

**OKLAHOMA WATER RESOURCES BOARD
OFFICIAL MINUTES**

August 8, 2006

1. Call to Order

The regular monthly meeting of the Oklahoma Water Resources Board was called to order by Chairman Rudy Herrmann at 9:30 a.m., on August 8, 2006, in the meeting room of the Oklahoma Water Resources Board, located at 3800 N. Classen Boulevard, Oklahoma City, Oklahoma.

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 August 1, 2006, at 4:15 p.m. at the Oklahoma Water Resources Board's offices.

A. Invocation

Chairman Herrmann asked Mr. Bill Secret to provide the invocation.

B. Roll Call

Board Members Present

Rudy Herrmann, Chairman
Mark Nichols, Vice Chairman
Bill Secret, Secretary
Lonnie Farmer
Ed Fite
Jack Keeley
Kenneth Knowles
Richard Sevenoaks

Board Members Absent

Ford Drummond

Staff Members Present

Duane A. Smith, Executive Director
Mike Melton, Chief, Administrative Services Division
Dean Couch, General Counsel
Joe Freeman, Chief, Financial Assistance Division
Monte Boyce, Comptroller
Mike Mathis, Chief, Planning and Management Division
Derek Smithee, Chief, Water Quality Programs Division
Mary Lane Schooley, Executive Secretary

Others Present

Larry Edmison, Sierra Club, Norman, OK
Pete Bass, City of Stigler, OK
Charles Stinnett, Broken Arrow, OK
Ron Cooke, Save Our Water Lake Eufaula, Oklahoma City, OK
Glen Byrd, Washington County Rural Water District #7; Oklahoma City, OK
Verlin Wootton, Willow, OK
Jeannette Nance, Office of the Governor, Oklahoma City, OK
Baxter Vieux, University of Oklahoma, Norman, OK
Angie Burckhalter, Oklahoma Independence Petroleum Association, Oklahoma City, OK
Robert Singletary, Office of the Attorney General, Oklahoma City, OK
Cheryl Dorrance, Oklahoma Municipal League/Oklahoma Municipal Utilities Power,
Oklahoma City, OK
Pam Motley, State Auditor's Office, Oklahoma City, OK
Neil Suneson, Oklahoma Geological Survey, Norman, OK
Andover Tarhule, University of Oklahoma, Norman, OK
Dick Scalf, Citizens for the Protection of the Arbuckle Simpson Aquifer, Oklahoma City,
OK
Janice Evanston, Journal Record, Oklahoma City, OK
Gene Whatley, Oklahoma Rural Water Association, Oklahoma City, OK
Sue Braummer, National Park Service, Sulfur, OK

C. APPROVAL OF MINUTES

Chairman Herrmann stated the draft minutes of the July 11, 2006, Regular Meeting have been distributed. He stated he would accept a motion to approve the minutes unless there were changes. There were no amendments to the minutes as proposed, and Mr. Nichols moved to approve the minutes of the July 11, 2006, Regular Meeting, and Mr. Secrest seconded.

AYE: Farmer, Fite, Keeley, Knowles, Nichols, Secrest, Sevenoaks, Herrmann
NAY: None
ABSTAIN: None
ABSENT: Drummond

D. EXECUTIVE DIRECTOR'S REPORT

Mr. Duane Smith, Executive Director, began his report bringing the Board members up to date regarding the state's drought conditions. He distributed several charts that indicated the departure of normal rainfall for 90 days, and 365 days, indicating the southeast section in some cases is 20 inches below normal in precipitation. Forecast graphs indicate Oklahoma is in the bull's-eye for extended drought, and the current situation will only deepen. Statistically, this is the first driest drought in the last water year in southwest Oklahoma on record. Comparably, northeast Oklahoma, the best conditions in the state, is the seventh driest. Most of the calls received by the agency have been due to the lack of water. He reminded everyone that the state has been in an extended wet period and as we go below that bar, there will be extremely difficult times ahead. The Department of Environmental Quality maintains a list of communities with water situations, which was also distributed, and Mr. Smith said because of the OWRB

Financial Assistance Program, the list of communities is much shorter than in years prior to the program being implemented. Mr. Smith said that even though there is a lot of water in Oklahoma, and we do not use nearly what is available as we look to sustaining growth for the next 100 years we need to take advantage of every drop and capturing as much as possible for future use. The drought page on the web site is full of information, and he encouraged everyone to visit it.

