

OKLAHOMA WATER RESOURCES BOARD OFFICIAL MINUTES

September 18, 2018

1. CALL TO ORDER

The regular monthly meeting of the Oklahoma Water Resources Board was called to order by Chairman Jason Hitch at 9:30 a.m., on September 18, 2018, at the offices of the Oklahoma Water Resources Board, 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 September 13, 2018, at 4:00 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 Hitch welcomed everyone to the September meeting of the Oklahoma Water Resources Board.

A. Roll Call. Chairman Hitch asked for the roll call of members.

Board Members Present

Jason Hitch, Chairman

Robert Stallings, Secretary

Jennifer Castillo

Charles Darby

Bob Drake

Ford Drummond (Mr. Drummond departed at 9:37 a.m.)

Matt Muller

Board Members Absent

Stephen Allen, Vice Chairman

Robert L. Melton

Staff Members Present

Julie Cunningham, Executive Director

Sara Gibson, General Counsel

Cleve Pierce, Chief, Administrative Services Division

Joe Freeman, Chief, Financial Assistance Division

Kent Wilkins, Chief, Planning and Management Division

Bill Cauthron, Chief, Water Quality Programs Division

Mary Schooley, Executive Secretary

Others Present

Carly Cordell, Secretary of Energy & Environment Office, Oklahoma City, OK
Joe Fist, Haileyville, OK
Kinsey Money, TPR, Jones, OK
Jennifer McCabe, Stonebrook, OK
Bud Ground, Environmental Federation of Oklahoma, Oklahoma City, OK
Charles Swinton, BancFirst, Oklahoma City, OK
Richard Gellner
Anthony Mackey, Richard Grellner, Noble, OK
Kandice Taylor, Thlopthlocco Tribal Town

B. Discussion, Amendments, and Vote to Approve Official Minutes of the August 21, 2018, Regular Meeting.

Chairman Hitch asked if there was a motion on the draft minutes of the August 21, 2018, meeting. Mr. Darby moved to approve the minutes of the August 21, 2018, meeting, and Mr. Drake seconded. There was no discussion.

Chairman Hitch called for the vote.

AYE: Muller, Darby, Drummond, Stallings, Drake, Castillo, Hitch
NAY: None
ABSTAIN: None
ABSENT: Allen, Melton

Chairman Hitch stated that because a Board member must leave and a supermajority of members is needed, the agenda will be rearranged, and the Board will first consider item 2.D., Resolution Authorizing the Issuance of Oklahoma Water Resources Board State Loan Program Revenue Bonds. He asked Mr. Freeman to present item 2.D.

2. FINANCIAL ASSISTANCE DIVISION

D. Resolution Authorizing the Issuance of Oklahoma Water Resources Board State Loan Program Revenue Bonds in an Aggregate Principal Amount not to Exceed \$100,000,000; at a Net Interest Cost not to Exceed Six Percent (6.0%); Providing for the Issuance of Said Bonds in One or More Series; Approving and Authorizing Execution of a Series 2018D Supplemental Bond Resolution and, if Deemed Advisable, an Additional Supplemental Bond Resolution for Each Additional Series; Waiving Competitive Bidding on the Bonds and Authorizing the sale Thereof by Negotiation and at a Discount Pursuant to the Terms of a Contract of Purchase Pertaining Thereto; Approving a Preliminary Official Statement with Respect to Said Bonds; Authorizing the Chairman or Vice Chairman to Deem Preliminary Official Statements for Additional Series of Bonds Final; Directing Deposit of Proceeds Derived from the Issuance of the Bonds in the State Treasury and Requesting the State Treasurer to Remit Such Proceeds to the Bond Trustee; Ratifying and Approving the Form of Promissory Note, Loan Agreement, and Note Purchase Agreement to be Executed by Borrowers in the State Loan Program; Authorizing Execution of Such Other and Further Instruments, Certificates and Documents as may be Required for the Issuance of the Bonds; Directing Payment of Costs of Issuance and Containing Other Provisions Relating to the Issuance of the Bonds. Recommended for Approval.

