

## **OKLAHOMA WATER RESOURCES BOARD MEETING INFORMATION**

The Oklahoma Water Resources Board meets monthly in accordance with the date, time, and location shown on the final posted agenda. A draft Board meeting agenda and packet materials are scheduled to be prepared approximately 10 calendar days prior to the Board's meeting. A final agenda is scheduled to be posted at least 24 hours prior to the meeting. The standard sections of the agenda are numbered in a series; additional or special items will appear on the agenda subsequently. Standard sections include the following:

- 01000 = Call to Order
- 02000 = Financial Assistance Division
- 03000 = Summary Disposition Agenda
- 04000 = Items of Interest
- 05000 = Special Consideration Items

This meeting packet contains expanded information (summary documents, proposed orders, etc.) associated with individual agenda items. Each section of the packet contains a cover sheet noting the appropriate corresponding agenda item/number. (For example, to locate agenda item 2.D., concerning a grant or loan, review the packet for the section labeled, "2. Financial Assistance Division," which will begin on page 02000. Item D. is placed in alphabetical order in the section and is labeled accordingly.) The documents and information provided within the meeting packet are draft until approved by the Board. Please contact OWRB staff for the final, official documents as approved by the Board.

If you require assistance in locating an item or accompanying documents, please contact OWRB staff at (405) 530-8800.

**1.B.**

**April 16, 2024, Regular Meeting Draft Official Minutes  
For consideration at the May 21, 2024 Board Meeting**

## CALL TO ORDER

The Regular Meeting of the Oklahoma Water Resources Board was called to order by Madam Chair Jennifer Castillo, on April 16, 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 April 12, 2024, at 1:00 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  
Darren Cook  
Jennifer Castillo

### Board Members Absent

Tom Gorman

### 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  
Nathan M., City of Norman  
Darrel Pyle, City of Norman  
DeCarlo Harris, R3 Realty Group  
Buddy Hokit, City of Duncan  
Larry Jones, City of Duncan  
Leslie Lewis, HALFF  
Shawn Dewees, Foss Reservoir MCD  
Kara Taylor, Foss Reservoir  
Jennifer Puckett, Salt Creek Rock Club  
Charlie Swinton, BancFirst  
Anthony F., City of Norman  
Randy M., BancFirst  
Sandra Benelli

B. Discussion, Amendments and Vote to Approve Official Minutes of the March 19, 2024, Regular Meeting. Madam Chair Castillo inquired if all members reviewed the minutes of the March 19, 2024, meeting and if no questions, or changes, requested a motion to approve. No comments or amendments; Mr. Stallings motioned to approve, and Mr. Justice seconded the motion. Madam Chair Castillo called for the vote.

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

C. Executive Director's Report:

It's been a dry month in the Panhandle (40% normal precipitation) and North Central OK (30% normal). Over 157,000 Oklahoma residents are in areas of moderate drought according to the drought monitor, covering 15.41% of the state in area. The seasonal drought outlook shows no drought or drought improvement is likely across the state over the next few months. NOAA's outlook shows above normal chances for rain for the eastern half of the state through June. No burn bans are in effect.

The Oklahoma Water Resources Board is pleased to announce the third in a series of stakeholder input meetings, at locations across the state, focused on the 2025 update of Oklahoma's Comprehensive Water Plan (OCWP). While anyone may attend, we request participation from local officials, water utility suppliers, regulated industry, commercial agricultural producers, economic development entities, and representing organizations.

Legislative Session:

Last week was a deadline week with house bills and Joint resolutions needing to advance out of Senate committee – now just 450 still alive with 300 missing the deadline. The first week of April was the filing period for elected offices and House and Senate have not come together on the budget yet, so some aspects of session have slowed over the last two weeks but should pick up this week and next. Previous sessions saw both chambers dedicate the last couple of weeks to budget negotiations, but the senate implemented a new system this year, opting for public hearings during the first month of session.

D. Financial Update

Mr. Cleve pierce, Chief Administrative Services Division, presents the budget report for the period ending March 2024. Mr. Pierce reports the agency has spent 73 % of it appropriated budget leaving 27 %; spent 44% of its revolving budget, leaving 56%; has spent 28% of its federal budget, leaving 72%. Overall, the total budget remaining is 56% with 25 % of the year remaining.

2. **FINANCIAL ASSISTANCE DIVISION**

A. **Consideration of and Possible Action on a Proposed Order Approving Clean Water Funding Application for The Duncan Public Utilities Authority, Stephens County, Oklahoma. Recommended for Approval.**

This is a \$4.8 million loan request from the Duncan public utilities authority located in Stephens County. They are requesting the loan for wastewater treatment plant improvements including a new chlorination/ dichlorination system, a new chemical building, and for repair or replacement of manholes and sewer lines. The loan will be funded through the clean 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 the project and will be secured with a lien on Duncan's water, sewer, sanitation, and electric system revenues. Duncan has been a long-time loan customer of the boards and they currently have 9 outstanding loans with a combined principal balance of \$49.7 million.

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

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

ABSENT: Gorman

**B. Consideration of and Possible Action on a Proposed Order Approving Clean Water Funding Application for the Norman Utilities Authority, Cleveland County, Oklahoma. Recommended for Approval.**

This is a \$5 million loan request from the Norman Utilities Authority to go along with a \$4.6 million congressionally directed grant for improvements to their water reclamation facility. The improvements include replacing dewatering centrifuges with a new hydraulic drive centrifuge system, replace blowers, renovate the administration building and construct a new storage building. If the congressional grant funds are not available in time Norman will use approximately \$3.7 million in local funds for the project and the administration and storage building projects will be deferred. The loan will be funded through the clean water SRF loan program with a fixed interest rate plus a half point administrative fee. The loan will mature within 25 years of the completion of the project and will be secured with a lien on Norman's water and sewer system revenues. Over the last ten years Norman's water connections have increased by 26% and wastewater connections by 41%. Norman has also been a long-time loan customer of the boards and they currently have 5 outstanding loans with a combined balance of \$51.8 million and their debt coverage ratio stands at 2.1 times.

Madam Chair Castillo 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, Landess, Muller, Cook, Castillo  
NAY: None  
ABSTAIN: None  
ABSENT: Gorman

**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:  
None.

3. CWSRF Principal Forgiveness Loan Applications:  
None.
4. DWSRF Principal Forgiveness Loan Applications:  
None.
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-23-0029-DTG	The Eufaula Public Works Authority	McIntosh	\$ 400,000.00
b.	ARP-23-0295-G	City of Anadarko	Caddo	\$ 600,000.00
c.	ARP-23-0160-G	City of Sallisaw	Sequoyah	\$ 626,461.00
d.	ARP-23-0106-G	Rural Water District No. 3, Delaware County	Delaware	\$ 660,000.00
e.	ARP-23-0143-G	Pawnee Public Works Authority	Pawnee	\$ 999,993.63
f.	ARP-23-0230-G	The Eufaula Public Works Authority	McIntosh	\$ 1,000,000.00
g.	ARP-23-0164-G	Town of Bromide	Johnston	\$ 1,000,000.00
h.	ARP-23-0020-DPG	Foss Reservoir Master Conservancy District	Custer	\$ 1,409,648.00
i.	ARP-23-0291-G	The Lawton Water Authority	Comanche	\$ 2,000,000.00
j.	ARP-23-0267-G	City of Sand Springs	Tulsa	\$ 2,000,000.00
k.	ARP-23-0012-DPG	River Parks Authority	Tulsa	\$ 4,200,000.00

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

1. Resolution authorizing an application for funding assistance through the Environmental Protection Agency’s Sewer Overflow and Stormwater Reuse Municipal Grant Program to provide assistance in the form of sub-awards to address infrastructure needs for combined sewer overflows, sanitary sewer overflows, and stormwater management.
2. Interagency Agreement between the Department of Environmental Quality and OWRB to complete a pre-TMDL study for Boomer Lake, located in Stillwater, Ok. This will be a 2-year monitoring project to collect data needed to complete a TMDL. Work will be done on the lake and in the watershed.

3. Interagency Agreement between the Department of Environmental Quality and OWRB for bathymetric mapping of lakes currently listed as impaired for Dissolved Oxygen. This work is a continuation of that done in previous years. The agreement is for two fiscal years.
- E. Consideration of and Possible Action on Applications for Temporary Permits to Use Groundwater:  
 1. Olive Tree Realty, LLC, McClain County, 2023-580  
 2. Theodore Calvin and Amy Nicole Koehn, Dewey County, 2023-587
- 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:  
 None
- H. Consideration of and Possible Action on Applications to Amend Regular Permits to Use Groundwater:  
 1. Jessie H. Hoskins, Blaine County, 2008-528
- 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:  
 None
- 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: W5 Waterwell Service, LLC	DPC-1038
1. Operator: Colton Wear	OP-2525
Activities: groundwater wells	
b. Licensee: Vanguard Well Resources	DPC-1040
2. Operator: Jacob Friessen	OP-2526
Activities: Groundwater wells	
  2. New Operators, Licensee Name Change, and/or Activities for Existing Licenses:
 

a. Licensee: Layne Christensen	DPC-0123
1. Operator: Jason McKinney	OP-2508
Activities: Groundwater wells and monitoring wells	
b. Licensee: Layne Christensen	DPC-0123
2. Operator: Bobby Roberts	OP-2509
Activities: Groundwater wells and monitoring wells	
c. Licensee: Layne Christensen	DPC-0123
3. Operator: Cody Lotze	OP-2510
Activities: Groundwater wells and monitoring wells	
d. Licensee: Northwest Waterwell Service	DPC-0845
4. Operator: Hunter Reihm	OP- 2527
Activities: Groundwater wells and pump installation	
e. Licensee: Vista GeoScience, LLC	DPC-0788
5. Operator: Theodore Stockwell	OP-2521
Activities: Monitoring wells	
f. Licensee: Vista GeoScience, LLC	DPC-0788
6. Operator: Luka Pavlakis	OP-2522
Activities: Monitoring wells	

- |                                                     |          |
|-----------------------------------------------------|----------|
| g. Licensee: Vista GeoScience, LLC                  | DPC-0788 |
| 7. Operator: Benjamin Alcox                         | OP-2523  |
| Activities: Monitoring wells                        |          |
| h. Licensee: Vista GeoScience, LLC                  | DPC-0788 |
| 8. Operator: Noah Willoughby                        | OP-2524  |
| Activities: Monitoring wells                        |          |
| h. Licensee: May Waterwell Drilling                 | DPC-0615 |
| 9. Operator: Keith May                              | OP-2528  |
| Activities: groundwater wells and pump installation |          |
| h. Licensee: May Waterwell Drilling                 | DPC-0615 |
| 10. Operator: Larry Williams                        | OP-2529  |
| Activities: Groundwater wells and pump installation |          |

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

1. Whittington Dam, Love County, OK10248

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. Shannon Lee, Garfield County, #FPA-817
2. Linda Garcia, Kingfisher County, #FPA-705
3. Sean Fairbairn, Grady County, #FPA-843
4. Stephen Hendricks, Major County, #FPA-28
5. Cody Gilbert, McCurtain County, #FPA-629

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, Landess, Muller, Cook, Castillo
NAY:	None
ABSTAIN:	None
ABSENT:	Gorman

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. Consideration of and Possible Action on Application for a Temporary Groundwater Right No. 2022-526, R3 Realty Group, LLC, Love County, Oklahoma:

1. Summary – Mr. Chris Neel:  
R3 Realty Group, LLC, c/o DeCarlo Harris whose address is 6409 S. Western Ave., Oklahoma City, OK 73139 has filed an application, #2022-526, with the Oklahoma Water Resources Board (Board) for a permit to use 40 acre-feet of groundwater per year. The groundwater is proposed to be used for Irrigation and Agriculture uses (annual grass and medical marijuana) and taken from 40 acres located in the S2 NE of Section 32, T8S, R2EIM in Love County. The water is to be withdrawn from five (5) wells located as follows: three (3) wells in the NE SE NE, one (1) well in the NW SE NE, and one (1) well in the NE SW NE all in Section 32, T8S, R2EIM in Love County. Wells and dedicated lands are located over the Red River Alluvium and Terrace groundwater basin. The applicant gave proper Public Notice, the application was



protested, and an administrative hearing was held on September 21, 2023. The hearing examiner recommends approval.

The proposed use of the groundwater is for agriculture and irrigation of the land dedicated to the permit. The intended use is to grow annual grass and medical marijuana. There was no evidence introduced to indicate that Applicant use of the groundwater was not for agriculture and irrigation of land dedicated to the permit.

Protestant McCage, Protestant Jones, Protestant Dunn, and Protestant Mansfield protested the Application and were made parties herein.

Protestant Mansfield testified (in summary) that he is protesting the issuance of the Application because he believes the amount of water being requested by the Applicant is an extreme amount of water and a greater amount than needed. That Applicant's use of water is reducing the water pressure and negatively impacting the water depth. That in an April 26, 2022, application the Applicant only stated annual grass, and, in the June 6, 2022, Application the Applicant added marijuana and increased the quantity of water. That he does not currently have access to city water. That he is using well water as primary source of water. That he has cattle, previously chicken, and is building a house that is not complete. That the water table in his pipe previously was forty (40) feet and is now eighteen (18) feet and that he had to turn up the water pressure to max to water his yard. That he does not have a meter in his well. That after Applicant's water wells were drilled and water spraying started that he noticed that water pressure was dropping. That he did not know if Applicant was in fact using city water or not.

The depth to water in feet below land surface in Protestant Dunn's well was around 28 feet in February 2020, increased to a peak of around 22 feet in June of 2020, and then decreased steadily to around 30 feet in October of 2023. Protestant Exhibit No. 1. No information was provided for the time after October of 2023. Protestant Dunn was not at the hearing and is believed to be deceased. Protestant Mansfield testified (in summary) that Protestant Dunn's well has a meter in it, that the well is adjacent to Applicant's property located on the E section of page 4 of 5 of OWRB Exhibit No. 4, that the data is monitored by the OWRB, and that he obtained Protestant Exhibit No. 1 from the OWRB. Whether Protestant Exhibit No. 1 was provided by the OWRB was not verified by the OWRB at the hearing.

A Cease-and-Desist Unauthorized Use of Stream/Ground Water was issued July 14, 2022, to the Applicant for using groundwater for non-domestic use to commercially grow medical marijuana without a permit to do so.

A Cease-and-Desist Unauthorized Use of Stream/Ground Water was issued January 9, 2023, to the Applicant for using groundwater for non-domestic use to commercially grow medical marijuana without a permit to do so.

2. Discussion and presentation by parties:

A question and discussion was had by Board members regarding enforcement of unpermitted wells and ramifications of not abiding by the Cease-and Desist letters.

Discussion was had regarding the actual need for 40-acre feet of water use. Or if applicant can sell the water for other usage.

A motion was made by Mr. Stallings to table this Special Consideration; Mr. Stallings withdrew the motion for tabling.

Discussion was had regarding well spacing. It was determined there are no well spacing requirements in this area due to the maximum annual yield study being incomplete at this time. Future spacing could come into play and would be set at 660 feet but is not set at this time. It was determined the wells are approximately 1700 apart per an aerial photograph. In theory, if there was a well spacing requirement, the applicant would be within well spacing parameters.

3. Possible Executive Session:

Madam Chair Castillo asked for further discussion, a motion for Executive Session or a vote on the matter. A motion was made to go into Executive Session by Mr. Stallings and seconded by Mr. Justice.

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

Staff members requested to remain for Executive Session are Sara Gibson, Tamara Lilly, Julie Cunningham, and Chris Neel.

Madam Chair Castillo asked for a motion to move out of Executive Session and to resume Regular Session. Mr. Muller made a motion and was seconded by Mr. Justice.

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

Regular session has resumed, and Madam Chair Castillo asked for a motion regarding this application. Mr. Latham made a motion to approve with the following conditions: 40-acre feet to be granted but will lose one quarter of that 40 acre feet if the medical marijuana license lapses or the grow ceases to exist on the property. The motion was seconded by Mr. Muller.

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

As authorized by the Oklahoma Open Meeting Act in Section 307(B)(8) of Title 25 of the Oklahoma Statutes, an executive session may be held for the purpose of “[e]ngaging in deliberations or rendering a final or intermediate decision in an individual proceeding pursuant to Article II of the Administrative Procedures Act”.

- (a) Vote on whether to hold Executive Session. Before it can be held, the Executive Session must be authorized by a majority vote of a quorum of members present and such vote must be recorded.
  - (b) Designation of person to keep written minutes of Executive Session, if authorized.
  - (c) Executive Session, if authorized.
4. Return to open meeting and possible vote or action on any matter discussed in the Executive Session, if authorized.
  5. Vote on whether to approve the Proposed Order as presented or as may be amended, or vote on any other action or decision relating to the Proposed Order.

B. Consideration of and Possible Action on Application for a Stream Water Right No. 2022-024, Salt Creek Duck Club, LLC, Pottawatomie County, Oklahoma:

1. Summary – Mr. Chris Neel:

Notice is hereby given from Salt Creek Duck Club LLC, c/o Keenen Taylor whose address is 1217 Fairview Farm Rd, Edmond, OK 73013 has filed an application, #2022-024, with the Oklahoma Water Resources Board (Board) for a permit to use no more than 25 acre-feet of stream water per year at a diversion rate not to exceed 800 gallons per minute from one point of diversion on Salt Creek located as follows: NW SE NW of Section 9, T7N, R4EIM, Pottawatomie County. The water is proposed to be used for recreation/fish and wildlife (wetlands) on 25 acres located as follows: 3 acres in SW SE NW, 9 acres in NW NE SW, and 13 acres in the N2 NW; all in Section 9, T7N, R4EIM, Pottawatomie County, the application was protested, and an administrative hearing was held on February 21, 2024. The hearing examiner recommends approval.

This individual proceeding arose from the application of Salt Creek Duck Club, LLC. c/o Keenan Taylor (“Duck Club” or “Applicant”) for a regular stream water permit to use 25 acre-feet of stream water per year from one (1) point of diversion (the “DP”) on Salt Creek in Pottawatomie County, Oklahoma. The proposed use for the stream water was for recreation, fish, and wildlife (habitat production for waterfowl). After notice of the application was published in The Seminole Producer in April and May of 2023, protests were filed with the Oklahoma Water Resources Board (OWRB) by the following entities and individuals, each of whom claimed, without submission of any supporting documentation, to be members of the Citizen Pottawatomie Tribe, entitled to the benefit of superior vested rights in stream water through a Tribal Treaty of 1887, that they claimed covered most of Pottawatomie County, without submitting any supporting documentation.

2. Discussion and presentation by parties: A discussion was had by the Board members noting the applicant is represented by legal counsel who is present, but the actual applicants are not. Also noted the protestants are not present nor represented by legal counsel. Question was asked by the Board if the applicant has any idea how long it would take them to consume 25-acre feet with their estimation of pumping 800 gallons per minute? The question was not able to be answered by applicant’s legal counsel. What is the intended use of the water? Is it to for some quasi wetland for waterfowl? The answer is that is correct, via legal counsel.

Board questioned whether the applicant would be willing to meter the stream water as it could be very easy to go over their allotted permitted amount. Discussed whether if there is any precedent of the Board requiring a permit as part of a stream water use application. It would not be a violation if the Board required it, but there are no meters on stream water that we are aware of as it doesn’t fall under the same rules as groundwater.

Madam Chair Castillo asked for additional questions, discussion, or motion. A motion was made for approval as is by Mr. Latham and was seconded by Ms. Landess.

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

3. Possible Executive Session

As authorized by the Oklahoma Open Meeting Act in Section 307(B)(8) of Title 25 of the Oklahoma Statutes, an executive session may be held for the purpose of “[e]ngaging in deliberations or rendering a final or intermediate decision in an individual proceeding pursuant to Article II of the Administrative Procedures Act”.

(a) Vote on whether to hold Executive Session. Before it can be held, the Executive Session must be authorized by a majority vote of a quorum of members present and such vote must be recorded.

- (b) Designation of person to keep written minutes of Executive Session, if authorized.
- (c) Executive Session, if authorized.

- 4. Return to open meeting and possible vote or action on any matter discussed in the Executive Session, if authorized.
- 5. Vote on whether to approve the Proposed Order as presented or as may be amended, or vote on any other action or decision relating to the Proposed Order.

C. 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, Madam Chair Castillo adjourned the regular meeting of the Oklahoma Water Resources Board at 10:52 a.m. on April 16, 2024. The next regular meeting of the Oklahoma Water Resources Board will be held on Tuesday May 21, 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)

## **1. D. FINANCIAL UPDATE**

### 1. D.1. Monthly Budget Report

## **2. FINANCIAL ASSISTANCE DIVISION**

May 21, 2024

**LOAN APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**Applicant:** Midwest City Municipal Authority, Oklahoma County

**Loan Application No.:** FAP-24-0008-L  
 State Loan Program Revenue Bond Loan (“FAP Loan”)

**Amount Requested:** \$3,300,000.00

**Interest Rate:** The FAP Loan shall bear interest at a fixed rate.

**Payment Term:** Principal and interest payments shall be made on a semi-annual basis. The term of the FAP Loan shall be no longer than thirty (30) years.

**Security Position:** The loan shall be secured with a lien on the revenues of the applicant's water, sewer, and sanitation systems, a 1.6515 cent sales tax and may include a mortgage on the applicant's water and sewer systems and other real property.

**Purpose:** The applicant will utilize the loan proceeds to: (i) construct a lift station, install approximately 8,700 feet of 12” water line, approximately 400 feet of 8” sewer gravity main, approximately 1,300 feet of 4” sewer force main, all related appurtenances (the “Project”), (ii) satisfy the Local Reserve Requirement, if necessary; and (iii) pay related costs of issuance.

<b><u>Sources of Funds (Est.)</u></b>		<b><u>Uses of Funds (Est.)</u></b>	
Loan Proceeds	\$3,077,891.50	Project	\$4,002,628.16
ARPA Grant	1,000,000.00	Bond Counsel	30,201.02
		Financial Advisor	30,201.02
		OWRB Costs of Issuance	14,111.30
		Trustee Bank	750.00
<b>Total</b>	<b>\$4,077,891.50</b>	<b>Total</b>	<b>\$4,077,891.50</b>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION        )  
NO. FAP-24-0008-L IN THE NAME OF        )  
MIDWEST CITY MUNICIPAL AUTHORITY        )  
OKLAHOMA COUNTY, OKLAHOMA            )

**PROPOSED  
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 21st day of May, 2024.

WHEREAS, Midwest City Municipal Authority (the "Applicant") has made its Application for Funding No. FAP-24-0008-L (the "Loan Application") to the Board for a loan from the proceeds of the Board's State Loan Program Revenue Bonds issued pursuant to the 2016 General Bond Resolution dated as of November 1, 2016, as supplemented and amended (the "Bond Resolution"), and authorized by Title 82 Oklahoma Statutes 2021, Sections 1085.31 *et seq*, as amended; and

WHEREAS, the Applicant intends to use the loan to provide for acquisition, development, and utilization of storage and control facilities for water and sewage systems for the use and benefit of the public and for the conservation and distribution of water for beneficial purposes in or from reservoirs or other storage facilities and/or refinancing indebtedness originally incurred for such purposes; and

WHEREAS, the Board has completed its review of the Loan Application and related information, and finds that the Loan Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. FAP-24-0008-L in the name of Midwest City Municipal Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) construct a lift station, install approximately 8,700 feet of 12" water line, approximately 400 feet of 8" sewer gravity main, approximately 1,300 feet of 4" sewer force main, all related appurtenances (the "Project"), (ii) satisfy the Local Reserve Requirement, if necessary and (iii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. A loan shall be made out of proceeds of the Board's State Loan Program Revenue Bonds to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$3,300,000.00. The Applicant shall pay interest on the loan at a fixed or variable rate to be established periodically by the Board. Principal and interest payments shall be made on a semi-annual basis or as otherwise provided for under the Bond Resolution. The term of the loan shall be no longer than thirty (30) years.



**ORDER APPROVING LOAN APPLICATION  
MIDWEST CITY MUNICIPAL AUTHORITY  
FAP-24-0008-L**

2. The loan shall be secured with a lien on the revenues of the Applicant's water, sewer, and sanitation systems, a 1.6515 cent sales tax and may include a mortgage on the Applicant's water and sewer systems and other real property.

3. The funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from proceeds of the Board's State Loan Program Revenue Bonds in accordance with the requirements of the Bond Resolution.

4. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, and Bond Resolution requirements. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

5. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other loan documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

6. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 21st day of May, 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

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Jennifer Castillo, Chairman

ATTEST:

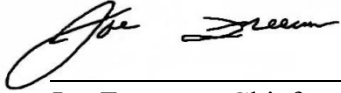
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Suzanne Landess, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION  
MIDWEST CITY MUNICIPAL AUTHORITY  
FAP-24-0008-L**

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman", written in a cursive style.

---

Joe Freeman, Chief  
Financial Assistance Division

**LOAN APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**Applicant:** Henryetta Municipal Authority, Okmulgee County

**Loan Application No.:** FAP-24-0011-L  
 State Loan Program Revenue Bond Loan (“FAP Loan”)

**Amount Requested:** \$4,750,000.00

**Interest Rate:** The FAP Loan shall bear interest at a fixed rate.

**Payment Term:** Principal and interest payments shall be made on a semi-annual basis. The term of the FAP Loan shall be no longer than thirty-one (31) years.

**Security Position:** The loan shall be secured with a lien on the revenues of the applicant's water, sewer, and sanitation systems, a 2 cent sales tax and may include a mortgage on the applicant's water and sewer systems and other real property.

**Purpose:** The applicant will utilize the loan proceeds to: (i) replace an existing bolted steel 750,000 gallon water storage tank with a 1 million gallon pre-stressed concrete water storage tank, install 13,700 feet of water mains, all related appurtenances (the “Project”), (ii) satisfy the Local Reserve Requirement, if necessary; and (iii) pay related costs of issuance.

<b><u>Sources of Funds (Est.)</u></b>		<b><u>Uses of Funds (Est.)</u></b>	
Loan Proceeds	\$4,573,124.95	Project	\$4,408,658.91
		Bond Counsel	71,096.87
		Financial Advisor	71,096.87
		OWRB Costs of Issuance	21,522.30
		Trustee Bank	750.00
<b>Total</b>	<u><u>\$4,573,124.95</u></u>	<b>Total</b>	<u><u>\$4,573,124.95</u></u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION        )  
NO. FAP-24-0011-L IN THE NAME OF        )  
HENRYETTA MUNICIPAL AUTHORITY        )  
OKMULGEE COUNTY, OKLAHOMA        )

**PROPOSED  
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 21st day of May, 2024.

WHEREAS, Henryetta Municipal Authority (the "Applicant") has made its Application for Funding No. FAP-24-0011-L (the "Loan Application") to the Board for a loan from the proceeds of the Board's State Loan Program Revenue Bonds issued pursuant to the 2016 General Bond Resolution dated as of November 1, 2016, as supplemented and amended (the "Bond Resolution"), and authorized by Title 82 Oklahoma Statutes 2021, Sections 1085.31 *et seq*, as amended; and

WHEREAS, the Applicant intends to use the loan to provide for acquisition, development, and utilization of storage and control facilities for water and sewage systems for the use and benefit of the public and for the conservation and distribution of water for beneficial purposes in or from reservoirs or other storage facilities and/or refinancing indebtedness originally incurred for such purposes; and

WHEREAS, the Board has completed its review of the Loan Application and related information, and finds that the Loan Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. FAP-24-0011-L in the name of Henryetta Municipal Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) replace an existing bolted steel 750,000 gallon water storage tank with a 1 million gallon prestressed concrete water storage tank, install 13,700 feet of water mains, all related appurtenances (the "Project"), (ii) satisfy the Local Reserve Requirement, if necessary and (iii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. A loan shall be made out of proceeds of the Board's State Loan Program Revenue Bonds to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$4,750,000.00. The Applicant shall pay interest on the loan at a fixed or variable rate to be established periodically by the Board. Principal and interest payments shall be made on a semi-annual basis or as otherwise provided for under the Bond Resolution. The term of the loan shall be no longer than thirty-one (31) years.

**ORDER APPROVING LOAN APPLICATION  
HENRYETTA MUNICIPAL AUTHORITY  
FAP-24-0011-L**

2. The loan shall be secured with a lien on the revenues of the Applicant's water, sewer, and sanitation systems, a 2 cent sales tax and may include a mortgage on the Applicant's water and sewer systems and other real property.

3. The funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from proceeds of the Board's State Loan Program Revenue Bonds in accordance with the requirements of the Bond Resolution.

4. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, and Bond Resolution requirements. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

5. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other loan documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

6. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 21st day of May, 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

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Jennifer Castillo, Chairman

ATTEST:

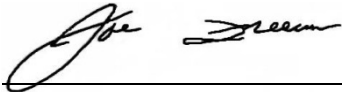
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Suzanne Landess, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION  
HENRYETTA MUNICIPAL AUTHORITY  
FAP-24-0011-L**

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman", written over a horizontal line.

Joe Freeman, Chief  
Financial Assistance Division

**LOAN APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**Applicant:** The Blanchard Municipal Improvement Authority, McClain County

**Loan Application No.:** FAP-24-0010-L  
 State Loan Program Revenue Bond Loan (“FAP Loan”)

**Amount Requested:** \$9,200,000.00

**Interest Rate:** The FAP Loan shall bear interest at a fixed rate.

**Payment Term:** Principal and interest payments shall be made on a semi-annual basis. The term of the FAP Loan shall be no longer than thirty (30) years.

**Security Position:** The loan shall be secured with a lien on the revenues of the applicant's water, sewer, and sanitation systems, a 1 cent sales tax, a 1 cent use tax and may include a mortgage on the applicant's water and sewer systems and other real property.

**Purpose:** The applicant will utilize the loan proceeds to: (i) extend water and sewer lines throughout the system, upgrade a booster pump station and construct a water storage tank, all related appurtenances (the “Project”), (ii) satisfy the Local Reserve Requirement, if necessary; and (iii) pay related costs of issuance.

<b><u>Sources of Funds (Est.)</u></b>		<b><u>Uses of Funds (Est.)</u></b>	
Loan Proceeds	\$8,972,731.10	Project	\$7,753,392.86
		Debt Service Reserve Account	798,282.46
		Bond Counsel	137,090.97
		Financial Advisor	137,090.97
		Local Counsel	100,943.22
		OWRB Costs of Issuance	45,180.62
		Trustee Bank	750.00
<b>Total</b>	<b>\$8,972,731.10</b>	<b>Total</b>	<b>\$8,972,731.10</b>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION )  
NO. FAP-24-0010-L IN THE NAME OF )  
THE BLANCHARD MUNICIPAL IMPROVEMENT AUTHORITY )  
MCCLAIN COUNTY, OKLAHOMA )

**PROPOSED  
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 21st day of May, 2024.

WHEREAS, The Blanchard Municipal Improvement Authority (the "Applicant") has made its Application for Funding No. FAP-24-0010-L (the "Loan Application") to the Board for a loan from the proceeds of the Board's State Loan Program Revenue Bonds issued pursuant to the 2016 General Bond Resolution dated as of November 1, 2016, as supplemented and amended (the "Bond Resolution"), and authorized by Title 82 Oklahoma Statutes 2021, Sections 1085.31 *et seq*, as amended; and

WHEREAS, the Applicant intends to use the loan to provide for acquisition, development, and utilization of storage and control facilities for water and sewage systems for the use and benefit of the public and for the conservation and distribution of water for beneficial purposes in or from reservoirs or other storage facilities and/or refinancing indebtedness originally incurred for such purposes; and

WHEREAS, the Board has completed its review of the Loan Application and related information, and finds that the Loan Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. FAP-24-0010-L in the name of The Blanchard Municipal Improvement Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) extend water and sewer lines throughout the system, upgrade a booster pump station and construct a water storage tank, all related appurtenances (the "Project"), (ii) satisfy the Local Reserve Requirement, if necessary and (iii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. A loan shall be made out of proceeds of the Board's State Loan Program Revenue Bonds to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$9,200,000.00. The Applicant shall pay interest on the loan at a fixed or variable rate to be established periodically by the Board. Principal and interest payments shall be made on a semi-annual basis or as otherwise provided for under the Bond Resolution. The term of the loan shall be no longer than thirty (30) years.



**ORDER APPROVING LOAN APPLICATION  
THE BLANCHARD MUNICIPAL IMPROVEMENT AUTHORITY  
FAP-24-0010-L**

2. The loan shall be secured with a lien on the revenues of the Applicant's water, sewer, and sanitation systems, a 1 cent sales tax, a 1 cent use tax and may include a mortgage on the Applicant's water and sewer systems and other real property.

3. The funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from proceeds of the Board's State Loan Program Revenue Bonds in accordance with the requirements of the Bond Resolution.

4. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, and Bond Resolution requirements. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

5. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other loan documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

6. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 21st day of May, 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

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Jennifer Castillo, Chairman

ATTEST:

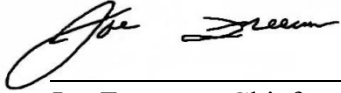
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Suzanne Landess, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION  
THE BLANCHARD MUNICIPAL IMPROVEMENT AUTHORITY  
FAP-24-0010-L**

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J".

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Joe Freeman, Chief  
Financial Assistance Division

**LOAN APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**Applicant:** The Guymon Utilities Authority, Texas County

**Loan Application No.:** FAP-24-0009-L  
 State Loan Program Revenue Bond Loan (“FAP Loan”)

**Amount Requested:** \$10,000,000.00

**Interest Rate:** The FAP Loan shall bear interest at a fixed rate.

**Payment Term:** Principal and interest payments shall be made on a semi-annual basis. The term of the FAP Loan shall be no longer than thirty (30) years.