Mr. Smith said he had attended the Western States Water Council in Colorado where he was elected Chairman, which is a two-year commitment. The organization's primary objective now is to respond to the Western Governor's Association--which Governor Henry has now joined--on strategies to sustain growth in the west, including six major topics and 28 recommendations. He will be meeting in Salt Lake City for a one-day meeting to review that with the Corps of Engineers, which has contributed \$750,000 to the project, and the organization is looking for additional matching funds. He said he is hopeful the organization will be able to provide strategies and legislative guidance on sustaining growth in the west, some of which will look at the Endangered Species Act, how infrastructure is provided, and providing additional storage. In the past, building storage and not taking into account environmental impacts, and later attempting to retrofit environmental restoration and mitigation is probably not the way it will be done in the future, but will be addressed in the planning process.

Mr. Smith stated he attended a planning session with the Rural Water Association in Ardmore. The group discussed rate structures for small communities and rural water districts. One of the presenters was a consultant from Missouri familiar with rating structures, and the statistics he presented demonstrated most rural water districts and small communities are charging 58% less than they should in order to maintain the system long term. Rating models show how to establish rates, and the ORWA is training Board members and working with small communities in how to utilize the models and set rates. If the rates are not increased to sustain the community or district long-term, there will not be enough grant money available to keep them operating. Mr. Smith reiterated that it is a death sentence for rural Oklahoma if low-interest financing is not provided, but also if they don't set rates high enough to maintain the system. Staff will be working with the Board in investigating ways to provide incentives to communities that are taking care of their business, rather than those who don't raise their rates until it's too late and can't maintain their system. Long term, he said, the state will better off with systems that are maintained and get off of the grant program and onto the loan program.

Mr. Smith said he had attended the inaugural class of Governor's Executive Development Seminar in Stillwater along with several other state agency heads.

The staff at OWRB is beyond the initial planning stages of the comprehensive water plan and settling in on a number of strategies. Assessment of water lines is imperative, for example where the lines are and what the size is, and staff is looking to enter a contract with the Association of State Regional Governments and also establish an oversight committee that will oversee the scope of work. Mr. Smith stated he had met with the Oklahoma Municipal League and the OMUP Steering committee and talked about their concerns about the planning process and the "end point" in terms of the water plan. He said he believed it is understood that regionalization will be necessary, and the controversies that exist between rural communities and rural water districts need to be resolved before the end point can be reached. The OWRB's goal is to facilitate, and to have a plan that everyone can agree to and follow.

Mr. Smith said he would be traveling to Sardis Lake for a grant presentation on their additional water storage purchase. The OWRB approved a REAP grant; an interlocutory agreement is being facilitated so that the citizens will not be caught up in the litigation involving the lake, the state, and the federal government. Mr. Dean Couch, OWRB General Counsel, discussed recent developments regarding the lawsuit. He said the 10th Circuit Court of Appeals,

a three-judge panel, issued its ruling a few months ago indicating the District Judge was correct that the contract was valid and enforceable. The State had asked the 10th Circuit Court for review, and that was the ruling made. The Office of Attorney General is handling the case and sought a rehearing by the full court, to make sure that is the correct ruling, and review of a few matters the three-judge panel had overlooked, and within one week the court denied the rehearing request.

Mr. Smith will be traveling to Guymon to talk to the Panhandle Irrigation Association and some Kansan water users that are having issues with the State of Kansas, saying it is easier to get a permit in Oklahoma than in Kansas. They want to take water from Oklahoma to Kansas, but there is the moratorium on out of state water sales and transport that would not allow that to happen. Mr. Smith joked that his counterpart in Kansas is from Oklahoma, and he from Kansas, and that keeps controversy between the states at bay.

Mr. Smith introduced the Employee of the Quarter, Mr. Jerry "Rowdy" Barnett.