Mr. Joe Freeman, Chief, Financial Assistance Division, stated to the members that the resolution before the Board authorizes the issuance of an additional \$100 million dollars State Loan Program Revenue Bonds, commonly known as the FAP Loan Program. He said that in February 2018, the Board

authorized the issuance of up to \$100 million dollars in FAP bonds, and subsequent to that, there have been two bond issues under that authorization for \$32,934,000.00 and will be closing a third issuance on September 20 for \$42,960,000.00. Mr. Freeman said that staff is continuing to work with additional communities for funding through the FAP program, necessitating approval of an additional issuance capacity. He said the issuance has received AAA rating for all three issuances under the February resolution and have received affirmation for AAA rating on the other outstanding FAP bond issue. A request for approval by the State Bond Oversight Council is scheduled for September 27.

Mr. Freeman noted the following items that are authorized by the resolution: the issuance of bonds be in one or more series of bond issuance, provides for the approval of a preliminary official statement, authorizes the chairman or vice chairman to deem preliminary official statements for additional series of bonds final, directs the proceeds to be deposited in the State Treasury and remitted to BancFirst, the Board's Trustee. Additionally, the resolution authorizes approval of the form of promissory note, loan agreement and note purchase agreement, and the execution of other documents required for the issuance of the bonds and directs payment of the cost of issuance. Staff recommended approval of the resolution.

Mr. Zack Robinson from BOK Financial Securities, Senior Manager on the FAP Program, was present.

Mr. Drummond asked the range of interest rates that are expected. Mr. Robinson said the interest rate depended upon the length of the term of the deal, and interest rates had risen over the past 6-9 months, with the most recent sale on 30-year financing at 3.75%. He said looking ahead experts in the market expect the trend to continue as the Fed continues to raise rates, so there could be further increases, but for now the 30-year rate is still under 4%, which is cheap money. Mr. Drummond also asked about demand, and Mr. Robinson responded demand has remained very strong especially in Oklahoma. He said he charts the Oklahoma net supply and the bonds that have been called away compared to the bonds that are issued in their place has created a net negative supply, or not enough new bonds. The general trend around the market place is that issuance has been lower this year as there was a rush to market late last year creating a significant increase in supply that hasn't matched so far this year.

Chairman Hitch asked if there is a motion. Mr. Drummond moved to approve the resolution authorizing the issuance of FAP revenue bonds, and Ms. Castillo seconded. There was no more discussion, and Chairman Hitch called for the vote.

AYE: Muller, Darby, Drummond, Stallings, Drake, Castillo, Hitch
NAY: None
ABSTAIN: None
ABSENT: Allen, Melton

Mr. Drummond departed the meeting at 9:37 a.m. Chairman Hitch thanked him for his attendance.

Mr. Freeman continued with the Financial Assistance Division Agenda.

A. Consideration of and Possible Action on a Proposed Order Approving Clean Water Funding Application for Haileyville Public Works Authority, Pittsburg County. Recommended for Approval.

Mr. Freeman stated this item is a \$48,600.00 funding request from the Haileyville Public Works Authority located in Pittsburg County. He stated the funding is being requested for engineering, planning and design for sewer system evaluation to address inflow and infiltration problems. He said the loan will be funded through the principal forgiveness portion of the Clean Water State Revolving Fund loan program and he noted provisions of the loan agreement. Staff recommended approval of the funding request.

Representing Haileyville was Mr. Joe Fisk, Town Trustee; and Dale Burk and Crysta Watkins, engineers. Mr. Fisk stated the water and sewer system has been outdated about 60 years and he appreciated the Board's consideration.

There were no questions, and Chairman Hitch asked for a motion. Mr. Stallings moved to approve the funding request to the Haileyville PWA, and Mr. Darby seconded. Chairman Hitch called for the vote.

AYE: Muller, Darby, Stallings, Drake, Castillo, Hitch
NAY: None
ABSTAIN: None
ABSENT: Allen, Drummond, Melton

B. 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 stated this item is a \$21,305,000.00 loan request from the Broken Arrow Municipal Authority located in Tulsa County. He said the loan is being requested to construct a new pre-treatment basin at the Verdigris water treatment plant, acquire property for the installation of a booster pump station at an existing water connection to Tulsa, design the restoration of a second ground storage tank, replace the Lynn Lane trunk sewer line, construct the County Line trunk sewer line, and acquire a right-of-way for rehabilitation of the Elm Creek trunk sewer line. He said the loan will be funded through the FAP loan program, and he noted provisions of the loan agreement. Over the last ten years, the water connections have increased by 11%, and the sewer connections have increased by 14%; the debt coverage ratio stands at 2.14-times. Staff recommended approval.

