governor George Nigh; and Sen. Cal Hobson

From the Director . . . *Continued from page 1*

Sherrer, who all so ably carried the FAP banner for 20 years to the program's billion dollar point. Countless other Water Board members and staff, legislators, and organizations also deserve credit in making the FAP Oklahoma's top financing option for community water and wastewater projects. Special recognition was given at the December 10 Board Meeting to the OWRB's Mike Melton, who assisted in the creation of the program and has provided support for all of its 20 years.

As we salute accomplishments resulting from our suite of five FAP options--the Bond Loan, Clean Water and Drinking Water State Revolving Loan Fund, Emergency Grant, and Rural Economic Action Plan Grant Programs--we must also recognize the many remaining water and sewer needs of our cities, towns, and rural water districts. Currently, almost \$350 million in water and sewer system projects await funding. According to a survey recently conducted by the State Department of Environmental Quality, Oklahoma will require at least \$2.3 billion to fund just its drinking water system needs throughout the next 20 years. A similar OWRB study estimated a minimum \$1.1 billion need for wastewater treatment projects. This anticipated funding gap threatens the very fabric of our communities; their economic and social welfare is at stake.

In light of the current challenging budget situation facing Oklahoma, Governor-Elect Brad Henry and our legislative leaders will be obliged to consider innovative options to assure the future water infrastructure financing needs of our citizens.

Billion Dollar Celebration . . . *Continued from page 1*

wastewater system financing to insulate our citizens from all-too-frequent drought episodes. But there are countless other men and women to thank for the program's success and it was great to see most of them here today."



Former OWRB Executive Directors Jim Barnett, Patty Eaton, and Gary Sherrer with current Director Duane Smith

In conclusion, I again want to assure all Oklahomans that staff of the Water Board will continue to provide not only adequate, but excellent service in the pursuit of first-rate water management and protection, even in these extremely difficult budget times. It is the employees and their dedication that make the OWRB, in my opinion, Oklahoma's best and most efficient state agency.



Grady Grandstaff, Mike Melton, and Duane Smith during a special presentation to Melton for his contributions to the FAP

As of October, the OWRB has approved \$1,003,505,989 in 1,255 grants and low interest loans to Oklahoma communities and rural water systems through its three loan programs (the FAP Bond, Clean Water State Revolving Fund, and Drinking Water State Revolving Fund Programs) and two grant offerings (Rural Economic Action Plan and FAP Emergency Grant Programs). During the November 12 celebration, a ceremonial check was presented to the Lexington Public Works Authority, whose FAP loan marked the billion-dollar milestone.

From an initial \$25 million dollar appropriation in 1983, plus about \$14 million in additional funding through the years, the FAP has resulted in an eightfold return on initial investment and has become Oklahoma's most popular financing option for public water and sewer infrastructure needs. Individual FAP loan and grant programs are administered by staff of the OWRB's Financial Assistance Division, directed by Joe Freeman.



Lt. Gov. Mary Fallin, speaking on behalf of Governor Keating

Board Launches Water Rights Review

The OWRB is currently conducting a review of existing stream water rights in Oklahoma to identify water that has been appropriated but underutilized. "We're making a renewed effort to account for permitted water rights throughout the state," says Mike Mathis, Chief of the OWRB's Planning and Management Division. "With close to 3,000 stream water use permits under the Board's administration, it's an enormous and important undertaking to update our database."

Agency staff are reviewing annual water use reports, permits, and related information to identify those users who may have rights to water beyond that required for their intended uses. Oklahoma's stream water appropriation law has a "use or lose" component that requires water rights holders to use their entire authorized amount for the year at least one year during a continuous 7-year period. To track water use, permit holders are required to submit annual reports of their usage to the OWRB. This tracking prevents the potential speculation of water rights and generally assures that water remains available to prospective water users.

