

OKLAHOMA WATER RESOURCES BOARD
OFFICIAL MINUTES
December 20, 2016

1. CALL TO ORDER

The regular monthly meeting of the Oklahoma Water Resources Board was called to order by Chairman Linda Lambert at 9:30 a.m., on December 20, 2016, at the Oklahoma Water Resources Board, 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 December 16, 2016, at 3:15 p.m. at the Oklahoma Water Resources Board's offices at 3800 N. Classen Boulevard, Oklahoma City, Oklahoma, and provided on the agency's website.

Chairman Lambert welcomed everyone to the regular meeting of the Oklahoma Water Resources Board, and asked for the roll call of members.

A. Roll Call

Board Members Present

Linda Lambert, Chairman
Ford Drummond, Vice Chairman
Jason Hitch, Secretary
Stephen Allen
Tom Buchanan
Bob Drake
Marilyn Feaver
Ed Fite
Richard Sevenoaks

Board Members Absent

None

Staff Members Present

Julie Cunningham, Interim Executive Director
Robert Singletary, General Counsel
Cleve Pierce, Chief, Administrative Services Division
Joe Freeman, Chief, Financial Assistance Division
Kent Wilkins, Assistant Chief, Planning and Management Division
Derek Smithee, Chief, Water Quality Programs Division
Mary Schooley, Executive Secretary

Others Present

Chris Gander, BOKFS, Oklahoma City, OK
Aaron Mears, PE, Cardinal Engineering, Oklahoma City, OK
Rick Sauer, Osage County Rural Water District #2
James Woodard, Arcadia, OK
Dan Yancey, City of Skiatook, OK
Steven Hoffman, Oklahoma Department of Environmental Quality, Oklahoma City, OK
Michael Way, City of Edmond/Cabiness Engineering, Norman, OK
Justin Hadyn, Oklahoma Department of Environmental Quality, Oklahoma City, OK
Mike Mathis, Continental Resources, Oklahoma City, OK
Janetta Chappela, Arcadia, OK
Jeff Everett, Oklahoma Gas & Electric, Oklahoma City, OK
Chris Chandler, City of Broken Arrow, OK
Bud Ground, Environmental Federation of Oklahoma, Oklahoma City, OK
Adrian Berry, Environmental Federation of Oklahoma, Oklahoma City, OK
Jason Childress, Oklahoma Gas & Electric, Oklahoma City, OK
Joel Dean, JRLR
Jared Davidson, Public Law Finance Group, Oklahoma City, OK
Carlos Johnson, BKA, Oklahoma City, OK
Deena Suddeth, BancFirst, Oklahoma City, OK
Charles Swinton, BancFirst, Oklahoma City, OK
Tom Liu, Bank of America Merrill Lynch, New York, NY
Jim Rodriguez, Oklahoma Aggregates Association, Oklahoma City, OK

B. Discussion, Amendments, and Vote to Approve Official Minutes of the November 15, 2016, Regular Meeting.

Chairman Lambert asked if there were any corrections to the minutes of the November 15, 2016, regular meeting. There were no changes, and Mr. Drummond moved to approve the minutes. Mr. Allen seconded.

Chairman Lambert called for the vote.

AYE: Drake, Fite, Sevenoaks, Feaver, Hitch, Drummond, Allen, Lambert
NAY: None
ABSTAIN: Buchanan
ABSENT: None

C. Interim Executive Director's Report

Ms. Julie Cunningham, OWRB Interim Executive Director, began her report announcing the retirement of Mr. Derek Smithee, Chief of the OWRB Water Quality Programs Division, effective the end of December after 33 years of service to the State of Oklahoma. Ms. Cunningham commented about Mr. Smithee's accomplishments and contributions in the water quality arena both statewide and nationwide, and his service in related organizations and with federal and state agencies committees. A reception for Mr. Smithee will be held at 2:30 p.m. Ms. Cunningham recognized Secretary of Energy and Environment Michael Teague who presented Mr. Smithee with a citation from Governor Mary Fallin declaring December 20, 2016, 'Derek Smithee Day' in the State of Oklahoma. Chairman Lambert presented Mr. Smithee with a Resolution of Appreciation for his 30 years of service to the OWRB on behalf of the OWRB Board members and staff for his considerable contributions to the agency both personally and professionally.