**Security Position:** The loan shall be secured with a lien on the revenues of the applicant's water, sewer, and gas systems, a 1% sales tax and may include a mortgage on the applicant's water, sewer, and gas systems and other real property.

**Purpose:** The applicant will utilize the loan proceeds to: (i) perform planning and design for an additional water source and supply system to supplement the town’s current system, rehabilitate a lagoon including a new lift station and force main piping, all related appurtenances (the “Project”), (ii) satisfy the Local Reserve Requirement, if necessary; and (iii) pay related costs of issuance.

<b><u>Sources of Funds (Est.)</u></b>		<b><u>Uses of Funds (Est.)</u></b>	
Loan Proceeds	\$9,211,797.30	Project	\$10,628,928.23
US DOC Grant	1,000,000.00	Bond Counsel	94,617.97
ARPA Grant ARP-23-0025-G	675,150.00	Financial Advisor	94,617.97
		OWRB Costs of Issuance	45,003.64
		Local Counsel	23,029.49
		Trustee Bank	750.00
<b>Total</b>	<u>\$10,886,947.30</u>	<b>Total</b>	<u>\$10,886,947.30</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION        )  
NO. FAP-24-0009-L IN THE NAME OF        )  
THE GUYMON UTILITIES AUTHORITY         )  
TEXAS COUNTY, OKLAHOMA                 )

**PROPOSED  
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 21st day of May, 2024.

WHEREAS, The Guymon Utilities Authority (the "Applicant") has made its Application for Funding No. FAP-24-0009-L (the "Loan Application") to the Board for a loan from the proceeds of the Board's State Loan Program Revenue Bonds issued pursuant to the 2016 General Bond Resolution dated as of November 1, 2016, as supplemented and amended (the "Bond Resolution"), and authorized by Title 82 Oklahoma Statutes 2021, Sections 1085.31 *et seq*, as amended; and

WHEREAS, the Applicant intends to use the loan to provide for acquisition, development, and utilization of storage and control facilities for water and sewage systems for the use and benefit of the public and for the conservation and distribution of water for beneficial purposes in or from reservoirs or other storage facilities and/or refinancing indebtedness originally incurred for such purposes; and

WHEREAS, the Board has completed its review of the Loan Application and related information and finds that the Loan Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. FAP-24-0009-L in the name of The Guymon Utilities Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) perform planning and design for an additional water source and supply system to supplement the town's current system, rehabilitate a lagoon including a new lift station and force main piping, all related appurtenances (the "Project"), (ii) satisfy the Local Reserve Requirement, if necessary and (iii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. A loan shall be made out of proceeds of the Board's State Loan Program Revenue Bonds to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$10,000,000.00. The Applicant shall pay interest on the loan at a fixed or variable rate to be established periodically by the Board. Principal and interest payments shall be made on a semi-annual basis or as otherwise provided for under the Bond Resolution. The term of the loan shall be no longer than thirty (30) years.

**ORDER APPROVING LOAN APPLICATION  
THE GUYMON UTILITIES AUTHORITY  
FAP-24-0009-L**

2. The loan shall be secured with a lien on the revenues of the Applicant's water, sewer, and gas systems, a 1% sales tax and may include a mortgage on the Applicant's water, sewer, and gas systems and other real property.

3. The funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from proceeds of the Board's State Loan Program Revenue Bonds in accordance with the requirements of the Bond Resolution.

4. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, and Bond Resolution requirements. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

5. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other loan documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

6. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 21st day of May, 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

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Jennifer Castillo, Chairman

ATTEST:

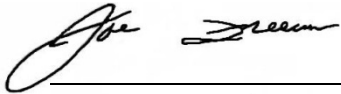
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Suzanne Landess, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION  
THE GUYMON UTILITIES AUTHORITY  
FAP-24-0009-L**

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.

---

Joe Freeman, Chief  
Financial Assistance Division

**LOAN APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**Applicant:** The Bethany Public Works Authority, Oklahoma County

**Loan Application No.:** FAP-24-0012-L  
 State Loan Program Revenue Bond Loan (“FAP Loan”)

**Amount Requested:** \$10,335,000.00

**Interest Rate:** The FAP Loan shall bear interest at a fixed rate.

**Payment Term:** Principal and interest payments shall be made on a semi-annual basis. The term of the FAP Loan shall be no longer than thirty-one (31) years.

**Security Position:** The loan shall be secured with a lien on the revenues of the applicant's water system, a 3 cents sales tax and may include a mortgage on the applicant's water system and other real property.

**Purpose:** The applicant will utilize the loan proceeds to: (i) install a sump pump and SCADA system at the water treatment plant, rehabilitate a booster pump station and water storage tanks, install automated water meters and related infrastructure throughout the system, all related appurtenances (the “Project”), (ii) satisfy the Local Reserve Requirement, if necessary; and (iii) pay related costs of issuance.

**Sources of Funds (Est.)**

Loan Proceeds \$10,144,905.60

**Uses of Funds (Est.)**

Project \$9,903,566.43  
 Bond Counsel 96,450.00  
 Financial Advisor 96,450.00  
 OWRB Costs of Issuance 47,689.17  
 Trustee Bank 750.00

**Total** \$10,144,905.60

**Total** \$10,144,905.60

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION        )  
NO. FAP-24-0012-L IN THE NAME OF        )  
THE BETHANY PUBLIC WORKS AUTHORITY )  
OKLAHOMA COUNTY, OKLAHOMA            )

**PROPOSED  
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 21st day of May, 2024.

WHEREAS, The Bethany Public Works Authority (the "Applicant") has made its Application for Funding No. FAP-24-0012-L (the "Loan Application") to the Board for a loan from the proceeds of the Board's State Loan Program Revenue Bonds issued pursuant to the 2016 General Bond Resolution dated as of November 1, 2016, as supplemented and amended (the "Bond Resolution"), and authorized by Title 82 Oklahoma Statutes 2021, Sections 1085.31 *et seq*, as amended; and

WHEREAS, the Applicant intends to use the loan to provide for acquisition, development, and utilization of storage and control facilities for water and sewage systems for the use and benefit of the public and for the conservation and distribution of water for beneficial purposes in or from reservoirs or other storage facilities and/or refinancing indebtedness originally incurred for such purposes; and

WHEREAS, the Board has completed its review of the Loan Application and related information, and finds that the Loan Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. FAP-24-0012-L in the name of The Bethany Public Works Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) install a sump pump and SCADA system at the water treatment plant, rehabilitate a booster pump station and water storage tanks, install automated water meters and related infrastructure throughout the system, all related appurtenances (the "Project"), (ii) satisfy the Local Reserve Requirement, if necessary and (iii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. A loan shall be made out of proceeds of the Board's State Loan Program Revenue Bonds to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$10,335,000.00. The Applicant shall pay interest on the loan at a fixed or variable rate to be established periodically by the Board. Principal and



**ORDER APPROVING LOAN APPLICATION  
THE BETHANY PUBLIC WORKS AUTHORITY  
FAP-24-0012-L**

interest payments shall be made on a semi-annual basis or as otherwise provided for under the Bond Resolution. The term of the loan shall be no longer than thirty-one (31) years.

2. The loan shall be secured with a lien on the revenues of the Applicant's water system, a 3 cents sales tax and may include a mortgage on the Applicant's water system and other real property.

3. The funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from proceeds of the Board's State Loan Program Revenue Bonds in accordance with the requirements of the Bond Resolution.

4. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, and Bond Resolution requirements. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

5. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other loan documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

6. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 21st day of May, 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

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Jennifer Castillo, Chairman

ATTEST:

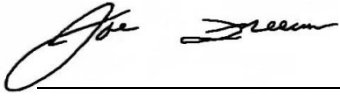
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Suzanne Landess, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION  
THE BETHANY PUBLIC WORKS AUTHORITY  
FAP-24-0012-L**

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman", written in a cursive style.

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Joe Freeman, Chief  
Financial Assistance Division

**LOAN APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**Applicant:** Woodward Municipal Authority, Woodward County

**Loan Application No.:** FAP-24-0014-L  
 State Loan Program Revenue Bond Loan (“FAP Loan”)

**Amount Requested:** \$11,340,000.00

**Interest Rate:** The FAP Loan shall bear interest at a fixed rate.

**Payment Term:** Principal and interest payments shall be made on a semi-annual basis. The term of the FAP Loan shall be no longer than thirty (30) years.

**Security Position:** The loan shall be secured with a lien on the revenues of the applicant's water, sewer, and stormwater systems and may include a mortgage on the applicant's water and sewer systems and other real property.

**Purpose:** The applicant will utilize the loan proceeds to: (i) make water and sewer system improvements, including replacing water and sewer lines throughout the system, rehabilitating water storage tanks and the water and sewer treatment plants, all related appurtenances (the “Project”), (ii) satisfy the Local Reserve Requirement, if necessary; and (iii) pay related costs of issuance.

<b><u>Sources of Funds (Est.)</u></b>		<b><u>Uses of Funds (Est.)</u></b>	
Loan Proceeds	\$10,650,367.65	Project	\$10,328,613.51
		Bond Counsel	109,003.68
		Financial Advisor	109,003.68
		Local Counsel	53,251.84
		OWRB Costs of Issuance	49,744.94
		Trustee Bank	750.00
<b>Total</b>	<u><u>\$10,650,367.65</u></u>	<b>Total</b>	<u><u>\$10,650,367.65</u></u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION        )  
NO. FAP-24-0014-L IN THE NAME OF        )  
WOODWARD MUNICIPAL AUTHORITY         )  
WOODWARD COUNTY, OKLAHOMA            )

**PROPOSED  
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 21st day of May, 2024.

WHEREAS, Woodward Municipal Authority (the "Applicant") has made its Application for Funding No. FAP-24-0014-L (the "Loan Application") to the Board for a loan from the proceeds of the Board's State Loan Program Revenue Bonds issued pursuant to the 2016 General Bond Resolution dated as of November 1, 2016, as supplemented and amended (the "Bond Resolution"), and authorized by Title 82 Oklahoma Statutes 2021, Sections 1085.31 *et seq*, as amended; and

WHEREAS, the Applicant intends to use the loan to provide for acquisition, development, and utilization of storage and control facilities for water and sewage systems for the use and benefit of the public and for the conservation and distribution of water for beneficial purposes in or from reservoirs or other storage facilities and/or refinancing indebtedness originally incurred for such purposes; and

WHEREAS, the Board has completed its review of the Loan Application and related information, and finds that the Loan Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. FAP-24-0014-L in the name of Woodward Municipal Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) make water and sewer system improvements, including replacing water and sewer lines throughout the system, rehabilitating water storage tanks and the water and sewer treatment plants all related appurtenances (the "Project"), (ii) satisfy the Local Reserve Requirement, if necessary and (iii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. A loan shall be made out of proceeds of the Board's State Loan Program Revenue Bonds to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$11,340,000.00. The Applicant shall pay interest on the loan at a fixed or variable rate to be established periodically by the Board. Principal and

**ORDER APPROVING LOAN APPLICATION  
WOODWARD MUNICIPAL AUTHORITY  
FAP-24-0014-L**

interest payments shall be made on a semi-annual basis or as otherwise provided for under the Bond Resolution. The term of the loan shall be no longer than thirty (30) years.

2. The loan shall be secured with a lien on the revenues of the Applicant's water, sewer, and stormwater systems and may include a mortgage on the Applicant's water and sewer systems and other real property.

3. The funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from proceeds of the Board's State Loan Program Revenue Bonds in accordance with the requirements of the Bond Resolution.

4. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, and Bond Resolution requirements. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

5. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other loan documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

6. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 21st day of May, 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

\_\_\_\_\_  
Jennifer Castillo, Chairman

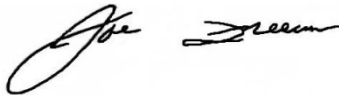
ATTEST:

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Suzanne Landess, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION  
WOODWARD MUNICIPAL AUTHORITY  
FAP-24-0014-L**

Reviewed By:



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Joe Freeman, Chief  
Financial Assistance Division

**LOAN APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**Applicant:** Tulsa's Port of Catoosa Facilities Authority, Rogers County

**Loan Application No.:** ORF-24-0059-CW  
 Clean Water SRF Loan (“CWSRF Loan”)

**Amount Requested:** \$15,000,000.00

**Interest Rate:** The CWSRF Loan shall bear a fixed interest rate to be determined prior to loan closing plus an administrative fee of 0.5% per annum, all on the outstanding principal balance of the loan.

**Payment Term:** Interest, administrative fee, and principal payments shall be made on a semi-annual basis. The applicant shall commence principal repayment no later than one (1) year following Project completion and the maturity of the loan shall be no later than thirty (30) years following the date the Project is completed.

**Security Position:** The loan shall be secured with a lien on the applicant’s revenues and leases and may include a mortgage.

**Purpose:** The applicant will utilize the loan proceeds to: (i) plan, design, and construct a wastewater treatment plant, all related appurtenances (the “Project”), and (ii) pay related costs of issuance.

<b><u>Sources of Funds (Est.)</u></b>		<b><u>Uses of Funds (Est.)</u></b>	
NE OK Infrastructure Fund	\$38,620,000.00	Project	\$79,689,500.00
EDA Grant	22,300,000.00	Bond Counsel	115,000.00
Loan Proceeds	15,000,000.00	Financial Advisor	115,000.00
ARPA Grant	4,000,000.00	Trustee Bank	500.00
<b>Total</b>	<b><u>\$79,920,000.00</u></b>	<b>Total</b>	<b><u>\$79,920,000.00</u></b>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION )  
NO. ORF-24-0059-CW IN THE NAME OF )  
TULSA'S PORT OF CATOOSA FACILITIES AUTHORITY )  
ROGERS COUNTY, OKLAHOMA )

**PROPOSED  
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 21st day of May, 2024.

WHEREAS, Tulsa's Port of Catoosa Facilities Authority (the "Applicant") has made its Application for Funding No. ORF-24-0059-CW (the "Application") to the Board for a loan from the Clean Water State Revolving Fund (the "CWSRF") program, pursuant to Title 82 Oklahoma Statutes 2021, Sections 1085.51 *et seq.*, as amended; and

WHEREAS, the Applicant intends to use the loan for wastewater system improvements and/or water quality protection efforts to further compliance with State and Federal standards, and/or to refinance existing indebtedness originally incurred for such purposes; and

WHEREAS, the Board has completed its review of the Application and related information, and finds that the Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. ORF-24-0059-CW in the name of Tulsa's Port of Catoosa Facilities Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) plan, design, and construct a wastewater treatment plant, all related appurtenances (the "Project"), and (ii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. A loan shall be made to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$15,000,000.00. The Applicant shall pay interest on the loan at a fixed rate to be determined prior to closing plus an administrative fee at the rate of 0.5% per annum, all on the outstanding balance of disbursed loan proceeds. Interest, administrative fee, and any principal payments shall be made on a semi-annual basis. The Applicant shall commence principal repayment no later than one (1) year following Project completion, and the maturity of the loan shall be no later than thirty (30) years following the date the Project is completed.

2. The loan shall be secured with a lien on the applicant's revenues and leases and may include a mortgage.



**ORDER APPROVING LOAN APPLICATION  
TULSA'S PORT OF CATOOSA FACILITIES AUTHORITY  
ORF-24-0059-CW**

3. Upon the Applicant's acceptance of the Board's Letter of Binding Commitment, the funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other CWSRF loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from the CWSRF in accordance with the CWSRF program regulations as approved by the United States Environmental Protection Agency.

4. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, CWSRF, and Bond Resolution requirements. In accordance with applicable authority and the United States Environmental Protection Agency ("EPA") guidelines for the implementation of the CWSRF Capitalization Grant, the loan conditions may include principal forgiveness to be used to pay a portion of the costs of the Project as described in the Application or for other purposes authorized by applicable authority and EPA guidelines. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

5. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other loan documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

6. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 21st day of May, 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

\_\_\_\_\_  
Jennifer Castillo, Chairman

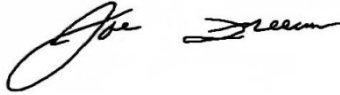
ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION  
TULSA'S PORT OF CATOOSA FACILITIES AUTHORITY  
ORF-24-0059-CW**

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J" and "F".

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Joe Freeman, Chief  
Financial Assistance Division

**LOAN APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**Applicant:** The Collinsville Municipal Authority, Tulsa County

**Loan Application No.:** FAP-24-0015-L  
 State Loan Program Revenue Bond Loan (“FAP Loan”)

**Amount Requested:** \$29,550,000.00

**Interest Rate:** The FAP Loan shall bear interest at a fixed rate.

**Payment Term:** Principal and interest payments shall be made on a semi-annual basis. The term of the FAP Loan shall be no longer than thirty-one (31) years.

**Security Position:** The loan shall be secured with a lien on the revenues of the applicant's water, sewer, and electric systems, a 1.75 cents sales tax and may include a mortgage on the applicant's water, sewer, and electric systems and other real property.

**Purpose:** The applicant will utilize the loan proceeds to: (i) construct a wastewater treatment plant, all related appurtenances (the “Project”), (ii) satisfy the Local Reserve Requirement, if necessary; and (iii) pay related costs of issuance.

<b><u>Sources of Funds (Est.)</u></b>		<b><u>Uses of Funds (Est.)</u></b>	
Loan Proceeds	\$28,351,069.20	Project	\$27,503,220.94
		Bond Counsel	286,010.69
		Financial Advisor	286,010.69
		Local Counsel	141,755.35
		OWRB Costs of Issuance	133,321.53
		Trustee Bank	750.00
<b>Total</b>	<b>\$28,351,069.20</b>	<b>Total</b>	<b>\$28,351,069.20</b>



**ORDER APPROVING LOAN APPLICATION  
THE COLLINSVILLE MUNICIPAL AUTHORITY  
FAP-24-0015-L**

2. The loan shall be secured with a lien on the revenues of the Applicant's water, sewer, and electric systems and may include a mortgage on the Applicant's water, sewer, and electric systems and other real property.

3. The funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from proceeds of the Board's State Loan Program Revenue Bonds in accordance with the requirements of the Bond Resolution.

4. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, and Bond Resolution requirements. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

5. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other loan documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

6. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 21st day of May, 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

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Jennifer Castillo, Chairman

ATTEST:

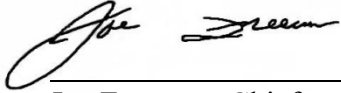
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Suzanne Landess, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION  
THE COLLINSVILLE MUNICIPAL AUTHORITY  
FAP-24-0015-L**

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J".

---

Joe Freeman, Chief  
Financial Assistance Division

**LOAN APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**Applicant:** The Bethany-Warr Acres Public Works Authority, Oklahoma County

**Loan Application No.:** FAP-24-0013-L  
 State Loan Program Revenue Bond Loan (“FAP Loan”)

**Amount Requested:** \$30,000,000.00

**Interest Rate:** The FAP Loan shall bear interest at a fixed rate.

**Payment Term:** Principal and interest payments shall be made on a semi-annual basis. The term of the FAP Loan shall be no longer than thirty-one (31) years.

**Security Position:** The loan shall be secured with a lien on the revenues of The Bethany Public Works Authority's water system and a 3-cent sales tax, on the revenues of Warr Acres Public Works Authority's sewer system and a 1-cent sales tax and may include a mortgage on the applicant's sewer system and other real property.

**Purpose:** The applicant will utilize the loan proceeds to: (i) rehabilitate the wastewater treatment plant including improvements to the building and electrical systems, refinance a bank note originally incurred for wastewater treatment plant improvements, all related appurtenances (the “Project”), (ii) satisfy the Local Reserve Requirement, if necessary; and (iii) pay related costs of issuance.

<b><u>Sources of Funds (Est.)</u></b>		<b><u>Uses of Funds (Est.)</u></b>	
Loan Proceeds	\$30,697,528.15	Project	\$26,132,658.81
Bank Note’s Prior Project Fund	\$1,000,000.00	Refinance	4,973,112.85
Bank Note’s Debt Service Fund	\$79,193.50	Bond Counsel	259,744.15
		Financial Advisor	259,744.15
		OWRB Costs of Issuance	150,711.69
		Trustee Bank	750.00
<b>Total</b>	<u>\$31,776,721.65</u>	<b>Total</b>	<u>\$31,776,721.65</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION )  
NO. FAP-24-0013-L IN THE NAME OF )  
THE BETHANY-WARR ACRES PUBLIC WORKS AUTHORITY )  
OKLAHOMA COUNTY, OKLAHOMA )

**PROPOSED  
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 21st day of May, 2024.

WHEREAS, The Bethany-Warr Acres Public Works Authority (the "Applicant") has made its Application for Funding No. FAP-24-0013-L (the "Loan Application") to the Board for a loan from the proceeds of the Board's State Loan Program Revenue Bonds issued pursuant to the 2016 General Bond Resolution dated as of November 1, 2016, as supplemented and amended (the "Bond Resolution"), and authorized by Title 82 Oklahoma Statutes 2021, Sections 1085.31 *et seq.*, as amended; and

WHEREAS, the Applicant intends to use the loan to provide for acquisition, development, and utilization of storage and control facilities for water and sewage systems for the use and benefit of the public and for the conservation and distribution of water for beneficial purposes in or from reservoirs or other storage facilities and/or refinancing indebtedness originally incurred for such purposes; and

WHEREAS, the Board has completed its review of the Loan Application and related information, and finds that the Loan Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. FAP-24-0013-L in the name of The Bethany-Warr Acres Public Works Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) rehabilitate the wastewater treatment plant including improvements to the building and electrical systems, refinance a bank note originally incurred for wastewater treatment plant improvements, all related appurtenances (the "Project"), (ii) satisfy the Local Reserve Requirement, if necessary and (iii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. A loan shall be made out of proceeds of the Board's State Loan Program Revenue Bonds to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$30,000,000.00. The Applicant shall pay interest on the loan at a fixed or variable rate to be established periodically by the Board. Principal and interest payments shall be made on a semi-annual basis or as otherwise provided for under the Bond Resolution. The term of the loan shall be no longer than thirty-one (31) years.



**ORDER APPROVING LOAN APPLICATION  
THE BETHANY-WARR ACRES PUBLIC WORKS AUTHORITY  
FAP-24-0013-L**

2. The loan shall be secured with a lien on the revenues of The Bethany Public Works Authority's water system and a 3-cent sales tax, on the revenues of Warr Acres Public Works Authority's sewer system and a 1-cent sales tax and may include a mortgage on the Applicant's sewer system and other real property.

3. The funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from proceeds of the Board's State Loan Program Revenue Bonds in accordance with the requirements of the Bond Resolution.

4. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, and Bond Resolution requirements. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

5. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other loan documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

6. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 21st day of May, 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

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Jennifer Castillo, Chairman

ATTEST:

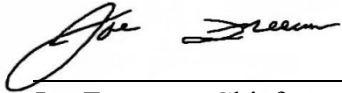
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Suzanne Landess, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION  
THE BETHANY-WARR ACRES PUBLIC WORKS AUTHORITY  
FAP-24-0013-L**

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman", written over a horizontal line.

Joe Freeman, Chief  
Financial Assistance Division

**LOAN APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**Applicant:** Oklahoma City Water Utilities Trust, Oklahoma County

**Loan Application No.:** ORF-24-0001-DW  
Drinking Water SRF Loan (“DWSRF Loan”)

**Funding Requested:** \$75,261,000.00

**Loan Interest Rate:** The DWSRF Loan shall bear a fixed interest rate to be determined prior to loan closing plus an administrative fee of 0.5% per annum, all on the outstanding principal balance of the loan.

**Loan Payment Term:** Interest, administrative fee, and principal payments shall be made on a semi-annual basis. The applicant shall commence principal repayment no later than one (1) year following Project completion and the maturity of the loan shall be no later than thirty (30) years following the date the Project is completed.

**Loan Security Position:** The DWSRF loan shall be secured with a lien on the revenues of the applicant's water, sewer, and sanitation systems and may include a mortgage on the applicant's water and sewer systems and other real property.

**Purpose:** The applicant will utilize the loan proceeds to: (i) complete four rehabilitation and upgrade projects at the Hefner and Draper water treatment plants, rehabilitate the Atoka intake tower, replace the Atoka pump station’s balancing tank, make electrical improvements to a booster station, replace water lines between NW 10<sup>th</sup> and Main Street along Penn Avenue, all related appurtenances (the “Project”), and (ii) pay related costs of issuance.

<b><u>Sources of Funds (Est.)</u></b>		<b><u>Uses of Funds (Est.)</u></b>	
Loan Proceeds	\$75,261,000.00	Project	\$75,261,000.00
<b>Total</b>	<b>\$75,261,000.00</b>	<b>Total</b>	<b>\$75,261,000.00</b>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION        )  
NO. ORF-24-0001-DW IN THE NAME OF        )  
OKLAHOMA CITY WATER UTILITIES TRUST    )  
OKLAHOMA COUNTY, OKLAHOMA                )

**PROPOSED  
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 21st day of May, 2024.

WHEREAS, Oklahoma City Water Utilities Trust (the "Applicant") has made its Application for Funding No. ORF-24-0001-DW (the "Loan Application") to the Board and to the Oklahoma Department of Environmental Quality (the "DEQ") for a loan from the Drinking Water Treatment Revolving Loan Account (the "DWSRF"), pursuant to Title 82 Oklahoma Statutes 2011, Sections 1085.71 *et seq.*, as amended; and

WHEREAS, the Applicant intends to use the loan for drinking water system improvements, to further compliance with State and Federal standards and/or to refinance existing indebtedness originally incurred for such purposes; and

WHEREAS, the DEQ has certified the Loan Application with regards to compliance with applicable technical program requirements and forwarded it to the Board with a recommendation that the Loan Application be considered and approved for a DWSRF Loan; and

WHEREAS, the Board has completed its review of the Loan Application and related information, and finds that the Loan Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. ORF-24-0001-DW in the name of Oklahoma City Water Utilities Trust be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) complete four rehabilitation and upgrade projects at the Hefner and Draper water treatment plants, rehabilitate the Atoka intake tower, replace the Atoka pump station's balancing tank, make electrical improvements to a booster station, replace water lines between NW 10<sup>th</sup> and Main Street along Penn Avenue, all related appurtenances (the "Project"), and (ii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. A loan shall be made to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$75,261,000.00. The Applicant shall pay interest on the loan at a fixed rate to be determined prior to closing plus an administrative fee at the rate of 0.5% per annum, all on the outstanding balance of disbursed loan

**ORDER APPROVING LOAN APPLICATION  
OKLAHOMA CITY WATER UTILITIES TRUST  
ORF-24-0001-DW**

proceeds. Interest, administrative fee, and any principal payments shall be made on a semi-annual basis. The Applicant shall commence principal repayment no later than one (1) year following Project completion, and the maturity of the loan shall be no later than thirty (30) years following the date the Project is completed.

2. The loan shall be secured with a lien on the revenues of the Applicant's water, sewer, and sanitation systems and may include a mortgage on the Applicant's water and sewer systems and other real property.

3. Upon the Applicant's acceptance of the DEQ's Letter of Binding Commitment, the funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other DWSRF loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from the DWSRF in accordance with the DWSRF program regulations as approved by the United States Environmental Protection Agency.

4. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, DWSRF, and Bond Resolution requirements. In accordance with applicable authority and the United States Environmental Protection Agency ("EPA") guidelines for the implementation of the DWSRF Capitalization Grant, the loan conditions may include principal forgiveness to be used to pay a portion of the costs of the Project as described in the Application or for other purposes authorized by applicable authority and EPA guidelines. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

5. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other loan documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

6. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 21st day of May, 2024 in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

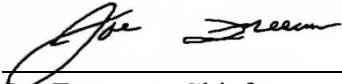
\_\_\_\_\_  
Jennifer Castillo, Chairman

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary  
(SEAL)

**ORDER APPROVING LOAN APPLICATION  
OKLAHOMA CITY WATER UTILITIES TRUST  
ORF-24-0001-DW**

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman", written over a horizontal line.

Joe Freeman, Chief  
Financial Assistance Division

**LOAN APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**Applicant:** Bartlesville Municipal Authority, Washington County

**Loan Application No.:** ORF-23-0023-CW  
 Clean Water SRF Loan (“CWSRF Loan”)

**Amount Requested:** \$83,235,500.00

**Interest Rate:** The CWSRF Loan shall bear a fixed interest rate to be determined prior to loan closing plus an administrative fee of 0.5% per annum, all on the outstanding principal balance of the loan.

**Payment Term:** Interest, administrative fee, and principal payments shall be made on a semi-annual basis. The applicant shall commence principal repayment no later than one (1) year following Project completion and the maturity of the loan shall be no later than thirty (30) years following the date the Project is completed.

**Security Position:** The loan shall be secured with a lien on the revenues of the applicant's water and sewer systems and may include a mortgage on the applicant's water and sewer systems and other real property.

**Purpose:** The applicant will utilize the loan proceeds to: (i) rehabilitate the existing wastewater treatment plant and expand it to support Indirect Potable Reuse, all related appurtenances (the “Project”), and (ii) pay related costs of issuance.

<b><u>Sources of Funds (Est.)</u></b>		<b><u>Uses of Funds (Est.)</u></b>	
Loan Proceeds	\$83,235,500.00	Project	\$82,000,000.00
		Bond Counsel	617,500.00
		Financial Advisor	617,500.00
		Trustee Bank	500.00
<b>Total</b>	<u>\$83,235,500.00</u>	<b>Total</b>	<u>\$83,235,500.00</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION        )  
NO. ORF-23-0023-CW IN THE NAME OF        )  
BARTLESVILLE MUNICIPAL AUTHORITY        )  
WASHINGTON COUNTY, OKLAHOMA            )

**PROPOSED  
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 21st day of May, 2024.

WHEREAS, Bartlesville Municipal Authority (the "Applicant") has made its Application for Funding No. ORF-23-0023-CW (the "Application") to the Board for a loan from the Clean Water State Revolving Fund (the "CWSRF") program, pursuant to Title 82 Oklahoma Statutes 2021, Sections 1085.51 *et seq*, as amended; and

WHEREAS, the Applicant intends to use the loan for wastewater system improvements and/or water quality protection efforts to further compliance with State and Federal standards, and/or to refinance existing indebtedness originally incurred for such purposes; and

WHEREAS, the Board has completed its review of the Application and related information, and finds that the Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. ORF-23-0023-CW in the name of Bartlesville Municipal Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) rehabilitate the existing wastewater treatment plant and expand it to support Indirect Potable Reuse, all related appurtenances (the "Project"), and (ii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. A loan shall be made to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$83,235,500.00. The Applicant shall pay interest on the loan at a fixed rate to be determined prior to closing plus an administrative fee at the rate of 0.5% per annum, all on the outstanding balance of disbursed loan proceeds. Interest, administrative fee, and any principal payments shall be made on a semi-annual basis. The Applicant shall commence principal repayment no later than one (1) year following Project completion, and the maturity of the loan shall be no later than thirty (30) years following the date the Project is completed.

2. The loan shall be secured with a lien on the revenues of the Applicant's water and sewer systems and may include a mortgage on the Applicant's water and sewer systems and other real property.



**ORDER APPROVING LOAN APPLICATION  
BARTLESVILLE MUNICIPAL AUTHORITY  
ORF-23-0023-CW**

3. Upon the Applicant's acceptance of the Board's Letter of Binding Commitment, the funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other CWSRF loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from the CWSRF in accordance with the CWSRF program regulations as approved by the United States Environmental Protection Agency.

4. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, CWSRF, and Bond Resolution requirements. In accordance with applicable authority and the United States Environmental Protection Agency ("EPA") guidelines for the implementation of the CWSRF Capitalization Grant, the loan conditions may include principal forgiveness to be used to pay a portion of the costs of the Project as described in the Application or for other purposes authorized by applicable authority and EPA guidelines. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

5. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other loan documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

6. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 21st day of May, 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

\_\_\_\_\_  
Jennifer Castillo, Chairman

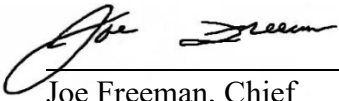
ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION  
BARTLESVILLE MUNICIPAL AUTHORITY  
ORF-23-0023-CW**

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman", written over a horizontal line.

Joe Freeman, Chief  
Financial Assistance Division

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

In the Matter of Selection of Investment )  
Banker(s) In Connection With the Issuance of )  
One Or More Obligations to Provide Funding )  
For the Clean Water and Drinking Water )  
State Revolving Fund Loan Programs )

**PROPOSED  
RESOLUTION**

WHEREAS, Article X, Section 39 of the Oklahoma Constitution authorizes a program for financial assistance to public entities for water resource and sewage treatment purposes as authorized by the Legislature; and

WHEREAS, the Board has been authorized by the Legislature in 82 O.S. Sections 1085.51 through 1085.65 as amended (the "Clean Water Act") to sell and issue its obligations to provide necessary funds for the Clean Water State Revolving Fund Loan Account (the "CWSRF Account") in order to provide financial assistance to eligible entities for financing wastewater projects all in accordance with the provisions of the Clean Water Act; and

WHEREAS, the Board has been authorized by the Legislature in 82 O.S. Sections 1085.71 through 1085.84A as amended (the "Drinking Water Act") to sell and issue its obligations to provide necessary funds for the Drinking Water Treatment Revolving Loan Account (the "DWSRF Account") in order to provide financial assistance to eligible entities for financing drinking water treatment projects all in accordance with the provisions of the Drinking Water Act; and

WHEREAS, the Board desires to aid and assist eligible entities for the aforementioned purposes by issuing obligations and using the proceeds thereof so as to make the best use of moneys in the CWSRF Account and the DWSRF Account for making loans to eligible entities for qualified purposes; and

WHEREAS, the Board has heretofore requested proposals from a plurality of investment banking firms for consideration in selecting investment bankers for the proposed issuance of Clean Water and Drinking Water State Revolving Fund Loan Program Revenue Bond obligations; and

WHEREAS, the Board has given due consideration to the investment banking firms' proposals, and has determined that the following Resolution providing for selection of investment bankers and other provisions relating thereto should be adopted and approved.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

1. The Board hereby selects \_\_\_\_\_ as the Senior Managing Investment Banker for the Board's proposed issuance(s) of Clean Water and Drinking Water State Revolving Fund Loan Program Revenue Bond obligations (the "SRF Bonds").
2. The Board hereby selects the following investment banking firms to serve as Co-Managing

**Resolution Selecting SRF Investment Banker**

**May 21, 2024**

**Page 2**

Investment Bankers for the Board’s proposed issuance of SRF Bonds: \_\_\_\_\_  
(collectively, the “Co-Managing Investment Bankers”).

