

# OKLAHOMA WATER RESOURCES BOARD

## OFFICIAL MINUTES

November 10, 2020

### 1. CALL TO ORDER

The Regular Meeting of the Oklahoma Water Resources Board was called to order by Chairman Robert L. Stallings, Jr., at 1:30 p.m. on November 10, 2020, via Zoom and in the second floor Board Room of the Oklahoma Water Resources Board located at 3800 N. Classen Boulevard, Oklahoma City, Oklahoma, 73118. 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 November 6, 2020, at 4:30 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.

A. Roll Call. Chairman Stallings welcomed everyone to the meeting and asked for the roll call of members who participated in the meeting via Zoom webinar video or telephone conferencing.

#### Board Members Present

Robert L. Stallings, Jr., Chairman  
Stephen Allen, Vice Chairman  
Bob Drake, Secretary  
Jennifer Castillo  
Charles Darby  
Thomas A. Gorman  
Suzanne Landess  
Robert L. Melton  
Matt Muller

#### Board Members Absent

None

#### Staff Members Present and Participating via Zoom Webinar

Julie Cunningham, Executive Director  
Sara Gibson, General Counsel  
Cleve Pierce, Chief, Administrative Services Division  
Joe Freeman, Chief, Financial Assistance Division  
Bill Cauthron, Chief, Water Quality Programs Division  
Chris Neel, Assistant Chief, Planning and Management Division  
Mary Schooley, Executive Secretary

B. Discussion, Amendments, and Vote to Approve Official Minutes of the October 20, 2020, Regular Meeting. Chairman Stallings asked if there were any comments, proposed amendments, or a motion to approve the October 20, 2020, regular meeting minutes. There were no comments.

Mr. Gorman moved to approve the minutes of the October 20, 2020, Regular Meeting, and Ms. Landess seconded. There was no discussion, and Chairman Stallings called for the vote.

AYE: Allen, Castillo, Landess, Muller, Gorman, Drake, Darby Stallings  
NAY: None  
ABSTAIN: Melton  
ABSENT: None

C. Executive Director's Report

Ms. Julie Cunningham, Executive Director, welcomed everyone to the meeting. She began her report noting the November meeting would be the last meeting conducted via Zoom and expressed appreciation for the Board's patience, and that staff will plan for the Board to convene safely in December to consider Financial Assistance matters and hear about the proposed Water Quality Standard changes. The Board's Ad Hoc Water Policy and Rules Committee will meet to review the rulemaking process and the agency's proposed rule changes for 2021 for Chapters 20, 45 and 46. Typically, the rules' hearing is conducted at the January Board meeting; however, this year the public hearing will be held separately on January 7th at 2:00 p.m. so that it can be held via Zoom webinar.

Ms. Cunningham stated the agency had faced challenges the past few weeks with the passing of co-worker and friend Kent Wilkins, as well as the ice storm, OWRB family losses, but even so agency managers and employees reined resilient and maintained the agency functions. She complimented the strength and dedication of the staff managing all agency programs, and expressed her confidence of the agency's direction, and announced her appointment of Cole Perryman to serve as legislative liaison, noting his experience with both the state legislature and Congress.

Regarding the items on the meeting's agenda, Ms. Cunningham noted two contracts: Department of Environmental Quality to complete bathymetric mapping of reservoirs assisting in determining available storage for drought planning and assessing waters on the State's 303(d) list; and regarding the GMAP program, a land use agreement with the City of Broken Arrow, OWRB, and Robert Keyes of Associated Industries who donated equipment and resources to occupy a tract of land and conduct an observation well drilling and data recording. Regarding the State Legislative session, it is expected to be a full session, new members will be sworn in, and staff will meet with the new members to educate them on the State's water programs. Federally, the Bureau of Reclamation has opened a new grant announcement for the Water Smart Drought Response Program for cost share in the amount of \$250,000.00.

Ms. Cunningham concluded her report announcing the agency's participation in the State Charitable Campaign -- an important community support program -- when concluded, met this year's goal of \$10,000, surpassing last year's \$9,000, and raising a total of \$11,000 through online fundraising activities and payroll deduction pledges. There were no questions.

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 October 31, 2020. He said the agency has spent 32 % of the appropriated budget, leaving 68 %; has spent 19 % of the revolving fund leaving 81%; and has spent 11 % of federal dollars with 89% remaining. The overall budget remaining stands at 80 %, and 67% of the fiscal year remaining.