Ms. Cindy Arnold, Finance Director and Alex Mills, Director of Engineering and Construction, were present in support of the loan request. Mr. Mills spoke on behalf of BAMA Chairman Craig Thurman and City Manager Michael Spurgeon, and he expressed the City's appreciation of the Board's consideration of the application.

There were no questions, and Chairman Hitch asked for a motion. Ms. Castillo moved to approve the FAP loan fund to the Broken Arrow MA, and Mr. Stallings seconded.

AYE: Muller, Darby, Stallings, Drake, Castillo, Hitch
NAY: None
ABSTAIN: None
ABSENT: Allen, Drummond, Melton

C. Consideration of and Possible Action on a Proposed Resolution Authorizing the Allocation of Revolving Fund Revenue Bonds, Series 2015 Proceeds. Recommended for Approval. Mr. Freeman explained to the members this resolution will authorize allocation of bond proceeds from the Board's series 2015 Clean Water State Revolving Fund bond issue for use of state matching funds for the Board's 2018 Clean Water SRF Capitalization Grant. The 2018 Capitalization Grant is in the amount of \$12,967,000.00 and requires 20% state matching funds of \$2,593,000.00, and there is approximately \$23,485,697.00 remaining from the 2015 CWSRF bond issue which is available for reallocation for state match. Mr. Freeman explained this action will allow the Board to apply and receive the Capitalization Grant of \$12.9 million from EPA without issuing additional debt. He said the only source for the \$2.5 million dollars would be to issue additional debt, and by allocating outstanding funds there is no cost of issuance and is just using money from another "pot."

Chairman Hitch noted the meeting materials indicated there is \$25 million and Mr. Freeman responded that was the amount when the resolution was prepared.

There was no discussion and Mr. Stalling moved to approve the resolution authorizing reallocation of funds. Mr. Drake seconded. Chairman Hitch called for the vote.

AYE: Muller, Darby, Stallings, Drake, Castillo, Hitch
NAY: None
ABSTAIN: None
ABSENT: Allen, Drummond, Melton

Chairman Hitch returned to item 1.C. and invited Ms. Cunningham to present the Executive Director's report.

1. Call to Order continued.

C. Executive Director's Report

Ms. Julie Cunningham, Executive Director, stated to the members the latest Water Resources Bulletin is available on the OWRB website and illustrates that 17% of the state is experiencing drought conditions, down from 47% a month ago; 6.6% of the state is experiencing severe drought. Regarding calendar notes, Ms. Cunningham stated at the end of June the OWRB hosted the Association of Western States Engineers with 14 of 17 members attending. The states share valuable information, particularly regarding aquifer storage and recovery, and OWRB staff participated. The Kansas-Oklahoma Arkansas River Commission met in Hutchinson, Kansas, in July and was updated on a regional watershed that program the Commission had authorized a \$10,000 contribution in support of conservation education and outreach effort in both states. On August 16, the Planning & Management Staff attended a soil health workshop in southwest Oklahoma hosted by Mr. Muller, with participation by Mr. Buchanan. In August, the annual managers planning retreat was held to review accomplishments; the staff are doing amazing things at all levels with automation, data analytics, streamlining activities; and there was discussion of ideas for future direction and information for legislative hearings. Staff has been working with Secretary Teague's office, GRDA, DEQ, and Conservation Commission, on an Arkansas-Oklahoma Joint Study Memorandum of Agreement following the Joint Statement of Principles and Action which results were finalized after several years to revalidate the Oklahoma phosphorus standard, .037, which was confirmed. The Joint Study Committee recommended watershed planning and a monitoring program and guidance in the water quality standards to assess compliance. Secretary Teague and the Director of the Arkansas DEQ Becky Keogh have headed the development of the two-year process and Oklahoma will conduct public meetings, sampling regime and monitoring, etc. Mr. Bill Cauthron, OWRB Water Quality Programs Division Chief, added that it will be a very cooperative effort and there will be a joint committee co-chaired by the States and he looked forward to coming up with something that will work for both states.