Ms. Cunningham continued her report announcing the OWRB had been selected as a 'Top Work Place' of Oklahoma for the fourth year in a row. Ms. Cunningham noted the recent Drought Monitor report indications of abnormally dry to extreme drought conditions developing in the southeast part of the state. She reviewed the calendar of activities about the November 16 Earthquake Preparedness workshop hosted by Freese & Nichols for municipality personnel providing information on recovery aspects and preparation measures. Fortunately, Oklahoma's quakes have been relatively minor and no effects are expected to major water and wastewater infrastructure. On November 22, Ms. Cunningham met with the Chickasaw Tribe about a Lake of the Arbuckle Watershed Management Study funded by the US Bureau of Reclamation in regard to point and nonpoint pollution sources; on November 28 she met with the National Oceanic and Atmospheric Administration and other federal and state managers to finalize the Southern Plains Drought Early Warning System Strategic Plan there is a lot of work being done in the area of strategic planning for drought especially in this region and the southwest. On November 30, Ms. Cunningham presented to the Oklahoma Produced Water Panel sponsored by Bakers Hughes, including Secretary Teague, where the panel spoke to service providers finding solutions to clean up produced water. The Corps of Engineers held the Lake Texoma Advisory Committee meeting on December 6th; and the agency held its holiday lunch and staff meeting on December 8th with Dr. Bob Blackburn (director of the Oklahoma Historical Society) presented a history of Oklahoma water to the staff, and staff participated in the Salvation Army Angel Tree program and bell ringing. Ms. Cunningham attended the Corps of Engineer's Lake Eufaula Advisory Committee meeting which is a new committee established six months earlier through the 2007 WRDA to make recommendations on lake operations and reallocation studies. The Department of Homeland Security conducted a security assessment of the office following a presentation at an earlier staff meeting; she met with the Master Conservancy Districts of western Oklahoma on December 13 to discuss lake level management options; she met with the DEQ legislative liaison to discuss the upcoming legislation session; and spoke on December 14th to the Environmental Federation of Oklahoma Board of Directors about upcoming legislative issues which primarily regard the Produced Water Working Group and water ownership issues and obtaining state primacy on discharge of produced water. On December 19, Ms. Cunningham met with the Southwest Oklahoma Water Action Planning Group whose member communities are working to implement written action plans. She said Mr. Strong had pursued through the White House Water Summit initiative for the group to work through WestFAST--12 Federal agencies with water management responsibilities in the West that is tasked to identify projects and funding. Ms. Cunningham announced that Mr. Derek Smithee has reported the Scenic Rivers Joint Study Committee has reached agreement and finalized its study and results and recommendations which is a big win for Oklahoma.

Mr. Smithee provided a brief history stating that in 2002 the State promulgated the total phosphorous criteria of .037 and Arkansas had ten years to come into compliance. The ten years expired and the rivers still were not achieving the number so another agreement was entered to do a study to confirm whether the .037 number is scientifically supported. Governor Fallin appointed three people--himself, Shannon Phillips of the Oklahoma Conservation Commission and Shelly Chard of the Department of Environmental Quality-- and three people from the State of Arkansas were selected by its Governor. The number received criticism for being appropriate for the Oklahoma rivers and the members expended \$600,000 and conducted a Stressor Response Study to determine the threshold when algae began to form in the Scenic Rivers. After three years of work, the agreement was signed on December 19 by the members and sent to the Governors that the threshold number is .035 and the averaging period changed, "never to exceed .035" as a six-month average, and is a big step forward for Oklahoma and "puts to bed" the scientific piece of the question, now the challenge is how to make it happen. He said the Illinois River was a challenge when he started in 1984, and it is still a challenge as he leaves, but hopefully, we are on the right path. Mr. Ed Fite added that when Mr. Smithee came to work people were complaining they could stand in the Illinois River in summer and not see their feet in

three feet of water, and today because of Mr. Smithee's and other's work, the Oklahoma Water Quality Standards and our relationship with Arkansas, we can stand in the river and see our feet.