Mr. Smith concluded his report introducing Ms. Jeanette Nance with the Office of the Governor who has been working with constituents in regard to water complaints. He added that the Governor had issued an emergency drought order in response to a letter from the Acting Commissioner of Reclamation, Mr. Bill Rinney, announcing the federal government has available emergency drought relief funding available to the 18 western states. He said it has since been learned that New Mexico is already receiving 90% of the funding, and very limited dollars remained for the other 17 states. OWRB staff has developed a priority list of projects to the Governor's office if money becomes available to the state. The declaration also kicks into play a rule of the Board's, that when the Governor declares that a drought emergency or disaster exists, the Board may..."expedite the process of applications for financial assistance, expedite the processing of water right applications, coordinate with other state and federal agencies, establish a drought relief grant account...to direct funds received...utilize emergency drought funding for projects to relieve drought conditions." He said the rule also says the Board will set up a committee that would be an ad hoc Drought Committee which would then be able to use up to \$300,000.00 of grant funds (the account maintains a fund of \$500,000 for extraordinary purposes). The Drought Committee has the ability to expedite between Board meetings a grant for drought assistance. Chairman Herrmann asked the members who would be willing to serve; those appointed are: Kenny Knowles, Lonnie Farmer, Ed Fite, and Mark Nichols.

Mr. Farmer commented that it was appropriate that the Daily Oklahoman had an article on cities and towns that had rationed water due to the drought, and also that the towns that were listed were on the east side of Interstate 35, indicating those areas did not plan for a long-term drought and did not have in place the water storage to take care of the water for citizens like on the west side of I-35, emphasizing planning.

2. FINANCIAL ASSISTANCE DIVISION

Consideration of and Possible Action on a Proposed Order Approving Emergency Grant for Stigler Municipal Improvement Authority, Haskell County. Recommended for Approval. Mr. Joe Freeman, Chief, Financial Assistance Division, stated to the members that this \$25,000.00 emergency grant request is from Stigler Municipal Improvement Authority, located in Haskell County. The Authority's water treatment plant backwash pump failed, leaving 1200 customers without water service. He said a temporary repair was made, but the pump continues to fail

after each cycle. To correct the problem, Stigler will replace the pump with a larger capacity pump. It is estimated the project will cost \$42,732.50 and will be funded with \$25,000.00 grant requested of the Board, along with \$17,732 of local funds. Staff recommended approval.

City Manager Pete Bass was present in support of the grant requested of the Board.

Mr. Fite moved to approve the emergency grant request to the Stigler Municipal Improvement Authority, and Mr. Knowles seconded.

AYE: Farmer, Fite, Keeley, Knowles, Nichols, Secrest, Sevenoaks, Herrmann

NAY: None

ABSTAIN: None

ABSENT: Drummond

B. Consideration of and Possible Action on a Proposed Order Approving Loan for Calera Public Works Authority, Bryan County. Recommended for Approval. Mr. Freeman asked that this item be withdrawn from the Board's consideration due to issues that have arisen since the agenda was developed. Mr. Freeman anticipated the item would be presented for the Board's consideration at a future meeting.

3. SUMMARY DISPOSITION AGENDA

Chairman Herrmann stated that any item listed under this Summary Disposition Agenda may, at the request of any member of the Board, the Board's staff, or any other person attending this meeting, 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.

Chairman Herrmann read the statement above and asked for requests to move items. There were no other requests to move items.

B. Discussion, Questions, and Responses Pertaining to Any Items Remaining on Summary Disposition Agenda and Action on Items and Approval of Items 3.C. through 3.O.

Mr. Mike Mathis requested that item 3.E.2., Livesay Orchards in Wagoner County, #2006-545, be withdrawn due to a publication error. Mr. Derek Smithee requested that item 3.D.2. Joint Funding Agreement with the U.S. Geological Survey monitoring on Clear Boggy Creek, Blue River and Lower Washita be withdrawn.

There being no further questions or action regarding items on the Summary Disposition Agenda, Chairman Herrmann asked for a motion. Mr. Nichols moved to approve the Summary Disposition Agenda items as amended, and Mr. Knowles seconded.

AYE: Farmer, Fite, Keeley, Knowles, Nichols, Secrest, Sevenoaks, Herrmann

NAY: None

ABSTAIN: None

ABSENT: Drummond

The following items were approved:

- C. Consideration of Approval of the Following Application for REAP Grant in Accordance with the Proposed Order Approving the Grant:

REAP				Amount
<u>Item No.</u>	<u>Application No.</u>	<u>Entity Name</u>	<u>County</u>	<u>Recommended</u>
GGEDA				
1.	FAP-03-0034-R	Rural Water District #7	Washington	\$110,635.00

- D. Consideration of and Possible Action on Contracts and Agreements, Recommended for Approval:

1. Interagency Agreement With the Oklahoma Department of Agriculture, Food and Forestry for Collecting Groundwater Samples at Monitoring Wells of Licensed Managed Feeding Operations.

