September-October 2004

In This Issue

Native American Issues Focus of Silver Anniversary Water Conference

Tribes Partner in Monitoring

Governor's Water Conference Tribal Symposium

FLOOD CURRENT:

Staying the Course on Partnerships, Training

Floodsmart.gov

Flood Insurance Q&A

Board Tours Arbuckle-Simpson

Water Board Loan Program Bond Issue Rated "AAA"

OWRB Web Site Recognized

Oklahoma Drought Monitor



Bimonthly Newsletter of the Oklahoma Water Resources Board



Duane A. Smith

OWRB Executive Director

From the Director

At October's Water Conference, I had the pleasure of hosting the Symposium on Tribal Claims and Water, which examined the many water issues related to Native American sovereignty, including treatment as states in administration of water quality standards. Considering the contentious nature of the subject, by the end of the day, I believe most conferees left feeling encouraged about the willingness of both state and Tribal leaders to acknowledge and build upon common environmental protection and economic development goals.

Of course, there was much discussion regarding the Pawnee Tribe's recent application to EPA for "treatment as states." Understandably, the potential for *checkerboarding* of water quality regulations that could result from this

See From the Director, Page 2

Native American Issues Focus of Silver Anniversary Water Conference

The 25th Annual Oklahoma Governor's Water Conference was held in Oklahoma City on October 19-20. This year's two-day event commenced with a Tribal water symposium, with speakers focusing on the many water-related issues facing Oklahoma's 38 federally recognized Tribes as the state works to resolve conflicting claims to water rights and water quality administration. Conferees were treated to a warm welcome by special guest Oklahoma Supreme Court Justice Yvonne Kauger, followed by an overview of the many complex topics in American Indian history in Oklahoma by Dr. Bob Blackburn of the Historical Society. Contributing to the Tribal perspective were Chad Smith, Principal Chief of the Cherokee Nation; John Berrey, Chairman of the Quapaw Tribe; and Bill Anoatubby, Governor of the Chickasaw Nation. Other speakers included Oklahoma Secretary of Environment, Miles Tolbert; Susan Cottingham, Montana Reserved Water Rights Compact Commission; Chuck Sheehan, EPA; Ryan Jackson, Counsel for the Senate Environment and Public Works Committee; and Dr. Lindsay Robertson, OU College of Law.

OWRB Chairman Ervin Mitchell welcomed conferees and speakers on the second day of the Conference with a video presentation entitled "Oklahoma Water: A Quality See Water Conference, Page 3



Bill Anoatubby, Governor of the Chickasaw Nation

From the Director . . . Continued from page 1

delegation of authority makes the state and many local governments quite nervous, especially as they contemplate the economic ramifications to industry and Oklahoma communities. To avoid such problems, federal, state and Tribal governments need to have sovereign-to-sovereign discussions about our water future.

As we heard from Oklahoma Tribal leaders and other speakers at the Water Conference, state and/or federal recognition of Tribal sovereignty does not impose a death sentence for future economic development no more than it does for our environment. Native Americans and all other Oklahomans benefit from clean and abundant sources of water; we all suffer if our waters become polluted or are misused. Just because the state's current water law does not recognize Tribal ownership, that doesn't mean we don't think we ought to work with the Tribes, that compacting is *not* the right way to go. Mutual protection of our water resources begins with open hearts and open minds.

Tribes Partner in Monitoring

Native American governments will join the Water Board and U.S. Geological Survey to underwrite streamflow monitoring in Oklahoma. The proposal was part of a joint funding agreement approved by the nine-member Board at its October 19 meeting.

The cooperative partnership assists the OWRB in managing state surface waters, including the prediction of flood and drought events. Stream gages located throughout Oklahoma also provide important water quality information used to supplement data collected through the agency's Beneficial Use Monitoring Program. The contribution of \$141,550 from the Cherokee, Choctaw and Chickasaw Nations will attract \$458,475 in federal matching funds. Additional contributions will allow operation of a \$956,250 monitoring program through fiscal year 2005.