Ms. Cunningham continued her report with a review of the State Legislative deadlines and noted the 56th Legislative Session begins February 6. Regarding the Congressional report included in the packet, Ms. Cunningham noted comments about the Presidential transition and Cabinet positions, and that the continuing resolution passed and the federal government is funded through April 28, 2017; including disaster relief funding, flood control and coastal emergency funding; contaminated drinking water at Flint, Michigan was funded, as well as \$1.2 million to the Bureau of Reclamation for water resources studies to mitigate drought in the West. The WRDA bill—affecting OWRB programs regarding infrastructure financing and COE funding—passed with the Tribal Agreement included without change, and was signed by the President December 17, 2016. She provided news articles and praised Senator Inhofe's office for its work to get the bill and agreement done this year; the bill includes the Drinking Water SRF, dam safety dam rehabilitation, and drought disaster relief funds. With approval of the Tribal Agreement, the next step is that notice will be published regarding the Oklahoma City application. Mr. Sevenoaks asked and Mr. Singletary responded about the agency's permitting requirements as set forth in the agreement.

Ms. Cunningham informed the members about the proposed rulemaking by the Corps of Engineers to address definitions and availability of surplus water authority under the Water Supply Act to allocate storage. She has been in contact with the Western States Water Council, Interstate Council on Water Policy, and the National Water Supply Alliance group to review the language and possibly attend meetings in early January. Staffs in Oklahoma, Texas, Kansas, and Missouri are involved to weigh in on rules regarding lake levels and storage—the majority of the COE storage is in this region. The 115th Congress will convene January 3, and the inauguration is January 20th.

There were no questions, and Ms. Cunningham concluded her report.

D. Monthly Budget Report.

Mr. Cleve Pierce addressed the members and stated the report regards financial information for the month ending November 2016. During this reporting period, the agency has expended 35% of general revenue appropriation, with 65% remaining; has expended 24% of the revolving fund budget, with 76% remaining, and expended 28% of federal dollars with 72% remaining. Overall, the total budget remaining is 73%, with 58% of the fiscal year remaining. He said at this time last year, the agency had spent 71%, therefore the agency is on target.

Chairman Lambert asked about the "payment to local governments" category. Mr. Pierce expected it is a Financial Assistance Division issue where money has not been paid. He said those funds must be budgeted in order to be loaned.

Mr. Pierce concluded his report adding he would like to thank his staff, Ms. Leslie Nance, for her preparation of the budget summary of revenues and expenses.

There were no questions by members.

2. **FINANCIAL ASSISTANCE DIVISION**

A. Consideration of and Possible Action on a Proposed Order Approving Emergency Grant for Rural Water District No. 22, Osage County. Recommended for Approval. Mr. Joe Freeman, Chief, Financial Assistance Division, stated to the members that this item is a \$17,000 grant requested by the Osage County Rural Water District #22. The District has been incorporated and is in the development stage; it is located northeast of Pawhuska and northwest of Bartlesville. The residents in the area are

currently relying on individual wells and hauling water. The District is requesting the grant funds in order to prepare the environmental documents and for the geotechnical investigation necessary before applying for project funding through Rural Development. The cost of the project is \$20,000.00, and will be funded with the \$17,000.00 grant request and \$3,000.00 in local funds. Staff recommended approval of the grant request.

District Board Member Rick Sauer, and District Engineer Aaron Mears were present in support of the request.

Mr. Drummond asked the location in Osage County, and Mr. Mears explained it is east of Bolinger and west of Hulah Lake. Many of the 58 members live on the lake. Mr. Sevenoaks asked about loaning money for engineering and studies and Mr. Freeman responded the Board funds engineering on projects.

There were no other questions, and Chairman Lambert stated she would entertain a motion to approve the request. Mr. Drummond moved to approve the grant request to the Osage County RWD #22, and Mr. Drake seconded.

AYE:	Drake, Buchanan, Fite, Sevenoaks, Feaver, Hitch, Drummond, Allen, Lambert
NAY:	None
ABSTAIN:	None
ABSENT:	None

B. Consideration of and Possible Action on a Proposed Order Approving Drinking Water Funding Application for Edmond Public Works Authority, Oklahoma County. Recommended for Approval.