"Applicants for new water rights can also apply for a schedule of use provision so that water users can plan for future growth and secure the water required for that growth to occur," Mathis adds. The provision, commonly utilized for municipal/industrial use, is typically for a 50-year period. "In general, this provides an alternative to the 'use or lose' rule by creating a schedule of incremental water use. This is a tremendous planning tool that facilitates both growth and economic development."

Mathis points out that the primary purpose of the Board's renewed water rights and use accounting effort is to establish a more accurate inventory of permitted water use. This will allow the agency to do a more efficient job of water management in Oklahoma. "The Board is not attempting to take away the rights of water users," he says. "As Oklahoma continues to grow, we simply must have accurate information on water use—how much water is being used, where it is put to use, and for what purpose—and adjust our permits accordingly. When completed, this process should actually result in strengthening

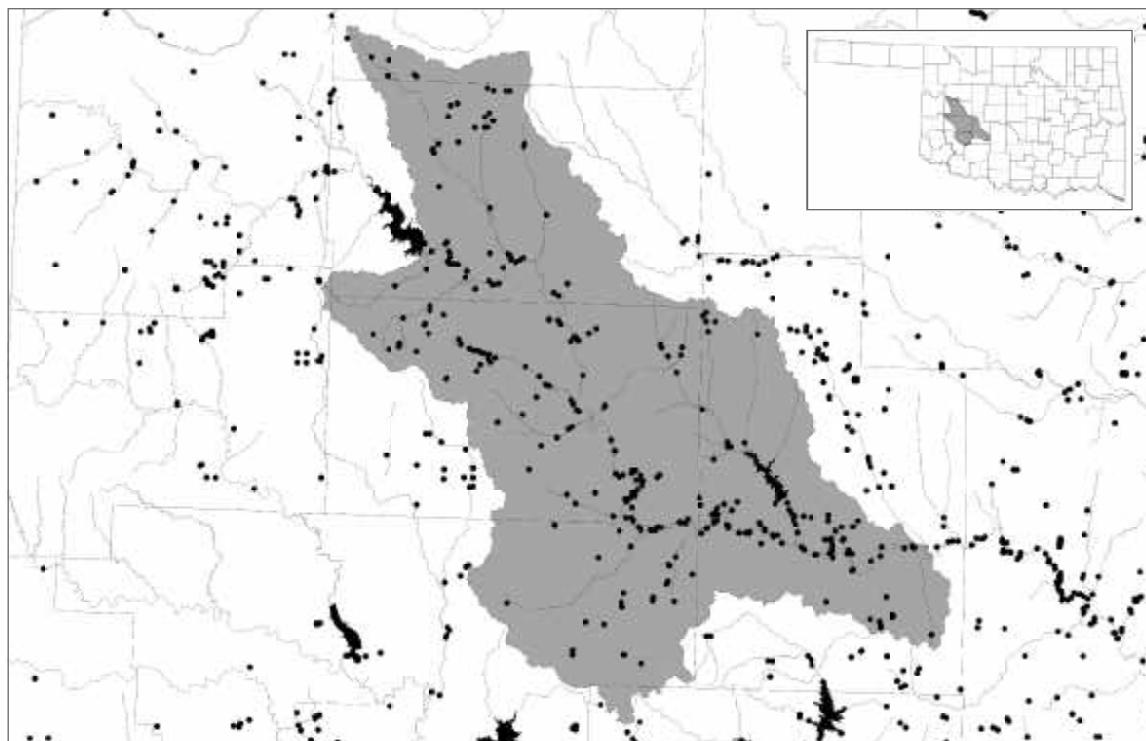
individual water rights."

Following notification of cancellation or reduction, the user is provided an opportunity to correct the use report(s) or explain why water has not been used beneficially. If the Board receives no response, a notice of "show cause" hearing is sent 30 days prior to the hearing date.

At the hearing, the permit holder is provided an opportunity to prove a willingness and ability to use the water and demonstrate that failure to use all or any of the water was beyond the user's control. Common examples of valid excuses for nonuse include flooding damage to a field, pump, or intake structure; drought or lack of normally available supply; required service or duty in the armed forces; placement of land in a conservation reserve or related program; and the wrongful acts, such as pollution, of other people.