2. *Joint Funding Agreement with the U.S. Geological Survey to Cooperate in Developing Stream Water Management for Clear Boggy Creek, Blue River and the Lower Washita River. Item withdrawn*

3. Joint Funding Agreement with the U. S. Geological Survey for the FY-2007 Federal-State Cooperative Program.

4. Memorandum Agreement(s) with Cooperators in the Federal-State Cooperative Program with the U.S. Geological Survey

- a) City of Moore
- b) City of Norman

5. Contract with Department of Environmental Quality for Laboratory Analysis and Related Services and Products.

6. Intergovernmental Subagreement with Oklahoma State University Department of Zoology for In-stream Flow Study in Connection with Arbuckle-Simpson Aquifer Study.

7. Intergovernmental Agreement with University of Oklahoma College of Continuing Education for Hosting Floodplain Management Courses and Workshops.

8. Intergovernmental Subagreement with University of Oklahoma Department of Engineering for Stream Water Modeling in Support of the Arbuckle-Simpson Aquifer Study.

9. Contract with Grand Lake Association, Inc. for Volunteer Monitoring at Grand Lake.

10. Amendment to Fourth Renewal and Amendment Agreement with the University of Oklahoma through its Sam Noble Museum of Natural History for Identification of Fish Species.

11. Amendment of Professional Services Contract with Michael A. Albano for Additional Compensation for Review of Water Rights Documentation.
 12. Amendment of Professional Services Contract with WK Morris Consulting, LLC for Additional Compensation for Assistance in Implementing the Community Assistance Program and Floodplain Development Permitting System.
 13. Amendment of Professional Services Contract with Records Solutions, Inc. for Additional Compensation for Assistance in Improving Management of Electronic and Paper Records.
 14. Amendment of Professional Services Contract with Sparks Write, Inc. for Additional Compensation for Assistance in Implementing the Floodplain Management Program, Dam Safety Program and Comprehensive State Water Planning Program.
- E. Applications for Temporary Permits to Use Groundwater:
1. Oklahoma Department of Wildlife, Love County, #2006-521
 2. *Livesay Orchards, Wagoner County, #2006-545 Item withdrawn*
- F. Applications to Amend Temporary Permits to Use Groundwater:
1. Dean & Howard Reimer, Major County, #1980-677
- G. Applications for Regular Permits to Use Groundwater:
1. Clayton J. & Pamela G. Hampton, Beckham County, #2006-548
- H. Applications to Amend Regular Permits to Use Groundwater:
1. Seventy-Six Ranch, Inc., Beaver County, #1979-525
 2. Charles & Amelia Keahey, Beckham County, #2001-535
- I. Applications to Amend Prior Rights to Use Groundwater:
1. Dean & Howard Reimer, Major County, #1970-247B
- J. Applications for Regular Permits to Use Stream Water:
1. Ducks Galore, L.L.C., Lincoln County, #2006-009
- K. Applications to Amend Regular Permits to Use Stream Water:
None
- L. Well Driller and Pump Installer Licensing:
1. New Operators and/or Activities for Existing Licenses:

a. Licensee:	Burgess Engineering & Testing, Inc.	DPC-0484
(1) Operator:	Hai Ming Lim	OP-1511
Activities:	Monitoring wells and geotechnical borings	
- M. Dam and Reservoir Plans and Specifications:
None
- N. Permit Applications for Proposed Development on State Owned or Operated Property within Floodplain Areas:
1. Oklahoma Department of Transportation, Pottawatomie County, FP-06-07

2. Oklahoma Department of Transportation, Wagoner County, FP-06-08
3. Oklahoma Turnpike Authority, Pittsburg County, FP-06-09

- O. Applications for Accreditation of Floodplain Administrators:
None

Mr. Mathis suggested that item 5.A. be moved to this time in the agenda for consideration, as the applicant is in attendance but no protestant is here. Chairman Herrmann agreed to move the item.

5. SPECIAL CONSIDERATION

For INDIVIDUAL PROCEEDINGS, a majority of a quorum of Board members, in a recorded vote, may call for closed deliberations for the purpose of engaging in formal deliberations leading to an intermediate or final decision in an individual proceeding under the legal authority of the Oklahoma Open Meeting Act, 25 O.S. 2001, Section 307 (B)(8) and the Administrative Procedures Act, 75 O.S. 2001, Section 309 and following.