Mr. Pierce concluded his report stating the Gross Production Tax collections received total \$412,000, and he is optimistic the agency funding will continue and the agency will reach the cap, though not as quickly as past years. There were no questions.

**2. FINANCIAL ASSISTANCE DIVISION**

A. Consideration of and Possible Action on a Proposed Order Approving Emergency Grant for Stonewall Public Works Authority, Pontotoc County. Recommended for Approval. Mr. Joe Freeman stated to the members that this item is for the consideration of a \$100,000.00 Emergency Grant request to the

Stonewall Public Works Authority located in Pontotoc County. Mr. Freeman stated the PWA's sewer collection system is composed of clay tile pipe which is experiencing numerous failures resulting in raw sewage flowing into streets, yards, and ditches. In order to eliminate the bypass system and restore flow to the lagoons, the failed sections of lines will be replaced at an estimated cost of \$117,648.00. The project will be funded with the \$100,000.00 OWRB emergency grant, and \$17,648.00 in local funds. Staff recommended approval of the emergency grant request.

Chairman Stallings asked for a motion. Mr. Darby moved to approve the emergency grant request to the Stonewall Public Works Authority, and Ms. Castillo seconded. Chairman Stallings called for the vote.

AYE: Allen, Castillo, Melton, Landess, Muller, Gorman, Drake, Darby, Stallings  
NAY: None  
ABSTAIN: None  
ABSENT: None

B. Consideration of and Possible Action on a Proposed Order Approving Increase in Obligation of Drinking Water Funds for Calera Public Works Authority, Bryan County. Recommended for Approval. Mr. Freeman stated this item is a request by the Calera Public Works Authority for a \$295,000.00 increase to its approved loan of \$1,555,000.00 to \$1,850,000.00. The PWA is requesting the increase as a result of bids coming in higher than the engineer's estimate. The loan, along with \$200,000.00 in local funds, will be used for three wells, install piping, rehabilitate filters, and install generators and an aerator. Mr. Freeman said the loan will be funded through the Drinking Water State Revolving Fund Loan Program, and he noted provisions of the loan agreement. He said Calera has been a loan customer of the Board's since 1992 and over the last ten years its water connections have increased by 29% and sewer connections by 33%. Calera currently has one loan outstanding with the Board with a balance of approximately \$3.6 million dollars, and its debt coverage ratio stands at approximately 2.26- times. Staff recommended approval of the loan request.

Chairman Stallings asked for a motion. Mr. Allen moved to approve the DWSRF loan application to the Calera PWA, and Mr. Drake seconded. Chairman Stallings called for the vote.

AYE: Allen, Castillo, Melton, Landess, Muller, Gorman, Drake, Darby, Stallings  
NAY: None  
ABSTAIN: None  
ABSENT: None

C. Consideration of and Possible Action on a Proposed Order Approving Clean Water Funding Application for Hinton Public Works Authority, Caddo County. Recommended for Approval. Mr. Freeman stated to the members that the Hinton Public Works Authority, located in Caddo County, had requested a loan in the amount of \$3,139,000.00. He said the loan will go along with \$500,000.00 in local funds for lagoon system improvements by increasing the irrigation capacity, establish a pumping system, and upgrade existing land application equipment. He said the loan will be funded through the Clean Water State Revolving Fund Loan Program, and he noted provisions of the loan agreement. Hinton's debt coverage ratio stands at 7.58-times. Staff recommended approval of the loan request.

Chairman Stallings asked for a motion to approve the loan request. Mr. Melton moved to approve the CWSRF loan to the Hinton PWA, and Mr. Gorman seconded. Chairman Stallings called for the vote.

AYE: Allen, Castillo, Melton, Landess, Muller, Gorman, Drake, Darby, Stallings  
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 Atoka Municipal Authority, Atoka County. Recommended for Approval. Mr. Freeman stated the Atoka Municipal Authority located in Atoka County has requested a loan in the amount of \$3,355,000.00, to refinance two existing Rural Utilities Service loans originally issued for

wastewater system improvements. He said the loan will be funded through the State Loan Program (FAP), and he noted provisions of the loan agreement; the refinancing will save Atoka's loan maturity six years, and approximately \$500,000.00. Currently, Atoka has three loans outstanding with the Board for a combined principal balance of \$4.9 million; the debt coverage ratio stands at approximately 1.47-times. Staff recommended approval.