A reduction or forfeiture of water right due to nonuse does *not* preclude a prospective water user from filing for or obtaining a future stream water permit.

For questions or more information concerning the Board's water rights review effort, please call the OWRB at 405-530-8800.



This stream sub-system within the Washita River Basin is one of the state's most heavily appropriated regions. Dots indicate stream water withdrawal points permitted by the OWRB.

OWRB Retools Arbuckle-Simpson Permit Strategy

The OWRB's formal consideration of the proposed use of south central Oklahoma groundwater by thirsty communities in central Oklahoma has been delayed as a result of an automobile accident involving the agency's hearing examiner.

Judge Don Barnes, a retired Oklahoma Supreme Court justice retained by the Water Board to consider protested water use applications and related matters under the agency's purview, was scheduled to oversee a prehearing conference on September 30. However, communication problems left Board staff unaware of an accident the previous weekend that for a time left Judge Barnes in serious condition. The judge is expected to reassume duties with the OWRB in the very near future.

The purpose of the conference—scheduled for September 30 in Wayne, Oklahoma—was to identify persons intending to present detailed evidence and/or testify at upcoming regular hearings on the two proposed permits filed by applicants Clayton and Julie Jack (1,700 acre-feet per year) and William and Betty Ann Clark (805 ac-ft/yr). The Board has received more than 1,600 protests on those permits. However, the Jacks withdrew their permit application in mid-December. The OWRB has yet to make decisions on rescheduling the prehearing conference or the regular hearing date(s) on the Clark or other pending



Approximately 128 miles long, the Blue River is largely fed by springs and seeps from the Arbuckle-Simpson.

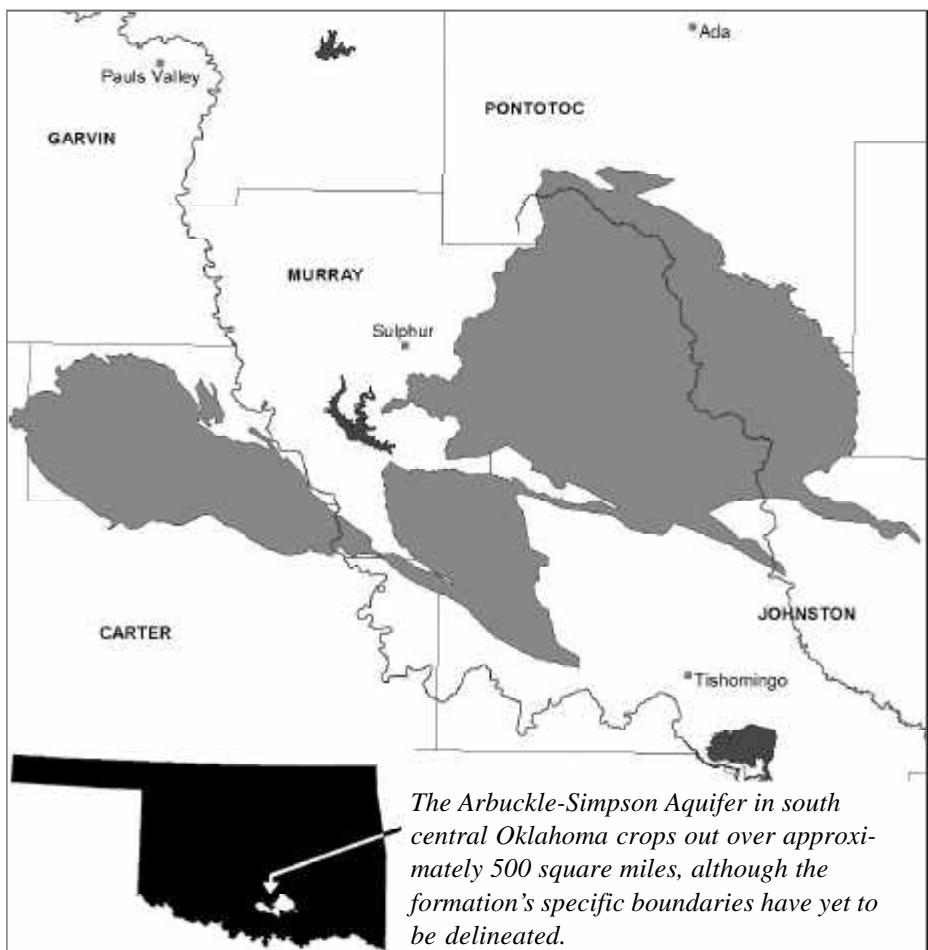
permit applications.