Mr. Freeman stated this item is a \$2.5 million loan request by the Edmond Public Works Authority. The funding is requested to go along with \$525,000 in local funds to run a water line from Edmond to Arcadia in order to serve water to the residents of Arcadia. The project consists of laying nearly 16,000 feet of 12-inch PVC water line and approximately 1,700 feet of 8-inch water line. The funding will be provided through the Drinking Water State Revolving Fund loan program; and Mr. Freeman noted provisions of the loan agreement. He said if the project is completed in compliance with all Drinking Water SRF guidelines, the loan will be forgiven through the Department of Environmental Quality Capitalization Grant. The project is in line with regionalization objectives, and as a result of many years of Arcadia wanting to obtain a reliable, safe source of water. Mr. Freeman said that Edmond currently has one loan outstanding with the Board with a principal balance of approximately \$1.6 million. Edmond's water and sewer connections increased by 15% over the past ten years and the debt coverage ratio stands at 6.55-times. Staff recommended approval of the loan application.

Mr. Michael Way, project engineer with Cabiness Engineering; Arcadia Mayor James Woodward; and Jeannette Chapple, Town Consultant, were present in support of the project.

Mr. Sevenoaks asked about the loan forgiveness program, and Mr. Freeman provided a history of the project which originally began through Rural Development and a water system for Arcadia. The system was constructed and wells drilled, but the water was not potable. He said the Department of Environmental Quality is required to give a certain amount of money from the Drinking Water Capitalization Grant to projects in the form of principal forgiveness. This project is to provide a reasonable source of drinking water, which is to tie onto Edmond, which Edmond agreed to do in the form of principal forgiveness, plus provide a half million dollars of its money into the project. The OWRB loans the money, and DEQ pays back OWRB. Mr. Freeman added that if the project is not built in compliance with the Drinking Water SRF standards, it is still a loan that will have to be repaid, so the ability to repay is assured. Mr. Hitch asked about Arcadia population and Mayor Woodward answered there are 247 resident. Arcadia is located east of Edmond.

There were no other comments or questions, and Chairman Lambert stated she would entertain a motion.

Mr. Allen moved to approve the Drinking Water SRF loan to the Edmond Public Works Authority, and Ms. Feaver seconded.

AYE: Drake, Buchanan, Fite, Sevenoaks, Feaver, Hitch, Drummond, Allen, Lambert
NAY: None
ABSTAIN: None
ABSENT: None

C. Consideration of and Possible Action on a Proposed Order Approving Clean Water Funding Application for Skiatook Public Works Authority, Osage County. Recommended for Approval. Mr. Freeman stated this item is a \$10,350,000.00 loan request from the Skiatook Public Works Authority to construct a new lift station and force main, and convert existing lagoons into flow equalization basins, construct a new mechanical wastewater treatment plant, and remove two lift stations. Additionally, the loan will be for alarm dialers, pump rails and brackets, transfer switches and security fencing at two other lift stations. He said the loan will be funded through the Clean Water State Revolving Fund program, and he noted provisions of the loan agreement. Mr. Freeman stated that Skiatook currently has two loans with the OWRB, with a combined balance of approximately \$1.2 million. The Authority's water and sewer connections have increased approximately 10% over the last ten years and the debt coverage ratio stands at 1.39-times. Staff recommended approval of the loan application.

Mr. Dan Yancey, Skiatook Manager, was present in support of the loan application.

Mr. Sevenoaks asked the number of connections and growth rate had Skiatook experienced the past ten years. Mr. Yancey answered there are about 3,500 connections and the growth rate has been at about 10%. Mr. Drummond asked if the sales tax had been approved, and Mr. Yancey said that it had.

There were no other comments or questions, and Chairman Lambert stated she would entertain a motion.

Mr. Hitch moved to approve the Clean Water SRF loan to the Skiatook Public Works Authority, and Mr. Drummond seconded.

AYE: Drake, Buchanan, Fite, Sevenoaks, Feaver, Hitch, Drummond, Allen, Lambert
NAY: None
ABSTAIN: None
ABSENT: None

D. Consideration of and Possible Action on a Proposed Order Approving State Loan Program Revenue Bond Loan Funding Application for Broken Arrow Municipal Authority, Tulsa County. Recommended for Approval. Mr. Freeman said this item is a \$7,185,000.00 loan request from the Broken Arrow Municipal Authority. Broken Arrow is requesting the loan to pay for construction of a force main at the Haikey Creek Lift Station as well as for design and rehabilitation of the grit removal facility, and construction of a maintenance building at Haikey Creek Wastewater Treatment Plant. Mr. Freeman noted provisions of the loan from the Board's new FAP State Revenue Bond Loan Program. Broken Arrow has 14 loans outstanding with the Board with a total principal balance of approximately \$90.3 million. The water and sewer customer base has increased by about 10% for the last ten years and the debt coverage ratio stands at 2.17-times. Staff recommended approval of the loan application.

