

CALL TO ORDER

The Regular Meeting of the Oklahoma Water Resources Board was called to order by Madam Chair Jennifer Castillo, on March 19, 2024, at 9:31 a.m. at the Oklahoma Water Resources Board located at 3800 N. Classen Blvd. 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 March 15, 2024, at 3:00 p.m., at the Oklahoma Water Resources Board's offices at 3800 N. Classen Boulevard, Oklahoma City, Oklahoma.

A. Roll Call. Madam Chair Castillo welcomed everyone to the meeting and asked for the roll call of members.

Board Members Present

Ron Justice
Robert L. Stallings, Jr.
Matt Muller
Bob Latham
Jennifer Castillo

Board Members Absent

Tom Gorman
Darren Cook

Staff Members Present

Julie Cunningham, Executive Director
Sara Gibson, General Counsel
Robby Short, Communication and Marketing Coordinator
Tamara Lilly, Executive Administrator
Joe Freeman, Chief, Financial Assistance Division
Bill Cauthron, Chief, Water Quality Programs Division
Chris Neel, Chief, Planning and Management Division
Cleve Pierce, Chief, Administrative Services Division

Others Attending

Mary Stallings
Jan Neufeld, City of Altus
Victoria Tran, SOEE
Alan Kight, Jr., Push. RWD 2
Martin Fourkiller, Push. RWD 2
Aaron Mears, Latimer RWD 2
Michael Redman, Latimer RWD 2
Layton Shurket, Marietta Public Works
Lisa Cox, DEQ
Bodie Bachelor, Centennial Law
Justin Hodge, DEQ
Michael Taylor, Cowan Group
Marla Peek, OK Farm Bureau
Charlie Swinton, BancFirst
Leslie Lewis, Halff
Chris Wolff, MFS
Jeff Everett, OGE

B. Discussion, Amendments and Vote to Approve Official Minutes of the February 20, 2024, Regular Meeting. Madam Chair Castillo inquired if all members reviewed the minutes of the January 16, 2024, meeting and if no questions, or changes, requested a motion to approve. No comments or amendments; Mr. Muller motioned to approve, and Mr. Latham seconded the motion. Madam Chair Castillo called for the vote.

AYE: Latham, Stallings, Justice, and Muller
NAY: None
ABSTAIN: Landess and Castillo
ABSENT: Gorman and Cook

C. **Executive Director’s Report:**

All climate divisions received less than 50% of normal rainfall for the past 30-day period (2/13-3/13/2024). The Panhandle was the lowest at 13% of normal rainfall. According to the drought monitor, 70,900 Oklahoma residents are in drought (3.82% of the state in area). The Palmer Drought Severity Index (PDSI) and Standardized Precipitation Index (SPI) show all OK climate regions are near normal or wetter. No burn bans are in effect as of March 3, 2024.

February and March have been dominated by legislature. Meeting with legislators, reviewing legislation on their request, and answering questions as several bills evolved. Hosted several panel discussions with federal agencies and congressional committee staffers. USGS, NOAA, NASA, and FEMA are working on several initiatives relating to water data and planning tools. Improvements to USGS National Land Satellite Network that will more accurately measure Evapotranspiration, and allow better analyses of the water column, fire potential, burn severity, etc. Next Generation Water Assessment System, Water Use database, and Open ET. Also hosted a discussion with National Farm Bureau and Family Farm Alliance regarding private property rights, the aggregation and interpretation of data. Want to make sure that raw data cannot be misinterpreted or used against a particular farm. There are information service providers that use this data, again, want to make sure they are using it correctly. Also want to be sure that other land uses are being assessed and not just irrigation; reiterated opposition of federal regulation of groundwater since it is a state right.

Notable bills include SB 1331 which passed the Senate Floor vote (S. Bullard) Water Infrastructure Investment Revolving Fund and Grant/Loan program. Floor amendment changed the funding amount from \$250 million to \$125 million and would give OWRB authority to invest the funds in existing or new programs where we see the need.