Governor's Water Conference

Tribal Symposium



"You cannot understand Oklahoma—its institutions, its communities, its constitution of government, the way we look at the world itself without understanding American Indians." Justice Yvonne Kauger

Oklahoma Supreme Court

"One of the issues that we must understand, one of the issues that binds us together as a community, is water." Bob Blackburn, Director Oklahoma Historical Society



"It's clear the tribes need to have a greater institutional voice in state environmental decision-making..."

Miles Tolbert Okla. Secretary of the Environment







"All parties involved ... believe economic development would be inhibited by a complicated regime of conflicting statutes." Ryan Jackson, Counsel Senate Environment and

"We hired a mediator. Does [he] help us get along? Hell no, but he makes us get things done. And that's what counts." Tomas Benavidez, Town Attorney for Taos, New Mexico



Water Conference . . . Continued from page 1

of Life." The keynote address was delivered by Lt. Governor Mary Fallin, followed by addresses from Senate candidates, Representative Brad Carson and Dr. Tom Coburn. Some of the other speakers included Scott Meacham, Director of the Oklahoma office of State Finance; Kevin Easley, General Manager of the Grand River Dam Authority; Chris Cochran, Senior Vice President, Capital West; and Dick Seybolt, Chairman of the Arkansas-Oklahoma Arkansas River Compact Commission.

At the luncheon, Oklahoma Pioneer Awards were presented to Dr. Joe Taron and Glenn

Sullivan (see below). Duane Smith and Secretary Miles Tolbert updated the audience on state water issues. Congressman Tom Cole joined State Legislators in an update on water-related legislation to conclude the conference.

Lt. Governor Mary Fallin delivering the Keynote Address



Dick Seybolt, Arkansas-Oklahoma Arkansas River compact Commission and Jim Schuelein, OWRB



Ervin Mitchell, OWRB

Chairman



Kelly Burch, OK Attorney General's office; Doug Schooley, OK Dept. of Mines; and Mike Melton, OWRB

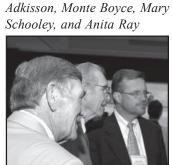
2004 Oklahoma Water Pioneers



At the conference, Engineer and former state water advocate, Glenn Sullivan (Norman) was named an Oklahoma Water Pioneer. Among numerous other accomplishments, Sullivan was recognized for his part in the creation of the first Oklahoma Comprehensive Water Plan and the state's first groundwater laws.



Also honored as a Water Pioneer was state rural water advocate Joe Taron (Shawnee). For 22 years, Taron chaired the Pottowatomie County Development Authority and advocated a plan to secure an additional water source for the county. His efforts resulted in the construction of Wes Watkins Reservoir.



OWRB staff members Theda

Left: Gene Whatley, ORWA: Ted Lockin, Bartlesville Mayor; and Joe Freeman, OWRB

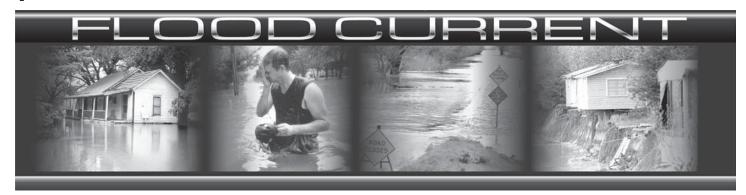


Bob Drake, Arbuckle Master Conservancy District, and Ervin Mitchell, OWRB Chair



Derek Smithee, OWRB; Dr. Jonathon Hook, EPA; and Chuck Sheehan, EPA

Mark Nichols, OWRB Member; Tom



Staying the Course on Partnerships, Training



Mike Mathis
State Floodplain Coordinator, OWRB

The Oklahoma Floodplain Managers Association's 14th Annual Conference, held last month at Western Hills Lodge, was an overwhelming success. A valuable partner of the Water Board and one

of the organizations targeted by the agency in our alliance-building strategy, OFMA continues to make giant strides in promoting floodplain management in Oklahoma. More than 150 floodplain managers from across the state attended the meeting and each earned 12 continuing education credits.