Mr. Kenneth Schwab, Assistant City Manager, and Roger Hughes, Engineering Division Manager were present in support of the loan application. Ms. Schwab said the population had grown by 100,000 since the 1970, and he spoke to the members about the city's anticipated capital improvement needs and budget over the next seven years, and the approved 5-year utility rate increase. The current loan is for the RMUA, or five communities—Tulsa, Broken Arrow, Owasso, Bixby, Jenks—the plant takes wastewater from the southern area of Broken Arrow and Tulsa and is jointly owned and operated.

Mr. Fite moved to approve the FAP loan application to the Broken Arrow Municipal Authority.

Mr. Allen noted the additional Broken Arrow loan and asked whether the debt coverage included that loan. Mr. Freeman said it does.

Mr. Hitch seconded the motion.

Chairman Lambert called for the vote.

AYE: Drake, Buchanan, Fite, Feaver, Hitch, Drummond, Allen, Lambert

NAY: None

ABSTAIN: Sevenoaks

ABSENT: None

Mr. Sevenoaks is a member of the Regional Metropolitan Utility Authority.

E. Consideration of and Possible Action on a Proposed Order Approving State Loan Program Revenue Bond Loan Funding Application for Broken Arrow Municipal Authority, Tulsa County. Recommended for Approval. Mr. Freeman this item is for another loan request from the City of Broken Arrow. He said the Authority is requesting \$21 million from the new FAP State Revenue Loan Program for work at the Verdigris River Water Treatment Plant which includes design and construction of a copper sulfate feed system, design expansion of the plant settlers and construction of a maintenance building. The loan will also be for laying various water lines, restoration of its Tiger Hill water storage tanks and mixing system for the Omaha and Tiger Hill storage tanks. In addition, the loan will be for work at the Lynn Lane Waste Water Treatment Plant, for a sewer line and renovation of a lift station. Mr. Freeman noted provisions of the loan agreement. He said with the previous loan, the overall debt coverage ratio stands at 2.17-times. Staff recommended approval of the loan application.

Mr. Kenneth Schwab, Assistant City Manager, and Roger Hughes, Engineering Division Manager were present in support of the loan application. Mr. Schwab explained this project is on the Broken Arrow side, and money is included for the water system. Mr. Sevenoaks asked about the use of copper sulfate; Mr. Schwab said it is used to control the algae so it doesn't get into the membrane of the treatment system. Mr. Hitch asked if it is used as a herbicide; Mr. Schwab explained it is safe for consumption and is fed into the reservoir system before it comes to the plant.

There were no other comments or questions, and Chairman Lambert asked for a motion.

Mr. Allen moved to approve the FAP loan to the Broken Arrow Municipal Authority, and Mr. Fite seconded.

AYE: Drake, Buchanan, Fite, Sevenoaks, Feaver, Hitch, Drummond, Allen, Lambert

NAY: None

ABSTAIN: None

ABSENT: None

3. SUMMARY DISPOSITION AGENDA ITEMS

Any item listed under this Summary Disposition Agenda may, at the requested of any member of the Board, the Board's staff, or any other person attending this meeting, may 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 Lambert stated there are no requests for items to be withdrawn or deferred to the Special Consideration Agenda.

B. Discussion, Questions, and Responses Pertaining to Any Items Remaining on Summary Disposition Agenda and Action on Items Listed.

Chairman Lambert stated she would entertain a motion to approve the Summary Disposition Agenda if there were no questions.

Mr. Drake moved to approve the Summary Disposition Agenda.

Mr. Buchanan asked about 3.D.1., agreement with the Tarigma Corporation. Mr. Freeman responded the Tarigma Corporation developed the software used by the agency to manage the loan and grant programs, and this is the annual renewal of that contract. The amount is \$48,500.00.

Mr. Hitch asked how many different agreements and contracts the Board has with the US Geological Survey. Ms. Cunningham answered there are approximately five agreements and concerned several studies.