Legislative Session:

Notable bills include SB 1331 which passed the Senate Floor vote (S. Bullard) Water Infrastructure Investment Revolving Fund and Grant/Loan program. Floor amendment changed the funding amount from \$250 million to \$125 million and would give OWRB authority to invest the funds in existing or new programs where we see the need.

SB 1391 passed Senate Floor vote (Rogers) Oklahoma Water Resources Board; creating the Arkansas River Levee Improvement revolving fund; making an appropriation.

HB 3194 (Rep. Newton) Metering amended to allow alternative measuring system passed House Floor vote.

SB 1341 Requires all holders of certain commercial water permits to equip wells with monitoring equipment, report to the Water Resources Board on usage, and directs the Board to enforce new regulations and develop plans for the preservation of aquifers. Passed Senate Floor vote.

D. **Financial Update**

Mr. Cleve pierce, Chief Administrative Services Division, presents the budget report for the period ending February 2024. Mr. Pierce reports the agency has spent 61 % of it appropriated budget leaving 39 %; spent 37% of its revolving budget, leaving 63%; has spent 23% of its federal budget, leaving 77%. Overall, the total budget remaining is 63% with 33% of the year remaining.

2. FINANCIAL ASSISTANCE DIVISION

A. Consideration of and Possible Action on a Proposed Order Approving Drinking Water Funding Application for the Rural Water District No. 2, Pushmataha County, Oklahoma. Recommended for Approval.

This is a \$1.7 million loan request from Pushmataha County Rural Water District No. 2. The district is requesting the funds for rehabilitation of a booster pump station, for replacing aging pumps, for installing a backup generator and a chloramine disinfection system. The loan will be funded through the drinking water SRF loan program with a fixed interest rate plus a half point administrative fee. The loan will mature within 20 years of the completion of construction and will be secured with a lien on the district’s water revenues and a mortgage. The district’s water connections have increased by approximately 8% over the last ten years and their debt coverage ratio stands at 1.97 times.

Madam Chair Castillo Gorman asked for additional questions, discussion, or motion. A motion for approval was made by Mr. Latham and Mr. Stallings seconded the motion; Madam Chair Castillo called for the vote.

AYE: Latham, Stallings, Justice, and Muller, Landess and Castillo
NAY: None
ABSTAIN: None
ABSENT: Gorman and Cook

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

This is a \$5,750,000 loan request from the Marietta Public Works Authority located in Love County. They are requesting the loan for construction of a new 300,000-gallon elevated water storage tank, refurbish an existing tank, lay approximately 6,200 feet of 10-inch PVC water line, and for a new water well with a chlorination feed system. The loan will be funded through the drinking water SRF loan program with a fixed interest rate plus a half point administrative fee. The loan will mature within 30 years of the completion of construction and will be secured with a lien on Marietta’s water and sewer system revenues and a mortgage. Water and sewer connections have increased by approximately 4% over the last 10 years and their debt coverage ratio stands at 1.32 times.

Madam Chair Castillo Gorman asked for additional questions, discussion, or motion. A motion for approval was made by Mr. Stallings and Mr. Justice seconded the motion; Madam Chair Castillo called for the vote.

AYE: Latham, Stallings, Justice, and Muller, Landess and Castillo
NAY: None
ABSTAIN: None
ABSENT: Gorman and Cook

C. Consideration of and Possible Action on a Proposed Order Approving Drinking Water Funding Application for the Altus Municipal Authority, Jackson County, Oklahoma. Recommended for Approval.

This is a \$20.4 million loan request from the Altus Municipal Authority. They are requesting the loan for the replacement of approximately 100,000 feet of water line throughout the city. The loan will be funded through the drinking water SRF loan program with a fixed interest rate plus a half point administrative fee. The loan will have a maturity not to exceed 30 years from the completion of the project and will be secured with a lien on Altus's water and sewer system revenues. Altus has been a long-time loan customer of the Boards. They currently have 4 outstanding loans with a combined balance of approximately \$13.7 million and their debt coverage ratio stands at 1.42 times.