On September 12, Governor Fallin and the Cherokee Nation Principal Chief Baker announced the formation of the Coordinating Council on Poultry Growth in response to citizen concerns about an increase in poultry houses in northeast Oklahoma (press release distributed). Ms. Cunningham said OWRB Legal Staff and Permitting Staff had been working with the landowners on water quantity issues and staff conducted a field investigation and determined the pump wasn't operating properly. Mr. Kent Wilkins, OWRB Planning & Management Division Chief, stated he had contacted three main drillers in the area (Delaware County) who reported they had not seen any dry wells; there has been a drought in the area which caused lower than normal levels. He described the situation regarding relocating the pump lower and improved the landowners supply. Staff has responded to complaints such as this but has not seen wells going dry. Ms. Cunningham stated Secretary Jim Reese and Cherokee Nation Secretary of Natural Resources Sara Hill, will co-chair the Coordinating Council; the OWRB will participate as will the Conservation Commission. Mr. Wilkins added staff has begun studies on the Boon and Roubidoux formations which he anticipated will be completed in three years. Ms. Cunningham stated the Gross Production Tax funding needs to be extended in 2019 to fund the studies.

Ms. Cunningham stated the OWRB is hosting the Interstate Council on Water Policy Annual Meeting in Oklahoma City, October 9-11, including a tour of the Arbuckle Simpson Area and will be hearing from stakeholders in the area.

Ms. Cunningham noted the 39th Annual Governor's Water Conference will be held December 5-6 at the Reed Conference Center in Midwest City, and December 28 is the deadline to submit Water

for 2060 Award nominations. She also recognized the distributed Senate press release about Sen. Pederson's SB 1294 offering significant savings for many across the State by the phase-in of a maximum annual yield. Staff is conducting meetings on upcoming changes to the water quality standards, amending well construction standards for marginal quality waters, and financial assistance rules. The Senate announced 43 interim studies and Senator Rader will conduct a study on aquifer recharge. She also mentioned the Congressional legislative report included the work on WRDA that concerns funding for the Board's federal partners.

Ms. Cunningham concluded the report. There were no questions by members.

D. Financial Update

1. Budget Report. Mr. Cleve Pierce, Administrative Services Division Chief, addressed the members and stated the budget report is for the time period ending August 2018. He said it is two months into the fiscal year, and for the time period the agency has spent 15% of the appropriated budget leaving 85%, spent 7% of the revolving fund leaving 93%, and spent 6% of the federal dollars leaving 94%; overall the total budget remaining is 91% with 83% of the year remaining. He said all of the figures are within 2% of last year. He said that since the beginning of the fiscal year 2019, the agency had expended \$454,000.00 in obligations from 2018, and included \$128,000 in appropriated funds, \$87,000 in federal funds, and \$239,000 from revolving accounts.

Mr. Pierce concluded his report introducing the agency's Human Resources Director Brian Harrison who has experience with the Department of Public Safety and the State's former Office of Personnel Management, as well as two municipalities. He said the agency is also working on the 2020 budget request to the Legislature, and updating the agency's strategic plan. There were no questions by members.

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.

Chairman Hitch stated there are a few changes to the agenda: item G.4., and item K.3., to be withdrawn.

A. Requests to Transfer Items from Summary Disposition Agenda to the Special Consideration Agenda, and Action on Whether to Transfer Such Items.

Mr. Anthony Mackey, M&M Natural Resources LLC, approached the members and said Mr. Richard Grellner requested he ask the Board to move item K.3., Grellner application for dam construction, to the Special Consideration Agenda 5.B. He said Mr. Grellner would like the opportunity to speak to the Board about why the item should be approved.

Ms. Sara Gibson, OWRB General Counsel, stated the Board could consider the item under the Special Consideration Agenda; however, the protesting parties to this application are not present today, and Mr. Grellner's attorney is not present. She said the Board could consider a motion to move the item to the Special Consideration Agenda. Mr. Stallings asked if the matter could be tabled; Ms. Gibson answered, yes.

Mr. Stallings moved to table consideration of item 3.K., Grellner application for dam and reservoir construction #OK30552, Kingfisher County. Ms. Castillo seconded.

Chairman Hitch asked if there were questions, and there were none. Chairman Hitch called for the vote.