3. The issuance of obligations shall be allocated based on a bond allotment and designation rules developed by \_\_\_\_\_ and approved by the Board’s staff, financial advisor, and the Deputy Treasurer for Debt Management.

4. Due responsibility and decision-making authority regarding the obligations' issuance shall be reserved to the Board, with appropriate consultation from its staff. \_\_\_\_\_, as Senior Managing Investment Banker shall be primarily responsible for managing the proposed issuance to its conclusion. The Co-Managing Investment Bankers may consult with \_\_\_\_\_, the Board and its staff, but \_\_\_\_\_ shall have sole authority among the Underwriters for underwriting management decisions and/or recommendations to the Board and its staff. Notwithstanding any of the foregoing, the scope of services of both the Senior Managing Investment Banker on the one hand and the Co-Managing Underwriters on the other hand shall be in accordance with the "Scope of Services" terms of the Board's Request for Proposal heretofore distributed regarding investment banking services.

5. Notwithstanding any of the foregoing, all fees and expenses of the Underwriters in connection with this proposed issuance of obligations shall be duly subject to approval by the Deputy Treasurer for Debt Management in accordance with state law.

ADOPTED and APPROVED this 21<sup>st</sup> day of May 2024.

OKLAHOMA WATER RESOURCES BOARD

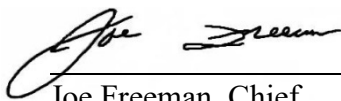
\_\_\_\_\_  
Jennifer Castillo, Chairman

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

(SEAL)

Reviewed By:



\_\_\_\_\_  
Joe Freeman, Chief  
Financial Assistance Division

THE OKLAHOMA WATER RESOURCES BOARD MET IN REGULAR SESSION ON THE 21ST DAY OF MAY, 2024, AT 9:30 A.M., IN THE BOARD ROOM OF THE OKLAHOMA WATER RESOURCES BOARD, 3800 NORTH CLASSEN BOULEVARD, OKLAHOMA CITY, OKLAHOMA

Boardmembers Present :

Absent:

Thereupon, the Chairman introduced a resolution (the "Resolution") authorizing the issuance of special, limited obligation revenue bonds of the Oklahoma Water Resources Board (the "Board"), in one or more series, for the purpose of capitalizing the Board's Clean Water Treatment State Revolving Fund, pursuant to the terms of the Master Trust Indenture and a bond indenture. Upon completion of discussion with respect to such resolution, Boardmember \_\_\_\_\_ moved the adoption of the resolution, which motion was seconded by Boardmember \_\_\_\_\_. The Board was polled on the question of the adoption of said resolution, resulting in its adoption by the following vote:

Aye:

Nay:

The Resolution, as adopted, is as follows:

RESOLUTION AUTHORIZING THE ISSUANCE OF OKLAHOMA WATER RESOURCES BOARD REVOLVING FUND REVENUE BONDS - CLEAN WATER PROGRAM, (2019 MASTER TRUST), IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$150,000,000; APPROVING AND AUTHORIZING EXECUTION OF A BOND INDENTURE PROVIDING FOR THE ISSUANCE OF THE BONDS; PROVIDING FOR THE SALE AND DELIVERY OF THE BONDS AND AUTHORIZING A CERTIFICATE OF DETERMINATION; WAIVING COMPETITIVE BIDDING ON THE BONDS AND AUTHORIZING THE SALE THEREOF BY NEGOTIATION PURSUANT TO THE TERMS OF A CONTRACT OF PURCHASE PERTAINING THERETO; APPROVING A PRELIMINARY OFFICIAL STATEMENT WITH RESPECT TO THE BONDS; 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.

WHEREAS, the Legislature and the people of the State of Oklahoma (“the State”) have evidenced their desire to provide financial assistance to the State and cities, towns, counties, rural water or sewer districts, irrigation districts, public trusts, master conservancy districts and other political subdivisions of the State, or any combination thereof (the "Eligible Entities") for purposes of financing engineering undertakings or work to conserve and develop surface or subsurface water resources, distribute water, develop water systems and control or develop sewage treatment systems and facilities and/or to refinance any indebtedness originally incurred to acquire or construct such works, systems and facilities by the submission and approval, at special statewide election held on the 28th day of August, 1984, of State Question No. 581 and the adoption pursuant to said election of Section 39, Article X of the Oklahoma Constitution and the vitalization thereof with the enactment of the Water Storage and Control Facilities Act, Title 82 O.S. 2011, Sections 1085.31-1085.49, inclusive, as amended (the "Water Act"), Title 82 O.S. 2011, Sections 1085.51-1085.65, inclusive, as amended (the “Clean Water Act”) and Title 82 O.S. 2011, Sections 1085.71-1085.84 inclusive, as amended (the “Drinking Water Act”); and

WHEREAS, the Board is the designated agency of the State charged with the responsibility of administering the Wastewater Facility Construction State Revolving Fund under the Federal Water Quality Act of 1987, as amended (the “Clean Water State Revolving Fund”) and the Drinking Water Treatment State Revolving Fund under the federal Safe Drinking Water Act (the “Drinking Water State Revolving Fund”); and

WHEREAS, pursuant to provision of Section 1085.33 of the Water Act, Section 1085.57 of the Clean Water Act and Section 1085.77 of the Drinking Water Act, the Board is empowered to sell and issue obligations, including refunding bonds, in furtherance of the public purpose of providing an adequate amount of funds to meet the anticipated needs of Eligible Entities to finance wastewater projects described under the Clean Water Act and water treatment projects described under the Drinking Water Act; and

WHEREAS, the Board has given due consideration to the relative needs of all Eligible Entities within the State in order to ensure that sufficient monies are available from the issuance of its obligations to satisfy the proportionate share of the overall needs of both small and large Eligible Entities; and

WHEREAS, in order to meet the anticipated needs of Eligible Entities to finance wastewater projects described under the Clean Water Act, the Board desires to issue the Bonds hereafter described for such purpose; and

WHEREAS, Section 1085.33 of the Water Act authorizes the waiver of competitive bidding on the Board's obligations; and

WHEREAS, the Board has determined that to more efficiently administer and capitalize the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund, the bonds hereinafter authorized shall be governed by a master trust indenture, which will provide that bonds issued thereunder will be secured by revenues of the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund, as provided therein; and

WHEREAS, the Board has heretofore selected \_\_\_\_\_ as senior manager of the underwriting team (the "Underwriters") selected by the Board for the Bonds hereinafter described.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board hereby authorizes the sale, issuance and delivery of special, limited obligations, in one or more series, in aggregate principal amount not to exceed \$150,000,000, for the purpose of capitalizing the Board's Clean Water State Revolving Fund. Such obligations shall be denominated "Oklahoma Water Resources Board State Revolving Fund Revenue Bonds - Clean Water Program (2019 Master Trust Bonds)", with such additional series designation as may be necessary or desirable (the "Bonds"), and shall be issued under the terms and provisions of the Master Trust Indenture between the Board and BancFirst, as Master Trustee, and pursuant to the provisions of a Bond Indenture between the Board and BancFirst, as Bond Trustee. The Bonds shall be issued in fully registered form, without coupons, and shall mature at such times and in such amounts, shall bear interest, shall carry such registration and conversion privileges, shall be payable in such manner, shall be subject to redemption and shall have such other and further qualities and provisions as shall be specifically provided in accordance with the parameters set forth herein and in the Certificate of Determination (hereinafter defined) and the Bond Indenture.

2. The Chairman of the Board, or in the absence of the Chairman, the Vice Chairman, is hereby authorized, empowered and directed to determine and establish the total principal amount of the Bonds, which in no event shall exceed One Hundred Fifty Million Dollars (\$150,000,000), the extent, if any, to which the Bonds will be insured, the redemption provisions, Underwriter's discount at not to exceed one percent (1.00%), original issue discount at not to exceed three percent (3.00%), maturing principal amounts of the Bonds and interest rates, which shall not exceed an average rate of five and eighty-five hundredths percent (5.85%) per annum, on the Bonds, and to set forth the foregoing in a written certificate of determination (the "Certificate of Determination") executed at the time of or prior to the issuance of the Bonds. The Chairman, or in the absence of the Chairman, the Vice Chairman, is hereby authorized, in the name and on behalf of the Board, to approve, distribute, and deliver a preliminary official statement and a final official statement relating to the Bonds to be used by the Underwriters in the marketing of the Bonds.

3. The Preliminary Official Statement presented to the Board on this date pertaining to the Bonds is hereby approved and deemed final for purposes of distribution in connection with the public offering for sale of such obligations. Such form of the Preliminary Official Statement may be modified as appropriate in connection with the public offering and sale of Bonds, and the Chairman or, in the absence of, the Vice Chairman, is authorized on behalf of the Board to deem final the Preliminary Official Statement with respect to the public offering of the Bonds for purposes of distribution in connection with the public offering for sale of such obligations.

4. The Board hereby approves drafts presented on this date of the following documents pertaining to the Bonds:

- (i) Bond Indenture;
- (ii) Bond Purchase Contract (as defined below); and
- (iii) Continuing Disclosure Agreement, and

- (iv) Form of Loan Agreement and Promissory Note to be executed by borrowers.

The Board hereby authorizes its Chairman, or in the event of the absence or incapacity of the Chairman, its Vice Chairman to review and approve any proposed additions, deletions, modifications, or other changes to the above described documents from the forms thereof presented on this date. The foregoing notwithstanding, the Bond Indenture may be a single indenture with respect to the issuance of the Bonds for the purposes described in Section 1 of this Resolution.

5. Competitive bidding for the sale of the Bonds is hereby waived and the sale of the Bonds to the Underwriters pursuant to the terms of a Contract of Purchase by and between the Board and \_\_\_\_\_, as representative of the Underwriters (the "Bond Purchase Contract") in substantially the draft form presented on this date is hereby authorized; provided the precise principal amount of Bonds, date of the Bonds, the years in which the Bonds will mature and the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, purchase price, interest payment and record dates, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Board, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale, and delivery of the Bonds, including, without limitation, the proceeds used to capitalize the Clean Water State Revolving Fund, shall be set forth in a Certificate of Determination to be executed by the Chairman or Vice Chairman of the Board upon the issuance of the Bonds. The foregoing notwithstanding, the Bond Purchase Contract may be a single contract with respect to the issuance of the Bonds for the purposes described in Section 1 of this Resolution.

6. Proceeds derived from the sale of the Bonds are hereby directed to be deposited with the Bond Trustee for application in the manner set forth in the Bond Indenture approved in Section 4 hereof and in the above referenced Closing Order.

7. The Bond Trustee is directed to pay costs of issuance of the Bonds in amounts approved by the State of Oklahoma Deputy Treasurer for Debt Management from the Costs of Issuance Fund established under the Bond Indenture pursuant to the Closing Order of the Board.

8. The Chairman or Vice Chairman and other directors of the Board are hereby authorized to approve and execute, for and on behalf of the Board, all other and further documents, instruments, agreements, representations and certifications necessary or attendant to the sale, issuance and delivery of the Bonds. The appropriate officers and employees of the Board are hereby authorized to take all action necessary or appropriate to comply with and carry out all provisions of such documents, instruments, representations and certifications.

*[Execution Page Follows]*



ADOPTED this 21<sup>st</sup> day of May, 2024.

OKLAHOMA WATER RESOURCES BOARD

(SEAL)

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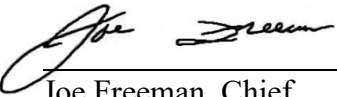
Jennifer Castillo, Chairman

ATTEST:

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Suzanne Landess, Secretary

Reviewed By:



---

Joe Freeman, Chief  
Financial Assistance Division

STATE OF OKLAHOMA       §  
                                          §  
COUNTY OF OKLAHOMA   §

I, the undersigned, the duly qualified and acting Secretary of the Oklahoma Water Resources Board, hereby certify that the above and foregoing is a true, correct and complete copy of a resolution duly adopted by the Board at the meeting had on the date therein set forth. I further certify that public notice of the meeting was duly given and that attached hereto is a true and a complete copy of the agenda for the meeting which was prominently posted at the place of the meeting, all in the manner and within the time prescribed by law.

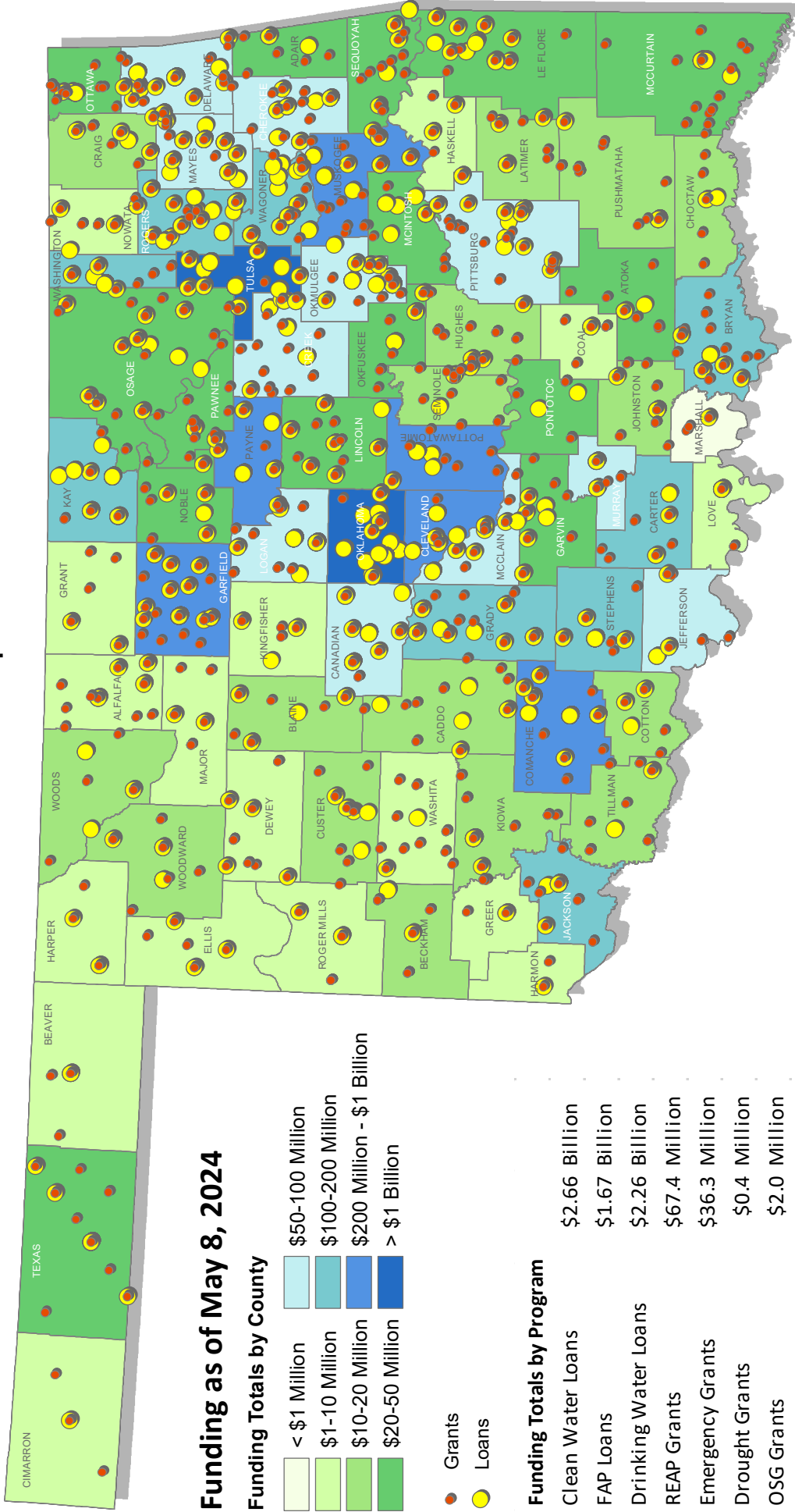
WITNESS my hand and the seal of said Board this 21<sup>st</sup> day of May, 2024.

(SEAL)

\_\_\_\_\_  
Suzanne Landess, Secretary

# Financial Assistance Division

## Loan and Grant Recipient Status



**3.C.1. SUMMARY DISPOSITION AGENDA ITEMS**

FINANCIAL ASSISTANCE DIVISION

May 21, 2024

**EMERGENCY GRANT APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**APPLICANT:** Carnegie Public Works Authority  
**COUNTY:** Caddo

**DATE RECEIVED:** 04/02/2024  
**APPLICATION NUMBER:** FAP-24-0006-G

**Amount Requested:** \$8,005.00

**Amount Recommended:** \$8,005.00

**PROJECT DESCRIPTION:** Carnegie Public Works Authority was in an emergency situation and was without water due to splitting of an 8” pipe due to hot, dry weather which caused a total loss of water supply to the town. The project is to replace damaged water main and repairs to street damage and all other appurtenances required to complete the project. The project will be financed by \$1,412.48 from local funds representing the required 15% match and \$8,005.00 OWRB REAP Grant for the total project cost of \$9,417.48.

Priority Ranking		Priority Points
<b>Emergency Ranking</b> <u>1</u> (Maximum: 50 points)		<u>50</u>
<b>WATER AND SEWER RATE STRUCTURE</b> (Maximum: 13 points)		
Water rate per 5,000 gal/month: \$ 30.00	<input type="checkbox"/> Flat rate <u>-3</u>	<u>7</u>
Sewer rate per 5,000 gal/month: <u>8.75</u>	<input type="checkbox"/> Decreasing Block <u>-2</u>	
Total \$ 38.75	<input type="checkbox"/> Uniform <u>0</u>	
	<input checked="" type="checkbox"/> Increasing Block <u>+2</u>	
<u>5</u> points	<input type="checkbox"/> Sales tax (W/S) <u>+1</u>	
<b>INDEBTEDNESS PER CUSTOMER</b> (Maximum: 10 points)		
Total Indebtedness: \$ 0.00		<u>0</u>
Monthly Debt Payment: \$ 0.00		
Number of Customers: 655		
Monthly Payment Per Customer: \$ 0.00		
<b>LOCAL PARTICIPATION</b> (Maximum 10 points)		
From Reserves: \$ 1,412.48		<u>1</u>
Contribution from Loan: \$ 0.00		
% of Project Local Funded: 15%		
<b>MEDIAN HOUSEHOLD INCOME</b> \$ 37,292.00 (Maximum: 10 points)		<u>4</u>
<b>ABILITY TO FINANCE PROJECT</b> (Maximum: 12 points)		
FP = $\frac{(\$8,005.00)}{(655)}$ (0.0710) = \$ 0.07		<u>0</u>
<b>AMOUNT OF GRANT REQUESTED</b> (Maximum: 10 points)		
AR = \$8,005.00		<u>10</u>
<b>REQUEST NUMBER</b> <u>0</u>		<u>0</u>
<b>BENEFIT OF PROJECT TO OTHER SYSTEMS</b> No		<u>0</u>
<b>TOTAL PRIORITY POINTS</b>		<u>72</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF GRANT APPLICATION )  
NO. FAP-24-0006-G IN THE NAME OF THE )  
CARNEGIE PUBLIC WORKS AUTHORITY, )  
CADDO COUNTY, OKLAHOMA. )

**PROPOSED  
ORDER APPROVING GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of May 2024. The Board finds that since the application for this grant has received a priority ranking of 72 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the Emergency Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$8,005.00 should be approved to be advanced for the following purpose and subject to the following conditions:

Purpose: The project shall consist of replacing damaged water main and repairs to street damage as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application.

Conditions:

1. The amount of the grant will be based on 85% of the actual total eligible cost of the project. The amount of the grant shall not exceed \$8,005.00.
2. Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of grant funds as required by the Board. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board. Disbursement of grant funds without supporting documentation shall be considered unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The applicant shall return or otherwise pay to the Board, any grant funds expended for unauthorized or unallowable purposes. Authorized purposes are those which are necessary for the completion of the project described in the grant application, which application is incorporated by reference herein, or which are necessary for the project as approved, if the project is different from that described in the application. Any funds returned by the applicant under this paragraph shall bear interest at the maximum rate allowed by law. The applicant shall direct to the Board any and all questions regarding whether an expenditure is authorized.
7. Furthermore, prior to and during the construction period, Carnegie Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 21st day of May 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

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Jennifer Castillo, Chairman

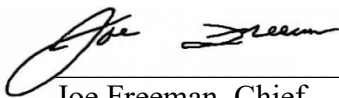
ATTEST:

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Suzanne Landess, Secretary

(SEAL)

Reviewed by:



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Joe Freeman, Chief  
Financial Assistance Division

**EMERGENCY GRANT APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**APPLICANT:** West Siloam Springs Municipal Authority  
**COUNTY:** Delaware

**DATE RECEIVED:** 04/17/2024  
**APPLICATION NUMBER:** FAP-24-0008-G

**Amount Requested:** \$44,157.50

**Amount Recommended:** \$44,157.50

**PROJECT DESCRIPTION:** The West Siloam Springs Municipal Authority maintains and operates a water distribution system. In the early Spring of 2024, an inspection was conducted on the elevated water storage tank and it was found that the primary isolation valve used to drain the water storage tank was compromised due to lower than average winter temperatures and repeated freeze-thaw cycles. The proposed project is to replace the primary isolation valve before a catastrophic failure occurs and all other appurtenances related to the project. The estimated cost of the project is \$51,950.00 which will be funded with the Emergency Grant of \$44,157.50 and the 15% match of \$7,792.50.

Priority Ranking		Priority Points
<b>Emergency Ranking <u>2</u></b> (Maximum: 50 points)		<u>40</u>
<b>WATER AND SEWER RATE STRUCTURE</b> (Maximum: 13 points)		
Water rate per 5,000 gal/month:	\$ 39.53	<input type="checkbox"/> Flat rate <u>-3</u> <input type="checkbox"/> Decreasing Block <u>-2</u> <input type="checkbox"/> Uniform <u>0</u> <input checked="" type="checkbox"/> Increasing Block <u>+2</u> <input type="checkbox"/> Sales tax (W/S) <u>+1</u>
Sewer rate per 5,000 gal/month:	<u>39.94</u>	
Total	\$ 79.47	
	<u>10</u> points	
<b>INDEBTEDNESS PER CUSTOMER</b> (Maximum: 10 points)		
Total Indebtedness:	\$ 0.00	align="right"> <u>0</u>
Monthly Debt Payment:	\$ 0.00	
Number of Customers:	418	
Monthly Payment Per Customer:	\$ 0.00	
<b>LOCAL PARTICIPATION</b> (Maximum 10 points)		
From Reserves:	\$ 7,792.50	align="right"> <u>1</u>
Contribution from Loan:	\$ 0.00	
% of Project Local Funded:	15%	
<b>MEDIAN HOUSEHOLD INCOME</b>	\$ 49,219.00	<u>1</u>
		(Maximum: 10 points)
<b>ABILITY TO FINANCE PROJECT</b> (Maximum: 12 points)		
FP	= $\frac{(\$44,157.50)}{(418)} \cdot \frac{(0.0710)}{(12)} = \$ 0.63$	<u>0</u>
<b>AMOUNT OF GRANT REQUESTED</b> (Maximum: 10 points)		
AR	= \$44,157.50	<u>6</u>
<b>REQUEST NUMBER</b>	<u>1</u>	<u>0</u>
<b>BENEFIT OF PROJECT TO OTHER SYSTEMS</b>	<b>No</b>	<u>0</u>
<b>TOTAL PRIORITY POINTS</b>		<u>60</u>



**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF GRANT APPLICATION )  
NO. FAP-24-0008-G IN THE NAME OF THE )  
WEST SILOAM SPRINGS MUNICIPAL AUTHORITY, )  
DELAWARE COUNTY, OKLAHOMA. )

**PROPOSED  
ORDER APPROVING GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of May 2024. The Board finds that since the application for this grant has received a priority ranking of 60 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the Emergency Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$44,157.50 should be approved to be advanced for the following purpose and subject to the following conditions:

Purpose: The project shall consist of replacing the primary isolation valve as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application.

Conditions:

1. The amount of the grant will be based on 85% of the actual total eligible cost of the project. The amount of the grant shall not exceed \$44,157.50.
2. Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of grant funds as required by the Board. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board. Disbursement of grant funds without supporting documentation shall be considered unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The applicant shall return or otherwise pay to the Board, any grant funds expended for unauthorized or unallowable purposes. Authorized purposes are those which are necessary for the completion of the project described in the grant application, which application is incorporated by reference herein, or which are necessary for the project as approved, if the project is different from that described in the application. Any funds returned by the applicant under this paragraph shall bear interest at the maximum rate allowed by law. The applicant shall direct to the Board any and all questions regarding whether an expenditure is authorized.
7. Furthermore, prior to and during the construction period, West Siloam Springs Municipal Authority is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 21st day of May 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

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Jennifer Castillo, Chairman

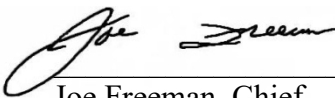
ATTEST:

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Suzanne Landess , Secretary

(SEAL)

Reviewed by:



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Joe Freeman, Chief  
Financial Assistance Division

**EMERGENCY GRANT APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**APPLICANT:** The Clinton Public Works Authority  
**COUNTY:** Custer

**DATE RECEIVED:** 03/15/2024  
**APPLICATION NUMBER:** FAP-24-0009-G

**Amount Requested:** \$100,000.00

**Amount Recommended:** \$100,000.00

**PROJECT DESCRIPTION:** The Clinton Public Works Authority (PWA) operates a water distribution system which includes a 2.5-million-gallon ground storage tank to sustain pressure and provide required water supply during peak demands. The city experienced a high-wind event, sustaining damage to the ground storage tank roof. The proposed project is to demolish the existing roof structure, engineering, design and construction of a new roof structure, applying a protective lining and coating system on the structure, and all other appurtenances required to complete the project. The total estimated cost of the project is \$1,769,542 and will be funded with 2014 PWA Revenue Bonds Construction money remaining of \$922,428, unappropriated Clinton PWA Water Fund Balance of \$747,114 and OWRB Emergency Grant funds of \$100,000.

Priority Ranking			Priority Points
<b>Emergency Ranking 2</b> (Maximum: 50 points)			<u>40</u>
<b>WATER AND SEWER RATE STRUCTURE</b> (Maximum: 13 points)			
Water rate per 5,000 gal/month:	\$ 52.86	(x) Flat rate	<u>-3</u>
Sewer rate per 5,000 gal/month:	<u>24.91</u>	( ) Decreasing Block	<u>-2</u>
Total	\$ <u>77.77</u>	( ) Uniform	<u>0</u>
		( ) Increasing Block	<u>+2</u>
	<u>10</u> points	( ) Sales tax (W/S)	<u>+1</u>
<b>INDEBTEDNESS PER CUSTOMER</b> (Maximum: 10 points)			
Total Indebtedness:	\$ 25,395,000.00		
Monthly Debt Payment:	\$ 147,398.44		<u>10</u>
Number of Customers:	3598		
Monthly Payment Per Customer:	\$ 40.97		
<b>LOCAL PARTICIPATION</b> (Maximum 10 points)			
From Reserves:	\$ 747,114.00		
Contribution from Loan:	\$ 922,428.00		<u>10</u>
% of Project Local Funded:	94%		
<b>MEDIAN HOUSEHOLD INCOME</b>	\$ 50,608.00	(Maximum: 10 points)	<u>1</u>
<b>ABILITY TO FINANCE PROJECT</b> (Maximum: 12 points)			
FP =	$\frac{(\$100,000.00)}{(3598)}$	(0.0710)	<u>0</u>
		= \$ 0.16	
<b>AMOUNT OF GRANT REQUESTED</b> (Maximum: 10 points)			
AR =	\$100,000.00		<u>(5)</u>
<b>REQUEST NUMBER</b>	<u>0</u>		<u>0</u>
<b>BENEFIT OF PROJECT TO OTHER SYSTEMS</b>	Yes		<u>5</u>
<b>TOTAL PRIORITY POINTS</b>			<u>74</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF GRANT APPLICATION )  
NO. FAP-24-0009-G IN THE NAME OF THE )  
THE CLINTON PUBLIC WORKS AUTHORITY, )  
CUSTER COUNTY, OKLAHOMA. )

**PROPOSED  
ORDER APPROVING GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of May 2024. The Board finds that since the application for this grant has received a priority ranking of 74 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the Emergency Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$100,000.00 should be approved to be advanced for the following purpose and subject to the following conditions:

Purpose: The project shall consist of demolishing the existing roof structure of a ground storage tank, engineering, design and construction of a new roof structure, applying a protective lining and coating system on the structure as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application.

Conditions:

1. The amount of the grant will be based on 6% of the actual total eligible cost of the project. The amount of the grant shall not exceed \$100,000.00.
2. Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of grant funds as required by the Board. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board. Disbursement of grant funds without supporting documentation shall be considered unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The applicant shall return or otherwise pay to the Board, any grant funds expended for unauthorized or unallowable purposes. Authorized purposes are those which are necessary for the completion of the project described in the grant application, which application is incorporated by reference herein, or which are necessary for the project as approved, if the project is different from that described in the application. Any funds returned by the applicant under this paragraph shall bear interest at the maximum rate allowed by law. The applicant shall direct to the Board any and all questions regarding whether an expenditure is authorized.
7. Furthermore, prior to and during the construction period, The Clinton Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 21st day of May 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

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Jennifer Castillo, Chairman

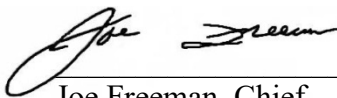
ATTEST:

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Suzanne Landess , Secretary

(SEAL)

Reviewed by:



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Joe Freeman, Chief  
Financial Assistance Division

**REAP GRANT APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**APPLICANT:** Depew Public Works Authority  
**COUNTY:** Creek

**DATE RECEIVED:** 08/24/2023  
**APPLICATION NUMBER:** FAP-24-0032-R

**Amount Requested:** \$99,000.00

**Amount Recommended:** \$99,000.00

**PROJECT DESCRIPTION:** The Depew Public Works Authority operates a water distribution system. Many of the fire hydrants in the system have reached the end of their useful life. The proposed project is to replace 14 fire hydrants and all appurtenances required to complete this project. The proposed cost of the project is \$99,000.00 which will be funded by the requested OWRB REAP Grant.

Priority Ranking				Priority Points
<b>Population/Taps</b> <u>411</u> (Maximum: 55 points)				<u>55</u>
<b>WATER AND SEWER RATE STRUCTURE</b> (Maximum: 13 points)				
Water rate per 5,000 gal/month:	\$ 33.48	<input type="checkbox"/> Flat rate	<u>-3</u>	<u>12</u>
Sewer rate per 5,000 gal/month:	40.22	<input type="checkbox"/> Decreasing Block	<u>-2</u>	
Total	\$ 73.70	<input type="checkbox"/> Uniform	<u>0</u>	
		<input checked="" type="checkbox"/> Increasing Block	<u>+2</u>	
	<u>10</u> points	<input type="checkbox"/> Sales tax (W/S)	<u>+1</u>	
<b>INDEBTEDNESS PER CUSTOMER</b> (Maximum: 10 points)				
Total Indebtedness:	\$ 699,999.20			<u>4</u>
Monthly Debt Payment:	\$ 2,618.00			
Number of Customers:	243			
Monthly Payment Per Customer:	\$ 10.77			
<b>MEDIAN HOUSEHOLD INCOME</b>	\$ 28,438.00	(Maximum: 10 points)		<u>6</u>
<b>ABILITY TO FINANCE PROJECT</b> (Maximum: 12 points)				
FP	=	$\frac{(\$99,000.00)}{(243)}$	$\frac{(0.0710)}{(12)}$	<u>6</u>
				\$ 2.41
<b>AMOUNT OF GRANT REQUESTED</b> (Maximum: 5 points)				
AR	=	\$99,000.00		<u>1</u>
<b>REQUEST NUMBER</b>	<u>1</u>			<u>0</u>
<b>ENFORCMENT ORDER</b>	<u>No</u>	(Maximum: 5 points)		<u>0</u>
<b>BENEFIT OF PROJECT TO OTHER SYSTEMS</b>	<u>No</u>			<u>0</u>
<b>FISCAL SUSTAINABILITY</b>				<u>6</u>
<b>TOTAL PRIORITY POINTS</b>				<u>90</u>

BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA

IN THE MATTER OF REAP GRANT APPLICATION            )  
NO. FAP-24-0032-R IN THE NAME OF THE            )  
DEPEW PUBLIC WORKS AUTHORITY,                    )  
CREEK COUNTY, OKLAHOMA.                            )

**PROPOSED**  
ORDER APPROVING REAP GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of May 2024. The Board finds that since the application for this grant has received a priority ranking of 90 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the REAP Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$99,000.00 should be approved to be advanced for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the REAP grant shall not exceed \$99,000.00.
2. REAP Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the REAP grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of REAP grant funds as required by the Board or its staff. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board or its staff. Disbursement of grant funds without supporting documentation shall be considered and deemed unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended REAP grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The project shall be to replace 14 fire hydrants as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application. Applicant is authorized to expend the REAP grant funds only for purposes of completing such project. The applicant shall return or otherwise pay to the Board, any REAP grant funds expended for unauthorized or unallowable purposes. Any funds due to be returned by the applicant under this paragraph shall additionally bear interest at the maximum rate allowed by law until repaid in full. Whenever there is any doubt as to whether an expenditure is authorized, the applicant shall consult with Board staff and obtain staff's answer before making the expenditure.
7. Furthermore, prior to and during the construction period, Depew Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 21st day of May 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

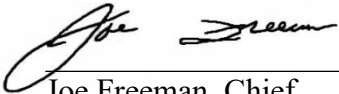
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Jennifer Castillo, Chairman

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

(SEAL)

Reviewed By:



\_\_\_\_\_  
Joe Freeman, Chief  
Financial Assistance Division



**REAP GRANT APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**APPLICANT:** Canute Public Works Authority  
**COUNTY:** Washita

**DATE RECEIVED:** 09/01/2023  
**APPLICATION NUMBER:** FAP-24-0087-R

**Amount Requested:** \$99,624.00

**Amount Recommended:** \$99,624.00

**PROJECT DESCRIPTION:** The Canute Public Works Authority’s water supply source has declined over the last several years. The proposed project is to drill an additional well in the Davis Well Field and all other appurtenances required to complete the project. The estimated cost of the project is \$99,624.00, which will be funded by the requested OWRB REAP grant.