Last year, a local development company, PESA LLC, approached numerous central Oklahoma communities—including Yukon, Piedmont, El Reno, Mustang, Calumet, Okarche, and others—with a proposal to provide future water supply through an 88-mile pipeline from the Arbuckle-Simpson Aquifer. PESA has reportedly secured the water rights from many landowners overlying the groundwater source and several municipalities have already entered into agreements to join the estimated

\$200 million project, which would supply as much as 60,000 acre-feet of water per year to the Oklahoma City area. More recently, the involved cities and towns have also inquired about the feasibility of receiving supply from Kaw Lake, in far north central Oklahoma.

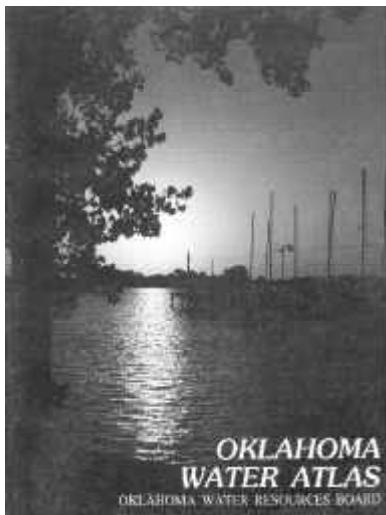
The Water Board is currently working with members of Oklahoma's Congressional delegation to identify funds that would be utilized to sponsor a comprehensive multi-year study of the prolific and highly complex groundwater source. The Arbuckle-Simpson Aquifer supplies flow to many area rivers and streams—including Byrd's Mill Spring and the Blue River, the drinking water source for the City of Ada—but OWRB hydrologists indicate that more information is required to properly manage and protect the groundwater formation. The aquifer underlies approximately 500 square miles from near Ardmore in Carter County to Ada in Pontotoc County.

For more information on the Arbuckle-Simpson aquifer, including public notices and a map delineating water use permits in the area, access the Board's Web site at www.owrb.state.ok.us.



Oklahoma Water Atlas Maps Available Online

While the 1990 *Oklahoma Water Atlas*, one of the OWRB's most popular publications, is no longer in print, individual lake maps and recreational information from the *Atlas* are now available on the OWRB Web site (www.owrb.state.ok.us). Maps are in PDF format and can be viewed and/or printed with Adobe® Acrobat Reader.



The site features 142 federal, public, and private lakes throughout Oklahoma. In the near future, staff will add additional content from the original publication, maps of recently constructed projects, and bathymetric maps created from detailed, individual lake studies in which the Water Board has participated.

Paul Hodge Retires

The OWRB said good-bye in November to the Financial Assistance Division's Paul Hodge, who retired after more than 30 years of state service.

Paul grew up in Maysville, OK, and graduated from East Central State University in 1969 with a degree in Health and Physical Education. After working for the Department of Health, he transferred to the OWRB in 1993.

Through his work on the State Revolving Fund programs, Paul was an exemplary representative for the agency. Congratulations and thanks to Paul Hodge for a noteworthy career of service to the State of Oklahoma and OWRB.