Lonnie Ward, Oklahoma's FEMA representative, who was reassigned to a similar position in Texas, was recognized at the meeting for six years of service to OFMA. We will certainly miss Lonnie's professionalism and leadership. We are lucky that Jack Graham, a long-time OFMA

member and one of the state's first certified floodplain managers, will assume Lonnie's post. The transition should be seamless as Jack, like Lonnie, demonstrates wide-ranging knowledge of floodplain management issues in Oklahoma. And both men recognize the extreme importance of consistent and quality training programs for those involved in community land use planning, especially in crucial floodplain areas.

As 2004 comes to an end, I think most in the floodplain management community would agree that the legislation and new law requiring continuing education of floodplain administrators was the most significant event of the year. The OWRB has begun the rule-making process for floodplain manager accreditation and we encourage your suggestions and comments. Training and continued education is the key to responsible floodplain management at the local level. Our individual success in this discipline, as with all endeavors in our own lives, is dependent

upon continued expansion of our personal knowledge and experience. It's just common sense.

I also want to thank OWRB staff for their continued hard work this year. Our people have worked diligently to complete the many targeted Community Assistance Program visits that ensure local compliance with NFIP regulations. In this regard, we depend upon community officials to maintain their program administration records and ensure that flood damage prevention ordinances remain current and enforced. Also, as we inventory repetitive loss structures in Oklahoma, we appreciate their assistance in providing staff with their local knowledge of individual properties and county records.

Finally, I want to remind you that the OWRB's upcoming training class, "Managing Floodplain Development Through the NFIP," is scheduled for January 10-14, 2005. Please call Rhonda Bowers at 405-530-8800 to enroll; class size is limited and the class fills quickly. I encourage all floodplain managers to take advantage of this excellent training opportunity.



What's your flood risk? How does flood insurance protect you? Discover the answer to these and other questions at www.floodsmart.gov, a Web site designed by the Federal Emergency Management Agency (FEMA). The site, directed primarily at property owners and renters in flood-prone areas, presents basic information about floods and flood insurance, including the National Flood Insurance Program (NFIP). Visitors to the site can also access tools to help them estimate their flood insurance premiums and find a local flood insurance agent.

Flood Insurance Q & A

Who can purchase flood insurance?

Anyone in a community that participates in the National Flood Insurance Program (NFIP) can purchase building and contents coverage against flood damage (with only a few exceptions) from any private insurance agent.

When is the best time to obtain flood insurance coverage? Now. There is a 30-day waiting period for flood insurance to become effective. However, if flood insurance is purchased in connection with a mortgage loan, there is no waiting period.

What is a Special Flood Hazard Area (SFHA)? These are the areas with the highest risk for flooding, shown on Flood Insurance Rate Maps as Zones A E, AO, AH, or V. Over a 30-year mortgage, homes in these zones have a 26 percent chance of being flooded.

How do you know if a building is in a SFHA? Flood maps depict darkly shaded areas as high-risk flood areas. Check with your local floodplain official to confirm your property's flooding risk. To order copies of flood maps, visit www.fema.gov. Lenders are required to notify borrowers if flood insurance is required as a condition of a mortgage loan.

Rains Swamp Muskogee

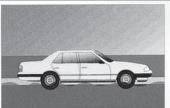


Ducks swim in floodwaters left in the wake of torrential rainfall that occurred during late October in the Meadows Addition in the south part of Muskogee. Some areas of the community reported more than seven inches of rain, inundating roads and houses throughout Muskogee and resulting in the worst flooding in more than 20 years. The inset photograph demonstrates that floodwaters reached higher than mailboxes in the community.