Priority Ranking			Priority Points
<b>Population/Taps</b> <u>494</u> (Maximum: 55 points)			<u>55</u>
<b>WATER AND SEWER RATE STRUCTURE</b> (Maximum: 13 points)			
Water rate per 5,000 gal/month:	\$ 34.75	<input type="checkbox"/> Flat rate	<u>-3</u>
Sewer rate per 5,000 gal/month:	<u>14.00</u>	<input type="checkbox"/> Decreasing Block	<u>-2</u>
Total	\$ 48.75	<input type="checkbox"/> Uniform	<u>0</u>
		<input checked="" type="checkbox"/> Increasing Block	<u>+2</u>
	<u>8</u> points	<input type="checkbox"/> Sales tax (W/S)	<u>+1</u>
<b>INDEBTEDNESS PER CUSTOMER</b> (Maximum: 10 points)			
Total Indebtedness:	\$ 144,987.50		
Monthly Debt Payment:	\$ 7,826.56		
Number of Customers:	286		
Monthly Payment Per Customer:	\$ 27.37		<u>10</u>
<b>MEDIAN HOUSEHOLD INCOME</b>	\$ 70,469.00	(Maximum: 10 points)	<u>0</u>
<b>ABILITY TO FINANCE PROJECT</b> (Maximum: 12 points)			
FP =	$\frac{(\$99,624.00)}{(286)}$	$\frac{(0.0710)}{(12)}$	= \$ 2.06
			<u>6</u>
<b>AMOUNT OF GRANT REQUESTED</b> (Maximum: 5 points)			
AR =	\$99,624.00		<u>1</u>
<b>REQUEST NUMBER</b>	<u>0</u>		<u>0</u>
<b>ENFORCMENT ORDER</b>	<u>No</u>	(Maximum: 5 points)	<u>0</u>
<b>BENEFIT OF PROJECT TO OTHER SYSTEMS</b>	<u>No</u>		<u>0</u>
<b>FISCAL SUSTAINABILITY</b>			<u>10</u>
<b>TOTAL PRIORITY POINTS</b>			<u>92</u>

BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA

IN THE MATTER OF REAP GRANT APPLICATION            )  
NO. FAP-24-0087-R IN THE NAME OF THE            )  
CANUTE PUBLIC WORKS AUTHORITY,                    )  
WASHITA COUNTY, OKLAHOMA.                        )

**PROPOSED**  
ORDER APPROVING REAP GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of May 2024. The Board finds that since the application for this grant has received a priority ranking of 92 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the REAP Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$99,624.00 should be approved to be advanced for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the REAP grant shall not exceed \$99,624.00.
2. REAP Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the REAP grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of REAP grant funds as required by the Board or its staff. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board or its staff. Disbursement of grant funds without supporting documentation shall be considered and deemed unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended REAP grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The project shall be to drill an additional well in the Davis Well Field as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application. Applicant is authorized to expend the REAP grant funds only for purposes of completing such project. The applicant shall return or otherwise pay to the Board, any REAP grant funds expended for unauthorized or unallowable purposes. Any funds due to be returned by the applicant under this paragraph shall additionally bear interest at the maximum rate allowed by law until repaid in full. Whenever there is any doubt as to whether an expenditure is authorized, the applicant shall consult with Board staff and obtain staff's answer before making the expenditure.
7. Furthermore, prior to and during the construction period, Canute Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 21st day of May 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

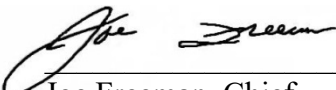
\_\_\_\_\_  
Jennifer Castillo, Chairman

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

(SEAL)

Reviewed By:



\_\_\_\_\_  
Joe Freeman, Chief  
Financial Assistance Division

**AMERICAN RESCUE PLAN ACT (ARPA) APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**Applicant:** The Checotah Public Works Authority, McIntosh County

**Grant Application No.:** ARP-23-0030-DTG  
 American Rescue Plan Act Grant (“ARPA Grant”)

**Amount Requested:** \$600,000.00

**Designated Grant**

**Information:** Name and/or number of the ARPA Grant account under which designated: Tribal Matching Grant ARPA - YY000881

**Purpose:** The Checotah Public Works Authority operates a public water supply system. Water lines in the southeast portion of the system are aging and failing causing constant repairs to the lines. The proposed project is to replace the aging waterlines with 6-inch and 8-inch PVC pipe and all appurtenances required to complete the project.

<b><u>Sources of Funds (Est.)</u></b>		<b><u>Uses of Funds (Est.)</u></b>	
OWRB ARPA Grant:	\$600,000.00	Project:	\$1,503,000.00
Muscogee Creek Tribal Matching Funds:	600,000.00		
Indian Health Services:	303,000.00		
<b>Total</b>	<u>\$1,503,000.00</u>	<b>Total</b>	<u>\$1,503,000.00</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF AMERICAN RESCUE PLAN ACT )  
(ARPA) GRANT APPLICATION NO. ARP-23-0030-DTG )  
IN THE NAME OF THE CHECOTAH PUBLIC WORKS )  
AUTHORITY,  
MCINTOSH COUNTY, OKLAHOMA. )

**PROPOSED**  
ORDER APPROVING ARPA GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of May 2024. The Board finds that since the application for this grant has been identified by the legislature, has met the eligibility requirements for this grant, and that since sufficient funds are available, the grant application for an amount not to exceed \$600,000.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$600,000.00.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to replace the aging waterlines with 6-inch and 8-inch PVC pipe. Applicant is authorized to request the ARPA grant funds only for cost incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, The Checotah Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA regulations, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations, and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 21st day of May 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

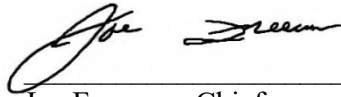
\_\_\_\_\_  
Jennifer Castillo, Chairman

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

(SEAL)

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J" and "F".

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Joe Freeman, Chief  
Financial Assistance Division

**ARPA GRANT APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**APPLICANT:** Rural Water District No. 1, Hughes County, Oklahoma     **DATE RECEIVED:** 11/23/2022  
**COUNTY:** Hughes     **APPLICATION NUMBER:** ARP-23-0116-G  
**Amount Requested:** \$620,000.00     **ARPA NUMBER:** ARPA-YY002306  
**Amount Recommended:** \$620,000.00

**PROJECT DESCRIPTION:** Rural Water District No. 1, Hughes County, Oklahoma operates a water treatment plant and water distribution system that serves over 1,800 customers. The system gets water from three wells that are in need of rehabilitation to avoid DEQ violations if they are not addressed. The proposed project is to rehab the three wells by cleaning and flushing interior surfaces, abrasive blast interior surfaces, coat interior surfaces, clean the exteriors, and all appurtenances required to complete the project. The estimated cost of the project is \$620,000.00 which will be funded by the ARPA grant of \$620,000.00.

Priority Ranking				Priority Points
<b>Taps</b> <u>476</u>				
<b>WATER AND SEWER RATE STRUCTURE</b> (Maximum: 13 points)				
Water rate per 5,000 gal/month:	\$ 55.00	<input type="checkbox"/> Flat rate	<u>-3</u>	<u>12</u>
Sewer rate per 5,000 gal/month:	<u>0.00</u>	<input type="checkbox"/> Decreasing Block	<u>-2</u>	
Total	\$ 55.00	<input type="checkbox"/> Uniform	<u>0</u>	
		<input checked="" type="checkbox"/> Increasing Block	<u>+2</u>	
	10 points	<input type="checkbox"/> Sales tax (W/S)	<u>+1</u>	
<b>INDEBTEDNESS PER CUSTOMER</b> (Maximum: 10 points)				
Total Indebtedness:	\$ 2,276,174.00			<u>8</u>
Monthly Debt Payment:	\$ 8,305.00			
Number of Customers:	476			
Monthly Payment Per Customer:	\$ 17.45			
<b>APCI Tier</b>	Tier 1.00	(Maximum: 24 points)		<u>24</u>
<b>LEGISLATIVE PORTAL REQUEST</b> (Maximum: 5 points) <u>Yes</u>				<u>5</u>
<b>PREVIOUS GRANTS</b>	<u>0</u>			<u>0</u>
<b>ENFORCMENT ORDER</b>	<u>No</u>	(Maximum: 5 points)		<u>0</u>
<b>BENEFIT OF PROJECT TO OTHER SYSTEMS</b>	<u>Yes</u>			<u>5</u>
<b>FISCAL SUSTAINABILITY</b>	<u>Yes</u>			<u>3</u>
<b>TOTAL PRIORITY POINTS</b>				<u>57</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF THE AMERICAN RESCUE PLAN ACT )  
(ARPA) GRANT APPLICATION )  
NO. ARP-23-0116-G IN THE NAME OF THE )  
RURAL WATER DISTRICT NO. 1, HUGHES COUNTY, )  
OKLAHOMA )

**PROPOSED  
ORDER APPROVING ARPA GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of May 2024. The Board finds that since the application for this grant has received a priority ranking of 57 points under Chapter 50 of the Board's Rules and that since sufficient funds are available, the grant application for an amount not to exceed \$620,000.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$620,000.00.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be for rehabilitation of the three wells by cleaning and flushing interior surfaces, abrasive blast interior surfaces, coat interior surfaces, and clean the exteriors. Applicant is authorized to request the ARPA grant funds only for cost incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, Rural Water District No. 1, Hughes County, Oklahoma is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA rules, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations, and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 21st day of May 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

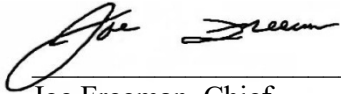
\_\_\_\_\_  
Jennifer Castillo, Chairman

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary  
(SEAL)



Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman", written in a cursive style.

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Joe Freeman, Chief  
Financial Assistance Division

**ARPA GRANT APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**APPLICANT:** The Caddo Public Works Authority  
**COUNTY:** Bryan

**DATE RECEIVED:** 11/30/2022  
**APPLICATION NUMBER:** ARP-23-0224-G  
**ARPA NUMBER:** ARPA-YY002306  
**Amount Recommended:** \$1,000,000.00

**Amount Requested:** \$1,000,000.00

**PROJECT DESCRIPTION:** The Caddo Public Works Authority operates a wastewater system. The system is under consent order by the ODEQ for slope violations at the lagoons caused by erosion. The proposed project is to fix the slopes at the lagoons, repair the liners, and all appurtenances required to complete the project. The estimated cost of the project is \$1,000,000.00 which will be funded by the ARPA grant of \$1,000,000.00.

Priority Ranking			Priority Points
<b>Population</b> <u>1,132</u>			
<b>WATER AND SEWER RATE STRUCTURE</b> (Maximum: 13 points)			
Water rate per 5,000 gal/month:      \$	55.25	( ) Flat rate	-3
Sewer rate per 5,000 gal/month:      \$	<u>44.00</u>	( ) Decreasing Block	-2
Total	\$ 99.25	( ) Uniform	<u>0</u>
		(X) Increasing Block	+2
	10 points	( ) Sales tax (W/S)	<u>+1</u>
<b>INDEBTEDNESS PER CUSTOMER</b> (Maximum: 10 points)			
Total Indebtedness:	\$ 379,297.57		
Monthly Debt Payment:	\$ 6,688.58		<u>6</u>
Number of Customers:	468		
Monthly Payment Per Customer:	\$ 14.29		
<b>APCI Tier</b>	Tier 1.00	(Maximum: 24 points)	<u>24</u>
<b>LEGISLATIVE PORTAL REQUEST</b> (Maximum: 5 points)			<u>0</u>
<b>PREVIOUS GRANTS</b>	<u>0</u>		<u>0</u>
<b>ENFORCMENT ORDER</b>	<u>Yes</u>	(Maximum: 5 points)	<u>5</u>
<b>BENEFIT OF PROJECT TO OTHER SYSTEMS</b>			<u>0</u>
<b>FISCAL SUSTAINABILITY</b>	<u>Yes</u>		<u>6</u>
<b>TOTAL PRIORITY POINTS</b>			<u>53</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF THE AMERICAN RESCUE PLAN ACT )  
(ARPA) GRANT APPLICATION )  
NO. ARP-23-0224-G IN THE NAME OF )  
THE CADDO PUBLIC WORKS AUTHORITY, )  
BRYAN COUNTY, OKLAHOMA. )

**PROPOSED  
ORDER APPROVING ARPA GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of May 2024. The Board finds that since the application for this grant has received a priority ranking of 53 points under Chapter 50 of the Board's Rules and that since sufficient funds are available, the grant application for an amount not to exceed \$1,000,000.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$1,000,000.00.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to fix the slopes at the lagoons and repair the liners. Applicant is authorized to request the ARPA grant funds only for cost incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, The Caddo Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA rules, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations, and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 21st day of May 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

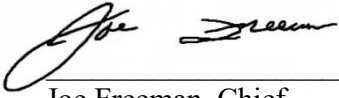
\_\_\_\_\_  
Jennifer Castillo, Chairman

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary  
(SEAL)

The Caddo Public Works Authority  
OWRB ARPA Grant No. ARP-23-0224-G

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman", written over a horizontal line.

Joe Freeman, Chief  
Financial Assistance Division

**AMERICAN RESCUE PLAN ACT (ARPA) APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**Applicant:** The Checotah Public Works Authority, McIntosh County

**Grant Application No.:** ARP-23-0025-DTG  
American Rescue Plan Act Grant (“ARPA Grant”)

**Amount Requested:** \$1,000,000.00

**Designated Grant**

**Information:** Name and/or number of the ARPA Grant account under which designated: Tribal Matching Grant ARPA - YY000881

**Purpose:** The Checotah Public Works Authority operates a public water supply system. The system has a one-million-gallon clearwell where water is becoming aged and stagnant due to inadequate mixing in the system. The proposed project is to install mixing surface aeration and forced air ventilation in the existing 1 million gallon clearwell, construct a new 500,000-gallon clearwell upstream of the current one for system redundancy, and all appurtenances required to complete the project.

<b><u>Sources of Funds (Est.)</u></b>		<b><u>Uses of Funds (Est.)</u></b>	
OWRB ARPA Grant:	\$1,000,000.00	Project:	\$2,640,000.00
Muscogee Creek Tribal Matching Funds:	1,000,000.00		
Indian Health Services:	640,000.00		
<b>Total</b>	<b><u>\$2,640,000.00</u></b>	<b>Total</b>	<b><u>\$2,640,000.00</u></b>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF AMERICAN RESCUE PLAN ACT )  
(ARPA) GRANT APPLICATION NO. ARP-23-0025-DTG )  
IN THE NAME OF THE CHECOTAH PUBLIC WORKS )  
AUTHORITY, )  
MCINTOSH COUNTY, OKLAHOMA. )

**PROPOSED**  
ORDER APPROVING ARPA GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of May 2024. The Board finds that since the application for this grant has been identified by the legislature, has met the eligibility requirements for this grant, and that since sufficient funds are available, the grant application for an amount not to exceed \$1,000,000.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$1,000,000.00.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to install mixing surface aeration and forced air ventilation in the existing one-million-gallon clearwell and construct a new 500,000-gallon clearwell upstream of the current one for system redundancy. Applicant is authorized to request the ARPA grant funds only for cost incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, The Checotah Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA regulations, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations, and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 21st day of May 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

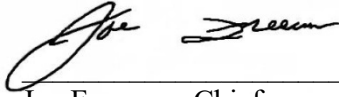
\_\_\_\_\_  
Jennifer Castillo, Chairman

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

(SEAL)

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J" and "F".

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Joe Freeman, Chief  
Financial Assistance Division

**ARPA GRANT APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**APPLICANT:** The East Central Oklahoma Water Authority  
**COUNTY:** Muskogee

**DATE RECEIVED:** 11/30/2022  
**APPLICATION NUMBER:** ARP-23-0262-G  
**ARPA NUMBER:** ARPA-YY002306

**Amount Requested:** \$1,000,000.00

**Amount Recommended:** \$1,000,000.00

**PROJECT DESCRIPTION:** The East Central Oklahoma Water Authority operates a water treatment plant (WTP). The WTP is under consent order for water treatment violations. The proposed project is to rehabilitate the WTP by adding a second backwash pump, replacing filter media, adding transfer pumps with flow meters, installing a SCADA system, building a new fiberglass building and chlorine feed pumps with alarms, and all appurtenances required to complete the project. The estimated cost of the project is \$1,000,000.00 which will be funded by the ARPA grant of \$1,000,000.00.

Priority Ranking			Priority Points
<b>Taps</b> <u>520</u>			
<b>WATER AND SEWER RATE STRUCTURE</b> (Maximum: 13 points)			
Water rate per 5,000 gal/month:	\$ 42.50	( ) Flat rate	<u>-3</u>
Sewer rate per 5,000 gal/month:	<u>24.00</u>	( ) Decreasing Block	<u>-2</u>
Total	\$ 66.50	( ) Uniform	<u>0</u>
		(X) Increasing Block	<u>+2</u>
	10 points	( ) Sales tax (W/S)	<u>+1</u>
<b>INDEBTEDNESS PER CUSTOMER</b> (Maximum: 10 points)			
Total Indebtedness:	\$ 239,500.00		
Monthly Debt Payment:	\$ 3,000.00		<u>1</u>
Number of Customers:	516		
Monthly Payment Per Customer:	\$ 5.81		
<b>APCI Tier</b>	Tier 1.00	(Maximum: 24 points)	<u>24</u>
<b>LEGISLATIVE PORTAL REQUEST</b> (Maximum: 5 points)			<u>0</u>
<b>PREVIOUS GRANTS</b>	<u>0</u>		<u>0</u>
<b>ENFORCMENT ORDER</b>	<u>Yes</u>	(Maximum: 5 points)	<u>5</u>
<b>BENEFIT OF PROJECT TO OTHER SYSTEMS</b>	<u>No</u>		<u>0</u>
<b>FISCAL SUSTAINABILITY</b>	<u>Yes</u>		<u>10</u>
<b>TOTAL PRIORITY POINTS</b>			<u>52</u>



**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF THE AMERICAN RESCUE PLAN ACT )  
(ARPA) GRANT APPLICATION )  
NO. ARP-23-0262-G IN THE NAME OF )  
THE EAST CENTRAL OKLAHOMA WATER AUTHORITY, )  
MUSKOGEE COUNTY, OKLAHOMA. )

**PROPOSED  
ORDER APPROVING ARPA GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of May 2024. The Board finds that since the application for this grant has received a priority ranking of 52 points under Chapter 50 of the Board's Rules and that since sufficient funds are available, the grant application for an amount not to exceed \$1,000,000.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$1,000,000.00.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to rehabilitate the water treatment plant by adding a second backwash pump, replacing filter media, adding transfer pumps with flow meters, installing a SCADA system, and building a new fiberglass building and chlorine feed pumps with alarms. Applicant is authorized to request the ARPA grant funds only for cost incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, The East Central Oklahoma Water Authority is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA rules, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations, and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 21st day of May 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

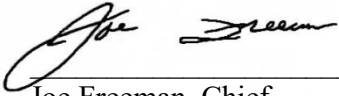
\_\_\_\_\_  
Jennifer Castillo, Chairman

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary  
(SEAL)

The East Central Oklahoma Water Authority  
OWRB ARPA Grant No. ARP-23-0262-G

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke at the end.

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Joe Freeman, Chief  
Financial Assistance Division

**ARPA DAM REHABILITATION GRANT**

## RECOMMENDED FOR APPROVAL

**Date:** May 21, 2024**Community Population:** 681,054**County:** Canadian and Oklahoma**Applicant:** Oklahoma City Water Utilities Trust**ARPA Grant Number:** ARP-23-0011-DG**Dam Name:** Overholser Dam**Amount Requested:** \$1,000,000.00**Dam State ID:** OK02537**Amount Recommended:** \$1,000,000.00**Project Type:** Planning, Engineering, and/or Construction**Grant Type:** Water/Sewer Dam Grant Program – ARPA YY002306**Hazard:** High; 68,043 Downstream Persons at Risk**Condition Rating:** Poor**Priority Ranking Tier:** 2/10**Dam Description**

The Oklahoma City Water Utilities Trust, located in Oklahoma County, owns and operates Overholser dam, which forms Lake Overholser. The dam consists of two main components: a 1,258-foot-long concrete slab and buttress dam and a low, earthfill embankment extending nearly three miles to the west and then north of the concrete section. The primary purpose of the structure is recreation. The OWRB considers the dam to be in poor condition due to the condition of the concrete spillway structure and gates.

**Project Description**

**Deficiency:** The dam is in poor condition due to the current condition of the spillway structure and gates. The concrete buttresses and cross-support beams of the spillway have concrete spalling and structural cracking. The concrete spillway slabs have significant concrete delamination and exposed steel. The gated section of the spillway has gates that are nonoperational, coating and steel loss, corrosion, leakage, and broken lift cables. In addition to the visible deficiencies at the dam, it was also determined in detailed studies that the dam does not meet the OWRB spillway discharge requirements without overtopping, and the spillway does not meet OWRB or USACE criteria for stability or structural integrity.

**Proposed Remedial Action:** Dam rehabilitation techniques currently being recommended include replacement of the 23 gates with fixed labyrinth weirs, and stabilization and structural improvement to the concrete structure. This consists of adding concrete ballast infill, extending the shorter buttresses in the older section of the spillway, and installing concrete impact slabs below the spillway in the older sections of the spillway where none currently exist.

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF THE AMERICAN RESCUE PLAN )  
ACT (ARPA) GRANT APPLICATION )  
NO. ARP-23-0011-DG OKLAHOMA CITY WATER )  
UTILITES TRUST )  
OKLAHOMA COUNTY, OKLAHOMA )

**PROPOSED  
ORDER APPROVING ARPA GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 21<sup>st</sup> day of May 2024. The Board finds that since the application for this grant has been designated as a priority dam rehabilitation project under Chapter 50, Subchapter 17 of the Board's Rules and that since sufficient funds are available, the grant application for an amount not to exceed \$1,000,000.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$1,000,000.00.
2. ARPA Grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall consist of the planning and engineering design for the Overholser dam spillway project. Applicant is authorized to request the ARPA grant funds only for cost incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, Oklahoma City Water Utilities Trust is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA rules, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations, and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 21<sup>st</sup> day of May 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

\_\_\_\_\_  
Jennifer Castillo, Chairman

Oklahoma City Water Utilities Trust  
ARPA Grant No. ARP-23-0011-DG

ATTEST:

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Suzanne Landess, Secretary

(SEAL)

Reviewed By:

                  s/s                    
Yohanes Sugeng, Chief  
Engineering and Planning Division

**ARPA GRANT APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**APPLICANT:** Rural Water District No. 8, McCurtain County, Oklahoma **DATE RECEIVED:** 11/23/2022  
**COUNTY:** McCurtain **APPLICATION NUMBER:** ARP-23-0115-G  
**ARPA NUMBER:** ARPA-YY002306  
**Amount Requested:** \$2,000,000.00 **Amount Recommended:** \$2,000,000.00

**PROJECT DESCRIPTION:** Rural Water District No. 8, McCurtain County, Oklahoma operates a water treatment plant and water distribution system serving over 2,500 connections in McCurtain County. The distribution system watermain currently has not been able to keep up with the increasing population in the area. The proposed project is to replace the watermain with approximately 56,000 linear feet of 12-inch water main and all appurtenances required to complete the project. The estimated cost of the project is \$6,000,000.00 which will be funded by the ARPA grant of \$2,000,000.00 and \$4,000,000.00 of Congressionally directed funds.

Priority Ranking			Priority Points
<b>Taps</b> <u>2,760</u>			
<b>WATER AND SEWER RATE STRUCTURE</b> (Maximum: 13 points)			
Water rate per 5,000 gal/month:	\$ 47.00	( ) Flat rate	<u>-3</u>
Sewer rate per 5,000 gal/month:	<u>0.00</u>	( ) Decreasing Block	<u>-2</u>
Total	\$ 47.00	( ) Uniform	<u>0</u>
		(X) Increasing Block	<u>+2</u>
	9 points	( ) Sales tax (W/S)	<u>+1</u>
<b>INDEBTEDNESS PER CUSTOMER</b> (Maximum: 10 points)			
Total Indebtedness:	\$ 3,110,573.01		
Monthly Debt Payment:	\$ 19,172.09		<u>1</u>
Number of Customers:	2760		
Monthly Payment Per Customer:	\$ 6.95		
<b>APCI Tier</b>	Tier 1.00	(Maximum: 24 points)	<u>24</u>
<b>LEGISLATIVE PORTAL REQUEST</b> (Maximum: 5 points)			<u>0</u>
<b>PREVIOUS GRANTS</b>	<u>0</u>		<u>0</u>
<b>ENFORCMENT ORDER</b>	<u>No</u>	(Maximum: 5 points)	<u>0</u>
<b>BENEFIT OF PROJECT TO OTHER SYSTEMS</b>	<u>Yes</u>		<u>5</u>
<b>FISCAL SUSTAINABILITY</b>	<u>Yes</u>		<u>10</u>
<b>TOTAL PRIORITY POINTS</b>			<u>51</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF THE AMERICAN RESCUE PLAN ACT )  
(ARPA) GRANT APPLICATION )  
NO. ARP-23-0115-G IN THE NAME OF THE )  
RURAL WATER DISTRICT NO. 8, MCCURTAIN COUNTY, )  
OKLAHOMA )

**PROPOSED  
ORDER APPROVING ARPA GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of May 2024. The Board finds that since the application for this grant has received a priority ranking of 51 points under Chapter 50 of the Board's Rules and that since sufficient funds are available, the grant application for an amount not to exceed \$2,000,000.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$2,000,000.00.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to replace approximately 56,000 linear feet of 12-inch water main. Applicant is authorized to request the ARPA grant funds only for cost incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, Rural Water District No. 8, McCurtain County, Oklahoma is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA rules, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations, and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 21st day of May 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

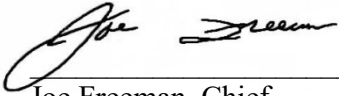
\_\_\_\_\_  
Jennifer Castillo, Chairman

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary  
(SEAL)

Rural Water District No. 8, McCurtain County, Oklahoma  
OWRB ARPA Grant No. ARP-23-0115-G

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J".

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Joe Freeman, Chief  
Financial Assistance Division



**NORTHEAST OKLAHOMA INFRASTRUCTURE FUND (HB 2888) APPLICATION**  
**RECOMMENDED FOR APPROVAL**

**Applicant:** City of Tulsa-Rogers County Port Authority, Rogers County

**Grant Application No.:** NOI-23-0001-G  
 Northeast Oklahoma Infrastructure Fund  
 Oklahoma House Bill 2888

**Amount Requested:** \$38,620,000.00

**Designated Grant**

**Information:** Oklahoma House Bill 2888 designated \$38,620,000 to the City of Tulsa-Rogers County Port Authority

**Purpose:** The Oklahoma Water Resources Board is designated from the General Revenue Fund of the State Treasury the sum of Thirty-eight Million Six Hundred Twenty Thousand Dollars (\$38,620,000.00) or so much thereof as may be necessary for upgrades to water and wastewater systems located in Northeast Oklahoma along an inland waterway that supplies water and wastewater to major supply chain locations. Funding will be directed to the City of Tulsa-Rogers County Port Authority to support the design and construction of a new 3.1 MGD wastewater treatment facility at its Tulsa Port of Inola and operated by the Town of Inola. The scope of the project includes engineering services, permitting, utility connections, access roads, collection systems, site work, facility construction, and commissioning the facility.

<b><u>Sources of Funds (Est.)</u></b>		<b><u>Uses of Funds (Est.)</u></b>	
NE OK Infrastructure Fund	\$38,620,000.00	Project	\$79,689,500.00
EDA Grant	22,300,000.00	Bond Counsel	115,000.00
Loan Proceeds	15,000,000.00	Financial Advisor	115,000.00
ARPA Grant	4,000,000.00	Trustee Bank	500.00
<b>Total</b>	<b><u>\$79,920,000.00</u></b>	<b>Total</b>	<b><u>\$79,920,000.00</u></b>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER OF NORTHEAST OKLAHOMA INFRASTRUCTURE )  
FUND OKLAHOMA HOUSE BILL 2888 )  
APPLICATION NO. NOI-23-0001-G )  
IN THE NAME OF THE CITY OF TULSA-ROGERS COUNTY PORT )  
AUTHORITY )

PROPOSED  
ORDER APPROVING GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of May 2024. The Board finds that since the application for this grant has been identified by the legislature under Northeast Oklahoma Infrastructure Fund House Bill 2888, has met the eligibility requirements for this grant, and that since sufficient funds are available, the grant application for an amount not to exceed \$38,620,000.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the grant shall not exceed \$38,620,000.00.
2. Grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to upgrade water and wastewater systems located in Northeast Oklahoma along an inland waterway that supplies water and wastewater to major supply chain locations. Funding will be directed to the City of Tulsa-Rogers County Port Authority (“Port Authority”) to support the design and construction of a new 3.1 MGD wastewater treatment facility at its Tulsa Port of Inola and operated by the Town of Inola. The scope of the project includes engineering services, permitting, utility connections, access roads, collection systems, site work, facility construction, and commissioning the facility. Applicant is authorized to request the grant funds only for cost incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, the Port Authority is required to comply with the requirements of all applicable federal and state statutory provisions, and the Oklahoma Water Resources Board Grant Agreement, Board rules, regulations, and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board’s Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 21<sup>st</sup> day of May 2024, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

\_\_\_\_\_  
Jennifer Castillo, Chairman

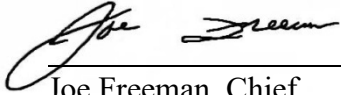
ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

(SEAL)

Northeast Oklahoma Infastuture Fund  
OWRB Grant No. NOI-23-0001-G

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman", written over a horizontal line.

Joe Freeman, Chief  
Financial Assistance Division

### **3. SUMMARY DISPOSITION AGENDA ITEMS**

#### **D. Contracts and Agreements Recommended for Approval**

May 21, 2024

**AGENDA ITEM 3D(1)**

**MEMORANDUM AGREEMENT**

**WITH:** Arkansas-Oklahoma Arkansas River Compact  
Commission

**PURPOSE:** For water monitoring and data collection

**AMOUNT:** Ark-OK to pay \$7,100.00

**TERM:** Fiscal Year 2025

## MEMORANDUM AGREEMENT

**THIS AGREEMENT**, dated as of the date of the last signature herein but to be effective as provided below, by and between the Oklahoma Water Resources Board, hereafter referred to as "Board", and the Arkansas-Oklahoma Arkansas River Compact Commission, hereafter referred to as "Cooperator",

### WITNESSETH:

**WHEREAS**, Title 27A O.S. Section 1-3-101 and other Oklahoma state statutes provide to the effect that the Board is the Oklahoma state agency possessing primary jurisdiction, authority and control of water resources management and development, and the coordination of activities in connection therewith, within the state of Oklahoma, and the Board is authorized to coordinate with other public entities of water resource investigations conducted by the federal United States Geological Survey ("USGS") for water quality and quantity monitoring in the state; and,

**WHEREAS**, in order to carry out its functions, the Board cooperates with the USGS in a program of collection of data concerning the water resources of the state of Oklahoma; and,

**WHEREAS**, the Cooperator has an important interest in said cooperative program, particularly regarding the determination of available water supplies in the location of the gaging station described in this Agreement.

**NOW, THEREFORE**, in consideration of the above, it is agreed:

1. The water data collection activities required by the Cooperator shall be included in the cooperative program being maintained by the Board and the USGS.
2. Within thirty (30) days after receipt of an invoice from the Board, the Cooperator shall contribute and pay to the Board one lump sum in the amount of Seven Thousand One Hundred Dollars (\$7,100.00) to cover costs of necessary field and office work directly related to the maintenance and operation of the gaging station on the Arkansas River in Oklahoma west of Fort Smith, Arkansas and the computation of flows thereat, or other water data collection sites or activities as may be agreed by the respective representatives of the Cooperator and the Board, for the fiscal year beginning July 1, 2024.
3. Funds advanced by the Cooperator for the above purposes will be supplemented by matching funds appropriated by the Congress of the United States for cooperation with the States on water resources investigations, insofar as available funds will permit, and will be covered by the cooperative agreement between the Board and the USGS; and the same being contemplated within the "Proposed Cooperative Program between the Oklahoma Water Resources Board and the U.S. Geological Survey for the Arkansas-Oklahoma Arkansas River Compact

Commission for the Fiscal Year Ending June 30, 2025", which attached proposal is incorporated by reference herein and made a part hereof for all purposes.

