NOVEMBER-DECEMBER 2001

In This Issue

Compact Released at Water Conference

2001 Water Pioneers

Water Board to Hold Statewide Meetings on Proposed Agency Rules

Summary of the Draft State/Tribal Water Compact

Annual Chili Cookoff and Costume Contest Benefit United Way

WATER RESOURCES UPDATE: Resevoir Storage Drought Update

Financial Assistance Program
Update

OKLAHOMAN News

Bimonthly Newsletter of the Oklahoma Water Resources Board



Duane A. Smith OWRB Executive Director

From the Director

As recapped in the article below, the 2001 Governor's Water Conference was highlighted by release of the State/Tribal Water Compact. I commend Governor Keating, Chief of Staff Howard Barnett, Choctaw Chief Greg Pyle, and Chickasaw Governor Bill Anoatubby on their collective efforts and spirit of cooperation in completing the draft phase of this historic agreement by the November deadline.

The ongoing public review process now takes center stage in preparation for submittal of the Water Compact to the full Oklahoma State Legislature in February. While much has been accomplished, a great deal of work still remains to maximize the potential economic benefits of southeast Oklahoma's water resources. In the near future, public meetings will be held to address individual components of the draft Compact and receive

See From the Director, Page 2

Compact Released at Water Conference

A draft compact enabling the State and the Choctaw and Chickasaw Nations to cooperatively administer water rights in southeastern Oklahoma was released to the public at the 22nd Annual Governor's Water Conference on November 14. After public input has been considered, a final draft of the ground-breaking settlement will be presented to the Oklahoma Legislature in February 2002.

Governor Keating's Chief of Staff, Howard Barnett, spoke to Conference attendees and members of the press about the purpose of the State/Tribal Water Compact (see summary on page 4), emphasizing that should a separate contract for the sale of water be negotiated, all profits would be split 50/50 between the State of Oklahoma and the Chickasaw and Choctaw Nations. Additionally, he said, all State revenues would be reinvested in economic development within the 22 counties encompassed by the two tribal regions.

"Restrictions on any water sale contract include the right to stop or limit the transfer of water during times of drought in Oklahoma," Barnett pointed out. "And, most importantly, the citizens of southeast Oklahoma



Duane Smith, Governor Bill Anoatubby, Chief Greg Pyle, and Howard Barnett meet with the press.

and Oklahoma at large would receive first priority to those available water resources."

Following comments during the Conference's morning session by Barnett, OWRB Executive Director Duane Smith, Governor Bill Anoatubby of the Chickasaw Nation, and Chief Gregory Pyle of the Choctaw Nation of Oklahoma, a brief press conference was held during which the principle players in Compact negotiations answered more specific questions about the Compact and potential water sale to Texas.









Conference speakers included (top to bottom) Gene Rainbolt, Chairman of the Board of BancFirst; Roberta Savage, Executive Director of ASIWPCA; Representative Larry Adair, Speaker of the Oklahoma House of Representatives; and OWRB's General Counsel, Dean Couch.

From the Director . . . Continued from page 1

input for possible revisions.

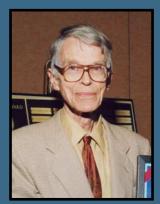
At this year's Water Conference, our speakers once again contributed varied and insightful viewpoints on water rights, water quality, project financing, and other emerging issues in the water arena. I want to personally thank these individuals for their vital contributions to the continued success of this landmark event. I also thank our 31 sponsors and more than 400 attendees. I hope to see you all again next year.

Finally, I want to take this opportunity to encourage all water rights holders and others with an interest in how Oklahoma waters are managed to attend one of six informal meetings to be held throughout the state in December on proposed amendments to Water Board rules and regulations. This is a great opportunity to have a direct impact on the conservation and protection of our most essential resource. Public hearings will be held on the rules, as well as final amendments to the

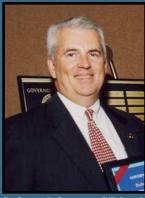


2001 Water Pioneers

Four individuals were recognized as Oklahoma Water Pioneers at the Governor's Water Conference on November 14, 2002, for their extraordinary contributions toward the development, protection, and conservation of Oklahoma's water resources.