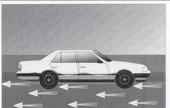


Mike Melton, of the OWRB, presents a Community Rating System (CRS) certificate to Nancy Kennedy, Stormwater Utility Director for the City of Edmond, at the Oklahoma Municipal League Awards Breakfast, held August 20 in Oklahoma City. The certificate denotes "Class 9" status, which allows Edmond residents a five percent flood insurance premium discount based on local implementation of mitigation, outreach, and educational activities that go well beyond minimum NFIP requirements.

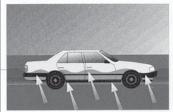




Water weighs 62.4 lbs. per cubic foot and typically flows downstream at 6 to 12 miles an hour



When a vehicle stalls in the water, the water's momentum is transferred to the car. For each foot the water rises, 500 lbs. of lateral force are applied to the car.



But the biggest factor is buoyancy. For each foot the water rises up the side of the car, the car displaces 1,500 lbs. of water. In effect, the car weighs 1,500 lbs. less for each foot the water rises.



Two feet of water will carry away most automobiles.

Board Tours Arbuckle-Simpson

In conjunction with the OWRB's September meeting in Sulphur, Board members, OWRB staff, and guests were taken on a tour of the Arbuckle-Simpson study area. The tour was highlighted by brief lectures by Board staff and members of Arbuckle Study Peer Review Team at various locations, including Vendome Well, at the Chickasaw National Recreation Area in Sulphur; Jacobs Ranch, which overlies the aquifer's Hunton Anticline; U.S. Silica Quarry, near the town of Mill Creek; Tishomingo National Fish Hatchery at Pennington Creek; Lake of the Arbuckles; and Turner Falls Park, near Davis.



Randall Ross, a hydrologist with the Kerr Environmental Research Center in Ada, demonstrates the capricious nature of groundwater flow through a typical karst aquifer.

OWRB Web Site Recognized

The Water Board's on-line water well log and drilling administration service, launched in October 2003, has been chosen by the Center for Digital Government as a finalist in the 2004 Best of the Web Digital Government Achievement Awards in the government-to-business category. The highly successful program allows the public to search the agency's extensive database of water wells drilled in Oklahoma. It also provides a way for Oklahoma's water well drillers to submit online logs of their individual drilling operations.

The Center for Digital Government is a national research and advisory institute on information technology policies and best practices in state and local government.

Water Board Loan Program Bond Issue Rated AAA

The nation's top credit ratings services—Standard & Poors, Moody's Investor Service, and Fitch Ratings—have assigned AAA ratings to the Oklahoma Water Resources Board's upcoming \$204 million revenue bond issue. The bonds, which closed October 26, will be used to leverage funds utilized for water and wastewater project financing throughout the state.

Bond proceeds will be used to finance eligible projects from the Board's Drinking Water State Revolving Fund (DWSRF) and Clean Water State Revolving Fund (CWSRF). Funds to capitalize both programs—which offer low-interest loans to both large and small Oklahoma communities—are provided through EPA grants and state matching funds (equal to 20 percent of the federal government grants). The DWSRF provides financial assistance to communities for public water supply construction projects. The CWSRF provides loans for municipal wastewater infrastructure and other pollution control projects.

During the Board's bond issue in October 2003, Oklahoma became the first state in EPA's Region 6 to leverage the DWSRF. Bond proceeds will provide approximately \$120 million for clean water projects and \$80 million for drinking water projects.

Oklahoma's DWSRF is the only financing program in Region 6 that has loan demand high enough to warrant leveraging and this bond issue further exemplifies this strong aspect of the fund's strength. In addition, the OWRB is cross collateralizing the drinking water and clean water programs, making this program the first in the region and one of only about 10 in the country providing this level of water and wastewater financing. The Bond Buyer newspaper has already identified the Board's bond issue as its national "Deal of the Week."

The "AAA" rating reflects the board's diverse loan pool, significant default tolerance as a result of over-collateralization from pledged loan revenues and debt service reserve funds, and sound underwriting guidelines. The bonds are secured by a debt service reserve and loan repayments pledged to bondholders. The debt service reserve, in addition to providing bondholder security, generates excess earnings that are used to subsidize borrower loan repayments.