4. This Agreement shall be governed by and subject to the laws of the State of Oklahoma.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES BOARD      ARKANSAS-OKLAHOMA      ARKANSAS  
RIVER COMPACT COMMISSION

\_\_\_\_\_  
Jennifer Castillo, Chairman      Date

\_\_\_\_\_  
Dr. Delia Haak, Chairman      Date

ATTEST:

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

\_\_\_\_\_  
April Harris, Secretary

(SEAL)

(SEAL)

U.S. GEOLOGICAL SURVEY

\_\_\_\_\_  
Jason M. Lewis, Branch Chief      Date  
USGS, Oklahoma Water Science Center

Proposed  
 Cooperative Program  
 between the OKLAHOMA WATER RESOURCES BOARD  
 and the U.S. GEOLOGICAL SURVEY  
 for the AR/OK ARKANSAS RIVER COMPACT COMMISSION  
 for the Fiscal Year Ending June 30, 2025

Program Description:

This stream gaging program for the Arkansas River at Fort Smith, Oklahoma consists of the low-flow discharge data collection for one streamflow station. The high-flow portion and the satellite telemetry are funded by the U.S. Army Corps of Engineers, Tulsa District. The U.S. Geological Survey (USGS) operates and publishes the record of streamflow gaging stations to maintain long-term statistical records on a cooperative basis financed through the Oklahoma Water Resources Board (OWRB).

We propose to continue the low-flow monitoring program with Arkansas/Oklahoma Arkansas River Compact Commission. This will provide complete streamflow records and real-time remote data reporting of the minimum flow requirements described by the OWRB under the permitting of water in the Arkansas River.

We propose the continuation of the above data collection program for the period July 1, 2024 to June 30, 2025 as summarized below:

<u>Station No.</u>	<u>Station Name</u>	<u>SW</u>	<u>Total</u>
07249455	Ark. River at Ft. Smith	Surface Water Gage	\$11,500
	Compact's share through the OWRB		\$ 7,100
	U.S. Geological Survey Federal Matching Funds		<u>\$ 4,400</u>
	Arkansas/Oklahoma Compact and USGS Total:		\$11,500



**AGENDA ITEM 3D(2)**

**MEMORANDUM AGREEMENT**

**WITH:** City of Enid

**PURPOSE:** For water monitoring and data collection

**AMOUNT:** City of Enid to pay \$25,900.00

**TERM:** Fiscal Year 2025

## **MEMORANDUM AGREEMENT**

**THIS AGREEMENT**, dated as of the date of the last signature herein but to be effective as provided below, by and between the Oklahoma Water Resources Board, hereinafter referred to as “Board”, and the City of Enid, hereinafter referred to as “Cooperator”,

### **WITNESSETH:**

**WHEREAS**, Title 27A O.S. Section 1-3-101 and other state statutes provide to the effect that the Board is the State agency possessing primary jurisdiction, authority and control of water resources management and development, and the coordination of activities in connection therewith, within the state of Oklahoma, and the Board is authorized to coordinate with other public entities of water resource investigations conducted by the federal United States Geological Survey (“USGS”) for water quality and quantity monitoring in the state; and,

**WHEREAS**, in order to carry out its functions, the Board cooperates with the USGS in a program of collection of data concerning the water resources of the state of Oklahoma; and

**WHEREAS**, the Cooperator has an important interest in said cooperative program, particularly regarding the determination of available water supplies in its general vicinity.

**NOW, THEREFORE**, in consideration of the above, it is agreed:

1. The water data collection activities required by the Cooperator shall be included in the cooperative program being maintained by the Board and the USGS.
2. Within thirty (30) days after receipt of an invoice from the Board, the Cooperator shall contribute and pay to the Board in one lump sum the amount of Twenty-Five Thousand Nine Hundred Dollars (\$25,900.00) to cover costs of necessary field and office work directly related to the collection and computation of continuous record of stream stage and discharge on Boggy Creek and North Boggy Creek or other water data collection sites or activities as may be agreed by the respective representatives of the Cooperator and the Board, for the fiscal year beginning July 1, 2024.
3. Funds advanced by the Cooperator for the above purposes will be supplemented by matching funds appropriated by Congress of the United States for cooperation with the States on water resources investigations, insofar as available funds will permit, and will be covered by the cooperative agreement between the Board and the USGS; and the same being contemplated within the “Proposed Cooperative Program between the Oklahoma Water Resources Board and the U.S. Geological Survey for the City of Enid for the Fiscal Year Ending June 30, 2025”, which attached proposal is incorporated by reference herein and made a part hereof for all purposes.

4. This Agreement, or any portion thereof, may be terminated by either party upon thirty (30) days' prior written notice to the other party.

5. This Agreement shall be governed by and subject to the laws of the State of Oklahoma.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES BOARD    CITY OF ENID

\_\_\_\_\_  
Jennifer Castillo, Chairman                      Date

\_\_\_\_\_  
Murali Katta  
Director of Engineering                      Date

ATTEST:

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary  
(SEAL)

\_\_\_\_\_  
Secretary  
(SEAL)

U.S. GEOLOGICAL SURVEY

\_\_\_\_\_  
Jason M. Lewis, Branch Chief              Date  
USGS, Oklahoma Water Science Center

Proposed  
 Cooperative Program  
 between the OKLAHOMA WATER RESOURCES BOARD  
 and the U.S. GEOLOGICAL SURVEY  
 for the CITY OF ENID  
 for the Fiscal Year Ending June 30, 2025

Program Description:

The program consists of operation and maintenance of continuous stage gage on Boggy Creek and North Boggy Creek, as well as a continuous stage/discharge streamgage on Boggy Creek downstream of the confluence with North Boggy Creek. Publication at the three sites is included and the information is available, real-time, on the U.S. Geological Survey web page:

<https://waterdata.usgs.gov/ok/nwis/rt>

U.S. Geological Survey's water alert system can be accessed at:

<https://maps.waterdata.usgs.gov/mapper/wateralert/>

We propose the installation and operation and maintenance of the above data collection program for the period July 1, 2024 through June 30, 2025 as summarized below:

Station No.	Station Name	Total
	Boggy Creek at Leona Mitchell Blvd (stage)	\$ 5,200
	North Boggy Creek at US HWY 412 (stage)	\$ 5,200
	Boggy Creek at S 30 <sup>th</sup> Street (stage/discharge)	<u>\$15,500</u>
	<b>Total</b>	<b>\$25,900</b>
City of Enid's share through OWRB-----		\$25,900
	<b>Total</b>	<b>\$25,900</b>

**AGENDA ITEM 3D(3)**

**MEMORANDUM AGREEMENT**

**WITH:** City of Lawton

**PURPOSE:** For water monitoring and data collection

**AMOUNT:** City of Lawton to pay \$16,500.00

**TERM:** Fiscal Year 2025

## MEMORANDUM AGREEMENT

**THIS AGREEMENT**, dated as of the date of the last signature herein but to be effective as provided below, by and between the Oklahoma Water Resources Board, hereafter referred to as "Board", and the City of Lawton, hereafter referred to as "Cooperator",

### WITNESSETH:

**WHEREAS**, Title 27A O.S. Section 1-3-101 and other state statutes provide to the effect that the Board is the State agency possessing primary jurisdiction, authority and control of water resources management and development, and the coordination of activities in connection therewith, within the state of Oklahoma, and the Board is authorized to coordinate with other public entities of water resource investigations conducted by the federal United States Geological Survey ("USGS") for water quality and quantity monitoring in the state; and,

**WHEREAS**, in order to carry out its functions, the Board cooperates with the USGS in a program of collection of data concerning the water resources of the state of Oklahoma; and,

**WHEREAS**, the Cooperator has an important interest in said cooperative program, particularly regarding the determination of available water supplies in its general vicinity.

**NOW, THEREFORE**, in consideration of the above, it is agreed:

1. The water data collection activities required by the Cooperator shall be included in the cooperative program being maintained by the Board and the USGS.
2. Within thirty (30) days after receipt of a quarterly invoice from the Board, the Cooperator shall contribute and pay to the Board the amount of Three Thousand Nine Hundred Dollars (\$3,900.00) to cover costs of necessary field and office work directly related to the collection and computation of records of streamflow on East Cache Creek, Lake Lawtonka and Lake Ellsworth and data collection platforms at the lake sites, or other water data collection sites or activities as may be agreed by the respective representatives of the Cooperator and the Board, for the fiscal year beginning July 1, 2024. The total amount of all invoices and payments under this agreement shall be Sixteen Thousand Five Hundred Dollars (\$16,500.00).
3. Funds paid by the Cooperator for the above purposes will be supplemented by matching funds appropriated by the Congress of the United States for cooperation with the States on water resources investigations, insofar as available funds will permit, and will be covered by the cooperative agreement between the Board and the USGS; and the same being contemplated within the "Proposed Cooperative Program between the Oklahoma Water Resources Board and the U.S. Geological Survey for the City of Lawton for the Fiscal Year Ending June 30, 2025", which attached proposal is incorporated by reference herein and made a part hereof for all purposes.
4. This Agreement, or any portion thereof, may be terminated by either party upon thirty (30) days' prior written notice to the other party.

5. This Agreement shall be governed by and subject to the laws of the State of Oklahoma.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES BOARD

CITY OF LAWTON

\_\_\_\_\_  
Jennifer Castillo, Chairman                      Date

\_\_\_\_\_  
Stan Booker, Mayor                                      Date

ATTEST:

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

\_\_\_\_\_  
City Clerk

(SEAL)

(SEAL)

U.S. GEOLOGICAL SURVEY

\_\_\_\_\_  
Jason M. Lewis, Branch Chief                      Date  
USGS, Oklahoma Water Science Center

Proposed  
 Cooperative Program  
 between the OKLAHOMA WATER RESOURCES BOARD  
 and the U.S. GEOLOGICAL SURVEY  
 for the CITY OF LAWTON  
 for the Fiscal Year Ending June 30, 2025

Program Description:

The program consists of operation and maintenance of continuous stage recorders on East Cache Creek, Lake Lawtonka, and Lake Ellsworth and data collection platforms at the lake sites. Publication at the three sites is included and the information is available, real-time, on the U.S. Geological Survey web page.

We propose the continuation of the above data collection program for the period July 1, 2024 through June 30, 2025 as summarized below:

Station No.	Station Name	Total
07308990	Lake Ellsworth nr Elgin	\$ 5,200
07309500	Lake Lawtonka nr Medicine Park	\$ 5,200
07311000	East Cache Creek nr Walters	<u>\$16,800</u>
<b>Total</b>		<b>\$27,200</b>

City of Lawton's share through OWRB-----	\$16,500
U.S. Geological Survey matching funds-----	\$ 9,400
U.S. Geological Survey FPS funds-----	<u>\$ 1,300</u>
<b>Total</b>	<b>\$27,200</b>



**AGENDA ITEM 3D(4)**

**MEMORANDUM AGREEMENT**

**WITH:** City of Moore

**PURPOSE:** For water monitoring and data collection

**AMOUNT:** City of Moore to pay \$6,900.00

**TERM:** Fiscal Year 2025

## **MEMORANDUM AGREEMENT**

**THIS AGREEMENT**, dated as of the date of the last signature herein but to be effective as provided below, by and between the Oklahoma Water Resources Board, hereinafter referred to as “Board”, and the City of Moore, hereinafter referred to as “Cooperator”,

### **WITNESSETH:**

**WHEREAS**, Title 27A O.S. Section 1-3-101 and other state statutes provide to the effect that the Board is the State agency possessing primary jurisdiction, authority and control of water resources management and development, and the coordination of activities in connection therewith, within the state of Oklahoma, and the Board is authorized to coordinate with other public entities of water resource investigations conducted by the federal United States Geological Survey (“USGS”) for water quality and quantity monitoring in the state; and,

**WHEREAS**, in order to carry out its functions, the Board cooperates with the USGS in a program of collection of data concerning the water resources of the state of Oklahoma; and

**WHEREAS**, the Cooperator has an important interest in said cooperative program, particularly regarding the determination of available water supplies in its general vicinity.

**NOW, THEREFORE**, in consideration of the above, it is agreed:

1. The water data collection activities required by the Cooperator shall be included in the cooperative program being maintained by the Board and the USGS.
2. Within thirty (30) days after receipt of an invoice from the Board, the Cooperator shall contribute and pay to the Board in one lump sum the amount of Six Thousand Nine Hundred Dollars (\$6,900.00) to cover costs of necessary field and office work directly related to the collection and computation of continuous record of inflow, storage and outflow from the Canadian River near Mustang and Norman, or other water data collection sites or activities as may be agreed by the respective representatives of the Cooperator and the Board, for the fiscal year beginning July 1, 2024.
3. Funds advanced by the Cooperator for the above purposes will be supplemented by matching funds appropriated by Congress of the United States for cooperation with the States on water resources investigations, insofar as available funds will permit, and will be covered by the cooperative agreement between the Board and the USGS; and the same being contemplated within the “Proposed Cooperative Program between the Oklahoma Water Resources Board and the U.S. Geological Survey for the Cities of Moore and Norman for the Fiscal Year Ending June 30, 2025”, which attached proposal is incorporated by reference herein and made a part hereof for all purposes.

4. This Agreement, or any portion thereof, may be terminated by either party upon thirty (30) days' prior written notice to the other party.

5. This Agreement shall be governed by and subject to the laws of the State of Oklahoma.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES BOARD    CITY OF MOORE

\_\_\_\_\_  
Jennifer Castillo, Chairman                      Date

\_\_\_\_\_  
Glenn Lewis, Mayor                                              Date

ATTEST:

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary  
(SEAL)

\_\_\_\_\_  
City Clerk  
(SEAL)

U.S. GEOLOGICAL SURVEY

\_\_\_\_\_  
Jason M. Lewis, Branch Chief                      Date  
USGS, Oklahoma Water Science Center

Proposed  
Cooperative Program  
between the **Oklahoma Water Resources Board**  
and the **U.S. Geological Survey**  
for the **Cities of Moore and Norman**  
for the Fiscal Year Ending June 30, 2025

Program Description:

The existing program, initiated June 2006, is for two surface-water discharge stations on the Canadian River. The information supplied by this station will benefit the Cities of Moore, Norman, and Oklahoma City\* by providing river discharge statistics to compute current seven-day, two year low flows required for permitted discharges of the Cities' sewage treatment plant. Critical information provided by this station will be used to determine flood predictions and warnings, furnished by the National Weather Service to all downstream communities.

This station provides real-time and historic information that is served on the U.S. Geological Survey Web pages for the water user community and the general public.

We propose the continuation of the above data collection program for the period July 1, 2024 through June 30, 2025 as summarized in below:

<u>Station No.</u>	<u>Station Name</u>	<u>Operation and Maintenance</u>
07228940	Canadian River near Mustang	\$16,800
07229050	Canadian River near Norman	<u>\$16,800</u>
	Total Program	\$33,600*
	City of Moore's share through the OWRB	\$ 6,900
	U.S. Geological Survey Federal Matching Funds	\$ 4,800
	City of Norman's share through the OWRB	\$ 6,900
	U.S. Geological Survey Federal Matching Funds	<u>\$ 4,800</u>
	City of Moore, Norman, and USGS Total	\$23,400

\*Includes City of Oklahoma City's share of \$10,200 under separate agreement.

**AGENDA ITEM 3D(5)**

**MEMORANDUM AGREEMENT**

**WITH:** City of Norman

**PURPOSE:** For water monitoring and data collection

**AMOUNT:** City of Norman to pay \$6,900.00

**TERM:** Fiscal Year 2025

## **MEMORANDUM AGREEMENT**

**THIS AGREEMENT**, dated as of the date of the last signature herein but to be effective as provided below, by and between the Oklahoma Water Resources Board, hereinafter referred to as “Board”, and the Norman Utilities Authority, hereinafter referred to as “Cooperator”,

### **WITNESSETH:**

**WHEREAS**, Title 27A O.S. Section 1-3-101 and other state statutes provide to the effect that the Board is the State agency possessing primary jurisdiction, authority and control of water resources management and development, and the coordination of activities in connection therewith, within the state of Oklahoma, and the Board is authorized to coordinate with other public entities of water resource investigations conducted by the federal United States Geological Survey (“USGS”) for water quality and quantity monitoring in the state; and,

**WHEREAS**, in order to carry out its functions, the Board cooperates with the USGS in a program of collection of data concerning the water resources of the state of Oklahoma; and

**WHEREAS**, the Cooperator has an important interest in said cooperative program, particularly regarding the determination of available water supplies in its general vicinity.

**NOW, THEREFORE**, in consideration of the above, it is agreed:

1. The water data collection activities required by the Cooperator shall be included in the cooperative program being maintained by the Board and the USGS.
2. Within thirty (30) days after receipt of an invoice from the Board, the Cooperator shall contribute and pay to the Board in one lump sum the amount of Six Thousand Nine Hundred Dollars (\$6,900.00) to cover costs of necessary field and office work directly related to the collection and computation of continuous record of inflow, storage and outflow from the Canadian River near Mustang and Norman, or other water data collection sites or activities as may be agreed by the respective representatives of the Cooperator and the Board, for the fiscal year beginning July 1, 2024.
3. Funds advanced by the Cooperator for the above purposes will be supplemented by matching funds appropriated by Congress of the United States for cooperation with the States on water resources investigations, insofar as available funds will permit, and will be covered by the cooperative agreement between the Board and the USGS; and the same being contemplated within the “Proposed Cooperative Program between the Oklahoma Water Resources Board and the U.S. Geological Survey for the Cities of Moore and Norman for the Fiscal Year Ending June 30, 2025”, which attached proposal is incorporated by reference herein and made a part hereof for all purposes.

4. This Agreement, or any portion thereof, may be terminated by either party upon thirty (30) days' prior written notice to the other party.

5. This Agreement shall be governed by and subject to the laws of the State of Oklahoma.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES BOARD    NORMAN UTILITIES AUTHORITY

\_\_\_\_\_  
Jennifer Castillo, Chairman    Date

\_\_\_\_\_  
Larry Heikkila, Chairman    Date

ATTEST:

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

\_\_\_\_\_  
Secretary

(SEAL)

(SEAL)

U.S. GEOLOGICAL SURVEY

Approved as to form and legality:

\_\_\_\_\_  
Jason M. Lewis, Branch Chief    Date  
USGS, Oklahoma Water Science Center

\_\_\_\_\_  
Heather Poole, Asst. City Attny II    Date  
City of Norman

Proposed  
Cooperative Program  
between the **Oklahoma Water Resources Board**  
and the **U.S. Geological Survey**  
for the **Cities of Moore and Norman**  
for the Fiscal Year Ending June 30, 2025

Program Description:

The existing program, initiated June 2006, is for two surface-water discharge stations on the Canadian River. The information supplied by this station will benefit the Cities of Moore, Norman, and Oklahoma City\* by providing river discharge statistics to compute current seven-day, two year low flows required for permitted discharges of the Cities' sewage treatment plant. Critical information provided by this station will be used to determine flood predictions and warnings, furnished by the National Weather Service to all downstream communities.

This station provides real-time and historic information that is served on the U.S. Geological Survey Web pages for the water user community and the general public.

We propose the continuation of the above data collection program for the period July 1, 2024 through June 30, 2025 as summarized in below:

<u>Station No.</u>	<u>Station Name</u>	<u>Operation and Maintenance</u>
07228940	Canadian River near Mustang	\$16,800
07229050	Canadian River near Norman	<u>\$16,800</u>
	Total Program	\$33,600*
	City of Moore's share through the OWRB	\$ 6,900
	U.S. Geological Survey Federal Matching Funds	\$ 4,800
	City of Norman's share through the OWRB	\$ 6,900
	U.S. Geological Survey Federal Matching Funds	<u>\$ 4,800</u>
	City of Moore, Norman, and USGS Total	\$23,400

\*Includes City of Oklahoma City's share of \$10,000 under separate agreement.



**AGENDA ITEM 3D(6)**

**MEMORANDUM AGREEMENT**

**WITH:** Central Oklahoma Master Conservancy District

**PURPOSE:** For water monitoring and data collection

**AMOUNT:** COMCD to pay \$13,600.00

**TERM:** Fiscal Year 2025

## MEMORANDUM AGREEMENT

**THIS AGREEMENT**, dated as of the date of the last signature herein but to be effective as provided below, by and between the Oklahoma Water Resources Board, hereafter referred to as "Board", and Central Oklahoma Master Conservancy District, hereafter referred to as "Cooperator",

### WITNESSETH:

**WHEREAS**, Title 27A O.S. Section 1-3-101 and other state statutes provide to the effect that the Board is the State agency possessing primary jurisdiction, authority and control of water resources management and development, and the coordination of activities in connection therewith, within the state of Oklahoma, and the Board is authorized to coordinate with other public entities of water resource investigations conducted by the federal United States Geological Survey ("USGS") for water quality and quantity monitoring in the state; and,

**WHEREAS**, in order to carry out its functions, the Board cooperates with the USGS in a program of collection of data concerning the water resources of the state of Oklahoma; and,

**WHEREAS**, the Cooperator has an important interest in said cooperative program, particularly regarding the determination of available water supplies in its general vicinity.

**NOW, THEREFORE**, in consideration of the above, it is agreed:

1. The water data collection activities required by the Cooperator shall be included in the cooperative program being maintained by the Board and the USGS.
2. Within thirty (30) days after receipt of an invoice from the Board, the Cooperator shall contribute and pay to the Board in one lump sum the amount of Thirteen Thousand Six Hundred Dollars (\$13,600.00) to cover costs of necessary field and office work directly related to the operation of a stream gaging station on Little River below Thunderbird Reservoir for the purpose of rating the Thunderbird Reservoir outlet works and as an official record of discharge from the Reservoir, or other water data collection sites or activities as may be agreed by the respective representatives of the Cooperator and the Board, for the fiscal year beginning July 1, 2024.
3. Funds advanced by the Cooperator for the above purposes will be supplemented by matching funds appropriated by the Congress of the United States for cooperation with the States on water resources investigations, insofar as available funds will permit, and will be covered by the cooperative agreement between the Board and the USGS; and the same being contemplated within the "Proposed Cooperative Program between the Oklahoma Water Resources Board and the U.S. Geological Survey for the Central Oklahoma Master Conservancy District for the Fiscal Year Ending June 30, 2025", which attached proposal is incorporated by reference herein and made a part hereof for all purposes.
4. This Agreement, or any portion thereof, may be terminated by either party upon thirty (30) days' prior written notice to the other party.

5. This Agreement shall be governed by and subject to the laws of the State of Oklahoma.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES BOARD

CENTRAL OKLAHOMA MASTER  
CONSERVANCY DISTRICT

\_\_\_\_\_  
Jennifer Castillo, Chairman                      Date

\_\_\_\_\_  
Amanda Nairn, President                      Date

ATTEST:

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

\_\_\_\_\_  
Michael Dean, Secretary

(SEAL)

(SEAL)

U.S. GEOLOGICAL SURVEY

\_\_\_\_\_  
Jason M. Lewis, Branch Chief                      Date  
USGS, Oklahoma Water Science Center

Proposed  
 Cooperative Program  
 between the OKLAHOMA WATER RESOURCES BOARD  
 and the U.S. GEOLOGICAL SURVEY for the  
 CENTRAL OKLAHOMA MASTER CONSERVANCY DISTRICT  
 for the Fiscal Year Ending June 30, 2025

Program Description:

A cooperative program was initiated January 1966 when the Conservancy District became responsible for the continued operation of the streamflow station and one lake station. The existing program provides for collection and publication of streamflow data on Little River near Norman and publication on the web of Lake elevation and contents at Lake Thunderbird.

We propose the continuation of the above data collection program for the period July 1, 2024 through June 30, 2025 as summarized below:

<u>Station No.</u>	<u>Station Name</u>	<u>Total</u>
07229900	Lake Thunderbird nr Norman	\$ 3,700
07230000	Little River below Lake Thunderbird	<u>\$16,800</u>
<b>Total</b>		<b>\$20,500</b>
COMCD' S share through OWRB-----		\$13,600
U.S. Geological Survey matching funds-----		<u>\$ 6,900</u>
<b>Total</b>		<b>\$20,500</b>

**AGENDA ITEM 3D(7)**

**MEMORANDUM AGREEMENT**

**WITH:** CP Kelco

**PURPOSE:** For water monitoring and data collection

**AMOUNT:** CP Kelco to pay \$12,500.00

**TERM:** Fiscal Year 2025

## MEMORANDUM AGREEMENT

**THIS AGREEMENT**, dated as of the date of the last signature herein but to be effective as provided below, by and between the Oklahoma Water Resources Board, hereafter referred to as "Board", and CP Kelco, hereafter referred to as "Cooperator",

### WITNESSETH:

**WHEREAS**, Title 27A O.S. Section 1-3-101 and other state statutes provide to the effect that the Board is the State agency possessing primary jurisdiction, authority and control of water resources management and development, and the coordination of activities in connection therewith, within the state of Oklahoma, and the Board is authorized to coordinate with other public entities of water resource investigations conducted by the federal United States Geological Survey ("USGS") for water quality and quantity monitoring in the state; and,

**WHEREAS**, such program of coordination and water resource investigations is referred to herein as the "cooperative program" between the Board and the USGS; and,

**WHEREAS**, the Cooperator has an important interest in said cooperative program, particularly regarding the monitoring of quality and quantity of water resources in the vicinity of its Beggs, Oklahoma facility; and

**WHEREAS**, the Board and USGS have agreed to include in their cooperative program the proposed monitoring described herein, and consequently the Board and the Cooperator desire to enter into this Agreement to reflect the Cooperator's participation in such cooperative program.

**NOW, THEREFORE**, in consideration of the above, it is agreed:

1. The water data collection activities required by the Cooperator shall be included in the cooperative program being maintained by the Board and the USGS.
2. Within thirty (30) days after receipt of an invoice from the Board, the Cooperator shall contribute and pay to the Board in one lump sum the amount of Twelve Thousand Five Hundred Dollars (\$12,500.00) to cover costs of necessary field and office work directly related to the collection and computation of streamflow records for the Deep Fork River at Beggs, or other water data collection sites or activities as may be agreed by the respective representatives of the Cooperator and the Board, for the fiscal year beginning July 1, 2024.
3. Funds advanced by the Cooperator for the above purposes will be supplemented by matching funds appropriated by the Congress of the United States for cooperation with the States on water resources investigations, insofar as available funds will permit, and will be covered by the cooperative agreement between the Board and the USGS; and the same being contemplated within the "Proposed Cooperative Program between the Oklahoma Water Resources Board and the U.S. Geological Survey for CP Kelco for the

Fiscal Year Ending June 30, 2025", which attached proposal is incorporated by reference herein and made a part hereof for all purposes.

- 4. This Agreement, or any portion thereof, may be terminated by either party upon thirty (30) days' prior written notice to the other party.
- 5. This Agreement shall be governed by and subject to the laws of the State of Oklahoma.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES BOARD      CP Kelco, Inc.

\_\_\_\_\_  
Jennifer Castillo., Chairman      Date

\_\_\_\_\_  
Name:      Date  
Title:

ATTEST:

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

\_\_\_\_\_  
[Name, Title]

(SEAL)

(SEAL)

U.S. GEOLOGICAL SURVEY

\_\_\_\_\_  
Jason M. Lewis, Branch Chief      Date  
USGS, Oklahoma Water Science Center

Proposed  
 Cooperative Program  
 between the OKLAHOMA WATER RESOURCES BOARD  
 and the U.S. GEOLOGICAL SURVEY  
 for the CP KELCO, INC.  
 for the Fiscal Year Ending June 30, 2025

Program Description:

This stream gaging program for the Deep Fork River near Beggs, Oklahoma consists of the low-flow discharge data collection for one streamflow station. The high-flow portion and the satellite telemetry are funded by the U.S. Army Corps of Engineers, Tulsa District. The U.S. Geological Survey (USGS) operates and publishes the record of streamflow gaging stations to maintain long-term statistical records on a cooperative basis financed through the Oklahoma Water Resources Board (OWRB).

We propose to continue the low-flow monitoring program with CP Kelco, Inc. This will provide complete streamflow records and real-time remote data reporting of the minimum flow requirements described by the OWRB under the permitting of water in the Deep Fork River.

We propose the continuation of the above data collection program for the period July 1, 2024 to June 30, 2025 as summarized below:

<u>Station No.</u>	<u>Station Name</u>	<u>SW</u>	<u>Total</u>
07243500	Deep Fork near Beggs	Surface Water Gage	\$12,500
	CP Kelco's (100 %)	-----	\$12,500



**AGENDA ITEM 3D(8)**

**MEMORANDUM AGREEMENT**

**WITH:** Fort Cobb Master Cons. Dist.

**PURPOSE:** For water monitoring and data collection

**AMOUNT:** Fort Cobb Master Cons. Dist. to pay \$23,300.00

**TERM:** Fiscal Year 2025

## MEMORANDUM AGREEMENT

**THIS AGREEMENT**, dated as of the date of the last signature herein but to be effective as provided below, by and between the Oklahoma Water Resources Board, hereafter referred to as "Board", and Fort Cobb Reservoir Master Conservancy District, hereafter referred to as "Cooperator",

### WITNESSETH:

**WHEREAS**, Title 27A O.S. Section 1-3-101 and other state statutes provide to the effect that the Board is the State agency possessing primary jurisdiction, authority and control of water resources management and development, and the coordination of activities in connection therewith, within the state of Oklahoma, and the Board is authorized to coordinate with other public entities of water resource investigations conducted by the federal United States Geological Survey ("USGS") for water quality and quantity monitoring in the state; and,

**WHEREAS**, in order to carry out its functions, the Board cooperates with the USGS in a program of collection of data concerning the water resources of the state of Oklahoma; and,

**WHEREAS**, the Cooperator has an important interest in said cooperative program, particularly regarding the determination of available water supplies in its general vicinity.

**NOW, THEREFORE**, in consideration of the above, it is agreed:

1. The water data collection activities required by the Cooperator shall be included in the cooperative program being maintained by the Board and the USGS.
2. Within thirty (30) days after receipt of an invoice from the Board, the Cooperator shall contribute and pay to the Board in one lump sum the amount of Twenty-Three Thousand Three Hundred Dollars (\$23,300.00) to cover costs of necessary field and office work directly related to the collection and computation of data to compute a complete water budget at Fort Cobb Reservoir, or other water data collection sites or activities as may be agreed by the respective representatives of the Cooperator and the Board, for the fiscal year beginning July 1, 2024.
3. Funds advanced by the Cooperator for the above purposes will be supplemented by matching funds appropriated by the Congress of the United States for cooperation with the States on water resources investigations, insofar as available funds will permit, and will be covered by the cooperative agreement between the Board and the USGS; and the same being contemplated within the "Proposed Cooperative Program between the Oklahoma Water Resources Board and the U.S. Geological Survey for the Fort Cobb Reservoir Master Conservancy District for the Fiscal Year Ending June 30, 2025", which attached proposal is incorporated by reference herein and made a part hereof for all purposes.
4. This Agreement, or any portion thereof, may be terminated by either party upon thirty (30) days' prior written notice to the other party.

5. This Agreement shall be governed by and subject to the laws of the State of Oklahoma.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES BOARD

FORT COBB RESERVOIR MASTER  
CONSERVANCY DISTRICT

\_\_\_\_\_  
Jennifer Castillo, Chairman                      Date

\_\_\_\_\_  
President                                              Date

ATTEST:

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

\_\_\_\_\_  
Secretary

(SEAL)

(SEAL)

U.S. GEOLOGICAL SURVEY

\_\_\_\_\_  
Jason M. Lewis, Branch Chief                      Date  
USGS, Oklahoma Water Science Center

Proposed  
Cooperative Program  
between the OKLAHOMA WATER RESOURCES BOARD  
and the U.S. GEOLOGICAL SURVEY for the  
FORT COBB RESERVOIR MASTER CONSERVANCY DISTRICT  
for the Fiscal Year Ending June 30, 2025

Program Description:

The existing program, initiated in March 1969, consists of two stream flow stations, and one reservoir station. The purpose of these records is to provide data to compute a complete water-budget at the reservoir.

We propose the continuation of the above data collection program for the period July 1, 2024 through June 30, 2025 as summarized below:

Station No.	Station Name	Total
07325800	Cobb Creek nr Eakly	\$16,800
07325900	Ft. Cobb Reservoir nr Ft. Cobb	\$ 3,700
07326000	Cobb Creek nr Ft. Cobb	<u>\$16,800</u>
<b>Total</b>		<b>\$37,300</b>
FCMCD's share through OWRB-----		\$23,300
U.S. Geological Survey matching funds-----		\$12,300
U.S. Geological Survey NSIP funds-----		<u>\$ 1,700</u>
<b>Total</b>		<b>\$37,300</b>

**AGENDA ITEM 3D(9)**

**MEMORANDUM AGREEMENT**

**WITH:** Grand River Dam Authority ("GRDA")

**PURPOSE:** For water monitoring and data collection

**AMOUNT:** GRDA to pay \$77,700.00

**TERM:** Fiscal Year 2025

## **MEMORANDUM AGREEMENT**

**THIS AGREEMENT**, dated as of the date of the last signature herein but to be effective as provided below, by and between the Oklahoma Water Resources Board, hereafter referred to as "Board", and Grand River Dam Authority, hereafter referred to as "Cooperator",

### **WITNESSETH:**

**WHEREAS**, Title 27A O.S. Section 1-3-101 and other state statutes provide to the effect that the Board is the State agency possessing primary jurisdiction, authority and control of water resources management and development, and the coordination of activities in connection therewith, within the state of Oklahoma, and the Board is authorized to coordinate with other public entities of water resource investigations conducted by the federal United States Geological Survey ("USGS") for water quality and quantity monitoring in the state; and,

**WHEREAS**, in order to carry out its functions, the Board cooperates with the USGS in a program of collection of data concerning the water resources of the state of Oklahoma; and,

**WHEREAS**, the Cooperator has an important interest in said cooperative program, particularly regarding the determination of available water supplies in its general vicinity.