AYE: Muller, Darby, Stallings, Drake, Castillo, Hitch
NAY: None
ABSTAIN: None
ABSENT: Allen, Drummond, Melton

There were no other requests to move items 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 Hitch stated the item is tabled, and the other item removed, G.4., regular permit application to use groundwater #2018-522, Jerald & Deborah Radcliff Revocable Family Trust, Beaver County. He asked if are there any other actions or comments regarding the remaining items on the Summary Disposition Agenda. There were none.

Mr. Drake moved to approve the Summary Disposition Agenda with the two items removed, and Mr. Muller seconded. Chairman Hitch called for the vote.

AYE: Muller, Darby, Stallings, Drake, Castillo, Hitch
NAY: None
ABSTAIN: None
ABSENT: Allen, Drummond, Melton

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>
None				

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

1. Amendment Agreement between OWRB and Meshek & Associates, LLC to provide professional engineering services in connection with Cooperating Technical Partnership Program Assistance for the creation and maintenance of Flood Hazard Data.

2. Grant and Cooperative Agreement between OWRB and USGS to allow OWRB to provide Oklahoma Data to the USGS National Groundwater Monitoring Network.

3. Contract between OWRB and Oklahoma Floodplain Managers Association, Inc., to publish informational materials to educate the public, floodplain managers and administrators on flood hazards and the reduction of these hazards.

4. Amended Interagency Agreement between OWRB and DEQ regarding the Drinking Water State Revolving Fund.

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

1. Jay Dean & Karen Leierer, Major County, #2017-559
2. Robert Larry & Vickie B. Whitener, Grady County, #2018-510
3. Christopher Wayne Didier and August Grant Didier, Blaine County, #2018-512

4. United Ag, L.L.C., Harmon County, #2018-516
5. Eagleheart Springs Water Co., L.L.C., Caddo County, #2018-520
6. H & H Equipment and Sales, L.L.C., Kingfisher County, #2018-527
7. The Leroy A. Mack Trust u/d/o July 6, 2007, Garfield County, #2018-534
8. Kyle J. & Nancy D. Hohmann, Kay County, #2018-547

F. Consideration of and Possible Action on Applications to Amend Temporary Permits to Use Groundwater:

1. Town of Billings, Grady & Kay Counties, #1984-571
2. H4 Holdings, L.L.C., Dewey County, #2006-577B

G. Consideration of and Possible Action on Applications for Regular Permits to Use Groundwater:

1. Stonebrook Utility Company, L.L.C., Seminole County, #2017-514
2. Kent D. & Denise R. Miller, Ellis County, #2018-504
3. Global Equipment Leasing, L.L.C., Blaine County, #2018-508
4. *Jerald & Deborah Radcliff Revocable Family Trust, Beaver County, #2018-522 Item withdrawn*
5. Caleb R. & Kassidi B. Wootton, Beckham County, #2018-528
6. Colley Dakota & Jamy Jo Cole, Johnston County, #2018-530
7. James & Patricia Hartman, Texas County, #2018-535
8. First National Bank, Goodland, KS, f/b/o Lonnie W. Gilley, Garvin County, #2018-548

H. Consideration of and Possible Action on Applications to Amend Regular Permits to Use Groundwater:

1. Ronald R. & Ruby L. Wilcox, Major County, #1980-669
2. Bradley Adam Nitzel, Canadian County, #1981-783
3. Charles & Amelia Keahey, Beckham County, #2001-535

I. Consideration of and Possible Action on Applications to Amend Prior Rights to Use Groundwater:

1. Town of Billings, Kay County, #1955-1343
2. Hazel M. Braziel Irrevocable Trust, Major County, #1972-300

J. Consideration of and Possible Action on Applications for Regular Permits to Use Surface Water:

1. Colvin Sod Farm, Marshall Co. #2017-075
2. RJG Holdings, L.L.C., Kingfisher County, #2018-002
3. Joseph & Jeanette Kloepfel, Kingfisher County, #2018-017
4. Wegener Family Properties, L.L.C., Grady County, #2018-025
5. Robert T. Jennings, Kiowa County, #2018-028
6. Cimarex Energy Company, Canadian County, #2018-029
7. G & W Middleton Farm, Hughes County, #2018-032

K. Consideration of and Possible Action on Dam and Reservoir Construction:

1. Carlton Lake, Latimer County, #OK2175
2. Clayton Lake, Pushmataha County, #OK21490
3. *Grellner, Kingfisher County, #OK30552 Item tabled*