Mr. Buchanan seconded the motion to approve the Summary Disposition Agenda.

There were no other questions or comments and Chairman Lambert called for the vote.

AYE: Drake, Buchanan, Fite, Sevenoaks, Feaver, Hitch, Drummond, Allen, Lambert

NAY: None

ABSTAIN: None

ABSENT: None

The following items were approved:

C. Consideration of and Possible Action on Financial Assistance Division Items:

1. Rural Economic Action Plan (REAP) Grant Applications:

<u>Item No.</u>	<u>Application No.</u>	<u>Entity Name</u>	<u>County</u>	<u>Amount Recommended</u>
INCOG				
a.	FAP-14-0032-R	Barnsdall Public Works Authority	Osage	\$72,020.00
NODA				
b.	FAP-11-0003-R	Rural Water, Sewer and Solid Waste Management District #4	Noble	99,999.00
SWODA				
c.	FAP-17-0007-R	Mountain Park Public Works Authority	Kiowa	99,500.00

D. Consideration of and Possible Action on Contracts and Agreements:

1. Professional Services Agreement between OWRB and Tarigma Corporation for support service for the computer loan and grant tracking software used by the Financial Assistance Division.

2. No-Cost Extension Agreement between OWRB and the United States Geological Survey ("USGS") for the North Fork of the Red River hydrologic investigation through March 31, 2017 (OWRB Project number 8359002745).

E. Consideration of and Possible Action on Applications for Temporary Permits to Use Groundwater:

1. Terry James Lamle, Woods County, #2016-552
2. Preston Masquelier, Blaine County, #2016-553
3. Taylor Real Estate Partnership, Roger Mills County, #2016-555

- F. Consideration of and Possible Action on Applications to Amend Temporary Permits to Use Groundwater:
None
- G. Consideration of and Possible Action on Applications for Regular Permits to Use Groundwater:
 - 1. Red Mountain Operating, L.L.C., Woodward County, #2016-556
- H. Consideration of and Possible Action on Applications to Amend Regular Permits to Use Groundwater:
 - 1. Anthony Wayne McGee, Beckham County, 1997-530
- I. Consideration of and Possible Action on Applications to Amend Prior Rights to Use Groundwater:
None
- J. Consideration of and Possible Action on Applications for Regular Permits to Use Stream Water:
 - 1. Wooderson Farms, Kay County, #2014-060
 - 2. RJC Resources, L.L.C., Canadian County, #2016-019
- K. Consideration of and Possible Action on Applications to Amend Permits to Use Stream Water:
 - 1. Dee Max & Kimmie Corbin, Custer County, #2014-004
- L. Consideration of and Possible Action on Dam and Reservoir Construction:
None
- M. Consideration of and Possible Action on Well Driller and Pump Installer Licensing:
 - 1. New Licenses, Accompanying Operator Certificates
 - a. Licensee: C & W Drilling DPC-0956
Operator: Wesley Coats OP-2176
 - b. Licensee: Authentic Drilling, Inc. DPC-0958
Operator: Marc Haes OP-2177
 - c. Licensee: Subterra Environmental Services, LLC DPC-0960
Operator: Gilbert Robles OP-1552
 - 2. New Operators, Licensee Name Change and/or Activities for Existing Licenses
 - a. Licensee: METCO DPC-0653
Operator: Shafe Isaad-Aldin OP-2178
 - b. Licensee: Bobby C. Karlin DPC-0256
Operator: Justin Lierle OP-2179
- N. Consideration of and Possible Action on Permit Applications for Proposed Development on State Owned or Operated Property within Floodplain Areas:
 - 1. Northeastern Oklahoma A & M College (NEO), Ottawa County, #FP-16-56
- O. Consideration of and Possible Action on Applications for Accreditation of Floodplain Administrators:
 - 1. William "Micah" Simers, CFM, City of Bartlesville, #FPA-701
 - 2. Clyde David Long, City of Copan, #FPA-702

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

A. Presentation of Final Proposed Ground Water Quality Standards Revisions.

Mr. Derek Smithee, Chief, Water Quality Programs Division, addressed the members as his last official act. He updated the members on the Water Quality Standards (WQS) presentation he made to the Board at the September meeting regarding the upcoming proposed rule changes. He said that since that time, several informal meetings have been held and there is a final rulemaking recommendation which was published this month. Looking ahead, the Board will conduct the hearing at the January 17, 2017, meeting and accept comment on the proposed rules for Chapter 45 and consider and vote at the February 21, 2017, meeting. Mr. Smithee explained the changes to the proposed rule as a result of the meetings: (1) define “aquifer storage and recovery” as a defined term in the WQS, (2) created specific numerical criteria, and (3) added a provision providing special protection for “special source groundwater.”