Phillip Lorenz, President of Oklahoma's Scenic Rivers Association



Robert Johnson, CEO of the National Rural Water Association (NRWA)



Ken McFall, former Executive Secretary of the Oklahoma Farm Bureau



James Norick, former Mayor of Oklahoma City

Water Board to Hold Statewide Meetings on Proposed Agency Rules

In an effort to gather public input on proposed rules and regulations of the Oklahoma Water Resources Board, the agency will host six public meetings throughout the state in December. The meetings will begin at 7:00 p.m. at the following locations:

- **December 11**—Eastern State College Ballroom, 1301 West Main, Wilburton
- **December 12**—Tulsa City Hall, 200 Civic Center, Suite 1101 (enter on 6th St. west of Denver), Tulsa
- **December 13**—Great Plains Area Vo-Tech, Rm. 301-A, 4500 SW Lee Blvd., Lawton
- **December 17**—Northwestern Electric Cooperative, 2925 Williams Ave., Woodward
- **December 18**—Texas County Activity Center Banquet Room, 5th and Sunset, Guymon
- December 19—Oklahoma Water Resources Board, 3800 N. Classen Blvd., Oklahoma City

According to Duane Smith, OWRB Executive Director, public meetings are a valuable component of the agency's rules revision process: "Citizen input is crucial to this process because it has a direct effect on how well we manage and protect Oklahoma's water resources. If we can reach a consensus among the people we work for and with, we avoid conflicts down the road, which makes our job easier."

The proposed rule changes will address several important water management issues, including how pollution is considered in groundwater permit cases and regulation of commercial water well drillers. Other areas under consideration for amendment are potential instream flow protection on eastern Oklahoma's scenic Baron Fork River and revised funding procedures for water and wastewater projects under the Rural Economic Action Plan (REAP) grant and federal Clean Water Act loan programs. The agency is also proposing amendments to the Oklahoma Water Quality Standards and rules for implementation of those Standards.

On February 4, 2002, the OWRB will hold a formal public hearing on proposed revisions to the Oklahoma Water Quality Standards and rules for implementation. A separate public hearing will be held February 6 on the other proposed rules. Following consideration and approval of all revised rules by the nine-member Water Board, the rules will be submitted to the Governor and State Legislature.

Summaries of the proposed rules revisions under discussion will be available at the public meetings and may be obtained by contacting the OWRB at (405) 530-8800. Citizens unable to attend a meeting in their area may also call the OWRB to offer comments. Existing rules are available for review on the agency's Web site at www.owrb.state.ok.us.

Summary of the Draft State/Tribal Water Compact

The Choctaw and Chickasaw Tribal Nations will delegate water rights administration and water quality standards administration to the State of Oklahoma. The OWRB will follow current laws, rules, and procedures for permits and standards. Pursuant to the Clean Water Act, the Tribes may challenge, through arbitration, actions by the State if existing permitting rules are not followed or excessive permitting is proposed or Tribal Sovereignty and self-government is adversely impacted. The Tribes may establish their own water quality standards on Tribal lands. Either party may challenge establishment of water quality standards that adversely impact the other's lands.

Citizens in the basin of origin and in the Compact area will be recognized to have the highest priority for their present and future use of water in the Compact area. Citizens in the State of Oklahoma outside the Compact area will have the next highest priority. All other uses, including those out of state, will have the last priority.

Oklahoma City will agree to pay construction costs of Sardis Reservoir to the U.S. Army Corps of Engineers on behalf of the State of Oklahoma and will reimburse the State for past Sardis payments. Subject to the Compact, Oklahoma City will have an allocation of water from the Kiamichi River Basin/Sardis for its long-term future needs subject to local restrictions and participation with local entities for economic level development.