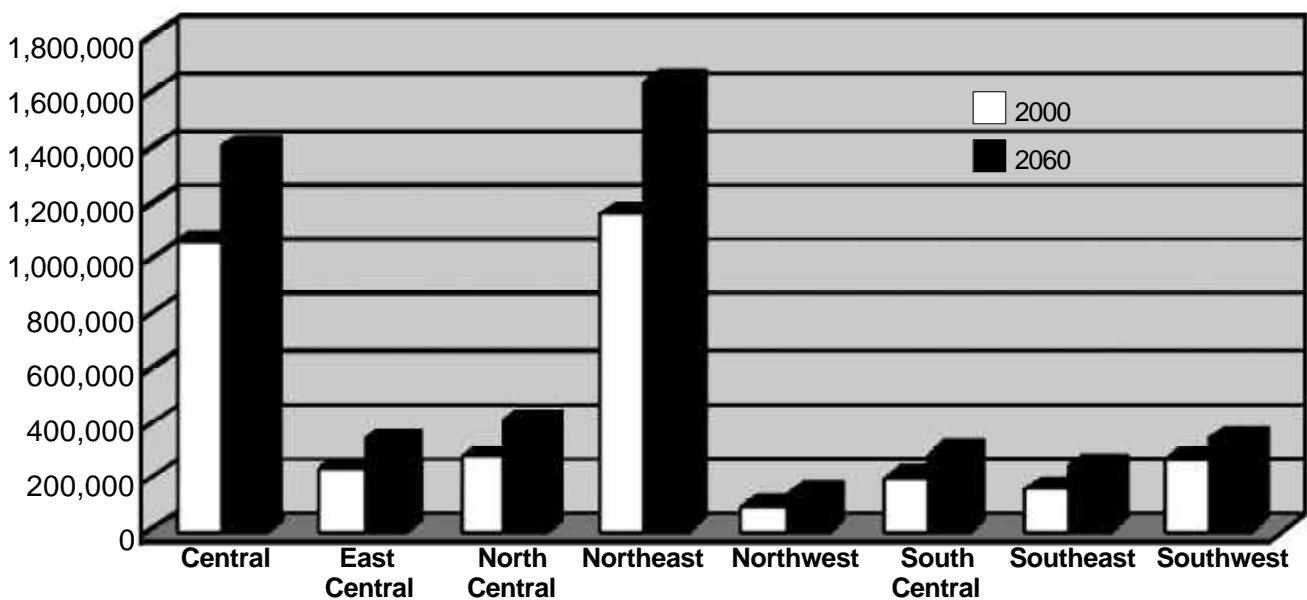
Duane Smith presents a Statement of Appreciation to Paul Hodge during his retirement reception.

Population Growth Projected

As a first step in the 2005 update of the *Oklahoma Comprehensive Water Plan*, the OWRB recently cooperated with the Oklahoma Department of Commerce to forecast population growth in Oklahoma through 2060 (by planning region, below). In turn, these figures will provide the basis for updated projections of future water use in each of the OWRB's eight planning regions. The Water Board and U.S. Army Corps of Engineers will

conduct the study, which will assist decision-makers in identifying precisely where water and water systems are in greatest need.

The ultimate goal of the 2005 OCWP update is to provide a tool to assist all citizens, farmers, ranchers, municipalities, and industries in Oklahoma in gaining access to good quality water.



Staff Raise Money for United Way

OWRB staff raised more than \$6,600 during the agency's annual United Way campaign for 2002. In addition to payroll contributions, several special fund-raising events were organized by Laura Oak, Shelly Bacon, and Crystal McLaren to raise money for those Oklahomans in need. The events included a Halloween costume contest, pie-in-the-face drawing, hula-hoop contest, scavenger hunt, jeans day, and crazy shirt day.



The OWRB's fundraiser costume contest featured (front row) a hiker, (middle row) William Wallace, Dorothy, a clown, cowgirl, two of spades, a good clown, sorceress, a devilish OU fan, scuba diver, (back row) a stereotypical Arkansas resident, Death, and a baseball player.



Nathan Kuhnert, winner of a drawing for United Way contributors, smashes a pie in the face of Water Quality Division Chief Derek Smithee.