A majority vote of a quorum of Board members present, in a recorded vote, may authorize an executive session for the purposes of CONFIDENTIAL COMMUNICATIONS between the public body and its attorney concerning a pending investigation, claim, or action if the public body, with the advice of its attorney, determines that disclosure will seriously impair the ability of the public body to process the claim or conduct the pending investigation, litigation, or proceeding in the public interest, under the legal authority of the Oklahoma Open Meetings Act, 25 O.S. 2001, Section 307(B)(4).

A. Application for Regular Permit to Use Groundwater No. 2006-502, Verlin Wootton, Beckham County.

1. Summary – Mr. Mike Mathis, Chief, Planning and Management Division, stated to the members that this application, #2006-502, by Mr. Verlin Wootton in Beckham County, requests a permit to take a use a total of 81.95 acre-feet of groundwater per year for irrigation purposes. The water is to be taken from one well located on 81.95 acres of dedicated land that overlies the Alluvial and Terrace Deposits of the North Fork of the Red River Groundwater Basin. A hydrologic study has been completed on the basin, therefore, each landowner is entitled to take up to one acre-foot per acre of land dedicated. The applicant will be irrigating peanuts, melons and alfalfa.

Mr. Mathis stated the protest involved the location of the well. In a studied basin, the well spacing requirement of 1320 feet applies; however, the applicant drilled eight test wells in an attempt to locate the well to meet the spacing distance. It was not possible, though, to have an adequate well outside the spacing requirement to operate the irrigation, and the final well is 900 feet away. Based upon the testimony in the record, and staff's evaluation, it was determined there may be an effect of only a couple of feet of drawdown in the domestic well, with much more saturated thickness available.

Staff recommended approval of the proposed findings of fact, conclusions of law, and Board order.

2. Discussion and presentation by parties. The applicant stated his appreciation of the Board's consideration of the application. There were no protestants in attendance.

3. Possible executive session. The Board did not vote to enter executive session.
4. 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.

Chairman Herrmann asked if this order was consistent with precedence and past practices, and Mr. Mathis answered that it is.

Mr. Knowles moved to approve regular groundwater permit no. 2006-502, and Mr. Keeley seconded.

AYE: Farmer, Fite, Keeley, Knowles, Nichols, Secret, Sevenoaks, Herrmann
NAY: None
ABSTAIN: None
ABSENT: Drummond

- B. Consideration of items transferred from the Summary Disposition Agenda, if any.

No items were transferred from the Summary Disposition Agenda.

4. QUESTIONS AND DISCUSSION ABOUT AGENCY WORK AND OTHER ITEMS OF INTEREST.

- A. Update Regarding the Arbuckle-Simpson Hydrology Study (not presented for action).

Mr. Mathis introduced the OWRB Planning and Management team of Mr. Bob Fabian and Ms. Noel Osborn who together have 40 years of experience conducting groundwater basin studies, and both have masters degrees in geology, and have collectively put together an excellent support team to evaluate the various aspects of Senate Bill 288.

Mr. Mathis asked Ms. Osborn to introduce the presenters. Ms. Osborn introduced the team of OWRB employees who work specifically in the field on the Arbuckle-Simpson Hydrology Study: Nicole Baylor, Henry Badra, Joseph Zume, and she mentioned there are many other hardworking OWRB employees who contribute to the study through performing work in the field, and with data management and geographic information systems.

Ms. Osborn provided the background history of the study, having been authorized through Senate Bill 288 passed by the Legislature and approved by the Governor in May 2003, and that placed a moratorium on certain permits in the Arbuckle-Simpson. The study purpose is to ultimately determine the maximum annual yield of the basin through a cost-share program between the OWRB and the U.S. Bureau of Reclamation. The five-year study timeline is designed to conduct field investigations from 2003-2006, modeling from data gathered would be performed 2006-2007, and discussion and management option review during 2007-2008. Ms. Osborn said the fieldwork is nearly complete, and the team is beginning a new phase of more synthesis and modeling. She noted that the study has been consistently under-funded, but has been funded at a level of \$2.5 million to date with contributions from the state and federal government, as well as the Chickasaw Nation. She expressed appreciation for partnerships with many other cooperators that have made significant contributions to the study team such as the National Park Service, and Robert S. Kerr Laboratory, and the addition of a new committee that will review surface water. She said the very talented and diverse group of professionals are from many different disciplines and agencies; there are geologists, sociologists, biologists, zoologists, geophysicists, geochemists, and engineers, all working together in a very interesting process of conducting a study in five years with the current budget to get the information that is needed.