The Tribal Nations will waive claims to all existing water rights issued by the State, including Oklahoma City's rights to Atoka Lake and McGee Creek Reservoir.

The communities of central Oklahoma and Oklahoma City will be provided opportunities to develop future water supplies from the Kiamichi River Basin consistent with cornerstone principles designed to protect basin resources and future growth.

The Compact **does not and will not** authorize any sale or use of water out of state. The Compact requires that any sale or use of water out of state must be agreed to through a separate contract approved by the Oklahoma State Legislature and Tribal legislative bodies.

The Compact **does not** authorize the sale of groundwater; the same applies to future water marketing agreements.

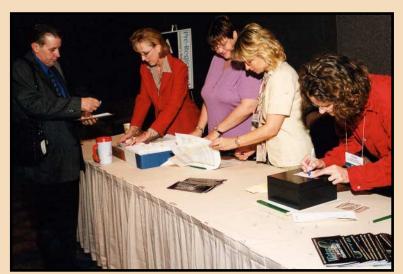
The agreement creates a Compact Commission with membership consisting of 50 percent state appointees from the Compact area (selected by the Governor and confirmed by the Senate) and 50 percent Tribal appointees.

The Compact Commission will have authority to (1) own and operate all infrastructure required to deliver sales of area water, (2) issue bonds to construct infrastructure necessary to deliver water sold from the Compact area to out-of-state entities, (3) administer separate contracts that authorize the out-of-state use of Compact area water, and (4) collect and distribute revenues from water sales from any out-of-state water sales agreements according to the terms of the Compact.

The Compact provides that potential water marketing revenues will be apportioned as follows: 50 percent will go to the State to be distributed in the Compact area by a special development district (public trust) composed of area residents appointed by the Governor and confirmed by the Oklahoma Senate; 37 ½ percent will go the Choctaw Nation to be appropriated by the Choctaw Tribal Council; and 12 ½ percent will go to the Chickasaw Nation to be appropriated by the Chickasaw Legislature.

For complete text of the Compact, please visit the OWRB Web site at www.owrb.state.ok.us

Teamwork and dedication of OWRB staff once again lead to Conference success.



OWRB staff members, Mary Schooley, Kelley Bailes, Carla Jennings, and Phyllis Robertson, work at the registration table.



Featured luncheon speaker Texas Senator J. E. "Buster" Brown and Conference coordinator Mike Melton







OWRB's Mike Binck at the FAD booth



OWRB's Mike Sughru assisting with Duane Smith's slide presentation



OWRB's Brian Vance with Grady Grandstaff, Chairman of the Board and 2001 Conference host



OWRB's Jim Schuelein with Kathy Peter, USGS District Chief

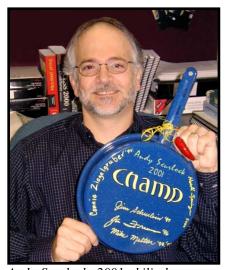
Annual Chili Cookoff and Costume Contest Benefit United Way

Once again, the generosity and support of Water Board staff resulted in a very successful United Way Campaign. Primarily due to the hard work of coordinators Shelly Bacon and Laura Oak, a total of \$7767.14 was raised this year.

The fundraising effort was highlighted by the annual chili cookoff on October 31. This year's winner of the coveted traveling skillet was Andy Scurlock of Information Services. Second place went to Julie Cunningham, and third to Mike Binck and Katera Whitaker.

Graciously serving as judges were Rep. Clay Pope, Rep. Randall Erwin, JeanWitt (Assistant to Rep. Erwin), Amanda Storck (Office of State Finance), Ron Meister (Senate staff), and Stephen Weiss (House staff).

Halloween costume contest winners were Little Red Riding Hood and the Big Bad Wolf (a.k.a. Whitaker and Binck).