According to Wendy Wipperman, a credit analyst in Standard & Poor's Dallas office, the OWRB has a very strong history of oversight that exceeds most states. For example, the OWRB requires a monthly report from all borrowers, not just an annual report like many agencies.

The OWRB serves as the state's primary financing vehicle for local government water and wastewater projects. The agency is authorized to assist political subdivisions and municipal corporations of the state, therefore eliminating the risk of lending to private entities. The OWRB's five financial assistance programs—consisting of the Drinking Water and Clean Water State Revolving Fund Loan Programs, Bond Loan Program, Emergency Grant Program, and Rural Economic Action Plan Grant Program—are collectively responsible for almost \$1.3 billion in financing for community water and sewer infrastructure projects in Oklahoma. The effort was launched through a \$25 million dollar appropriation by the State Legislature in 1983.

Oklahoma Drought Monitor

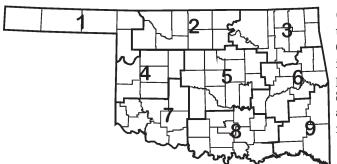
Reservoir Storage

Lake storage in Oklahoma remains generally good, although lakes in the southwest continue to experience low levels. As of October 25, the combined normal conservation pools of 31 selected major federal reservoirs across Oklahoma (see below) are approximately 92.9 percent full, a 1.6 percent decrease from that recorded on September 28, according to information from the U.S. Army Corps of Engineers (Tulsa District). Nine reservoirs have experienced lake level decreases since that time. Twenty-four reservoirs are currently operating at less than full capacity (compared to 27 last month). Three reservoirs—Lugert-Altus, only 20.7 percent full; Tom Steed, 56.6 percent; and Waurika, 77.8 percent—remain below 80 percent capacity.

Storage in Selected Oklahoma Lakes & Reservoirs As of October 25, 2004									
Climate Division	Conservation Storage (acre-feet)	Present Storage (acre-feet)	Percent of Conservation Storage						
North Central	428,325	425,382	99.3						
Northeast	3,710,194	3,509,999	94.6						
West Central	276,790	244,636	88.4						
Central	154,225	152,273	98.7						
East Central	3,022,323	2,923,970	96.7						
Southwest	301,810	73,685	24.4						
South Central	3,037,769	2,799,364	92.2						
Southeast	1,474,334	1,400,973	95.0						
State Totals	12,405,797	11,530,282	92.9						

Drought Indices

According to the latest Palmer Drought Severity Index (October 25, below), no regions in Oklahoma are currently experiencing drought conditions. In addition, none of Oklahoma's nine climate divisions have undergone PDSI moisture decreases since September 23. The most modest increase occurred in the Northeast climate division.



The latest monthly Standardized Precipitation Index (through September, below) indicates only some moderate long-term dryness in Oklahoma. Among the *selected* time periods (3, 6, 9, and 12 month SPIs), only the Southeast climate division indicates dry conditions ("moderately dry" over the 3-month period). Considering longer periods (through six years), the Southeast and East Central climate divisions report "moderately dry" conditions at times over the past 18, 24 and 30 months.

Palmer Drought Severity Index					Standardized Precipitation Index Through September 2004			
Climate Division (#)	Current Status 10/23/2004	Valu 10/23	ue 8 9/25	Change In Value	3-Month	6-Month	9-Month	12-Month
NORTHWEST (1)	UNUSUAL MOIST SPELL	2.78	1.82	0.96	MODERATELY WET	NEAR NORMAL	MODERATELY WET	NEAR NORMAL
NORTH CENTRAL (2)	UNUSUAL MOIST SPELL	2.14	1.17	0.97	NEAR NORMAL	NEAR NORMAL	MODERATELY WET	NEAR NORMAL
NORTHEAST (3)	INCIPIENT MOIST SPELL	0.88	0.56	0.32	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL
WEST CENTRAL (4)	MOIST SPELL	1.67	1.18	0.49	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL
CENTRAL (5)	MOIST SPELL	1.20	0.26	0.94	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL
EAST CENTRAL (6)	NEAR NORMAL	0.28	-0.48	0.76	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL
SOUTHWEST (7)	INCIPIENT MOIST SPELL	0.95	0.42	0.53	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL
SOUTH CENTRAL (8)	MOIST SPELL	1.62	0.46	1.16	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL
SOUTHEAST (9)	INCIPIENT MOIST SPELL	0.50	-0.62	1.12	MODERATELY DRY	NEAR NORMAL	NEAR NORMAL	NEAR NORMAL