Madam Chair Castillo Gorman asked for additional questions, discussion, or motion. A motion for approval was made by Mr. Latham and Ms. Landess seconded the motion; Madam Chair Castillo called for the vote.

AYE: Latham, Stallings, Justice, and Muller, Landess and Castillo
NAY: None
ABSTAIN: None
ABSENT: Gorman and Cook

D. Report of the February 20, 2024, Board Audit Committee Meeting including Oklahoma Water Resources Board State Loan Program Revenue Bonds and Clean Water State Revolving Fund Program (CWSRF) Financial Statements as of June 30, 2023 and 2022, Audits of the CWSRF Administration Fund and the Drinking Water Treatment Loan Administrative Fund as of June 30, 2023 and 2022.

Following last month's board meeting Mr. Gorman and Mr. Justice along with staff and our auditing firm met for the annual review of the financial assistance division's financial data, compliance, oversight, and audits.

1. The committee reviewed the auditor's management letter, our audits by our auditors from Arledge and associates and the annual EPA evaluation reports of the SRF programs.
2. We discussed our arbitrage rebate reports and that they are all current.
3. We reviewed our borrower's annual audited debt coverage ratio report and were able to report that as of February 6th of this year based on borrower's last audits that 97% are meeting their debt coverage ratio requirements of 1.25 times or 1.4 times.
4. We discussed our regulatory continuing disclosure policy and standard operating procedure for disclosure.
5. We reviewed our loan documentation exceptions reports as of the end of December. These are borrower loan agreement items such as borrowers maintaining property insurance, fidelity bond coverage, liability insurance, workers compensation coverage, that borrowers have licensed operators, and annual audits.
6. We were able to report that we do not have any loan payment defaults in any of our three loan programs.
7. We reviewed our debt service reserve balances.
8. We looked over our financial assistance division investment portfolio for reserves, defeasances, operating funds, and second round loan funds.
9. In addition, we discussed our SRF bond ratings from standard and poor and fitch and our FAP loan program bond rating from Standard and poor of which all our ratings are AAA.

3. SUMMARY DISPOSITION AGENDA ITEMS

All the items listed below under this Summary Disposition Agenda are recommended for approval. Any item listed under this Summary Disposition Agenda may, at the request of any member of the Board, the Board’s staff, or any other person attending this meeting, be transferred to the Special Consideration Agenda. Under the Special Consideration Agenda, separate discussion and vote or other action may be taken on any items already listed under that agenda or items transferred to that agenda from this Summary Disposition Agenda.

Request to transfer items from Summary Disposition to the Special Consideration Agenda and Action on whether to transfer such items.

Discussion, questions, and responses pertaining to any items remaining on Summary Disposition agenda and possible action items listed below.

- A. Requests to Transfer Items from Summary Disposition Agenda to the Special Consideration Agenda and Action on Whether to Transfer Such Items.
- B. Discussion, Questions, and Responses Pertaining to Any Items Remaining on Summary Disposition Agenda and Possible Action on Items Listed Below.
- C. Consideration of and Possible Action on Financial Assistance Division Items:

- 1. Emergency Grant Applications:
None.
- 2. 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>
COEDD				
a.	FAP-24-0039-R	Wetumka Authority	Municipal Hughes	\$ 99,999.00

- 3. CWSRF Principal Forgiveness Loan Applications:
None.
- 4. DWSRF Principal Forgiveness Loan Applications:

<u>Item No.</u>	<u>Application No.</u>	<u>Entity Name</u>	<u>County</u>	<u>Amount Recommended</u>
a.	ORF-24-0015-DW	Rural Water District No. 13, McIntosh County	McIntosh	\$ 800,000.00

- 5. Sewer Overflow and Stormwater Reuse Municipal Grants (“OSG”)
None.
- 6. American Rescue Plan Act (ARPA) Grant Applications:

<u>Item No.</u>	<u>Application No.</u>	<u>Entity Name</u>	<u>County</u>	<u>Amount Recommended</u>
-----------------	------------------------	--------------------	---------------	---------------------------

a.	ARP-23-0039-DTG	Rural Water District No. 2, Latimer County	Latimer	\$ 500,000.00
b.	ARP-23-0038-DTG	Rural Water District No. 6, McCurtain County	McCurtain	\$ 500,000.00
c.	ARP-23-0036-DTG	Rural Water District No. 8, Pittsburg County	Pittsburg	\$ 500,000.00
d.	ARP-23-0033-DTG	Rural Water District No. 1, Pushmataha County	Pushmataha	\$ 500,000.00
e.	ARP-23-0028-DTG	Rural Water District No. 6, Okmulgee County	Okmulgee	\$ 700,000.00
f.	ARP-23-0131-G	Carney Public Utilities Authority	Lincoln	\$ 1,000,000.00
g.	ARP-23-0201-G	Rural Water District No. 8, McClain County	McClain	\$ 1,000,000.00
h.	ARP-23-0032-DTG	The Stringtown Public Works Authority	Atoka	\$ 1,000,000.00
i.	ARP-23-0223-G	Town of Canadian	Pittsburg	\$ 1,000,000.00
j.	ARP-23-0227-G	Town of Crowder	Pittsburg	\$ 1,000,000.00
k.	ARP-23-0151-G	Town of Hartshorne	Pittsburg	\$ 1,000,000.00
l.	ARP-23-0001-G	Waurika Public Works Authority	Jefferson	\$ 1,000,000.00
m.	ARP-23-0191-G	Wetumka Municipal Authority	Hughes	\$ 1,000,000.00
n.	ARP-23-0005-DG	Wewoka Public Works Authority	Seminole	\$ 1,000,000.00
o.	ARP-23-0022-DPG	Fort Cobb Reservoir Master Conservancy District	Caddo	\$ 1,409,648.00
p.	ARP-23-0035-DTG	The Broken Bow Public Works Authority	McCurtain	\$ 2,000,000.00
q.	ARP-23-0014-DTG	The Locust Grove Public Works Authority	Mayes	\$ 3,000,000.00

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

None

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

1. McIntyre Land & Cattle LLC, Beckham County, 2023-509
2. Eric Edward Miller and Paula Irene Miller, Major County, 2023-542
3. Vince L. and Jacqueline D. McGolden, Major County, 2023-547

4. Mike D. and Julie Miller, Garfield County, 2023-572
 5. BRAC Land, LLC, Custer County, 2023-629
 6. Vince L. and Jacqueline D. McGolden, Major County, 2023-645
 7. Le's Farm and Ranch, LLC, Craig County, 2023-651
 8. Khoa Tran, McCurtain County, 2023-654
- 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. Hudson and Deborah Williams, Texas County, 2023-503
 2. Gilley Family Revocable Trust, Garvin County, 2023-507
 3. Kade and Megan Sanford, Beckham County, 2023-526
 4. Kolt Landon Hayes, Beaver County, 2023-586
 5. Tate Endersby, Woodward County, 2023-595
 6. MPH Farms, LLC, Texas County, 2023-622
 7. MPH Farms, LLC, Texas County, 2023-643
 8. Adam Lyle and Spring Marie Cordes, Custer County, 2023-652
 9. Circle 5 Farms, LLC, Texas County, 2023-677
- H. Consideration of and Possible Action on Applications to Amend Regular Permits to Use Groundwater:
1. Brett A. and Whitney J. Bain, Cotton County, 2019-555
 2. Bryan County Rural Water, Sewer, and Solid Waste Management District #2, Bryan County, 2013-515
- I. Consideration of and Possible Action on Applications to Amend Prior Right to Use Groundwater:
None
- J. Consideration of and Possible Action on Applications to for Term/Seasonal Permits to Use Stream Water:
None
- K. Consideration of and Possible Action on Applications for Regular Permits to Use Stream Water:
1. T D H Ranch, LLC, Johnston County, 2021-013
 2. Daniel Knight, Creek County, 2023-012
- L. Consideration of and Possible Action on Applications to Amend Regular Permits to Use Stream Water:
None
- M. Consideration of and Possible Action on Well Driller and Pump Installer Licensing:
1. New Licenses, Accompanying Operator Certificates and Activities:

a. Licensee: Numac LLC	DPC-1036
1. Operator: Ronald McPherson	OP-2511
Activities: groundwater wells	
 2. New Operators, Licensee Name Change, and/or Activities for Existing Licenses:

a. Licensee: Ace Water Well Service, LLC	DPC-0932
1. Operator: George Farmer	OP-2512
Activities: Pump Installation	
b. Licensee: Ace Water Well Service, LLC	DPC-0932
2. Operator: Adam White	OP-2513
Activities: Pump Installation	
c. Licensee: Ace Water Well Service, LLC	DPC-0932
3. Operator: Justin Gilbert	OP-2514
Activities: Pump installation	
d. Licensee: Ace Water Well Service, LLC	DPC-0932
4. Operator: Amanda Gibson	OP-2515
Activities: Pump installation	
e. Licensee: METCO	DPC-0653

- 5. Operator: Tareq Abuawad OP-2516
Activities: Monitoring wells
- f. Licensee: Oklahoma Environmental Services DPC-0363
- 6. Operator: Darryl Green OP-2517
Activities: Monitoring wells
- g. Licensee: Matcor DPC-0479
- 7. Operator: Justin Wallage OP-2518
Activities: Cathodic protection and plugging of certain water wells
- h. Licensee: High Cedar Pump DPC-0876
- 8. Operator: Clayton Hodson OP-2519
Activities: Pump installation
- I. Licensee: Ellingson Drainage Inc DPC-1119
- 9. Operator: Brent Fleming OP-2521
Activities: Monitoring wells and pump installation

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

- 1. American Fidelity Dam, #OK02422, Oklahoma County
- 2. Chalk Dam, #OK30627, Johnston County

O. Consideration of and Possible Action on Permit Applications for Proposed Development on State Owned or Operated Property within Floodplain Areas:

None.

P. Consideration of and Possible Action on Applications for Accreditation of Floodplain Administrators:

- 1. Keith Titsworth, Muskogee County, #FPA-251
- 2. Travis Guess, Lincoln County, #FPA-233
- 3. Noah Fessenden, Dewey County, #FPA-813
- 4. Greg Miller, Greer County, #FPA-374
- 5. Clint Mascho, Citizen Potawatomi Nation, #FPA-408
- 6. Boa Cox, Osage County, #FPA-87
- 7. Charles Calvert, Washington County, #463

Madam Chair Castillo asked for additional questions, discussion, or motion. A motion for approval was made by Mr. Muller and Mr. Stallings seconded the motion; Madam Chair Castillo called for the vote.

- AYE: Latham, Stallings, Justice, and Muller, Landess and Castillo
- NAY: None
- ABSTAIN: None
- ABSENT: Gorman and Cook

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

- A. No Items

5. SPECIAL CONSIDERATION **Chairman Jennifer Castillo**

- A. No items for Special Considerations
- B. Consideration of and Possible Action on Items Transferred from Summary Disposition, if any.

6. New Business

Chairman Jennifer Castillo

No 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.

7. ADJOURNMENT

There being no further business, Acting Chair Gorman adjourned the regular meeting of the Oklahoma Water Resources Board at 10:05 a.m. on March 19, 2024. The next regular meeting of the Oklahoma Water Resources Board will be held on Tuesday April 16, 2024, at 9:30 a.m., at the Oklahoma Water Resources Board located at 3800 N. Classen Blvd., Oklahoma City, Oklahoma 73118.

OKLAHOMA WATER RESOURCES BOARD

Jennifer Castillo, Chairman

Thomas Gorman, Vice Chairman

Matt Muller

Darren Cook

Ron Justice

Bob. Latham

Robert L. Stallings, Jr.

ATTEST:

Suzanne Landess, Secretary (SEAL)