Ms. Osborn made a PowerPoint presentation that described what is needed in order to achieve the study goals: knowledge of the hydrologic budget, information about the geology, surface water – stream and springs, groundwater flow, and the climate. Ms. Osborn highlighted the activities of the last year including monitoring from surface water gages, groundwater level recorders, a Mesonet station, and drilling of an observation well. As water managers, trends are important in order to know what has happened in the past and to know what to expect in the future. The “tools” at the team’s disposal is groundwater modeling, rainfall runoff model, geochemical study, drilling of a deep well to 1820 feet, a 3-D geologic model being done by the US Geological Survey (funded by the Arbuckle study but in conjunction with work being done on the Edwards Aquifer in Texas) and, also working closely with Oklahoma State University to evaluate petroleum activities in the area through its new “3-D visualization” lab. Much of the work in the last year involved the drilling of the deep test well, and the hope was to drill to about 6,000 feet; however, it could only be drilled to 1820 feet. Quantities of water were found, and much was learned about the aquifer, but eventually ran out of money and drilling conditions became difficult drilling with air and encountering 1,000 gallons of water per minute. Drilling the well as a test well allows the team to learn what the aquifer is like at depth, i.e., is there saltwater, is it tight, does it produce water? Not much is known as most wells in the aquifer are drilled at 500 feet. It is hoped to learn how old the water is as it goes down, and the vertical flow path.

Ms. Osborn discussed how this information will fit into the decision the Board will need to make at the end of five years, and what has been the focus of the study so far: Information about the hydrology--how the groundwater flows; the geology—the fractures and structure; the surface water—aging and measurements; the climate—recharge rate and how the cycle works together. It needs to be determined how much water can be pumped out of the aquifer without impacting surface water because Senate Bill 288 instructs the Board to (1) approve a maximum annual yield that will not reduce the natural flow of water from springs and stream emanating from the basin, and before issuing a regular permit, the Board shall (2) determine if the proposed use is likely to degrade or interfere with springs or streams emanating from the aquifer, which is somewhat of an unknown target. Certain factors that need to be considered are water right uses of cities that obtain stream water, recreational uses of Honey Creek, Blue River, and Tishomingo, and wildlife habitat considerations as well as institutional factors such as state law, administration through the permitting process, and policy decisions. After implementing the management decision, Ms. Osborn said we would want to determine if the law, science, target and decision are all right, and the team has envisioned long-term monitoring to test these ideas and have the ability to tweak for changes. Plans for year four include deepening of the test hole, develop a groundwater flow model, determining the minimum instream flow target number, and continue monitoring and synthesizing information. The funding for year four includes \$142,000 from the Bureau of Reclamation, the State appropriation of \$500,000, (considerably less than \$1.5 million as proposed by Governor Henry) and the hoped-for proposed supplemental appropriation by the federal government of \$750,000.

Ms. Osborn introduced four members of the study team who made presentations on their particular sections of the study: (1) Mr. Derek Smithee, Oklahoma Water Resources Board, discussed how to get a handle on the ecological integrity of the habitat for surface water; (2) Ms. Beth Caniglia, University of Oklahoma, discussed the study of legal and policy issues and how it fits into the science; (3) Dr. Andover Tarhule, University of Oklahoma, presented his findings on tree ring analyses; (4) Dr. Baxter Vieux presented information about surface water runoff modeling; and (5) Mr. Scott Christiansen, U.S. Geological Survey, presented information about groundwater flow modeling. There was some discussion and comments by the members throughout and at the conclusion of the presentations, particularly regarding the data revealed

by the tree ring analysis, whether predictions could be made for the future, and predictions about the recharge rate for the aquifer.