**NOW, THEREFORE**, in consideration of the above, it is agreed:

1. The water data collection activities required by the Cooperator shall be included in the cooperative program being maintained by the Board and the USGS.
2. Within thirty (30) days after receipt of an invoice from the Board, the Cooperator shall contribute and pay to the Board one lump sum in the amount of Seventy-Seven Thousand Seven Hundred Dollars (\$77,700.00) to cover costs of necessary field and office work directly related to the collection and computation of records of streamflow directly related to the operation and maintenance of gaging stations and the computation of flows thereat, as required under Article 10 of said Federal Energy Regulatory Commission License No. 1494 and of said Federal Energy Regulatory Commission License No. 2183, or other water data collection sites or activities as may be agreed by the respective representatives of the Cooperator and the Board, for the fiscal year beginning July 1, 2024.
3. Funds advanced by the Cooperator for the above purposes will be supplemented by matching funds appropriated by the Congress of the United States for cooperation with the States on water resources investigations, insofar as available funds will permit, and will be covered by the cooperative agreement between the

Board and the USGS; and the same being contemplated within the "Proposed Cooperative Program between the Oklahoma Water Resources Board and the U.S. Geological Survey for the Grand River Dam Authority for the Fiscal Year Ending June 30, 2025", which attached proposal is incorporated by reference herein and made a part hereof for all purposes.

4. Board will, at all times during the term of this Agreement and for a period of five (5) years after the completion of this Agreement, maintain and make available for inspection and audit by GRDA and/or the Oklahoma State Auditor, all books, supporting documents, accounting procedures, practices, and all other items relevant to the Agreement.
  
5. Board will, at all times during the term of this Agreement and for a period of five (5) years after the completion of this Agreement, maintain and make available for inspection and audit by Cooperator and/or the Oklahoma State Auditor, all books, supporting documents, accounting procedures, practices, and all other items relevant to the Agreement.
  
6. This Agreement shall be governed by and subject to the laws of the State of Oklahoma.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES BOARD      GRAND RIVER DAM AUTHORITY

\_\_\_\_\_  
 Jennifer Castillo                                  Date  
 Chairman

\_\_\_\_\_  
 Daniel S. Sullivan                                  Date  
 Chief Executive Officer/GM

ATTEST:

ATTEST:

\_\_\_\_\_  
 Suzanne Landess, Secretary

\_\_\_\_\_  
 Sheila Allen, Secretary

(SEAL)

(SEAL)

U.S. GEOLOGICAL SURVEY

---

Jason Lewis, Branch Chief                      Date  
USGS, Oklahoma Water Science Center



Proposed  
Cooperative Program  
between the OKLAHOMA WATER RESOURCES BOARD  
and the U.S. GEOLOGICAL SURVEY  
for the GRAND RIVER DAM AUTHORITY  
for the Fiscal Year Ending June 30, 2025

Program Description:

This stream gaging program was initiated in 1939 when the Lake O' The Cherokees (Grand Lake) was constructed and expanded in 1963 when Lake Hudson was constructed. The program consists of six streamflow gaging stations, two lake stations and one river stage station.

We propose the continuation of the above data collection program for the period July 1, 2024 to June 30, 2025 as summarized below:

Station No.	Station Name	F.E.R.C. Project Number	SWO&M Costs
07185000	Neosho R nr Commerce	1494	\$ 16,800
07185080	Neosho Rat Hwy 10 at Miami		\$ 5,200
07188000	Spring R nr Quapaw	1494	\$ 16,800
07189000	Elk R nr Tiff City	1494	\$ 16,800
07190000	Lake O' The Cherokees at Langley	1494	\$ 5,200
07190100	Neosho R nr Langley (Service Road)	1494	\$ 6,100
07190500	Neosho R nr Langley	1494	\$ 16,800
07191000	Big Cabin Cr nr Big Cabin	2183	\$ 16,800
07191400	Lake Hudson nr Locust Grove	2183	\$ 5,200
07191500	Neosho R nr Chouteau	2183	<u>\$ 16,800</u>
<b>TOTAL</b>			<b>\$122,500</b>
F.E.R.C. Project 1494-----			\$47,500
F.E.R.C. Project 2183-----			\$25,200
Cooperative Elevation Site-----			\$ 5,200
GRDA Share through OWRB-----			\$77,700
U.S. Geological Survey Matching funds-----			\$34,100
U.S. Geological Survey FPS funds-----			<u>\$10,700</u>
TOTAL -----			\$122,500

**AGENDA ITEM 3D(10)**

**MEMORANDUM AGREEMENT**

**WITH:** Hardage Site Remedy Corp.

**PURPOSE:** For water monitoring and data collection

**AMOUNT:** Hardage to pay \$11,500.00

**TERM:** Fiscal Year 2025

## MEMORANDUM AGREEMENT

**THIS AGREEMENT**, dated as of the date of the last signature herein but to be effective as provided below, by and between the Oklahoma Water Resources Board, hereafter referred to as "Board", and Hardage Site Remedy Corp. as agent for the Hardage Site Responsible Parties, hereafter referred to as "Cooperator",

### WITNESSETH:

**WHEREAS**, Title 27A O.S. Section 1-3-101 and other state statutes provide to the effect that the Board is the State agency possessing primary jurisdiction, authority and control of water resources management and development, and the coordination of activities in connection therewith, within the state of Oklahoma, and the Board is authorized to coordinate with other public entities of water resource investigations conducted by the federal United States Geological Survey ("USGS") for water quality and quantity monitoring in the state; and,

**WHEREAS**, in order to carry out its functions, the Board cooperates with the USGS in a program of collection of data concerning the water resources of the state of Oklahoma; and,

**WHEREAS**, the Cooperator has an important interest in said cooperative program, particularly regarding the determination of available water supplies in its general vicinity.

**NOW, THEREFORE**, in consideration of the above, it is agreed:

1. The water data collection activities required by the Cooperator shall be included in the cooperative program being maintained by the Board and the USGS.
2. Within thirty (30) days after receipt of an invoice from the Board, the Cooperator shall contribute and pay to the Board in one lump sum the amount of Eleven Thousand Five Hundred Dollars (\$11,500.00) to cover costs of necessary field and office work directly related to the collection and computation of records of streamflow on North Criner Creek in the vicinity of Criner, Oklahoma, or other water data collection sites or activities as may be agreed by the respective representatives of the Cooperator and the Board, for the fiscal year beginning July 1, 2024.
3. Funds advanced by the Cooperator for the above purposes will be supplemented by matching funds appropriated by the Congress of the United States for cooperation with the States on water resources investigations, insofar as available funds will permit, and will be covered by the cooperative agreement between the Board and the USGS; and the same being contemplated within the "Proposed Cooperative Program between the Oklahoma Water Resources Board and the U.S. Geological Survey for the Hardage Site Remedy Corp. for the Fiscal Year Ending June 30, 2025", which attached proposal is incorporated by reference herein and made a part hereof for all purposes.
4. This Agreement, or any portion thereof, may be terminated by either party upon thirty (30) days prior written notice to the other party.

5. This Agreement shall be governed by and subject to the laws of the State of Oklahoma.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES BOARD      Hardage Site Remedy Corp., on behalf  
of the Hardage Site Responsible Parties

\_\_\_\_\_  
Jennifer Castillo, Chairman      Date

\_\_\_\_\_  
J. Mark Kamilow, President      Date

ATTEST:

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

\_\_\_\_\_  
Patrick R. Pearce, Assistant Secretary

(SEAL)

(SEAL)

U.S. GEOLOGICAL SURVEY

\_\_\_\_\_  
Jason M. Lewis, Branch Chief      Date  
USGS, Oklahoma Water Science Center

Proposed  
 Cooperative Program  
 between the OKLAHOMA WATER RESOURCES BOARD  
 and the U.S. GEOLOGICAL SURVEY for the  
 HARDAGE STEERING COMMITTEE  
 for the Fiscal Year Ending June 30, 2025

Program Description:

The program consists of operation and maintenance of real-time stream flow discharge and publication of streamflow records by the U.S. Geological Survey (USGS) at North Criner Creek near Criner. The program began October 1989 with a full range discharge station.

We propose the continuation of the above data collection program for the period July 1, 2024 through June 30, 2025 as summarized below:

Station No.	Station Name	Total
07328180	North Criner Creek nr Criner	\$11,500
Hardage Steering Committee (100%)-----		\$11,500

**AGENDA ITEM 3D(11)**

**MEMORANDUM AGREEMENT**

**WITH:** Lugert-Altus Irrigation District

**PURPOSE:** For water monitoring and data collection

**AMOUNT:** Lugert-Altus to pay \$17,300.00

**TERM:** Fiscal Year 2025

## MEMORANDUM AGREEMENT

**THIS AGREEMENT**, dated as of the date of the last signature herein but to be effective as provided below, by and between the Oklahoma Water Resources Board, hereafter referred to as "Board", and Lugert-Altus Irrigation District, hereafter referred to as "Cooperator",

### WITNESSETH:

**WHEREAS**, Title 27A O.S. Section 1-3-101 and other state statutes provide to the effect that the Board is the State agency possessing primary jurisdiction, authority and control of water resources management and development, and the coordination of activities in connection therewith, within the state of Oklahoma, and the Board is authorized to coordinate with other public entities of water resource investigations conducted by the federal United States Geological Survey ("USGS") for water quality and quantity monitoring in the state; and,

**WHEREAS**, in order to carry out its functions, the Board cooperates with the USGS in a program of collection of data concerning the water resources of the state of Oklahoma; and,

**WHEREAS**, the Cooperator has an important interest in said cooperative program, particularly regarding the determination of available water supplies in its general vicinity.

**NOW, THEREFORE**, in consideration of the above, it is agreed:

1. The water data collection activities required by the Cooperator shall be included in the cooperative program being maintained by the Board and the USGS.
2. Within thirty (30) days after receipt of an invoice from the Board, the Cooperator shall contribute and pay to the Board in one lump sum the amount of Twenty-Two Thousand Nine Hundred Dollars (\$22,900.00) to cover costs of necessary field and office work directly related to the collection and computation of records of streamflow to provide a continuous record of the inflow, storage and outflow from Lugert-Altus Reservoir into the natural stream channel, or other water data collection sites or activities as may be agreed by the respective representatives of the Cooperator and the Board, for the fiscal year beginning July 1, 2024.
3. Funds advanced by the Cooperator for the above purposes will be supplemented by matching funds appropriated by the Congress of the United States for cooperation with the States on water resources investigations, insofar as available funds will permit, and will be covered by the cooperative agreement between the Board and the USGS; and the same being contemplated within the "Proposed Cooperative Program between the Oklahoma Water Resources Board and the U.S. Geological Survey for the Lugert-Altus Irrigation District for the Fiscal Year Ending June 30, 2025", which attached proposal is incorporated by reference herein and made a part hereof for all purposes.
4. This Agreement, or any portion thereof, may be terminated by either party upon thirty (30) days prior written notice to the other party.

5. This Agreement shall be governed by and subject to the laws of the State of Oklahoma.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES BOARD

LUGERT-ALTUS IRRIGATION  
DISTRICT

\_\_\_\_\_  
Jennifer Castillo, Chairman                      Date

\_\_\_\_\_  
Tom Buchanan, Manager                      Date

ATTEST:

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Acting Secretary

\_\_\_\_\_  
Allen Ensley,      Office Manager

(SEAL)

(SEAL)

U.S. GEOLOGICAL SURVEY

\_\_\_\_\_  
Jason M. Lewis, Branch Chief                      Date  
USGS, Oklahoma Water Science Center



Proposed  
Cooperative Program  
between the OKLAHOMA WATER RESOURCES BOARD  
and the U.S. GEOLOGICAL SURVEY  
for the LUGERT-ALTUS IRRIGATION DISTRICT  
for the Fiscal Year Ending June 30, 2025

Program Description:

The U.S. Geological Survey (USGS) operates and publishes the record of two streamflow gaging stations and one lake station on a cooperative basis with the City of Altus and the Lugert-Altus Irrigation District financed through the Oklahoma Water Resources Board. The purpose of these stations is to provide a continuous record of the inflow to Lake Altus, the storage in Lake Altus, and the outflow from Lake Altus into the natural stream channel.

We propose the continuation of the above data collection program for the period July 1, 2024 to June 30, 2025 as summarized below:

Station No.	Station Name	Total
07301500	North Fork Red River nr Carter	\$16,800
07302500	Lake Altus nr Lugert	\$ 5,200
07303000	North Fork Red River blw Altus Dam nr Lugert	<u>\$16,800</u>
<b>TOTAL</b>		<b>\$38,800</b>

City of Altus share through OWRD (14%)-----	\$ 5,600
Lugert-Altus Irrigation District share (43%)-----	\$17,300
U.S. Geological Survey matching funds (36%)-----	\$13,200
U.S. Geological Survey FPS funds (7%)-----	<u>\$ 2,700</u>
<b>TOTAL</b>	<b>\$38,800</b>

**AGENDA ITEM 3D(12)**

**MEMORANDUM AGREEMENT**

**WITH:** Oklahoma Gas and Electric Company

**PURPOSE:** For water monitoring and data collection

**AMOUNT:** OG&E to pay \$11,500.00

**TERM:** Fiscal Year 2025

## MEMORANDUM AGREEMENT

**THIS AGREEMENT**, dated as of the date of the last signature herein but to be effective as provided below, by and between the Oklahoma Water Resources Board, hereafter referred to as "Board", and Oklahoma Gas and Electric Company, hereafter referred to as "Cooperator",

### WITNESSETH:

**WHEREAS**, Title 27A O.S. Section 1-3-101 and other state statutes provide to the effect that the Board is the State agency possessing primary jurisdiction, authority and control of water resources management and development, and the coordination of activities in connection therewith, within the state of Oklahoma, and the Board is authorized to coordinate with other public entities of water resource investigations conducted by the federal United States Geological Survey ("USGS") for water quality and quantity monitoring in the state; and,

**WHEREAS**, in order to carry out its functions, the Board cooperates with the USGS in a program of collection of data concerning the water resources of the state of Oklahoma; and,

**WHEREAS**, the Cooperator has an important interest in said cooperative program, particularly regarding the determination of available water supplies in its general vicinity.

**NOW, THEREFORE**, in consideration of the above, it is agreed:

1. The water data collection activities required by the Cooperator shall be included in the cooperative program being maintained by the Board and the USGS.
2. Within thirty (30) days after receipt of an invoice from the Board, the Cooperator shall contribute and pay to the Board in one lump sum the amount of Eleven Thousand Five Hundred Dollars (\$11,500.00) to cover costs of necessary field and office work directly related to the collection and computation of streamflow records for the Poteau River at Panama, or other water data collection sites or activities as may be agreed by the respective representatives of the Cooperator and the Board, for the fiscal year beginning July 1, 2024.
3. Funds advanced by the Cooperator for the above purposes will be supplemented by matching funds appropriated by the Congress of the United States for cooperation with the States on water resources investigations, insofar as available funds will permit, and will be covered by the cooperative agreement between the Board and the USGS; and the same being contemplated within the "Proposed Cooperative Program between the Oklahoma Water Resources Board and the U.S. Geological Survey for the Oklahoma Gas and Electric Company, for the Fiscal Year Ending June 30, 2025", which the attached proposal is incorporated by reference herein and made a part hereof for all purposes.
4. This Agreement, or any portion thereof, may be terminated by either party upon thirty (30) days' prior written notice to the other party.

5. This Agreement shall be governed by and subject to the laws of the State of Oklahoma.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES BOARD    OKLAHOMA GAS & ELECTRIC CO.

\_\_\_\_\_  
Jennifer Castillo, Chairman                      Date

\_\_\_\_\_  
Date

ATTEST:

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

\_\_\_\_\_  
[Name, Title]

(SEAL)

(SEAL)

U.S. GEOLOGICAL SURVEY

\_\_\_\_\_  
Jason M. Lewis, Branch Chief                      Date  
USGS, Oklahoma Water Science Center

Proposed  
 Cooperative Program  
 between the OKLAHOMA WATER RESOURCES BOARD  
 and the U.S. GEOLOGICAL SURVEY  
 for the OKLAHOMA GAS AND ELECTRIC COMPANY  
 for the Fiscal Year Ending June 30, 2025

Program Description:

This stream gaging program for the Poteau River at Panama, Oklahoma consists of the low-flow discharge data collection for one streamflow station. The high-flow portion and the satellite telemetry are funded by the U.S. Army Corps of Engineers, Tulsa District. The U.S. Geological Survey (USGS) operates and publishes the record of streamflow gaging stations to maintain long-term statistical records on a cooperative basis financed through the Oklahoma Water Resources Board (OWRB).

We propose to continue the low-flow monitoring program with Applied Energy Services (AES). This will provide complete streamflow records and real-time remote data reporting of the minimum flow requirements described by the OWRB under the permitting of water in the Poteau River.

We propose the continuation of the above data collection program for the period July 1, 2024 to June 30, 2025 as summarized below:

<u>Station No.</u>	<u>Station Name</u>	<u>SW</u>	<u>Total</u>
07249413	Poteau R nr Panama	Surface Water Gage	\$11,500
Applied Energy Service's (100%) -----			\$11,500

**AGENDA ITEM 3D(13)**

**MEMORANDUM AGREEMENT**

**WITH:** Oklahoma Dept. of Wildlife Conservation  
("ODWC")

**PURPOSE:** For water monitoring and data collection

**AMOUNT:** ODWC to pay \$57,100.00

**TERM:** Fiscal Year 2025

## MEMORANDUM AGREEMENT

**THIS AGREEMENT**, dated as of the date of the last signature herein, by and between the Oklahoma Water Resources Board, hereafter referred to as "OWRB", and the Oklahoma Department of Wildlife Conservation, hereafter referred to as "ODWC",

### WITNESSETH:

**WHEREAS**, Title 27A O.S. Section 1-3-101 and other State statutes provide to the effect that the OWRB is the State agency possessing primary jurisdiction, authority and control of water resources management and development, and the coordination of activities in connection therewith, within the state of Oklahoma, and the OWRB is authorized to coordinate with other public entities in water resource investigations conducted by the federal United States Geological Survey ("USGS") for water quality and quantity monitoring in the state; and,

**WHEREAS**, Title 27A O.S. 1-3-101 further provides that within the OWRB's jurisdictional areas of environmental responsibility is "administration of a state program for assessing, monitoring, studying and restoring Oklahoma lakes with administration to include, but not be limited to, receipt and expenditure of funds from federal, state and private sources for clean lakes"; and

**WHEREAS**, Title 82 O.S. 1085.2(2) provides authority for the OWRB "to make such contracts and execute such instruments as in the judgment of the [OWRB] are necessary or convenient to the exercise of any of the powers conferred upon it by law"; and

**WHEREAS**, in order to carry out its authority and responsibilities, the OWRB cooperates with the USGS in a program of collection of data concerning the water resources of the state of Oklahoma; and,

**WHEREAS**, the ODWC has an important interest regarding the monitoring and determination of water quality in certain streams and water resources in the state, which the OWRB is in a position to coordinate with and add to the cooperative program with the USGS.

**NOW, THEREFORE**, in consideration of the above, it is agreed:

1. The monitoring and determination of water quality in the streams and water resources required by the ODWC, as shown in the Scope of Work attached hereto and incorporated herein by reference, or other water quality monitoring work as may be agreed by the authorized representatives of the ODWC and the OWRB, shall be included in the cooperative program being maintained by the OWRB and the USGS.
2. Within thirty (30) days after receipt of an invoice from the Board, the ODWC shall contribute and pay to the Board the amount billed in the invoice, provided the total of all invoices and payment shall not exceed the amount of Fifty-Seven Thousand One Hundred Dollars (\$57,100.00) to cover costs of necessary field and office work directly related to the water quality monitoring performed for the ODWC for the period described in the Scope of Work beginning July 1, 2024 and ending June 30, 2025.
3. This Agreement, or any portion thereof, may be terminated by any party upon thirty (30) days' prior written notice to the other parties. If this Agreement is terminated, the ODWC shall be liable only for payment for performance rendered before the effective date of termination.





Proposed  
Cooperative Program  
between the **Oklahoma Water Resources Board**  
and the **U.S. Geological Survey**  
for the **Oklahoma Department of Wildlife Conservation**  
for the Fiscal Year Ending June 30, 2025

Program Description:

The existing program for the Oklahoma Department of Wildlife Conservation (ODWC) has historically been maintained through the Oklahoma Water Resources Board (OWRB). Beginning State Fiscal Year 2010, the ODWC began partnering with the OWRB to maintain surface-water and water-quality data collection program with the U.S. Geological Survey for the purpose of monitoring surface-water discharge and water-quality to continue to provide continuous data for long term trend analysis in these Oklahoma river basins.

These stations provide real-time and historic water-discharge and water-quality information that is served on the U.S. Geological Survey Web pages for the water user community and the general public.

We propose the continuation of the above data collection program for the period July 1, 2024 through June 30, 2025 as summarized in below:

<u>Station No.</u>	<u>Station Name</u>	<u>Quality</u>	<u>Discharge</u>	<u>Subtotal</u>
07152500	Arkansas R nr Ralston		\$11,500	\$ 11,500
07175500	Caney R nr Ramona		\$11,500	\$ 11,500
07335500	Red R at Arthur City, TX		\$11,500	\$ 11,500
07335790	Kiamichi R nr Clayton		\$11,500	\$ 11,500
07336820	Red R nr De Kalb		\$11,500	\$ 11,500
07337900	Glover R nr Glover		\$11,500	\$ 11,500
07338750	Mountain Fork R at Smithville		\$11,500	\$ 11,500
07339000	Mountain Fork R nr Eagletown		\$11,500	\$ 11,500
	Totals	\$0	\$92,000	\$92,000

Oklahoma Dept of Wildlife Conservation share through the OWRB	\$57,100
U.S. Geological Survey Federal Matching Funds	\$28,700
U.S. Geological Survey Federal Priority Streamgage Funds	<u>\$ 6,200</u>
	\$92,000

**AGENDA ITEM 3D(14)**

**MEMORANDUM AGREEMENT**

**WITH:** Poteau Valley Improvement Auth.

**PURPOSE:** For water monitoring and data collection

**AMOUNT:** Poteau Valley to pay \$7,100.00

**TERM:** Fiscal Year 2025

## **MEMORANDUM AGREEMENT**

**THIS AGREEMENT**, dated as of the date of the last signature herein but to be effective as provided below, by and between the Oklahoma Water Resources Board, hereafter referred to as "Board", and Poteau Valley Improvement Authority, hereafter referred to as "Cooperator",

### **WITNESSETH:**

**WHEREAS**, Title 27A O.S. Section 1-3-101 and other state statutes provide to the effect that the Board is the State agency possessing primary jurisdiction, authority and control of water resources management and development, and the coordination of activities in connection therewith, within the state of Oklahoma, and the Board is authorized to coordinate with other public entities of water resource investigations conducted by the federal United States Geological Survey ("USGS") for water quality and quantity monitoring in the state; and,

**WHEREAS**, in order to carry out its functions, the Board cooperates with the USGS in a program of collection of data concerning the water resources of the state of Oklahoma; and,

**WHEREAS**, the Cooperator has an important interest in said cooperative program, particularly regarding the monitoring of water resources in its general vicinity.

**NOW, THEREFORE**, in consideration of the above, it is agreed:

1. The water data collection activities desired by the Cooperator and described in the attachment hereto entitled "Proposed Cooperative Program between the Oklahoma Water Resources Board and the U.S. Geological Survey for the Poteau Valley Improvement Authority for the Fiscal Year Ending June 30, 2025" (the "Proposal"), or other collection activities as may be agreed upon by the authorized representatives of the Cooperator and the Board, shall be included in the cooperative program being maintained by the Board and the USGS.
2. Within thirty (30) days after receipt of an invoice from the Board, the Cooperator shall contribute and pay to the Board in one lump sum the amount of Seven Thousand One Hundred Dollars (\$7,100.00) to cover costs of necessary field and office work directly related to the collection and computation of records for the Black Fork at Page, Oklahoma, or other water data collection sites or activities as may be agreed by the respective representatives of the Cooperator and the Board, for the fiscal year beginning July 1, 2024.
3. Funds advanced by the Cooperator for the above purposes will be supplemented by matching funds appropriated by the Congress of the United States for cooperation with the States on water resources investigations, insofar as available funds will permit, and will be covered by the cooperative agreement between the Board and the USGS; and the same being contemplated within the "Proposed Cooperative Program between the Oklahoma Water Resources Board and the U.S. Geological Survey for the Poteau Valley

Improvement Authority for the Fiscal Year Ending June 30, 2025”, which is incorporated by reference herein and made a part hereof for all purposes.

- 4. This Agreement, or any portion thereof, may be terminated by either party upon thirty (30) days' prior written notice to the other party.
- 5. This Agreement shall be governed by and subject to the laws of the State of Oklahoma.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES  
BOARD

POTEAU VALLEY IMPROVEMENT  
AUTHORITY

\_\_\_\_\_  
Jennifer Castillo, Chairman                      Date

\_\_\_\_\_  
Mickey LaFevers, Chairman                      Date

ATTEST:

ATTEST:

\_\_\_\_\_  
Suzanne Landess, Secretary

\_\_\_\_\_  
Ron Pelanconi, Secretary

(SEAL)

(SEAL)

U.S. GEOLOGICAL SURVEY

\_\_\_\_\_  
Jason M. Lewis, Branch Chief                      Date  
USGS, Oklahoma Water Science Center

Proposed  
 Cooperative Program  
 between the OKLAHOMA WATER RESOURCES BOARD  
 and the U.S. GEOLOGICAL SURVEY  
 for the POTEAU VALLEY IMPROVEMENT AUTHORITY  
 for the Fiscal Year Ending June 30, 2025

Program Description:

This stream gaging program for the Black Fork at Page, Oklahoma consists of the lowflow discharge data collection for one streamflow station. The high-flow portion and the satellite telemetry are funded by the U.S. Army Corps of Engineers, Tulsa District. The U.S. Geological Survey (USGS) operates and publishes the record of streamflow gaging stations to maintain long-term statistical records on a cooperative basis financed through the Oklahoma Water Resources Board (OWRB).

We propose to continue the low-flow monitoring program with Poteau Valley Improvement Authority. This will provide complete streamflow records and real-time remote data reporting of the minimum flow requirements described by the OWRB under the permitting of water in the Black Fork River.

We propose the continuation of the above data collection program for the period July 1, 2024 to June 30, 2025, as summarized below:

<u>Station No.</u>	<u>Station Name</u>	<u>SW</u>	<u>Total</u>
07247250	Black Fork at Page	Surface Water Gage	\$11,500
	PVIA's share through the OWRB		\$ 7,100
	U.S. Geological Survey Federal Matching Funds		<u>\$ 4,400</u>
	Poteau Valley Improvement Authority and USGS Total:		\$11,500

**AGENDA ITEM 3D(15)**

**INTERAGENCY AGREEMENT**

**WITH:** Oklahoma Department of Agriculture, Food and Forestry

**PURPOSE:** For collecting groundwater samples at monitoring wells of swine licensed managed feeding operations (LMFOs)

**AMOUNT:** Not to exceed \$170,000.00

**TERM:** July 1, 2024 through June 30, 2025

**INTERAGENCY AGREEMENT BY AND BETWEEN  
OKLAHOMA DEPARTMENT OF AGRICULTURE, FOOD, AND FORESTRY  
AND  
OKLAHOMA WATER RESOURCES BOARD**

This Interagency Agreement ("Agreement") by and between the Oklahoma Department of Agriculture, Food, and Forestry ("ODAFF") and the Oklahoma Water Resources Board ("OWRB") is accepted by both ODAFF and OWRB for the following purpose(s): collecting groundwater samples at monitoring wells of swine licensed managed feeding operations ("LMFOs").

**Authorization**

Title 2, Section 20-12(F)(2) of the Oklahoma Statutes and the Oklahoma Administrative Code Section 35:17-3-11(e)(6)(A) authorize ODAFF to enter into this Agreement for the purpose of collecting and analyzing samples from swine LMFO monitoring wells. Title 82, Section 1085.2(2) of the Oklahoma Statutes authorizes OWRB to make such contracts as are necessary or convenient to the exercise of any of the powers conferred upon it by the law. OWRB has the personnel, services and equipment necessary to collect samples from LMFO monitoring wells.

**General Terms and Conditions**

1. **Payment:** ODAFF is applying for a grant from the U.S. Environmental Protection Agency ("EPA") disbursed via the Oklahoma Office of the Secretary of Energy and Environment ("OSEE") in the amount of \$170,000.00. Under the Clean Water Act, Section 106, the monies will be used, subject to OSEE's approval, to conduct the sampling of monitoring wells at swine LMFO facilities. The total amount to be paid under this Agreement shall not exceed \$170,000.00. The OWRB will invoice ODAFF on a quarterly basis for services and other associated costs incurred between July 1, 2024 and June 30, 2025 (Quarter 1 due no later than Oct 15; Quarter 2 due no later than Jan 15; Quarter 3 due no later than Apr 15; Quarter 4 and final invoice due no later than July 15). If final program costs amount to less than the amount of the grant approved by EPA, the balance of the funds will remain with the OSEE. All final invoices shall be submitted to the ODAFF no later than August 31, 2025. This Agreement is subject to the ODAFF receiving funding under the Clean Water Act, Section 106. During the effective term of this Agreement, should funding be reduced the ODAFF may limit, reduce, or cease its monies available pursuant to the Agreement via issuance of a change order. No payments to OWRB will be made until the OWRB/ODAFF Quality Assurance Project Plan ("QAPP") has been approved by EPA; except up to 10% of the grant funds received by ODAFF shall be paid to OWRB to reimburse initial planning costs regardless of the QAPP approval.
2. **Duration and Termination:** This Agreement, dated for convenience of reference as of July 1, 2024, shall become effective upon the approval and execution by both parties hereto. The term of this Agreement shall conclude on June 30, 2025. Either party may terminate this Agreement with thirty (30) days written notice.
3. **Amendment:** The terms of this Agreement may be amended only by the written agreement of both parties.
4. **Employment Status:** Nothing in this Agreement shall be construed to change or alter the status of the employees of either the ODAFF or OWRB. At no time shall any employee, volunteer, contractor, or designated person of the OWRB be considered an employee of ODAFF.

5. Costs of Monitoring Well Sample Analysis: Pursuant to 2 O.S. Section 20-12(F)(2)(a), the swine LMFO owner shall be responsible for the costs of sample gathering and laboratory analysis, unless the Oklahoma Legislature specifically appropriates funding for swine LMFO sampling costs to OWRB as part of the Beneficial Use Monitoring Program.
6. Additional Terms:
  - a. ODAFF and OWRB shall comply with all applicable and pertinent laws and rules of the State of Oklahoma and the United States.
  - b. All invoices regarding this Agreement shall include the EPA grant application number.

### **Responsibilities of Parties**

#### OWRB agrees to the following:

1. To sample and monitor swine LMFO monitoring wells, which includes the following requirements:
  - a. The OWRB will develop and maintain a QAPP subject to ODAFF and EPA approval. The QAPP will specify the quality assurance and quality control (QA/QC) protocols and measures to be used during the sample procurement processes.
  - b. At least annually, OWRB, utilizing appropriate QA/QC protocols shall collect groundwater samples from swine LMFO monitoring wells identified by ODAFF. The samples shall be submitted to ODAFF's Laboratory Services Division, Water and Inorganic Section or to any other laboratory as agreed upon by ODAFF's Agricultural Environmental Management Services Division Director and OWRB's Water Quality Programs Division Chief. All monitoring wells shall be sampled at least once by May 31, 2025. OWRB will coordinate with ODAFF the parameters to be sampled based upon the Oklahoma Swine Feeding Operations Statutes and rules and the schedule of sample collection with ODAFF.
  - c. Field work will be documented by completion of monitoring well data purge and sample forms data fields which will include the current name of the swine LMFO company, facility name and license number, facility type, the ODAFF assigned well numbers, the existing and new security seal or well lock numbers, the OWRB sampling team members, the date and time of sample collection, a log of the field purge parameter data and final purge stability criteria as well as the method of purge water and sample water extraction. These data fields will be submitted electronically to ODAFF no later than July 15, 2025, or upon request.
  - d. The OWRB will submit samples for each "wet" monitoring well to the ODAFF laboratory for analysis of fecal coliform bacteria, nitrate-nitrogen, ammonium-nitrogen, total phosphorous, pH, and electrical conductivity observing 24-hour holding time protocols for fecal coliform bacteria. Chain of custody documentation will accompany all samples submitted to the lab identifying the swine LMFO licensee, facility name, and license number, the name of the OWRB employee responsible for sample collection, well numbers, and analytical parameters to be tested and method of preservation.