Costume contest winner John Day as William Wallace from Braveheart

Cole Named Employee of the Quarter

At the October OWRB staff meeting, the Employee of the Quarter award was presented to Nikki Cole. An OWRB employee since February 2000, Nikki provides administrative support for the agency's Water Quality Division. Her superior work ethic, attention to detail, and willingness to tackle projects that aren't specifically in the job description are what make Nikki so valuable. Division Chief Derek Smithee noted that her supportive and positive attitude make her a pleasure to work with.

Nikki recently recognized the limitations of the state project accounting system and designed a spreadsheet to track project expenditures. This system has greatly facilitated the management of division finances and project funding. Nikki also assisted in transferring division information, such as the annual Beneficial Use Monitoring Program (BUMP) Report, to the agency Web site.



Duane Smith with the Employee of the Quarter, Nikki Cole

Oklahoma Drought Monitor

Reservoir Storage

Reservoir storage levels in Oklahoma are generally good. As of January 6, the combined normal conservation pools of 31 selected major federal reservoirs across Oklahoma (see below) are approximately 96.1 percent full, a 4 percent increase from that recorded on December 9, according to information from the U.S. Army Corps of Engineers (Tulsa District). Only five reservoirs have experienced lake level decreases since that time. Sixteen reservoirs are currently operating at less than full capacity (compared to 23 one month ago). Three reservoirs (including **Lugert-Altus, only 29.9 percent**; and Tom Steed, 59.3 percent) remain below 80 percent capacity.

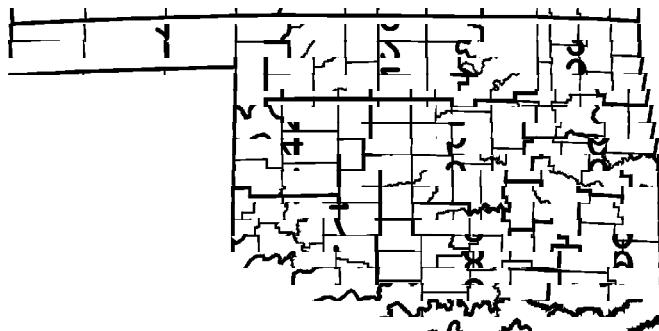
Storage in Selected Oklahoma Lakes & Reservoirs

As of January 6, 2003

Climate Division	Conservation Storage (acre-feet)	Present Storage (acre-feet)	Percent of Conservation Storage
North Central	487,400	487,400	100.0
Northeast	3,710,194	3,468,535	93.5
West Central	276,790	275,922	99.7
Central	154,225	146,689	95.1
East Central	2,968,683	2,876,483	96.9
Southwest	301,810	172,476	57.1
South Central	2,940,740	2,936,888	99.9
Southeast	1,491,229	1,484,281	99.5
State Totals	12,331,071	11,848,674	96.1

Drought Indices

According to the latest Palmer Drought Severity Index (January 4, below), drought conditions have largely vanished throughout most of Oklahoma. No climate divisions are currently classified in drought. Only three of Oklahoma's nine climate divisions have undergone PDSI moisture decreases (through minor) since December 7. The greatest decrease occurred in the Northwest climate division.



The latest monthly Standardized Precipitation Index (through November, below) indicates general long-term dryness in east central and northwest Oklahoma. Among the *selected* time periods (3-, 6-, 9- and 12-month SPIs), the East Central climate division reports "very dry" conditions throughout the last 3-month period and "moderately dry" conditions over the past 6 months. Also, the Northeast region is "moderately dry" over the last 3 months. Considering longer periods (through six years), the Northwest, Northeast, and Southwest indicate dry conditions at various times over the past 18, 24, and 30 months.