Mr. Smith remarked that at the July meeting, Mr. Chuck Shipley requested an update on the study progress before considering the groundwater permit for Meridian Aggregates, and he recognized the effort that is required to present an adequate update. He also recognized Mr. Dick Scalf, a citizen member of the Peer Review Team and liaison between local citizens and the team. In follow up to Dr. Caniglia's report on how science impacts public policy, Mr. Smith commented that last month there was room full of people on a specific permit and asked about an update on the study, and today there is one person attending. We have a drought situation, people are in the field on Mill Creek evaluating concerns on interference of domestic use, and while people may not be able to come to the OWRB on any given Tuesday, the science that is driving the result, and the emotion on the other end at some point in time will come together. He said he believed the approach the Board is taking, and the level of presentation that was made today, with the concept of the study, there will be a result that everyone can live with. Mr. Sevenoaks added that at some level the Board is going to have to get involved on taking a look and making base assumptions; to interpret exactly the intent of the legislature and be able to analyze what that law says, make base assumptions about what the Board is going to actually try and measure, and to be involved in the determination of the recharge rate, he expressed his opinion that the Board should be provided the information from the study, be involved in determining the base assumptions as well as the final decision making. Mr. Smith talked about funding and deciding what is going to be good enough in terms of data collected. Mr. Keeley said that while the various aquifers will behave differently, the Board would ultimately have to determine a safe yield of all aquifers, so this study will give guidance on how to approach these determinations more economically. Mr. Smith said that Ms. Osborn's comments are correct that long-term monitoring after the decision-making will be necessary to analyze if the decision was right. Mr. Sevenoaks cautioned that there has been a lot of time, money, and science exerted on a small component of the state's water resources when there are many other aquifers that need study, and Mr. Nichols commented that the Board should come from this study with the knowledge of what it takes to come up with what we need. Mr. Fite said the study on this aquifer is a good starting point for the Board to be able to get a hold of the water of other ecoregions of the state. Chairman Herrmann said the item is on the agenda because of the intersection of science and policy, the politics effectively drove the funding, and it's a sensitive sole-source aquifer. But, that isn't the end of the story, we need to be able to take what we learn from this study and apply it further for the maximum positive impact on overall water planning for the State of Oklahoma.

Chairman Herrmann closed the discussion by complimenting the presenters on their work.

Chairman Herrmann asked that the Supplemental Agenda be considered.

7. CONSIDERATION OF SUPPLEMENTAL AGENDA, IF ANY.

A. Consideration of and Possible Action on Contracts and Agreements Recommended Approval.

1. Contract with Oklahoma Rural Water Association for Technical Assistance and Training to Rural Water and Wastewater System Operators and Board Members.

Mr. Mike Mathis explained this contract is the annual technical and training assistance contract that is a pass-through with the Oklahoma Rural Water Association. Mr. Gene Whatley,

ORWA Executive Director, is present; the OWRB and ORWA have partnered on this project for many years.

Mr. Fite moved to approve the contract with the Oklahoma Rural Water Association, and Mr. Keeley seconded.

AYE: Farmer, Fite, Keeley, Knowles, Nichols, Sevenoaks, Herrmann
NAY: None
ABSTAIN: Secrest
ABSENT: Drummond

6. PRESENTATION OF AGENCY BUDGET REPORT.

Mr. Monte Boyce, OWRB Comptroller, addressed the members and presented the first budget report for FY'2007. He said the budget is still a work in progress and he hoped to have it approved within the next week. He said there is a new class funding for the Water Infrastructure Development Fund that is the new fund designated to the Gross Production Tax and reflected in the budget as the \$1.3 appropriated for the Comprehensive Water Plan.

Chairman Herrmann asked about whether the funds for the OCWP would be delineated, and Mr. Boyce answered that income and those expenditures will be very clear. Mr. Nichols asked when the agency anticipated receiving the funding, and Mr. Boyce answered the first deposit would be later in the week.

There were no other questions or discussion about the agency budget.

8. 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 or any revised agenda.

Chairman Herrmann asked Mr. Smith and staff to plan an out of town meeting in October associated with an industrial tour.

There were no new business items for the Board's consideration.

9. ADJOURNMENT

There being no further business, Chairman Herrmann adjourned the regular meeting of the Oklahoma Water Resources Board at 12:20 p.m. on Tuesday, August 8, 2006.

OKLAHOMA WATER RESOURCES BOARD

_____/s/_____
Rudolf J. Herrmann, Chairman

_____/s/_____
Jess Mark Nichols, Vice Chairman

_____/s/_____
Lonnie Farmer

_____/s/_____
Jack W. Keeley

_____/Absent_____
F. Ford Drummond

_____/s/_____
Richard Sevenoaks

_____/s/_____
Edward H. Fite

_____/s/_____
Kenneth K. Knowles

ATTEST:

_____/s/_____
Bill Secret, Secretary

(SEAL)