- e. By January 10 and July 10, the OWRB shall provide ODAFF a semi-annual summary that includes:
    - i. The number of wells sampled and dry wells inspected,
    - ii. The level (percent) of work completed and the amount of funds expended,
    - iii. Major accomplishments for the reporting period,
    - iv. Problems or obstacles encountered and any remedial actions taken during the reporting period,
    - v. Updates to any personnel working on the project, and
    - vi. Work planned for the next, upcoming semi-annual reporting period.
  - f. The OWRB shall provide ODAFF with any updated global positioning data related to the locations (Latitude/Longitude) of monitoring wells at swine LMFOs.
2. To allow ODAFF to audit any payments made to OWRB under this Agreement, whether by a State Auditor or any other auditor specified by ODAFF, all records shall be made available upon request by an authorized representative of ODAFF. The term "records" include books, documents, accounting procedures and practices, claims and other data regardless of type whether in written form, computer data or any other form filed, produced or relating to OWRB performance under this Agreement.
  3. The OWRB shall retain all necessary records, books, and any other reasonably necessary documentation relating to the nature, time and scope of the Agreement, regardless of form, for a period of seven (7) years following completion or termination of the Agreement. If an audit, litigation, or other action involving the records is commenced before the end of the seven (7) year retention period, the records shall be maintained for two (2) years from the date that all issues arising out of the action are resolved.
  4. To give ODAFF's laboratory as much notice as possible before submitting samples for analyses.

ODAFF agrees to the following:

1. To cause OSEE to pay the OWRB for services performed in accordance with this Agreement after receipt of each quarterly invoice, according to paragraph No. 1, "Payment", under the heading "General Terms and Conditions" above.
2. To provide OWRB with all available requested information regarding monitoring wells at swine LMFOs, including but not limited to, location, historical data, and any other relevant information and to coordinate with OWRB regarding sampling events and required sampling parameters.
3. To provide laboratory analytical data in an electronic format as mutually agreed by the ODAFF Laboratory Services Director and OWRB Water Quality Programs Division Chief.
4. ODAFF shall collect any money due from LMFO owners pursuant to this Agreement.
5. To review and provide feedback and approval on any newly developed or updated QAPP and cause to obtain feedback and approval from EPA.

**Compliance**

This Agreement is made expressly subject to applicable law and is to be construed in a manner consistent with applicable laws and regulations. The Parties expressly agree to comply with all the laws of the United States, the State of Oklahoma and any political subdivision where any portion of the Agreement is to be performed, including all statutes, rules, or regulations now existing or that may be promulgated in the future. This Agreement neither expands nor degrades the jurisdiction or authority vested in the Parties by applicable law. This Agreement is not intended to modify or supersede any other applicable interagency agreements existing as of the date of this Agreement.

**Severability**

If any provision of this Agreement is found to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement or any renewal or extension of this Agreement, then it is the intention of the undersigned parties that the remainder of this Agreement that is not found to be illegal, invalid, or unenforceable shall remain in full force and effect.

APPROVED:

Oklahoma Department of Agriculture, Food, and Forestry

\_\_\_\_\_  
Blayne Arthur Date  
Secretary of Agriculture  
Or Designee

Oklahoma Water Resources Board

\_\_\_\_\_  
Chairman Date

ATTEST:

\_\_\_\_\_  
Secretary

(SEAL)

**AGENDA ITEM 3D(16)**

**AGREEMENT**

**WITH:** Oklahoma Ground Water Association (OGWA)

**PURPOSE:** For Continuing Education Services for Well Drillers  
and Pump Installers

**AMOUNT:** Not to exceed \$13,900.00

**TERM:** Through December 31, 2024

CONTRACT  
between  
OKLAHOMA WATER RESOURCES BOARD  
and  
OKLAHOMA GROUND WATER ASSOCIATION

This Contract between the Oklahoma Water Resources Board ("OWRB"), an agency of the State of Oklahoma, and the Oklahoma Ground Water Association ("OGWA"), a not for profit unincorporated association doing business within the State of Oklahoma, dated for convenience of reference, April 1, 2024, but to be effective as provided below.

WITNESSETH:

WHEREAS, 82 O.S. § 1020.16 of the Oklahoma Statutes requires persons engaged in the commercial drilling or plugging of groundwater wells, monitoring wells, observation wells, heat exchange wells and geotechnical borings, and the commercial installation of water well pumps, to make application to and become licensed by the OWRB; and

WHEREAS, 82 O.S. § 1020.16(E) of the Oklahoma Statutes provides that the Well Drillers and Pump Installers Regulation Account shall be used by the Board for certain activities such as licensing, enforcement and education.

WHEREAS, the OWRB's rules codified in Oklahoma Administrative Code ("OAC") Title 785, Chapter 35 require holders of such driller licenses and operator certifications to complete continuing education courses annually as a condition to renewal of their licenses and certifications; and

WHEREAS, the OGWA, recognized by the Internal Revenue Service as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, is a nonprofit organization whose purposes are to assist, promote, encourage, and support the interest and welfare of the groundwater industry by lobbying for laws to maintain the integrity and quality among members, by fostering and promoting continuing education and by promoting harmony and cooperation between contractors and scientific and regulatory agencies; and

WHEREAS, in furtherance of its purposes, OGWA provides specialized training for licensed well drillers and pump installers through trade shows and conferences, maintains a web site, and otherwise engages in efforts to educate contractors and the general public about proper construction of wells and installation of pumps; and

WHEREAS, OGWA is the only entity that can provide the continuing education services within the time frames needed by the OWRB as set forth in the documentation executed in connection with this Contract; and

WHEREAS, the OWRB and OGWA are agreeable to entering into this Contract upon the terms which follow; and

WHEREAS, this Contract is authorized by 82 O.S. § 1085.2.

THEREFORE, in consideration of the foregoing premises and the mutual covenants stated herein, the OGWA and the OWRB agree as follows:

1. OGWA Obligations

A. Notification of Classes. OGWA shall provide advance notification of the location and date of each continuing education class to OWRB staff, all active firms, certified well drillers and pump installers licensed by the OWRB. The first notification shall be sent by first class mail to the address on file with the OWRB for each licensee and operator twenty-one (21) days prior to the first scheduled class. Additional notifications shall be sent fourteen (14) days and seven (7) days prior to the first scheduled class via electronic communications, when available. OGWA shall maintain and update a website that will provide information regarding the Continuing Education workshops being offered throughout the year and one (1) or more email addresses provided for questions and additional information.

B. Class Instruction. OGWA shall provide continuing education classes to well drillers and pump installers who are licensed by the OWRB. All four (4) categories of the WDPI Program shall be considered in the curriculum development. At least one (1) member of the OGWA, preferably a Board member, shall be onsite during each workshop. Curriculum/speakers shall not include sales pitches, insurance sales, or negative comments regarding another firm, their equipment, products, goods or services. For purposes of this paragraph, fifty (50) minutes of instruction shall constitute one (1) unit or hour of continuing education credit. During the period after this Contract becomes effective and through June 30, 2024, OGWA shall schedule and provide opportunities for a minimum of two (2) continuing education credits provided via interactive videoconferences on two (2) occasions, or sessions, and shall schedule and provide four (4) continuing education credits at in-person workshops in both Woodward and Wilburton.

OGWA will provide instructors, classroom set-up and coordination, and coordination of the instruction team. OGWA will provide training using an established curriculum prepared and presented by qualified instructors specialized in topics related to well drilling and pump installation. OGWA shall submit the instructor's names and topics to OWRB for approval at least fourteen (14) days prior to the first notification mail out as defined in the Section 1.A. If for any reason the approved instructor fails to attend the class, OGWA shall provide a substitute instructor with similar knowledge and experience. The substitute instructor must be pre-approved by OWRB at a minimum seven (7) days prior to the scheduled course.

C. Documentation. OGWA shall provide sign-in sheets at each workshop that include the date, location, operator name, operator number, firm name, firm number, email address and cell phone number. A certificate of attendance which includes the workshop date, location, attendee's name, firm name, DPC number, operator number and the total amount of CEUs earned, shall be issued to each licensee/certified operator in attendance. In addition, OGWA shall create,

distribute, and collect a post-course evaluation survey. OGWA shall submit continuing education attendance documentation and the survey to the OWRB within 14 days of the completion of each workshop.

D. Invoices. Following completion of a workshop as described in Paragraph 1B, and submission of documentation thereof, the OGWA shall submit to the OWRB, an invoice following completion of each of the two (2) videoconferences and two (2) workshops. The total amount invoiced for all classes/workshops shall not exceed thirteen thousand nine hundred dollars (\$13,900.00). If an invoice is not approved by the OWRB it shall be returned to the OGWA with a written explanation of the reason(s) for the disapproval.

## 2. OWRB Obligations

A. Invoices. The OWRB shall review and approve for payment the invoices from the OGWA within 45 days of receipt of the invoice, unless the OWRB notifies the OGWA within 10 days of receipt that the invoice is disapproved or any portion is in dispute.

B. Payment. In consideration of the obligations performed by OGWA, following approval of each of OGWA's invoices, the OWRB shall pay OGWA a total amount not to exceed thirteen thousand nine hundred dollars (\$13,900.00).

3. Performance. Payment will be contingent upon the OGWA meeting its obligations as defined in Sections 1.A through 1.D.

4. OGWA Personnel Not Considered Employees of OWRB. The OGWA is an independent contractor of the OWRB and no person or entity associated with the OGWA shall be considered to be an employee of the State of Oklahoma or the OWRB solely on account of the person's or entities association with the OGWA. OGWA has no employees and shall utilize independent contractors to perform its obligations under this Contract.

5. State Audit. Books, records, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form, of OGWA relevant to this Contract shall be subject to examination by the OWRB, the State Auditor and Inspector of the State of Oklahoma and the State Purchasing Director of the Department of Central Services. OGWA shall maintain accurate records and documentation of all expenditures of time and resources in fulfilling its obligations under this Contract and shall retain the same for three (3) years following completion and/or termination of the Contract. Access to such records and documentation shall be made available during reasonable business hours to any proper representative of the OWRB and State of Oklahoma for inspection, copying and audit purposes. If an audit, litigation, or other action involving such records is started before the end of the three-year period, the records are required to be maintained for three years from the date that all issues arising out of the action are resolved or until the end of the three-year retention period, whichever is later.

7. Contract Period; Termination; Extension or Other Modifications. This Contract shall become effective on the date when approved by all necessary signatories and, if necessary,

the Office of Management and Enterprise Services or its successor. This Contract shall terminate on December 31, 2024 unless earlier terminated by either party giving written notice to the other party at least 30 days in advance of the party's intention to terminate the Contract. The Contract may be extended, renewed, or otherwise modified by written agreement of the parties for next calendar year i.e. from January 1 to December 31 or the date agreed by both the parties.

In witness whereof, the parties have approved and executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES BOARD

OKLAHOMA GROUND WATER  
ASSOCIATION

\_\_\_\_\_  
Jenifer Castillo  
Chairman

\_\_\_\_\_  
Date

\_\_\_\_\_  
President

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Suzanne Landess  
Secretary

(SEAL)

**AGENDA ITEM 3D(17)**

**JOINT FUNDING AGREEMENT**

**WITH:** United States Geological Service (USGS)

**PURPOSE:** Continued operation and maintenance of the  
Monitoring Program

**AMOUNT:** OWRB to pay amount not to exceed \$424,800.00

**TERM:** July 1, 2024 through June 30, 2025





# United States Department of the Interior

U.S. GEOLOGICAL SURVEY  
Oklahoma-Texas Water Science Center  
202 NW 66<sup>th</sup> Street, Bldg. 7  
Oklahoma City, OK 73116

April 22, 2024

Mr. Lance Phillips  
Oklahoma Water Resources Board  
3800 N. Classen Boulevard  
Oklahoma City, Oklahoma 73118

Dear Mr. Phillips:

Enclosed is a signed copy of our standard joint-funding agreement for the Surface Water Monitoring Program with the Oklahoma-Texas Water Science Center, during the period July 1, 2024 through June 30, 2025 in the amount of \$424,800 from your agency. U.S. Geological Survey contributions for this agreement are \$175,900 for a combined total of \$600,700. Please sign and return one fully-executed original to Mitchell King at [GS-W-OT\\_OTFM@usgs.gov](mailto:GS-W-OT_OTFM@usgs.gov).

Federal law requires that we have a signed agreement before we start or continue work. Please return the signed agreement by **July 1, 2024**. If, for any reason, the agreement cannot be signed and returned by the date shown above, please contact Jason Lewis at (405) 651-2029 or email [jmlewis@usgs.gov](mailto:jmlewis@usgs.gov) to make alternative arrangements.

This is a fixed cost agreement to be billed quarterly via Down Payment Request (automated Form DI-1040). Please allow 30-days from the end of the billing period for issuance of the bill. If you experience any problems with your invoice(s), please contact Mitchell King at (405) 249-3296 or [GS-W-OT\\_OTFM@usgs.gov](mailto:GS-W-OT_OTFM@usgs.gov).

The results of all work performed under this agreement will be available for publication by the U.S. Geological Survey. We look forward to continuing this and future cooperative efforts in these mutually beneficial water resources studies.

Sincerely,

Timothy H. Raines  
Director

Enclosure  
24SJJFAOK002010

003169

Fixed Cost Agreement YES[ X ] NO[ ]

THIS AGREEMENT is entered into as of the July 1, 2024, by the U.S. GEOLOGICAL SURVEY, Oklahoma-Texas Water Science Center, UNITED STATES DEPARTMENT OF THE INTERIOR, party of the first part, and the Oklahoma Water Resources Board party of the second part.

1. The parties hereto agree that subject to the availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation for negotiated deliverables (see attached), herein called the program. The USGS legal authority is 43 USC 36C; 43 USC 50, and 43 USC 50b.

2. The following amounts shall be contributed to cover all of the cost of the necessary field and analytical work directly related to this program. 2(b) include In-Kind-Services in the amount of \$0.00

(a) \$175,900 by the party of the first part during the period  
July 1, 2024 to June 30, 2025

(b) \$424,800 by the party of the second part during the period  
July 1, 2024 to June 30, 2025

(c) Contributions are provided by the party of the first part through other USGS regional or national programs, in the amount of: \$0

Description of the USGS regional/national program:

(d) Additional or reduced amounts by each party during the above period or succeeding periods as may be determined by mutual agreement and set forth in an exchange of letters between the parties.

(e) The performance period may be changed by mutual agreement and set forth in an exchange of letters between the parties.

3. The costs of this program may be paid by either party in conformity with the laws and regulations respectively governing each party.

4. The field and analytical work pertaining to this program shall be under the direction of or subject to periodic review by an authorized representative of the party of the first part.

5. The areas to be included in the program shall be determined by mutual agreement between the parties hereto or their authorized representatives. The methods employed in the field and office shall be those adopted by the party of the first part to insure the required standards of accuracy subject to modification by mutual agreement.

6. During the course of this program, all field and analytical work of either party pertaining to this program shall be open to the inspection of the other party, and if the work is not being carried on in a mutually satisfactory manner, either party may terminate this agreement upon 60 days written notice to the other party.

7. The original records resulting from this program will be deposited in the office of origin of those records. Upon request, copies of the original records will be provided to the office of the other party.

8. The maps, records or reports resulting from this program shall be made available to the public as promptly as possible. The maps, records or reports normally will be published by the party of the first part. However, the party of the second part reserves the right to publish the results of this program, and if already published by the party of the first part shall, upon request, be furnished by the party of the first part, at cost, impressions suitable for purposes of reproduction similar to that for which the original copy was prepared. The maps, records or reports published by either party shall contain a statement of the cooperative relations between the parties. The Parties acknowledge that scientific information and data developed as a result of the Scope of Work (SOW) are subject to applicable USGS review, approval, and release requirements, which are available on the USGS Fundamental Science Practices website (<https://www.usgs.gov/office-of-science-quality-and-integrity/fundamental-science-practices>).

**Water Resource Investigations**

9. Billing for this agreement will be rendered quarterly. Invoices not paid within 60 days from the billing date will bear Interest, Penalties, and Administrative cost at the annual rate pursuant the Debt Collection Act of 1982, (codified at 31 U.S.C. § 3717) established by the U.S. Treasury.

**USGS Technical Point of Contact**

Name: Jason Lewis  
Branch Chief  
Address: 202 NW 66th Street  
Oklahoma City, OK 73116  
Telephone: (405) 651-2029  
Fax:  
Email: jmlewis@usgs.gov

**Customer Technical Point of Contact**

Name: Lance Phillips  
Address: 3800 N. Classen Boulevard  
Oklahoma City, Oklahoma 73118  
Telephone: (405) 530-8800  
Fax:  
Email: lance.phillips@owrb.ok.gov

**USGS Billing Point of Contact**

Name: Mitchell King  
Budget Analyst  
Address: 202 NW 66th Street  
Oklahoma City, OK 73116  
Telephone: (405) 249-3296  
Fax:  
Email: mking@usgs.gov

**Customer Billing Point of Contact**

Name: Chrystal Krittenbrink  
Legal Assistant  
Address: Oklahoma Water Resources Board 3800  
N. Classen Blvd  
Oklahoma City, OK 73118  
Telephone: (405) 530-8801  
Fax: (405) 530-8900  
Email: Cris.Krittenbrink@owrb.ok.gov

U.S. Geological Survey  
United States  
Department of Interior

Oklahoma Water Resources Board

Signature

Signatures

By \_\_\_\_\_  
Name: Timothy H. Raines  
Title: Director

By \_\_\_\_\_ Date: \_\_\_\_\_  
Name:  
Title:

By \_\_\_\_\_ Date: \_\_\_\_\_  
Name:  
Title:

By \_\_\_\_\_ Date: \_\_\_\_\_  
Name:  
Title:

**AGENDA ITEM 3D(18)**

**PROFESSIONAL SERVICES ENGAGEMENT LETTER**

**WITH:** Arledge & Associates, P.C.

**PURPOSE:** To provide auditing services related to the Board's financial assistance programs for the Oklahoma Clean Water State Revolving Fund Loan Account Program financial statements Uniform Guidance Single Audit.

**AMOUNT:** Not to exceed \$27,610.00

**TERM:** July 1, 2024 through June 30, 2025



**AUDIT ENGAGEMENT LETTER  
OKLAHOMA CLEAN WATER  
STATE REVOLVING FUND LOAN  
ACCOUNT PROGRAM  
UNIFORM GUIDANCE SINGLE AUDIT**

April 12, 2024

To the Governance and Management of the State of Oklahoma Water Resources Board

We are pleased to confirm our understanding of the services we are to provide State of Oklahoma Water Resources Board (the "Board") for the year ended June 30, 2024.

**Audit Scope and Objectives**

We will audit the financial statements of the Oklahoma Clean Water State Revolving Fund Loan Account Program (the "Program") as of and for the year ended June 30, 2024. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Program's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Program's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

## **Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit**

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and Government Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, Government Auditing Standards do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and Government Auditing Standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for the interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events considered in the aggregate that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

According to GAAS, significant risks include management override of controls, and GAAS presumes that revenue recognition is a significant risk. Accordingly, we have considered these as significant risks.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to

maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

### **Audit Procedures—Internal Control**

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Program's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Program's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the Program's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

### **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and

for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on June 30, 2024.

With regard to including the auditor's report in an exempt offering document, you agree that the aforementioned auditor's report, or reference to Arledge & Associates, P.C., will not be included in any such offering document without our prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report. Your responsibilities include acknowledging to us in the



written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

### **Other Services**

We will also assist in preparing the schedule of expenditures of federal awards and related notes of the Program in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the schedule of expenditures of federal awards and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the schedule of expenditures of federal awards and related notes and that you have reviewed and approved the schedule of expenditures of federal awards and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Advanceflow and Sharefile Portals are used solely to transmit data and is not intended to store the Program's information. The Board is responsible for downloading any deliverables and other records from the Advanceflow

and Sharefile portals that it wishes to retain for its own records at the completion of the engagement. For multi-year engagements, such downloading should occur annually.

Upon completion of the engagement, data and other content will either be removed from the Advanceflow and Sharefile portals or become unavailable to the Board within a reasonable time frame, which is approximately 6 months from engagement completion. For multi-year engagements, completion of the engagement occurs when the deliverables are completed for that year.

### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the State of Oklahoma Water Resources Board; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Arledge & Associates P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Oklahoma State Auditor and Inspector or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Arledge & Associates, P.C. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Oklahoma State Auditor and Inspector. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Jake Winkler, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be \$27,610. This fixed price includes an electronic pdf copy of the single audit report for distribution to your members and others and 1 bound copy. Additional bound copies are available for \$.50 per page. This fee includes miscellaneous charges, such as travel, meals, and copies. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Our fee includes Single Audit services, as described above, for one major program which is expected to comprise the following CFDA number: 66.458. Should the number of major programs identified increase and/or the mix in CFDA numbers change in such a way as to required further work, the audit will be subject to an additional price negotiation, including an Addendum to the Engagement Letter and agreed upon payment terms, before the additional services are performed.

Because our Engagement Letter provides ongoing access to the accounting and business advice you need on a fixed-price basis, you are not inhibited from seeking timely advice from us. While the fixed price entitles you to unlimited consultation with us, if your questions or issues require additional research and analysis beyond consultation, that work will be subject to an additional price negotiation before the service is to be performed, an Addendum to the Engagement Letter will be issued before delivery of the additional service is to be performed, with payment terms

agreed to in advance. By virtue of signing this document, you have indicated that your reporting entity has been appropriately defined, all trial balances will be reasonably adjusted, your key accounts will be reconciled, unusual transactions, significant financial estimates and disclosures have been communicated to us prior to the date at the top of this letter. Also, you have indicated that the entity has competent personnel in key financial positions and there has been no turnover in the accounting/finance department. If we find that the facts are different for any of the preceding assumptions, we will negotiate an Addendum to the Engagement Letter and negotiate a new engagement fee before we issue our final report.

## **Reporting**

We will issue a written report upon completion of our audit of the Program's financial statements. Our report will be addressed to the Governance and Management of the State of Oklahoma Water Resources Board. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Program is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

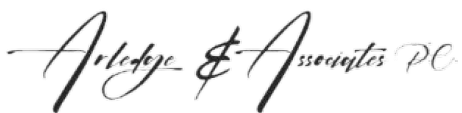
## **Cost of Consequential Damages**

Any liability of Arledge & Associates, P.C. and its personnel to the Board is limited to the amount of the annual fee the Board paid for this audit engagement as liquidated damages.

The Board agrees that any dispute regarding this engagement will, prior to resorting to litigation, be submitted to mediation upon request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The American Arbitration Association will administer any such mediation in accordance with its Commercial Mediation Rules. The results of the mediation proceeding shall be binding only if both Arledge & Associates, P.C. and the Board agree to be bound. Arledge & Associates, P.C. and the Board will share any cost of mediation equally.

We appreciate the opportunity to be of service to the Board and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,



Arledge & Associates, P.C.

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RESPONSE:

This letter correctly sets forth the understanding of the Oklahoma Water Resources Board.

Management signature: \_\_\_\_\_

Title: Chairman, Oklahoma Water Resources Board

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: Chief, Financial Asst. Division

Date: \_\_\_\_\_

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## STATE OF OKLAHOMA WATER RESOURCES BOARD

### Document Request - State Revolving Fund and Bond Issue Audit June 30, 2024

1. List of members of management and the Governing Board.
2. Access to the minutes of Board meetings held during the period under audit.
3. Copies of updates to the policy and procedure manuals in use regarding loan issuance and subsequent loan monitoring procedures.
4. Copy of current chart of accounts and accounting manual (if applicable).
5. Copies of the internal financial statements for the SRF program and each of the Bond Issues as of June 30, 2024.
6. Trial balance for the SRF program and each of the Bond Issue programs as of June 30, 2024.
7. PDF copies of the general ledger for each Bond Issue and the SRF program.
8. Preparation of the worksheet that combines all of the individual Bond Issue programs' Statements of Net Assets and Statements of Revenues and Expenditures to arrive at the combined totals for each statement. These will be needed prior to the start of fieldwork.
9. Preparation of confirms for cash, investments, notes receivable, bonds payable and notes payable.
10. Copies of year-end bank/state treasurer cash and investment account reconciliations.
11. Copies of final official offering statements on FY-2024 bond issues and SRF notes payable issued along with any subsequent modifications to any existing agreements.
12. Copies of any changes to laws, regulations and compliance requirements that directly and materially affect the Board, bond issues, notes receivable, and SRF program.
13. Access to trustee agreements related to bond issues/SRF program.
14. Copies of the most recent arbitrage rebate calculations.
15. Analysis of investments held at year-end.
16. Loan receivable schedules by bond issue/SRF.
17. Schedule of loans funded during the year and also loan commitments at year-end.
18. Loans receivable past due report.
19. Bond premium/discount analysis schedule.
20. Schedule of interest receivable - notes.
21. Schedule of interest receivable - investments.



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22. Schedule of accrued interest payable.
  23. Bonds payable schedule.
  24. Schedule of interest income - investments.
  25. Schedule of interest income - notes.
  26. Schedule of other income.
  27. Schedule of bond interest expense.
  28. Schedule of administrative expenses.
  29. Analysis of Federal Letter of Credit activity during the year.
  30. Access to all other supporting documentation as necessary.
  31. Any changes in SBPA / Insurance / GIC's – need copy of new agreements (if applicable).
  32. Schedules of loans paid off as of June 30, 2024.
  33. Schedule of loans issued / closed during FY-2024.
  34. Prepare a schedule of expenditures of federal awards with federal expenditures broken out by C.F.D.A. number.

**AGENDA ITEM 3D(19)**

**PROFESSIONAL SERVICES ENGAGEMENT LETTER**

**WITH:** Arledge & Associates, P.C.

**PURPOSE:** To provide auditing services related to the Board's financial assistance programs CWSRF and DWSRF  
Loan Administrative Funds Audits

**AMOUNT:** Not to exceed \$7,160.00

**TERM:** July 1, 2024 through June 30, 2025



**AUDIT ENGAGEMENT LETTER**  
**CWSRF AND DWSRF LOAN ADMINISTRATIVE FUNDS AUDITS**

April 12, 2024

To the Governance and Management of the State of Oklahoma Water Resources Board

We are pleased to confirm our understanding of the services we are to provide the State of Oklahoma Water Resources Board (the "Board") for the year ended June 30, 2024.

**Audit Scope and Objectives**

We will audit the financial statements of the Administrative Funds (the "Programs") maintained and used by the Oklahoma Wastewater and Drinking Water Facility Construction Revolving Loan Account Programs as of and for the year ended June 30, 2024. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Program's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Program's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

**Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of the Programs and other procedures we consider necessary to enable us to express such



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opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for the interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

According to GAAS, significant risks include management override of controls, and GAAS presumes that revenue recognition is a significant risk. Accordingly, we have considered these as significant risks.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential

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information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

### **Audit Procedures—Internal Control**

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Program's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

### **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit;



and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. The summary schedule of prior audit findings should be available for our review on June 30, 2024.

With regard to including the auditor's report in an exempt offering document, you agree that the aforementioned auditor's report, or reference to Arledge & Associates, P.C., will not be included in any such offering document without our prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the State of Oklahoma Water Resources Board; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or

containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Arledge & Associates, P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Oklahoma State Auditor and Inspector or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Arledge & Associates, P.C. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Oklahoma State Auditor and Inspector. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Jake Winkler, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be \$7,160. This fixed-price includes an electronic pdf copy of the report for distribution to your members and others and 1 bound copy. Additional bound copies are available for \$.50 per page. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Because our Engagement Letter provides ongoing access to the accounting and business advice you need on a fixed-price basis, you are not inhibited from seeking timely advice from us. While the fixed price entitles you to unlimited consultation with us, if your questions or issues require additional research and analysis beyond consultation, that work will be subject to an additional price negotiation before the service is to be performed, an Addendum to the Engagement Letter will be issued before delivery of the additional service is to be performed, with payment terms agreed to in advance. By virtue of signing this document, you have indicated that your reporting entity has been appropriately defined, all trial balances will be reasonably adjusted, your key accounts will be reconciled, unusual transactions, significant financial estimates and disclosures have been communicated to us prior to the date at the top of this letter. Also you have indicated that the entity has competent personnel in key financial positions and there has been no turnover in the accounting/finance department. If we find that the facts are different for any of the preceding assumptions, we will negotiate an Addendum to the Engagement Letter and negotiate a new engagement fee before we issue our final report.

## **Reporting**

We will issue a written report upon completion of our audit of the Program's financial statements. Our report will be addressed to the Governance and Management of the State of Oklahoma Water Resources Board. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Programs are subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

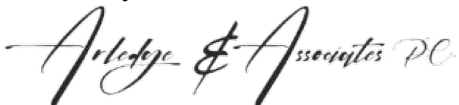
**Cost of Consequential Damages**

Any liability of Arledge & Associates, P.C. and its personnel to the Board is limited to the amount of the annual fee the Board paid for this audit engagement as liquidated damages.

The Board agrees that any dispute regarding this engagement will, prior to resorting to litigation, be submitted to mediation upon request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The American Arbitration Association will administer any such mediation in accordance with its Commercial Mediation Rules. The results of the mediation proceeding shall be binding only if both Arledge & Associates, P.C. and the Board agree to be bound. Arledge & Associates, P.C. and the Board will share any cost of mediation equally.

We appreciate the opportunity to be of service to the Board and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,



Arledge & Associates, P.C.

RESPONSE:

This letter correctly sets forth the understanding of the State of Oklahoma Water Resources Board.

Management signature: \_\_\_\_\_

Title: Chief, Financial Asst. Division

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: Chairman, Oklahoma Water Resources Board

Date: \_\_\_\_\_

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## STATE OF OKLAHOMA WATER RESOURCES BOARD

### Document Request - CWSRF AND DWSRF LOAN ADMINISTRATIVE FUNDS AUDITS June 30, 2024

1. Copies of the internal financial statements for the CWSRF and DWSRF Loan Administrative Funds as of June 30, 2024.
2. Trial balances for CWSRF and DWSRF Loan Administrative Funds as of June 30, 2024.
3. Copy of the general ledger.
4. Preparation of confirmations for all cash accounts.
5. Copies of year-end bank/state treasurer cash and investment account reconciliations.
6. Copy of the OWRB Comptroller's Excel Spreadsheet summarizing transactions for Fund 445 and Fund 444.
7. Copies of any changes to laws, regulations and compliance requirements that directly affect the Administrative Funds.
8. Analysis of investments held at year-end (if applicable).
9. Loan receivable schedules at June 30, 2024 for CWSRF and DWSRF Programs.
10. Schedule of CWSRF and DWSRF loans funded during the year and also loan commitments at year-end.
11. Loans receivable past due report for CWSRF and DWSRF Programs.
12. Copy of Excel Spreadsheet showing Application Fees Received for CW(4030), FAP(4040), and DW(4050) for the period from inception through June 30, 2024.
13. Copy of the EPA Indirect Cost Rate Agreement Letter stating the effective IDC rate for FY-2024.
14. Copy of the CWSRF and DWSRF Program Payment Receipt Ledger worksheets (an Excel document) for August and September 2024.
15. Access to all other supporting documentation as necessary.

**AGENDA ITEM 3D(20)**

**PROFESSIONAL SERVICES ENGAGEMENT LETTER**

**WITH:** Arledge & Associates, P.C.

**PURPOSE:** To provide auditing services related to the Board's financial assistance programs for FAP Administration Fund Audits.

**AMOUNT:** Not to exceed \$5,370.00

**TERM:** July 1, 2024 through June 30, 2025



## AUDIT ENGAGEMENT LETTER FAP ADMINISTRATION FUND

April 12, 2024

To the Governance and Management of the State of Oklahoma Water Resources Board

We are pleased to confirm our understanding of the services we are to provide the State of Oklahoma Water Resources Board (the "Board") for the year ended June 30, 2024.

### Audit Scope and Objectives

We will audit the financial statements of the FAP Administration Fund (the "Program") as of and for the year ended June 30, 2024. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Program's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Program's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

#### 1) Management's Discussion and Analysis

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

### Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of the Program and other procedures we consider necessary to enable us to express such opinions.



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As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for the interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

According to GAAS, significant risks include management override of controls, and GAAS presumes that revenue recognition is a significant risk. Accordingly, we have considered these as significant risks.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential

information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

### **Audit Procedures—Internal Control**

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Program's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

### **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships



and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. The summary schedule of prior audit findings should be available for our review on June 30, 2024.

With regard to including the auditor's report in an exempt offering document, you agree that the aforementioned auditor's report, or reference to Arledge & Associates, P.C., will not be included in any such offering document without our prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the State of Oklahoma Water Resources Board; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Arledge & Associates P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Oklahoma State Auditor and Inspector or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Arledge & Associates, P.C. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Oklahoma State Auditor and Inspector. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Jake Winkler, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be \$5,370. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Because our Engagement Letter provides ongoing access to the accounting and business advice you need on a fixed-price basis, you are not inhibited from seeking timely advice from us. While the fixed price entitles you to unlimited consultation with us, if your questions or issues require additional research and analysis beyond consultation, that work will be subject to an additional price negotiation before the service is to be performed, an Addendum to the Engagement Letter will be issued before delivery of the additional service is to be performed, with payment terms agreed to in advance. By virtue of signing this document, you have indicated that your reporting entity has been appropriately defined, all trial balances will be reasonably adjusted, your key accounts will be reconciled, unusual transactions, significant financial estimates and disclosures have been communicated to us prior to the date at the top of this letter. Also, you have indicated that the entity has competent personnel in key financial positions and there has been no turnover in the accounting/finance department. If we find that the facts are different for any of the preceding assumptions, we will negotiate an Addendum to the Engagement Letter and negotiate a new engagement fee before we issue our final report.

## **Reporting**

We will issue a written report upon completion of our audit of the Program's financial statements. Our report will be addressed to the Governance and Management of the State of Oklahoma Water Resources Board. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide



an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Program is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

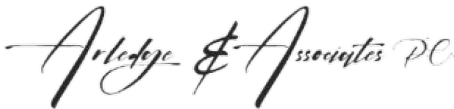
**Cost of Consequential Damages**

Any liability of Arledge & Associates, P.C. and its personnel to the Board is limited to the amount of the annual fee the Board paid for this audit engagement as liquidated damages.