Mr. Smithee introduced Mr. Bill Cauthron who will be assuming the division director duties on an interim basis, and Mr. Monty Porter who currently serves as the WQS section head and will be assuming additional duties.

Mr. Buchanan asked about whether additional legislation is required regarding the rule. Mr. Smithee answered not on the water quality side of the issue, but if this rule passes, there will be additional action by the Department of Environmental Quality as the rule is implemented. Ms. Cunningham added that next year there will be rules on water quantity.

Mr. Buchanan asked about DRASTIC. Mr. Smithee explained a table in the WQS identifies how vulnerable the state’s aquifers are to surface contamination and utilizes a model to determine how susceptible each aquifer is to surface contamination, and DRASTIC is the acronym. The model was developed by the USGS and was adapted for the OWRB purposes. Mr. Buchanan also asked about taste and odor criteria for groundwater quality protection. Mr. Smithee stated there are both numerical criteria and narrative criteria for protection. He said one-half million people in Oklahoma drink raw groundwater, and a taste and odor issue that is artificially produced needs to be identified and this is the narrative objective.

Mr. Buchanan also asked about geochemical and physical criteria, and Mr. Porter responded the same philosophy for taste and odor is utilized in projects such as an ASR project to ensure the way the project is operated doesn’t affect the geochemical formations of process of the groundwater and release something that wasn’t there before, i.e. led, and change the ph. Mr. Buchanan asked about the involvement of other state agencies regarding the proposed rule. Mr. Smithee responded there is a formal process, and he anticipated hearing from those agencies during the hearing process. The range of support includes the Department of Environmental Quality is very supportive to the Department of Agriculture still has some concerns about whether it is protective. All agencies have been involved in the process. Mr. Porter added this rule has been developed through the ASR Workgroup comprised of both state and federal agency representatives and have been a part of writing the language. Mr. Buchanan thanked Mr. Smithee for his response.

5. SPECIAL CONSIDERATION

A. No items. There were no items for the Board’s consideration.

B. Consideration of and Possible Action on Items Transferred from Summary Disposition Agenda, if any. There were no items transferred from the Summary Disposition Agenda.

6. ITEMS RELATED TO THE SEARCH FOR A NEW PERMANENT EXECUTIVE DIRECTOR OF THE OKLAHOMA WATER RESOURCES BOARD

A. Presentation, Discussion and Consideration of, and Possible Action on, a Proposed Job Description for a New Permanent Executive Director of the Oklahoma Water Resources Board.

Chairman Lambert stated there are two items for consideration, the job description for the executive director, and the refinement of the timeline. She thanked Secretary Teague for his support and input, as well as Mr. Tyler Powell for support, and the Board Search Committee comprised of Mr. Steve Allen, Mr. Ford Drummond, and Mr. Jason Hitch. The Search Committee met earlier this morning and revised the executive director job description used when Mr. Strong was hired, who also provided input and suggestions for updating the description, along with Secretary Teague, Tyler Powell and Jake Smith with the Office of Management and Enterprise Services. She said the job description has been well vetted, but asked the members to review and provide input as well.

Chairman Lambert stated the changes were not substantive, rather more updating of the duties of the OWRB now. She noted, however, the minimum qualifications on page three. Mr. Rob Singletary, OWRB General Counsel, cited and read the language from the statute which provides the statutory qualifications which must be met, and which he said is represented in the qualifications proposed by the Search Committee. He said the successful candidate shall have a bachelor degree from an accredited university and preference provided for a degree in natural resource or public administration, and there is also an alternative in the event there is a candidate with a degree not in those fields but also has ten years in upper level management in water or environmental agency experience; 6 years in practical administrative experience in water resource management (required by the statute) and mid-to-upper level management experience with a large organization, with preference given to experience in water resources management, environment, or natural resource protection.