Chairman Stallings asked for a motion on the loan application. Mr. Drake moved to approve the FAP loan to the Atoka MA, and Ms. Landess seconded. Chairman Stallings called for the vote.

AYE: Allen, Castillo, Melton, Landess, Muller, Gorman, Drake, Darby, Stallings  
NAY: None  
ABSTAIN: None  
ABSENT: None

(The roll call vote was completed for item 2.C. before proceeding.)

E. Consideration of and Possible Action on a Proposed Order Approving State Loan Program Revenue Bond Loan Funding Application for Choctaw Utilities Authority, Oklahoma County. Recommended for Approval. Mr. Freeman said this item is for a \$5,700,000.00 loan for the Choctaw Utilities Authority located in Oklahoma County. He said the CUA has requested the loan to construct an elevated water storage tank, a wastewater lift station and wastewater force mains, rehabilitate two wastewater lift stations and a water storage tank. Mr. Freeman stated the loan will be funded through the State Loan Program (FAP), and he noted provisions of the loan agreement. He said that since 2013, the water connections have increased by 13% and sewer connections by 11%; the Authority currently has three loans outstanding with a combined balance of \$12.4 million. The CUA debt coverage ratio stands at 2.13-times. Staff recommended approval.

Chairman Stallings asked for a motion to approve the request by the Choctaw Utilities Authority. Mr. Darby moved to approve the FAP loan to the CUA, and Ms. Castillo seconded.

AYE: Allen, Castillo, Melton, Landess, Muller, Gorman, Drake, Darby, Stallings  
NAY: None  
ABSTAIN: None  
ABSENT: None

F. Consideration of and Possible Action on a Proposed Order Approving State Loan Program Revenue Bond Loan Funding Application for Heavener Utilities Authority, Le Flore County. Recommended for Approval. Mr. Freeman stated this item is for a request for an \$8,165,000.00 loan request from the Heavener Utilities Authority located in LeFlore County. Heavener is requesting the loan to refinance five existing Rural Utilities Service loans which were for sewer improvements. He said the loan will be funded through the State Loan Program Revenue Bond Loan Program (FAP); he noted provisions of the loan agreement, and said it is estimated that Heavener will save approximately \$1.6 million dollars. Heavener's water connections have increased by approximately 9% over the last ten years, and sewer connections by 6%; the debt coverage ratio stands at 1.83- times. Staff recommended approval.

Chairman Stallings stated he would entertain a motion to approve the funding application. Mr. Allen moved to approve the FAP loan to the Heavener UA, and Mr. Darby seconded. Chairman Stallings called for the vote.

AYE: Allen, Castillo, Melton, Landess, Muller, Gorman, Drake, Darby, Stallings  
NAY: None  
ABSTAIN: None  
ABSENT: None

G. Consideration of and Possible Action on a Proposed Order Approving State Loan Program Revenue Bond Loan Funding Application for Harrah Public Works Authority, Oklahoma County. Recommended for Approval. Mr. Freeman stated this item is for the consideration of a \$10,860,000.00 funding request by the

Harrah Public Works Authority located in Oklahoma County. He said the Authority is requesting the loan to construct and install a wastewater lift station, wastewater gravity main line, wastewater line, wastewater force main line, a water booster station, and an elevated water storage tank. Mr. Freeman stated the loan will be funded through the State Bond Loan Program, and he noted provisions of the loan agreement. He said that over the last ten years, Harrah's water connections have increased over 60% and wastewater connections have increased over 44%. There are three outstanding loans with the Board with a combined balance of \$1.7 million, and the debt coverage ratio stands at 2.12-times. Staff recommended approval of the funding request.

Chairman Stallings asked the members if there is a motion to approve the funding request by the Harrah Public Works Authority. Ms. Castillo moved to approve the FAP loan to the Harrah PWA, and Ms. Landess seconded. Chairman Stallings called for the vote.

AYE: Allen, Castillo, Melton, Landess, Muller, Gorman, Drake, Darby, Stallings  
NAY: None  
ABSTAIN: None  
ABSENT: None

Mr. Freeman announced that he just received notice the Board was awarded an AAA rating from S&P on the bond issue to fund the Atoka, Choctaw, Heavener and Harrah loans approved today by the Board.