L. Consideration of and Possible Action on Well Driller and Pump Installer Licensing:

1. New Licenses, Accompanying Operator Certificates and Activities:
 - a. Licensee: Valentine Water Well Service DPC-0976
Operator: Kirby Valentine OP-2257
2. New Operators, Licensee Name Change, and/or Activities for Existing Licenses
 - a. Licensee: Fire and Ice DPC-0432
Operator: Kenton Bliss OP-2258

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| b. Licensee: Tyler Electric, LLC | DPC-0798 |
| Operator: Michael Tyler | OP-1773 |
| c. Licensee: Allen Water Well Drilling | DPC-0003 |
| Operator: Matthew Falland | OP-2256 |
| d. Licensee: Heartland Water, Inc. | DPC-0501 |
| Operator: Joseph Redman | OP-923 |

- M. Consideration of and Possible Action on Permit Applications for Proposed Development on State Owned or Operated Property within Floodplain Areas:
1. Oklahoma Department of Transportation, Grady County, #FP-17-92
 2. Oklahoma Department of Transportation, Grady County, #FP-17-93
 3. Oklahoma Department of Transportation, Ottawa County, #FP-17-95
 4. Northeastern Oklahoma A & M College, Ottawa County, #FP-18-44
- N. Consideration of and Possible Action on Applications for Accreditation of Floodplain Administrators:
1. Jeff L. Byram, CFM, City of Edmond, #FPA-760

5. SPECIAL CONSIDERATION

- A. No items. Chairman Hitch stated there were no Special Consideration Agenda 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.

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

A. Presentation and Discussion on Board Education Series, "Water Quality Standards 101." Mr. Bill Cauthron, Chief, Water Quality Programs Division, stated to the members staff will present a brief introduction of the Water Quality Standards in Oklahoma. Generally, he presents to the Board in January the rule changes that are specific, but today he will talk about what goes on behind the scenes that bring those proposed changes to the Board. He introduced the staff -- Monty Porter, Assistant Chief and WQS Section Head; Rebecca Veiga Nascimento, WQS Program Manager; and Jade Jones, WQS Technical Staff. He said he and staff desired to be informative but not overly complicated, and he invited questions from the Board Members. Mr. Cauthron explained the role of Water Quality Standards in Oklahoma and described how the various state agency programs use the standards across Oklahoma, including the Nonpoint Source Program with the Conservation Commission (OCC) and Department of Agriculture (ODAFF), OPDES permits at the Department of Environmental Quality (ODEQ), AgPDES permits at ODAFF, recreation uses concerning Department of Wildlife (ODWC), US Fish and Wildlife (USFWS) and Corps of Engineers (COE), water supply matters with ODEQ and the USEPA, and site cleanup and Superfund matters with ODEQ, EPA and the OK Corporation Commission. He introduced Ms. Veiga Nascimento, WQS Program Manager.

Ms. Rebecca Veiga spoke to the members about why the Water Quality Standards matter in regard to the water bodies of the State -- 200 lakes, 150,000 stream and rivers miles and 23 groundwater basins -- and the many water uses across the State such as drinking water, outdoor recreation, fish and

wildlife propagation, and crop production. The State's surface water provides 54% of drinking water across the state which is relied upon by 80% of the population. Outdoor recreation contributes billions of dollars to the State's economy, and the agriculture industry contributes billions of dollars to the economy and relies on groundwater. Approximately 200,000 households drink raw groundwater. The WQS are the fundamental foundation that protect and improve the State's water resources for the various water uses. Ms. Veiga explained the three components of the WQS. First, "beneficial uses" are developed that characterize the resource qualities, services, and the ultimate goal for a waterbody for: public and private water supply, and primary body contact for residents and visitors, and she explained how the beneficial uses are applied. Second, "criteria" is developed to protect beneficial uses by setting limits on pollutants or describing waterbody condition, and can be expressed as acceptable numeric levels or narrative statements, i.e., cadmium standards protect the biological community. And the third component, the "antidegradation policy" specifies the framework used in making decisions regarding the intentional lowering of water quality, and ensures good water quality is conserved where possible and lowered only when necessary, and includes the public in the process. She then explained how the WQS are used and how they aid in making decisions. A major program of the Board's is the Beneficial Use Monitoring Program – BUMP – a statewide monitoring program that provides data to assess waterbody condition and support informed management decisions through three steps: mapping decisions of stream water and groundwater where staff will sample; once returned the data is analyzed and compiled into reports that are used to make informed decisions and provide an annual update to the Legislature and public; and, the ODEQ wastewater permitting program to ensure discharges to water are sustainable for the water body. Ms. Veiga concluded her remarks noting the various agencies that use the WQS to do their job every day.