Andy Scurlock, 2001 chili champ



OWRB staff and guests in line for chili



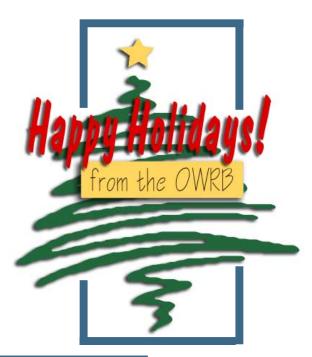
Representative Clay Pope



Representative Randall Erwin



Duane Smith with costume contest winners, Katera Whitaker and Mike Binck





Visit the OWRB web site at www.owrb.state.ok.us

Water Resources Update

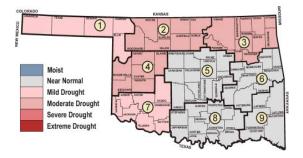
Reservoir Storage

Following a recent rebound, reservoir storage levels have begun to drop in many areas of the state. As of November 20, the combined normal conservation pools of 31 selected major federal reservoirs across Oklahoma (see below) are approximately 90.7 percent full, a 2.8 percent decrease from that recorded on October 22, according to information from the U.S. Army Corps of Engineers (Tulsa District). Twenty-three reservoirs have experienced lake level decreases since that time, including all nine in the east central, southwest, and south central regions. Twenty-two reservoirs are currently operating at less than full capacity (compared to 20 four weeks ago); seven reservoirs (Lugert-Altus, only 35.7 percent; Hulah, 47.8 percent; Canton, 71.8 percent; Keystone, 73.8 percent; Tom Steed, 74.1 percent; Birch, 74.9 percent; and Copan, 75.9 percent) are below 80 percent capacity.

Storage in Selected Oklahoma Lakes & Reservoirs As of November 20, 2001								
Climate Division	Conservation Storage (acre-feet)	Present Storage (acre-feet)	Percent of St Conservation	orage Flood				
NORTH CENTRAL	451,860	446,192	98.7	0.35				
NORTHEAST	3,484,317	3,195,677	91.7	0.23				
WEST CENTRAL	276,790	229,078	82.8	0.00				
CENTRAL	154,225	151,333	98.1	0.16				
EAST CENTRAL	2,968,681	2,561,940	86.3	0.00				
SOUTHWEST	301,810	186,853	61.9	0.00				
SOUTH CENTRAL	3,078,236	2,946,757	95.7	0.21				
SOUTHEAST	1,494,465	1,358,731	90.9	0.31				
STATE TOTALS	12,210,384	11,076,561	90.7	0.19				

Drought Indices

According to the latest Palmer Drought Severity Index (December 1, below), many areas of Oklahoma remain dry and in need of moisture. The North Central, Northeast, and West Central climate divisions are classified in the "moderate drought" category while the Northwest and Southwest regions are in "mild drought." Seven of Oklahoma's nine climate divisions have undergone PDSI moisture decreases since November 17. The greatest decrease occurred in the Northwest climate division.



The latest monthly Standardized Precipitation Index (through November, below) indicates that several regions, especially the North Central area (which indicates "extremely dry" conditions over the last 6-month period), are experiencing long-term dryness. Among the *selected* time periods (3-, 6-, 9- and 12-month SPI's), the Northeast, Northwest, West Central, and Southwest climate divisions report moderately dry to very dry conditions throughout at least the last six to nine months. Among periods beyond one year, only the 15-month SPI (Northeast, moderately dry) reports dry conditions for any area of Oklahoma.