Palmer Drought Severity Index

Climate Division (#)	Current Status 1/4/2002	Value		Change In Value
		1/4	12/7	
NORTHWEST (1)	UNUSUAL MOIST SPELL	1.73	2.24	-0.51
NORTH CENTRAL (2)	UNUSUAL MOIST SPELL	2.71	2.72	-0.01
NORTHEAST (3)	MILD DROUGHT	-0.75	-1.25	0.50
WEST CENTRAL (4)	MOIST SPELL	1.77	1.78	-0.01
CENTRAL (5)	MOIST SPELL	1.51	1.20	0.31
EAST CENTRAL (6)	MILD DROUGHT	0.21	-1.16	1.37
SOUTHWEST (7)	MOIST SPELL	1.77	1.55	0.22
SOUTH CENTRAL (8)	INCIPENT MOIST SPELL	2.31	0.80	1.51
SOUTHEAST (9)	NEAR NORMAL	0.66	0.25	0.41

Standardized Precipitation Index

Through November 2002

3-Month	6-Month	9-Month	12-Month
VERY WET	MODERATELY WET	NEAR NORMAL	NEAR NORMAL
MODERATELY WET	VERY WET	MODERATELY WET	NEAR NORMAL
MODERATELY DRY	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL
VERY WET	MODERATELY WET	NEAR NORMAL	NEAR NORMAL
NEAR NORMAL	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL
VERY DRY	MODERATELY DRY	NEAR NORMAL	NEAR NORMAL
NEAR NORMAL	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL
NEAR NORMAL	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL
NEAR NORMAL	NEAR NORMAL	NEAR NORMAL	MODERATELY WET

Financial Assistance Program Update

Loans/Grants Approved as of December 10, 2002

FAP Loans—275 totaling \$436,580,000

The OWRB's Financial Assistance Program (FAP), created by the State Legislature in 1979, provides loans for water and wastewater system improvements in Oklahoma. The tremendous popularity of the bond loan program is due, in part, to extended payoff periods of up to 30 years at extremely competitive low-interest rates, averaging approximately 4.762 percent since 1986.

CWSRF Loans—139 totaling \$462,517,310

The Clean Water State Revolving Fund (CWSRF) loan program was created in 1988 to provide a renewable financing source for communities to draw upon for their wastewater infrastructure needs. The CWSRF program is Oklahoma's largest self-supporting wastewater financing effort, providing low-interest loans to communities in need.

DWSRF Loans—28 totaling \$80,940,174

The Drinking Water State Revolving Fund (DWSRF) loan program is an initiative of the OWRB and Oklahoma Department of Environmental Quality to assist municipalities and rural water districts in the construction and improvement of drinking water systems. These projects are often mandated for communities to obtain compliance with increasingly stringent federal standards related to the treatment of drinking water.

REAP Grants—351 totaling \$29,848,852

The Rural Economic Action Plan (REAP) Program was created by the State Legislature in 1996. REAP grants, used for water/wastewater system improvements, target primarily rural communities with populations of 7,000 or less, but priority is afforded to those with fewer than 1,750 inhabitants.

Emergency Grants—492 totaling \$28,817,005

OWRB emergency grants, limited to \$100,000, are awarded to correct situations constituting a threat to life, health, and/or property and are an indispensable component of the agency's financial assistance strategy.

Total Loans/Grants—1,285 totaling \$1,038,703,340

Applicants eligible for water/wastewater project financial assistance vary according to the specific program's purpose and requirements, but include towns and other municipalities with proper legal authority, various districts established under Title 82 of Oklahoma Statutes (rural water, master/water conservancy, rural sewage, and irrigation districts), counties, public works authorities, and/or school districts. Applications for agency financial assistance programs are evaluated individually by agency staff. Those meeting specific program requirements are recommended by staff for approval at monthly meetings of the nine-member Water Board.

More information about the OWRB's Financial Assistance Program can be obtained by calling the OWRB at (405) 530-8800.

Grady Grandstaff, *Chairman*; Richard C. Sevenoaks, *Vice Chairman*; Ervin Mitchell, *Secretary*
Lonnie L. Farmer, Richard McDonald, Bill Secrest, Wendell Thomasson, Harry Currie, Glenn A. Sharp

Brian Vance, *Writer/Editor* • Darla Whitley, *Writer/Layout* • Barry Fogerty, *Photography*

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