Financial Assistance Program Update

Loans/Grants Approved as of October 19, 2004

FAP Loans—307 totaling \$536,255,000

The OWRB's Financial Assistance Program (FAP), created by the State Legislature in 1979, provides loans for water and wastewater system improvements in Oklahoma. The tremendous popularity of the bond loan program is due, in part, to extended payoff periods of up to 30 years at extremely competitive low-interest rates, averaging approximately 4.762 percent since 1986.

CWSRF Loans—160 totaling \$529,555,168

The Clean Water State Revolving Fund (CWSRF) loan program was created in 1988 to provide a renewable financing source for communities to draw upon for their wastewater infrastructure needs. The CWSRF program is Oklahoma's largest self-supporting wastewater financing effort, providing low-interest loans to communities in need.

DWSRF Loans-45 totaling \$187,251,639

The Drinking Water State Revolving Fund (DWSRF) loan program is an initiative of the OWRB and Oklahoma Department of Environmental Quality to assist municipalities and rural water districts in the construction and improvement of drinking water systems. These projects are often mandated for communities to obtain compliance with increasingly stringent federal standards related to the treatment of drinking water.

REAP Grants—404 totaling \$35,127,614

The Rural Economic Action Plan (REAP) Program was created by the State Legislature in 1996. REAP grants, used for water/wastewater system improvements, target primarily rural communities with populations of 7,000 or less, but priority is afforded to those with fewer than 1,750 inhabitants.

Emergency Grants—509 totaling \$29,920,332

OWRB emergency grants, limited to \$100,000, are awarded to correct situations constituting a threat to life, health, and/or property and are an indispensable component of the agency's financial assistance strategy.

Total Loans/Grants—1,425 totaling \$1,318,109,753

Applicants eligible for water/wastewater project financial assistance vary according to the specific program's purpose and requirements, but include towns and other municipalities with proper legal authority, various districts established under Title 82 of Oklahoma Statutes (rural water, master/water conservancy, rural sewage, and irrigation districts), counties, public works authorities, and/or school districts. Applications for agency financial assistance programs are evaluated individually by agency staff. Those meeting specific program requirements are recommended by staff for approval at monthly meetings of the nine-member Water Board.

More information about the OWRB's Financial Assistance Program can be obtained by calling the OWRB at (405) 530-8800.

Ervin Mitchell, *Chairman*; Lonnie L. Farmer, *Vice Chairman*; Bill Secrest, *Secretary* Harry Currie, Rudy Herrmann, Jack Keeley, Mark Nichols, Richard C. Sevenoaks

Brian Vance, Writer/Editor • Darla Whitley, Writer/Layout • Barry Fogerty, Photography

This bimonthly newsletter, printed by Oklahoma University Printing Services, Norman, Oklahoma, is published by the Oklahoma Water Resources Board as authorized by Duane A. Smith, Executive Director. Eighty-eight hundred copies have been printed and mailed bimonthly at an approximate cost of 29 cents each. Copies have been deposited at the Publications Clearinghouse of the Oklahoma Department of Libraries.

www.owrb.state.ok.us

OKLAHOMA WATER RESOURCES BOARD 3800 N. Classen Boulevard Oklahoma City, OK 73118

Bimonthly Newsletter of the



STANDARD PRESORTED

U.S. POSTAGE

Oklahoma City, OK
Permit No. 310