Palmer Drought Severity Index				Standardized Precipitation Index Through November 2001				
Climate Division (#)	Current Status 12/01/2001	Val 12/1	ue 11/17	Change In Value	3-Month	6-Month	9-Month	12-Month
NORTHWEST (1)	MILD DROUGHT	-1.65	-1.34	-0.31	NEAR NORMAL	VERY DRY	MODERATELY DRY	NEAR NORMAL
NORTH CENTRAL (2)	MODERATE DROUGHT	-2.74	-2.56	-0.18	MODERATEY DRY	EXTREMELY DRY	VERY DRY	MODERATELY DRY
NORTHEAST (3)	MODERATE DROUGHT	-2.56	-2.31	-0.25	NEAR NORMAL	VERY DRY	VERY DRY	MODERATELY DRY
WEST CENTRAL (4)	MODERATE DROUGHT	-2.42	-2.27	-0.15	NEAR NORMAL	VERY DRY	MODERATELY DRY	NEAR NORMAL
CENTRAL (5)	NEAR NORMAL	-0.30	-0.10	-0.20	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL
EAST CENTRAL (6)	NEAR NORMAL	0.32	-0.17	0.49	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL
SOUTHWEST (7)	MILD DROUGHT	-1.51	-1.84	0.33	NEAR NORMAL	MODERATELY DRY	MODERATELY DRY	NEAR NORMAL
SOUTH CENTRAL (8)	NEAR NORMAL	0.48	0.60	-0.12	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL
SOUTHEAST (9)	NEAR NORMAL	0.21	0.25	-0.04	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL

Financial Assistance Program Update

Approved at November 13 and December 11, 2001, Board Meetings

11/13/01 11/13/01 12/11/01 12/11/01	FAP Loans West Siloam Springs MA, Delaware County RWD #2, Wagoner County RWD #5, Stephens County RWD #5, Wagoner County	\$275,000 \$775,000 \$430,000 \$2,310,000	Financial Assistance Program Update
12/11/01	CWSRF Westville UA, Adair County Broken Arrow MA, Tulsa County	\$380,400 \$1,011,954	<i>Totals as of 12/11/2001</i> FAP Loans
11/13/01	DWSRF Edmond PWA, Oklahoma County Hardship Grants None	\$10,743,486	#Approved 247 Amount \$375,790,000 CWSRF
12/11/01 12/11/01	Emergency Grants RW&SD #5, Garfield County RWSG&SWMD #14, Pittsburg County	\$75,000 \$38,250	#Approved 121 Amount \$429,665,142 DWSRF
11/13/01 11/13/01 11/13/01 11/13/01 11/13/01 11/13/01 11/13/01 11/13/01 11/13/01 11/13/01 11/13/01	REAP Grants Chattanooga PWA, Comache County Tipton PWA, Tillman County RWD #5, Seminole County Gore PWA, Sequoyah County Bluejacket PWA, Craig County RWD #1, Delaware County Burbank PWA, Osage County RWSG & SWMD #3, Choctaw County RWD #9, McCurtain County RWD #4, Garfield County RWD #1, Woodward County Achille PUA, Bryan County	\$94,660 \$99,675 \$99,770 \$60,000 \$79,700 \$50,000 \$87,538 \$58,500 \$99,995 \$110,000 \$99,999 \$99,999	#Approved 19 Amount \$62,566,741 Hardship Grants #Approved 2 Amount \$1,038,752 Emergency Grants #Approved 481 Amount \$28,169,525 REAP Grants
11/13/01 11/13/01 11/13/01 12/11/01 12/11/01 12/11/01	Town of Francis, Pontotoc County RWD #3, Beckham County Cheyenne UA, Roger Mills County RWD #14, Muskogee County Bernice PWA, Delaware County City of Lehigh, Coal County	\$62,150 \$84,100 \$25,000 \$150,000 \$99,500 \$149,999	#Approved 310 Amount \$25,839,620



Bimonthly Newsletter of the

Oklahoma Water Resources Board

3800 N. Classen Boulevard Oklahoma City, OK 73118 Phone 405-530-8800 Fax 405-530-8900

Grady Grandstaff, *Chairman*; Richard C. Sevenoaks, *Vice Chairman*; Ervin Mitchell, *Secretary* Lonnie L. Farmer, Richard McDonald, Bill Secrest, Dick Seybolt, Wendell Thomasson, Harry Currie