Mr. Monty Porter addressed the Members and spoke about how the staff does its work authorized by the Federal and State governments under the Clean Water Act 1971 that provides a framework and legal foundation to protect and utilize water resources. The Act delegated to the states the power to promulgate Water Quality Standards to address water quality protection for both surface water and groundwater. He said it is an important, foundational concept that the states develop the rules and regulations that are adopted and direct water quality protection for the citizens of Oklahoma and allowing development of our resources. He said the staff is in constant review of the latest science and works to include policy and stakeholder involvement through workgroups and stakeholder meetings, developing fact sheets and technical reports, and has a constant open door policy while conducting rule promulgation and adopting amendments. Mr. Porter described two projects that will be proposed in the 2019 rulemaking process: updating the selenium criterion protecting aquatic life and the human health criteria protecting public water supply and fish consumption, which he explained would be brought to the Board in January. He explained the three steps in the constantly moving standards development process – review and identify issues, prioritize issues, and develop and adopt amendments. He reminded the members the agency's core value is to serve the public and promote transparency, and he spoke of the four foundations of collaboration and cooperation, proactive implementation, science and rules are not static, and understanding statewide priorities. Mr. Porter concluded his presentation providing examples of the four foundation components of water quality standards development process, i.e., aquifer storage and recovery (ASR) and indirect potable reuse (IPR) rules development as a recommendation in the Water Plan, new science led to changes in selenium for Koch Industries, and the Illinois River re-evaluation and reflection of science of the Joint Principles Study validating the phosphorus standard and jointly developing implementation criteria. Mr. Cauthron also commented about the effect of evolving science bringing about ASR and IPR and the Illinois River agreement.

During the presentation, Mr. Muller asked if the minimum numerical criteria are set by EPA and if the states have an opportunity to make the standards more stringent but not less, and staff answered OWRB standards are rarely more stringent and have been less stringent within the acceptable range. There are a few cases where Oklahoma has standards when EPA does not in order to meet a specific

need. Chairman Hitch and Mr. Stallings asked about more stringent and expensive testing of phosphorus than in Kansas and Texas, and staff answered at times more is required in order to determine appropriate detection limits depending upon the water body and some calculations can be below what is detectable. The OWRB develops the criteria which are used by the ODAFF; testing is required to meet EPA methodologies and other agencies' rules could lead to more stringent testing. Mr. Muller asked if the rules are not static because we are looking to make changes or knowledge evolves issues. Mr. Porter answered knowledge and science is evolving, that rules in any agency for the protection of something are updated because of science and knowledge and we are constantly becoming more knowledgeable about God's creation. Mr. Muller asked about common sources of selenium and Mr. Porter explained there are natural sources and using groundwater for irrigation. Mr. Drake asked about the overall condition of the Illinois River and if there is an ongoing lawsuit. Mr. Cauthron said the river continues to improve but there is a long way to go; he said the states are working hard to avoid litigation. Ms. Gibson said the Tyson lawsuit is still pending but there has been nothing new, and Ms. Cunningham said a report is provided to the annual Arkansas-Oklahoma Arkansas River Compact.

There was no other discussion, and the Water Quality Staff concluded its presentation.

6. 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.

7. ADJOURNMENT

There being no further business, Chairman Hitch adjourned the meeting of the Oklahoma Water Resources Board at 10:40 a.m. on September 18, 2018.

OKLAHOMA WATER RESOURCES BOARD

_____/s/_____
Jason Hitch, Chairman

_____/s/_____
Stephen B. Allen, Vice Chairman

_____/s/_____
Charles Darby

_____/s/_____
Bob Drake

_____/s/_____
Robert L. Melton, Sr.

_____/s/_____
F. Ford Drummond

_____/Absent_____
Jennifer Castillo

_____/s/_____
Matt Muller

ATTEST:

_____/s/_____
Robert L. Stallings, Jr., Secretary

(SEAL)