Chairman Lambert asked if there were any comments from the Search Committee. There were none. Mr. Sevenoaks said he was pleased to see the qualifications were not more technical as much of the work is management. Mr. Hitch commented that part of the recommendation was to widen the net, rather than narrow it. Mr. Sevenoaks asked about the final recommendations, and Chairman Lambert explained that after the Search Committee reviews the candidates and has selected finalists, those will be brought to the Board at the March meeting for the Board to interview; she did anticipate a recommendation from the Search Committee, but the Board will select the Executive Director.

Mr. Sevenoaks commented about outside influence, and Chairman Lambert responded there is a process and qualifications which the person must meet regardless of their experience. He asked if legislative experience could qualify as upper level management experience, and Chairman Lambert responded it could be, but this is the minimum qualification. Mr. Drummond interjected a person must wait two years from having served in a legislative position. Mr. Hitch said the description was broadened to allow more applicants.

Chairman Lambert said the minimum qualifications are a starting point, and many more factors will be taken into consideration. Other changes are that the language at the top of page three is new, and added physical demands, included flexibility in salary and benefits adding, "commiserate with education and experience, and the mid range is \$120,000.00" Mr. Sevenoaks asked about advertising the position. Mr. Tyler Powell explained the process is patterned after the Department of Wildlife Conservation which utilized the Office of Management and Enterprise Services process and other organizations. There was discussion about the ODWC process. Mr. Allen said the Search Committee believes the process is a good one and confident it will yield the correct result, it is proven by other agencies and provides flexibility but if results are not what is expected, the Board can start over. Chairman Lambert said the intent is to find the right person, not to find a person right now.

Chairman Lambert asked if there were other comments or questions because the Board will approve the job description today as presented or as revised. Ms. Feaver asked if there was language removed from the original job description. Chairman Lambert said, no, there is new language and she noted the update in the budget amount, etc.

There were no other questions or comments, and Mr. Fite moved to approve the Executive Director job description. Mr. Drake seconded the motion.

AYE: Drake, Buchanan, Fite, Sevenoaks, Feaver, Hitch, Drummond, Allen, Lambert

NAY: None

ABSTAIN: None

ABSENT: None

B. Presentation, Discussion and Consideration of, and Possible Action on, the Process for the Selection of a New Permanent Executive Director of the Oklahoma Water Resources Board.

Chairman Lambert asked the members to consider the timeline that has been refined to include specific dates, which she reviewed. The job description will be posted online January 3 and applications will be accepted online by the Office of Management and Enterprise Services HCM through February 10. HCM will screen the applications for minimum qualifications and categorize the applications as (1) applicants that do not meet minimum qualifications, (2) applicants that are on the cusp for the Search Committee to evaluate, and (3) applicants that do meet the minimum qualifications. On February 20 or 21, the Search Committee will meet to review the applications and determine which should be considered for interviews, and at this point J.D. Strong will be asked to participate. On March 3, HCM will send letters of notification of applicants that will be interviewed and those who will not be considered and on March 20 the interviews will be conducted by the Search Committee. Recommended candidates will participate in an interview session with the full Board at the March 21 Board meeting.

Mr. Drummond and Mr. Drake will not be present at the March 21 meeting. Mr. Sevenoaks asked about his involvement regarding his term ending. Chairman Lambert stated the Governor prefers the new member to be a part of the process as much as possible, and possibly by February. Mr. Buchanan asked about the timeline for the March Search Committee and Board meeting, and Mr. Powell and Mr. Hitch responded.

7. 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.

There were no New Business items for the Board's consideration.

8. ADJOURNMENT

There being no further business, Chairman Lambert adjourned the meeting of the Oklahoma Water Resources Board at 11:02 a.m. on December 20, 2016.

OKLAHOMA WATER RESOURCES BOARD

_____/s/_____
Linda P. Lambert, Chairman

_____/s/_____
F. Ford Drummond, Vice Chairman

_____/s/_____
Edward H. Fite

_____/s/_____
Marilyn Feaver

_____/Absent_____
Richard Sevenoaks

_____/s/_____
Bob Drake

_____/Absent_____
Tom Buchanan

_____/s/_____
Stephen B. Allen

ATTEST:

_____/s/_____
Jason W. Hitch, Secretary (SEAL)