H. Consideration of and Possible Action on a Proposed Order Approving Clean Water Funding Application for Edmond Public Works Authority, Oklahoma County. Recommended for Approval. Mr. Freeman said the final item is for the consideration of a \$13,500,000.00 loan request by the Edmond Public Works Authority. Edmond is requesting the loan to construct 15,850 feet of sanitary sewer lines to replace an existing interceptor sewer line. The loan will be funded through the Clean Water State Revolving Fund Loan Program, and Mr. Freeman noted provisions of the loan agreement. Over the past ten years, Edmond's water connections have increased approximately by 16% and sewer connections by 15%. Edmond currently has three loans with a combined balance of \$59.7 million dollars, and the debt coverage ratio stands at approximately 3.04-times. Staff recommended approval of the loan request.

Chairman Stallings stated he would entertain a motion to approve the application by the Edmond PWA. Ms. Castillo moved to approve the CWSRF loan to the Edmond PWA, and Mr. Muller seconded. Chairman Stallings called for the vote.

AYE: Allen, Castillo, Melton, Landess, Muller, Gorman, Drake, Darby, Stallings  
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. There were no 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 Stallings asked if there were any comments concerning the items on the agenda; there were none.

Chairman Stallings stated he would entertain a motion for approval of the Summary Disposition items. Mr. Melton moved to approve the Summary Disposition Agenda, and Mr. Allen seconded. Chairman Stallings called for the vote.

- AYE: Allen, Castillo, Melton, Landess, Muller, Gorman, Drake, Darby, Stallings
- NAY: None
- ABSTAIN: None
- ABSENT: None

The following items were approved:

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

<u>Item No.</u>	<u>Application No.</u>	<u>Entity Name</u>	<u>County</u>	<u>Amount Recommended</u>
COEDD				
a.	FAP-21-0027-R	Carney Public Utilities Authority	Lincoln	\$99,999.00
INCOG				
b.	FAP-21-0034-R	New Prue Public Works Authority	Osage	60,000.00
SODA				
c.	FAP-21-0007-R	Stonewall Public Works Authority	Pontotoc	99,999.00

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

1. Interagency Agreement between OWRB and the Department of Environmental Quality to complete mapping of reservoirs currently impaired for fish and wildlife propagation due to dissolved oxygen that are sampled by the state’s Beneficial Use Monitoring Wildlife Program.

2. Land Use Agreement with the City of Broken Arrow, Oklahoma granting OWRB the right to use and occupy a permitted tract of land for the purposes of or in connection with the construction, operation, monitoring and maintenance in and of an observation well and recording data relating to water, on, over or under the surface of the permitted tract.

3. Professional Services Agreement between OWRB and DataBank (SW1031D) for professional services to migrate OnBase data and servers to the Hyland Cloud.

4. Statewide contract between OWRB and DataBank (SW1031D) for OnBase annual maintenance, including future upgrades and support in the Hyland Cloud.

5. Agreement Amendment between the Office of the Secretary of Energy and Environment and OWRB extending the term of the Supplemental Monitoring Project due to Covid-19.

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

A. No items. There were no questions or discussion regarding agency matters by the Board Members.

**5. SPECIAL CONSIDERATION**

A. Consideration of and Possible Action on Items Transferred from the Summary Disposition Agenda, if any. There were no items transferred from the Summary Disposition for the Board's consideration.

**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. There were no New Business items for the Board's consideration. However, Ms. Cunningham noted the proposed schedule of the 2021 meetings would be provided to the members for review. Chairman Stallings complimented Mr. Freeman and the Financial Assistance Division for the work that has been done over the past month.

**7. ADJOURNMENT**

There being no further business, Chairman Stallings adjourned the regular meeting of the Oklahoma Water Resources Board at 2:10 p.m. on November 10, 2020.

**OKLAHOMA WATER RESOURCES BOARD**

\_\_\_\_\_/s/\_\_\_\_\_  
Robert L. Stallings, Jr., Chairman

\_\_\_\_\_/s/\_\_\_\_\_  
Stephen B. Allen, Vice Chairman

\_\_\_\_\_/s/\_\_\_\_\_  
Charles Darby

\_\_\_\_\_Absent\_\_\_\_\_  
Robert L. Melton, Sr.

\_\_\_\_\_/s/\_\_\_\_\_  
Jennifer Castillo

\_\_\_\_\_Absent\_\_\_\_\_  
Suzanne V. Landess

\_\_\_\_\_/s/\_\_\_\_\_  
Matt Muller

\_\_\_\_\_Absent\_\_\_\_\_  
Thomas A. Gorman

**ATTEST:**

\_\_\_\_\_Absent\_\_\_\_\_  
Bob Drake, Secretary  
(SEAL)