The Board agrees that any dispute regarding this engagement will, prior to resorting to litigation, be submitted to mediation upon request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The American Arbitration Association will administer any such mediation in accordance with its Commercial Mediation Rules. The results of the mediation proceeding shall be binding only if both Arledge & Associates, P.C. and the Board agree to be bound. Arledge & Associates, P.C. and the Board will share any cost of mediation equally.

We appreciate the opportunity to be of service to the Board and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,



Arledge & Associates, P.C.

RESPONSE:

This letter correctly sets forth the understanding of the State of Oklahoma Water Resources Board.

Management signature: \_\_\_\_\_

Title: Chief, Financial Asst. Division

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: Chairman, Oklahoma Water Resources Board

Date: \_\_\_\_\_

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## STATE OF OKLAHOMA WATER RESOURCES BOARD

### Document Request – FAP Administration Fund June 30, 2024

- 1) List of members of management and the governing Board.
- 2) Access to the minutes of Board meetings held during the period under audit.
- 3) Copies of updates to the policy and procedure manuals in use regarding loan issuance and subsequent loan monitoring procedures.
- 4) Copy of current chart of accounts and accounting manual (if applicable).
- 5) Copies of the internal financial statements for the FAP Administration Fund program as of June 30, 2024.
- 6) Trial balance for the Program as of June 30, 2024.
- 7) PDF copies of the general ledger for the program.
- 8) Preparation of confirms for cash, investments, notes receivable, bonds payable and notes payable.
- 9) Copies of year-end bank/state treasurer cash and investment account reconciliations.
- 10) Copies of any changes to laws, regulations and compliance requirements that directly and materially affect the Board or the program.
- 11) Copies of any changes to trustee bank agreements related to the program.
- 12) Schedule of investments held at year-end.
- 13) Loan receivable schedules by bond issue.
- 14) Schedule of interest receivable - investments.
- 15) Schedule of interest income - investments.
- 16) Schedule of other income.
- 17) Schedule of administrative expenses.
- 18) Access to all other supporting documentation as necessary.

**AGENDA ITEM 3D(21)**

**PROFESSIONAL SERVICES ENGAGEMENT LETTER**

**WITH:** Arledge & Associates, P.C.

**PURPOSE:** To provide auditing services related to the Board's financial assistance programs for Revenue Bond Issues Audit.

**AMOUNT:** Not to exceed \$75,970.00

**TERM:** July 1, 2024 through June 30, 2025



## **AUDIT ENGAGEMENT LETTER REVENUE BOND ISSUES AUDIT**

April 12, 2024

To the Governance and Management of the State of Oklahoma Water Resources Board

We are pleased to confirm our understanding of the services we are to provide the State of Oklahoma Water Resources Board (the "Board") for the year ended June 30, 2024.

### **Audit Scope and Objectives**

We will audit the combined financial statements of the revenue bond issue programs of the Board as of and for the year ended June 30, 2024. Specifically, we will audit the financial statements that are comprised of the combined totals of the Board's 1986 General Bond Resolution bond issues – Series 2012A, 2013A, 2013B, 2014A, 2014B, 2014C, 2015A, and the General Debt Service Reserve Fund (the "Program"). Additionally, we will audit the financial statements that are comprised of the combined totals of the Board's 2016 General Bond Resolution bond issues – Series 2016A, 2017A, 2017B, 2017C, 2018A, 2018B, 2018C, 2018D, 2019A, 2019B, 2019C, 2020A, 2020B, 2020C, 2020D, 2020E, 2020F, 2021A, 2021B, 2021C, 2021D, 2022A, 2022B, 2023A, 2023B, 2023C, 2024A, 2024B, the 2016 Debt Service Reserve Fund, and all other bonds issued subsequent to the reporting date of the prior year report (the "Program"). Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Program's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Program's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

#### 1) Management's Discussion and Analysis

We have also been engaged to report on supplementary information other than RSI that accompanies the Program's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- 1) Combining Statement of Net Assets
- 2) Combining Statement of Revenues, Expenses, and Changes in Net Position
- 3) Combining Statement of Cash Flows



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The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of the Programs and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for the interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

According to GAAS, significant risks include management override of controls, and GAAS presumes that revenue recognition is a significant risk. Accordingly, we have considered these as significant risks.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

#### **Audit Procedures—Internal Control**

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Program's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.



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## Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. The summary schedule of prior audit findings should be available for our review on June 30, 2024.

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have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

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The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Oklahoma State Auditor and Inspector. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Jake Winkler, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be \$75,970. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Because our Engagement Letter provides ongoing access to the accounting and business advice you need on a fixed-price basis, you are not inhibited from seeking timely advice from us. While the fixed price entitles you to unlimited consultation with us, if your questions or issues require additional research and analysis beyond consultation, that

work will be subject to an additional price negotiation before the service is to be performed, an Addendum to the Engagement Letter will be issued before delivery of the additional service is to be performed, with payment terms agreed to in advance. By virtue of signing this document, you have indicated that your reporting entity has been appropriately defined, all trial balances will be reasonably adjusted, your key accounts will be reconciled, unusual transactions, significant financial estimates and disclosures have been communicated to us prior to the date at the top of this letter. Also you have indicated that the entity has competent personnel in key financial positions and there has been no turnover in the accounting/finance department. If we find that the facts are different for any of the preceding assumptions, we will negotiate an Addendum to the Engagement Letter and negotiate a new engagement fee before we issue our final report.

### **Reporting**

We will issue a written report upon completion of our audit of the Program's financial statements. Our report will be addressed to the Governance and Management of the State of Oklahoma Water Resources Board. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Program is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

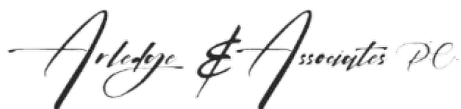
### **Cost of Consequential Damages**

Any liability of Arledge & Associates, P.C. and its personnel to the Board is limited to the amount of the annual fee the Board paid for this audit engagement as liquidated damages.

The Board agrees that any dispute regarding this engagement will, prior to resorting to litigation, be submitted to mediation upon request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The American Arbitration Association will administer any such mediation in accordance with its Commercial Mediation Rules. The results of the mediation proceeding shall be binding only if both Arledge & Associates, P.C. and the Board agree to be bound. Arledge & Associates, P.C. and the Board will share any cost of mediation equally.

We appreciate the opportunity to be of service to the Board and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,



Arledge & Associates, P.C.



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RESPONSE:

This letter correctly sets forth the understanding of the State of Oklahoma Water Resources Board.

Management signature: \_\_\_\_\_

Title: Chief, Financial Asst. Division

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: Chairman, Oklahoma Water Resources Board

Date: \_\_\_\_\_

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## STATE OF OKLAHOMA WATER RESOURCES BOARD

### Document Request – STATE REVOLVING FUND AND BOND ISSUE AUDITS June 30, 2024

- 1) List of members of management and the governing Board.
- 2) Access to the minutes of Board meetings held during the period under audit.
- 3) Copies of updates to the policy and procedure manuals in use regarding loan issuance and subsequent loan monitoring procedures.
- 4) Copy of current chart of accounts and accounting manual (if applicable).
- 5) Copies of the internal financial statements for the SRF program and each of the Bond Issues as of June 30, 2024.
- 6) Trial balance for the SRF program and each of the Bond Issue programs as of June 30, 2024.
- 7) PDF copies of the general ledger for each Bond Issue and the SRF program.
- 8) Preparation of the worksheet that combines all of the individual Bond Issue programs' Statements of Net Assets and Statements of Revenues and Expenditures to arrive at the combined totals for each statement. These will be needed prior to the start of fieldwork.
- 9) Preparation of confirms for cash, investments, notes receivable, bonds payable and notes payable.
- 10) Copies of year-end bank/state treasurer cash and investment account reconciliations.
- 11) Copies of final official offering statements on FY-2024 bond issues and SRF notes payable issued along with any subsequent modifications to any existing agreements.
- 12) Copies of any changes to laws, regulations and compliance requirements that directly and materially affect the Board, bond issues, notes receivable, and SRF program.
- 13) Copies of any changes to trustee bank agreements related to bond issues/SRF program.
- 14) Copies of the most recent arbitrage rebate calculations.
- 15) Schedule of investments held at year-end.
- 16) Loan receivable schedules by bond issue/SRF.
- 17) Schedule of loans funded during the year and also loan commitments at year-end.
- 18) Loans receivable past due report.
- 19) Bond premium/discount analysis schedule.
- 20) Schedule of interest receivable - notes.
- 21) Schedule of interest receivable - investments.



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- 22) Schedule of accrued interest payable.
  - 23) Bonds payable schedule.
  - 24) Schedule of interest income - investments.
  - 25) Schedule of interest income - notes.
  - 26) Schedule of other income.
  - 27) Schedule of bond interest expense.
  - 28) Schedule of administrative expenses.
  - 29) Analysis of Federal Letter of Credit activity during the year.
  - 30) Access to all other supporting documentation as necessary.
  - 31) Any changes in SBPA / Insurance / GIC's – need copy of new agreements (if applicable).
  - 32) Schedules of loans paid off as of June 30, 2024.
  - 33) Schedule of loans issued / closed during FY-2024.



**AGENDA ITEM 3D(22)**

**PROFESSIONAL SERVICES ENGAGEMENT LETTER**

**WITH:** Arledge & Associates, P.C.

**PURPOSE:** To provide auditing services related to the Board's financial assistance programs for the American Rescue Plan Act (ARPA) financial statements and Uniform Guidance Single Audit

**AMOUNT:** Not to exceed \$41,000.00 (\$20,000.00 for 2023 and \$21,000.00 for 2024)

**TERM:** July 1, 2024 through June 30, 2025



**AUDIT ENGAGEMENT LETTER**  
**OWRB - AMERICAN RESCUE PLAN ACT FUNDING**

April 12, 2024

To the Governance and Management of the State of Oklahoma Water Resources Board

We are pleased to confirm our understanding of the services we are to provide the State of Oklahoma Water Resources Board (the "Board") for the year ended June 30, 2024 and 2023.

**Audit Scope and Objectives**

We will audit the financial statements of the American Rescue Plan Act Fund (the "Program") as of and for the year ended June 30, 2024 and 2023. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Program's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Program's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform*

### **Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit**

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and Government Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, Government Auditing Standards do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and Government Auditing Standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for the interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events considered in the aggregate that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

According to GAAS, significant risks include management override of controls, and GAAS presumes that revenue recognition is a significant risk. Accordingly, we have considered these as significant risks.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

### **Audit Procedures—Internal Control**

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Program's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Program's major programs. The purpose of these procedures will be to express an opinion on the Program's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

### **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and



for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on June 30, 2024.

With regard to including the auditor's report in an exempt offering document, you agree that the aforementioned auditor's report, or reference to Arledge & Associates, P.C., will not be included in any such offering document without our prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report. Your responsibilities include acknowledging to us in the

written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

### **Other Services**

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the Program in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

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Advanceflow and Sharefile Portals are used solely to transmit data and is not intended to store the Program's information. The Board is responsible for downloading any deliverables and other records from the Advanceflow and Sharefile portals that it wishes to retain for its own records at the completion of the engagement. For multi-year engagements, such downloading should occur annually.

Upon completion of the engagement, data and other content will either be removed from the Advanceflow and Sharefile portals or become unavailable to the Board within a reasonable time frame, which is approximately 6 months from engagement completion. For multi-year engagements, completion of the engagement occurs when the deliverables are completed for that year.

### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the State of Oklahoma Water Resources Board; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Arledge & Associates P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Oklahoma State Auditor and Inspector or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Arledge & Associates, P.C. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Oklahoma State Auditor and Inspector. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Jake Winkler, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be \$41,000, \$20,000 for 2023 and \$21,000 for 2024. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Because our Engagement Letter provides ongoing access to the accounting and business advice you need on a fixed-price basis, you are not inhibited from seeking timely advice from us. While the fixed price entitles you to unlimited consultation with us, if your questions or issues require additional research and analysis beyond consultation, that work will be subject to an additional price negotiation before the service is to be performed, an Addendum to the Engagement Letter will be issued before delivery of the additional service is to be performed, with payment terms agreed to in advance. By virtue of signing this document, you have indicated that your reporting entity has been appropriately defined, all trial balances will be reasonably adjusted, your key accounts will be reconciled, unusual transactions, significant financial estimates and disclosures have been communicated to us prior to the date at the



top of this letter. Also, you have indicated that the entity has competent personnel in key financial positions and there has been no turnover in the accounting/finance department. If we find that the facts are different for any of the preceding assumptions, we will negotiate an Addendum to the Engagement Letter and negotiate a new engagement fee before we issue our final report.

### **Reporting**

We will issue a written report upon completion of our audit of the Program's financial statements. Our report will be addressed to the Governance and Management of the State of Oklahoma Water Resources Board. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Program is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

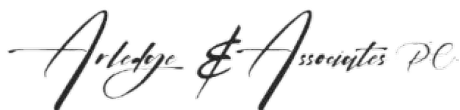
### **Cost of Consequential Damages**

Any liability of Arledge & Associates, P.C. and its personnel to the Board is limited to the amount of the annual fee the Board paid for this audit engagement as liquidated damages.

The Board agrees that any dispute regarding this engagement will, prior to resorting to litigation, be submitted to mediation upon request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The American Arbitration Association will administer any such mediation in accordance with its Commercial Mediation Rules. The results of the mediation proceeding shall be binding only if both Arledge & Associates, P.C. and the Board agree to be bound. Arledge & Associates, P.C. and the Board will share any cost of mediation equally.

We appreciate the opportunity to be of service to the Board and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,



Arledge & Associates, P.C.

RESPONSE:

This letter correctly sets forth the understanding of the State of Oklahoma Water Resources Board.





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Management signature: \_\_\_\_\_

Title: Chief, Financial Asst. Division

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: Chairman, Oklahoma Water Resources Board

Date: \_\_\_\_\_

**AGENDA ITEM 3D(23)**

**PROFESSIONAL SERVICES ENGAGEMENT LETTER**

**WITH:** Crawford & Associates, P.C.

**PURPOSE:** To provide account services related to the Board's financial assistance programs.

**AMOUNT:** Not to exceed \$75,000.00

**TERM:** July 1, 2024 through June 30, 2025



May 1, 2024

Honorable Chairman and Members of the Board  
Oklahoma Water Resources Board  
3800 N Classen Blvd.  
OKC, OK 73118

To the Honorable Chairman and Members of the Board:

Crawford & Associates, P.C. is pleased that the Oklahoma Water Resources Board (OWRB) continues to express its confidence in our firm and our state and local government expertise. We look forward to a continued long and successful relationship as an integral financial management resource to the OWRB's management and governing body.

We are prepared to provide a full range of accounting and consulting services to the OWRB contingent upon approval of your management and/or governing body. The purpose of this engagement letter is to identify the scope of available services from Crawford & Associates, the specific initial services requested at this time, and to confirm the terms, objectives, and limitations of our engagement services.

### Scope of Services

The scope of professional services that are available and can be provided to the OWRB are outlined below under the heading *Scope of Available Services*. While this listing includes a range of services available from Crawford & Associates, the specific initial services requested to be provided at the current time are separately identified under the heading *Initial Services Requested*. Any additional services that are available from Crawford & Associates beyond these initially requested services can be provided upon subsequent specific request and agreement.

#### Scope of Available Services

Preparation of Annual Financial Statements  
General Accounting and Advisory Assistance  
Budget Preparation and Amendment Assistance  
Capital Asset Records and Accounting Assistance  
Information Technology System Assistance  
Internal Control Policies and Procedures Assistance  
Labor Relations Consulting  
Laws and Regulations Compliance Assistance  
Investigation of Allegations or Concerns  
Tax and Other Regulatory Report Assistance

#### Initial Services Requested

General Accounting and Advisory Assistance:

- Monthly reconciliation of bank accounts to include data entry into MIP system
- Preparation of quarterly cash basis financial statements
- Annual preparation of accrual entries

Preparation of Annual Financial Statements

### **Services Related to the Preparation of Annual Financial Statements**

You have requested that we prepare the annual financial statements of the financial reporting entity of OWRB as of and for the year ended June 30, 2024. Such financial statements will include:

- a. Basic Financial Statements, including notes to the financial statements
- b. Required Supplementary Information
- c. Supplementary Information (to the extent management elects to include)
- d. Other Information (to the extent management elects to include)

### *Crawford & Associates' Responsibilities*

The objective of our engagement is to prepare the annual financial statements in accordance with accounting principles generally accepted in the United States of America based on information provided by you. We will conduct our engagement in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion or provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

### *Management Responsibilities*

The engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America. Management has the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your financial statements in accordance with SSARs:

- a. The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements
- b. The prevention and detection of fraud
- c. To ensure that the entity complies with the laws and regulations applicable to its activities
- d. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements

e. To provide us with:

- i. Documentation, and other related information that is relevant to the preparation and presentation of the financial statements,
- ii. Additional information that may be requested for the purpose of the preparation of the financial statements, and
- iii. Unrestricted access to persons within OWRB of whom we determine necessary to communicate.

The financial statements will not be accompanied by a report. However, you agree that the financial statements will clearly indicate that no assurance is provided on them.

#### **Other Requested and Available Services**

In conjunction with the other requested and available services (other than the compilation of the annual financial statements) as identified in the Scope of Services section of this letter, Crawford & Associates will be responsible for providing such services upon request in accordance with the applicable professional standards of the AICPA. It is anticipated that most if not all of these other services will be performed in accordance with the standards applicable to consulting services as prescribed by the AICPA.

Crawford & Associates, is not obligated to, but may report or otherwise communicate to management any recommendations, it determines necessary, resulting from the professional services provided.

Management and the governing body will be responsible for establishing the scope of our other professional services to be provided and for providing the necessary resources allocated to the work; such responsibility includes determining the nature, scope, and extent of the services to be performed, providing sufficient appropriation for the estimated cost of these services, providing overall direction and oversight for each service, and reviewing and accepting the results of the work.

#### **Access to Working Papers and Reports**

Any working papers prepared by Crawford & Associates in connection with performing the compilation and other professional services are the property of Crawford & Associates. Upon request, copies of any or all working papers and reports that we consider to be nonproprietary will be provided to management. Management may make such copies available to its external auditors and to certain regulators in the exercise of their statutory oversight responsibilities. Such copies may not be made available to any other third party without the prior written consent from Crawford & Associates.

#### **Fees and Costs**

Fees and out-of-pocket expenses for this engagement will be billed as the work progresses and payable upon receipt of our invoices. Out-of-pocket expenses include such costs incurred by Crawford & Associates in providing the services including travel, lodging, telecommunications, printing, document reproduction, and the like. Our fees for these services anticipated at this time will be billed at a discounted average hourly rate of \$100, regardless of the individual performing such services, based on the actual number of hours of work, including travel time, performed by that individual.

Because Crawford & Associates has no direct control over the type and amount of services requested by the management or the governing body during the term of this engagement, nor does Crawford & Associates have direct control over the quality of your accounting system or records, potential turnover of your staff, or your staffing levels, resources, or capabilities, it is impractical for us to provide an accurate amount of hours that will be required for the services requested or a not-to-exceed limit on fees and expenses charged.

We will rely on you to provide us with a copy of approved purchase orders, containing estimated fees and expenses, monitor the cumulative fees and expenses charged, and notify us if and when the cumulative amount approaches the total appropriated level estimated. You also agree to provide sufficient appropriation for all services requested prior to the services being performed. For purposes of purchase order preparation, we estimate that the fees for the services anticipated at this time, as defined in the Scope of Services section of this letter, will approximate \$75,000, however we will only bill for actual time and material costs incurred.

The term of this engagement is a period from July 1, 2024 through June 30, 2025. Crawford & Associates may perform additional services upon receipt of a formal request from management or the governing body with terms and conditions that are acceptable to both parties.

The agreements and undertakings contained in this engagement letter, shall survive the completion or termination of this engagement.

**Acceptance**

Please indicate your acceptance of this agreement by signing in the space provided below and returning this engagement letter to us. A duplicate copy of this engagement letter is provided for your records. We look forward to continuing our professional relationship with the OWRB.

Respectfully submitted and agreed to by,



Frank Crawford  
Crawford and Associates, P.C.

**Accepted and agreed to for the OWRB:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



PERMIT NO. 91385  
LICENSE NO. 11780

# Firm Practice License

This certifies that:

**CRAWFORD & ASSOCIATES, P.C.**

whose credentials have been approved by the:

**Oklahoma Accountancy Board**

and has fulfilled all requirements for renewal and registration as required by the Laws of this State and is hereby authorized to practice as an:

**Public Accounting Firm**

Issue Date:	Expiration Date:	For the most up to date information on this licensee visit our online licensee lookup at <a href="https://www.ok.gov/oab/">https://www.ok.gov/oab/</a>
07/01/2023	06/30/2024	



**AGENDA ITEM 3D(24)**

**PROFESSIONAL SERVICES AGREEMENT**

**WITH:** Arbitrage Compliance Specialist, Inc.

**PURPOSE:** For arbitrage services in connection with the issuance of the state government entity obligations and indebtedness for OWRB loan programs.

**AMOUNT:** Not to exceed \$35,000.00

**TERM:** July 1, 2024 through June 30, 2025

## **Agreement to Provide Services as Arbitrage Rebate Consultant**

This Agreement to Provide Services as Arbitrage Rebate Consultant (the “Agreement”) is entered into as of the 1st day of July, 2024, by and between Arbitrage Compliance Specialists, Inc.. (the “Consultant”) and the Oklahoma Water Resources Board (the “OWRB”), a body corporate and politic and an instrumentality, agency and department of the State of Oklahoma (the “State”).

WHEREAS, the OWRB has heretofore resolved to and issued its obligations of indebtedness pursuant to Title 82, Oklahoma Statutes, Section 1085.33, as amended, to meet the future water and sewer funding needs of the people of the State of Oklahoma; and

WHEREAS, the OWRB requires the services of an arbitrage rebate consultant for the purpose of complying with applicable federal laws regarding tax-exempt obligations of indebtedness; and

WHEREAS, the OWRB has requested proposals from a plurality of qualified entities providing arbitrage rebate consulting services pursuant to a Request for Proposals for Arbitrage Rebate Consultant; and

WHEREAS, the Consultant represents that it has the requisite experience and expertise required to provide such services; and

WHEREAS, the OWRB has duly selected the Consultant to provide such services to the OWRB;

NOW THEREFORE, it is hereby agreed that:

- 1. Services by the Consultant.** The Consultant shall, in consideration of the compensation to be paid to it by the OWRB pursuant to paragraph 2, below, provide the arbitrage rebate consultant services specified in Exhibit A, attached hereto and incorporated herein by this reference, as and when requested by the OWRB during the term of this Agreement.
- 2. Payment.**
  - A. Amounts to be paid. For and in consideration of the consulting services to be provided by the Consultant, the OWRB shall pay the Consultant an amount not to exceed \$35,000.00, such total amount being inclusive of all fees and expenses for all work pursuant to paragraph 1 above for the initial term of this Agreement.
  - B. Mode of payment. Payment shall be made as follows:  
The Consultant shall submit invoices upon completion of the Report for each Issue. The invoices shall detail the work performed, previous billings, billing to date, budgeted amounts, and remaining funds.
- 3. Written Records Required.** The Consultant shall be compensated pursuant to this Agreement only to the extent that it maintains reasonable records which provide evidence of the services actually performed and expenses actually incurred.
- 4. Term.** The term of this Agreement shall be from July 1, 2024 until June 30, 2025, unless sooner terminated pursuant to paragraph 6 below. PROVIDED HOWEVER, the contract may be extended beyond June 30, 2025 to allow for the timely completion of services contemplated under the Scope of Work. The OWRB shall have the exclusive option to renew this Agreement for up to three (3) subsequent one-year periods by written amendment executed by both parties.

- 5. Assignment.** This Agreement is personal in nature and may not be sold, assigned, or otherwise transferred to any other person or entity without the express written approval of the OWRB.
- 6. Termination.** This Agreement may be terminated at any time, with or without cause, by either party upon thirty (30) days' notice in writing to the non-terminating party.
- 7. Contract for Professional Services.** This agreement constitutes a contract for professional services requisite to and in connection with the issuance of State Governmental Entity obligations of indebtedness as set forth in Title 62 O.S. 2011, Section 695.7(C)(1).
- 8. Audit and Records Clause.**
- A. As used in this clause, "records" includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form. In accepting this Agreement with the OWRB, the Consultant agrees any pertinent State or Federal agency will have the right to examine and audit all records relevant to services provided under this Agreement.
- B. The Consultant is required to retain all records relevant to this Agreement for the duration of the Agreement term and for a period of three years following completion and/or termination of the contract. If an audit, litigation, or other action involving such records is started before the end of the three year period, the records are required to be maintained for three years from the date that all issues arising out of the action are resolved or until the end of the three year retention period, whichever is later.
- 9. Generally Accepted Professional Practices.** The Consultant represents that the services to be furnished under this Agreement will be in accordance with generally accepted professional practices for arbitrage rebate consultants.
- 10. Key Personnel.** The personnel designated for the performance of the services under this Agreement by the Consultant in its proposal shall be the personnel assigned to the performance of this agreement. The OWRB's Division Chief of the Financial Assistance Division shall be the OWRB's principal contact for these services. Any changes in these key personnel shall be subject to the approval of the OWRB.
- 11. Independent Contractor.** The Consultant is an independent contractor, not an employee, agent, or representative of the OWRB. As such, without limiting the foregoing, neither the Consultant nor any of its employees shall be entitled to receive any of the benefits of the State personnel system, or the OWRB personnel system, or have any claim therefor whatsoever. In addition, the Consultant shall maintain worker's compensation insurance for its agents and employees in an amount acceptable to the OWRB.
- 12. Indemnification.** The Consultant hereby agrees to indemnify, hold harmless, and defend the OWRB and the State from all claims and liability arising out of the negligent, intentionally wrongful, or willful acts, errors, or omissions of the Consultant, its agents, and/or employees in performing the work required by this Agreement.
- 13. Data.** All information, data, and analyses gathered, generated, or otherwise prepared by the Consultant during the performance of this Agreement, including, but not limited to: all analyses in whatever form; published reports, articles, and documents of any nature; written, typed, and printed documents; visual aids; computer programs developed for or used in the

assignment; and all current computer input and output data; shall become the property of the OWRB and shall be delivered, appropriately indexed, to the OWRB by the Consultant upon demand at any time prior to or after the termination of this Agreement. One or more copies of all documents prepared under this Agreement may be retained by the Consultant, but shall not be used for or supplied to any third party without the written consent of the OWRB.

**14. Legal Compliance.** At all times during the performance of this Agreement, the Consultant shall strictly adhere to all applicable federal and state laws that have been or may hereafter be established.

**15. Notices.** All notices, directives, and approvals relating to this Agreement shall be in written form delivered in person or by United States mail, postage prepaid, as follows:

If to the OWRB:

Oklahoma Water Resource Board  
ATTN: Division Chief  
Financial Assistance Division  
3800 North Classen Boulevard  
Oklahoma City, Oklahoma 73118

If to the Consultant:

Arbitrage Compliance Specialists, Inc.  
Attn: Doug Pahnke  
6041 S. Syracuse Way #310 Greenwood Village, CO 80111

**16. Entire Agreement.** The terms of the OWRB's Request for Proposals distributed to a plurality of service providers on or about March 24, 2014, and the Consultant's proposal in response are hereby incorporated by reference into this agreement and shall be binding on the parties as if set forth here in their entirety. Provided, however, in case any of the terms of the OWRB's Request for Proposals or the Consultant's proposal are inconsistent with the main body of this agreement, the terms in the main body of this agreement shall control. This agreement is intended as the complete integration of all understandings between the parties. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or effect whatsoever unless embodied herein in writing or specifically incorporated herein by reference. No subsequent novation, renewal, addition, deletion, or other amendment hereto, except as provided for in paragraph 13, above, shall have any force or effect unless embodied in a written contract duly executed and approved.

**17. Agreement Inconsistencies.** In the event that any provision of the Scope of Work attached hereto as Exhibit A should be in any way inconsistent or in conflict with the terms and conditions of this Agreement, then the terms and conditions of this Agreement shall control.

**18. Severability.** If any part of this Agreement, including, but not limited to, any Exhibit, provision, paragraph, clause, phrase, or words, is found to be in conflict with applicable laws, such part shall be inoperative, null, and void insofar as it is in conflict with said laws, but the remainder of the Agreement shall be given full force and effect.

**19. Survival.** Any agreements and covenants herein which require performance after the term of the agreement shall survive the expiration of the term of the agreement.

**20. Choice of Law.** The laws of the State of Oklahoma shall be applied in the interpretation, execution, and enforcement of this Agreement.

**21. Disputes.** This Agreement is made and performed in Oklahoma, and the parties agree that the trial of any action arising out of any dispute hereunder shall be in the District Court of Oklahoma County in the State of Oklahoma.

**22. Specific Performance.** This is an Agreement for performance of unique professional services by the Consultant, and it may, at the option of the OWRB, be enforced by an action for specific performance.

**[Remainder of Page Left Blank Intentionally]**

IN WITNESS WHEREOF, this Agreement to Provide Services as Arbitrage Rebate Consultant is duly executed, to be effective as of the 1st day of July, 2024.

Arbitrage Compliance Specialists, Inc

\_\_\_\_\_  
Name Title Date

ATTEST:

\_\_\_\_\_  
Name Title Date

OKLAHOMA WATER RESOURCES BOARD (“OWRB”)

\_\_\_\_\_  
Chairman Date

ATTEST:

\_\_\_\_\_  
Secretary Date  
(SEAL)

STATE OF \_\_\_\_\_ )  
 ) ss  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me on \_\_\_\_\_, 2024, by  
\_\_\_\_\_ as \_\_\_\_\_ on behalf of the Consultant.  
(Name) (Title)

\_\_\_\_\_  
Notary Public

(SEAL)

My Commission expires: \_\_\_\_\_

## **Exhibit A**

### **Scope of Work**

The Consultant shall perform the following services, as appropriate, for each of its outstanding tax exempt obligations:

1. Calculation of Arbitrage Rebate Liability, if any, on each series of outstanding tax-exempt obligations;
2. Timely preparation of written reports with respect to each obligation; and
3. Timely preparation of proper filing documentation with respect to each obligation;

The Consultant shall complete such respective calculations and determinations in accordance with (i) as and if applicable, the Arbitrage and Use of Proceeds Certificate delivered by the Board in conjunction with that series of obligations, and (ii) applicable provisions of the Internal Revenue Code, Treasury Regulations, or other applicable authority. The Consultant shall complete such respective calculations and determinations no later than forty (40) days after the anniversary of each series of bonds and notes and submit to the Board a written report of the calculations and determinations of the rebate amounts in order to assure compliance with the 60 (sixty) day filing deadline. The Consultant shall also prepare and provide the Board with IRS Form 8038-T, including supporting documentation, if rebate is due on or before the applicable deadline date for each series of bonds and notes, which is generally sixty (60) days after the fifth-year computation date.

The following outstanding obligations will require arbitrage calculations during the 2024 Fiscal Year (July 1, 2024 to June 30, 2025):

#### **State Loan Program Revenue Bonds**

- \$33,445,000 State Loan Program Revenue Bonds, Series 2012A
- \$43,290,000 State Loan Program Revenue Bonds, Series 2013A
- \$5,460,000 State Loan Program Revenue Bonds, Series 2013B
- \$10,180,000 State Loan Program Revenue Bonds, Series 2014A
- \$9,595,000 State Loan Program Revenue Bonds, Series 2014B
- \$20,000,000 State Loan Program Revenue Bonds, Series 2014C
- \$21,540,000 State Loan Program Revenue Bonds, Series 2015A
- \$16,435,000 State Loan Program Revenue Bonds, Series 2016A
- \$27,510,000 State Loan Program Revenue Bonds, Series 2017A

- \$8,310,000 State Loan Program Revenue Bonds, Series 2017B
- \$23,325,000 State Loan Program Revenue Bonds, Series 2017C
- \$6,720,000 State Loan Program Revenue Bonds, Series 2018A
- \$26,215,000 State Loan Program Revenue Bonds, Series 2018B
- \$42,960,000 State Loan Program Revenue Bonds, Series 2018C
- \$19,770,000 State Loan Program Revenue Bonds, Series 2018D
- \$48,130,000 State Loan Program Revenue Bonds, Series 2019A
- \$13,915,000 State Loan Program Revenue Bonds, Series 2019B
- \$25,635,000 State Loan Program Revenue Bonds, Series 2019C
- \$43,565,000 State Loan Program Revenue Bonds, Series 2020A
- \$7,585,000 State Loan Program Revenue Bonds, Series 2020C
- \$18,145,000 State Loan Program Revenue Bonds, Series 2020E
- \$15,845,000 State Loan Program Revenue Bonds, Series 2021A
- \$15,795,000 State Loan Program Revenue Bonds, Series 2021B
- \$21,330,000 State Loan Program Revenue Bonds, Series 2021C
- \$26,320,000 State Loan Program Revenue Bonds, Series 2021D
- \$29,260,000 State Loan Program Revenue Bonds, Series 2022A
- \$74,465,000 State Loan Program Revenue Bonds, Series 2022B
- \$46,370,000 State Loan Program Revenue Bonds, Series 2023A
- \$174,670,000 State Loan Program Revenue Bonds, Series, 2023B
- \$43,475,000 State Loan Program Revenue Bonds, Series 2023C
- \$84,485,000 State Loan Program Revenue Bonds, Series 2024A



### **State Revolving Fund Loan Programs**

- \$100,620,000 Clean Water State Revolving Fund Revenue Bonds, Series 2015
- \$90,000,000 Drinking Water State Revolving Fund Revenue Bonds, Series 2016
- \$80,000,000 Drinking Water State Revolving Fund Revenue Bonds, Series 2018
- \$95,000,000 Drinking Water State Revolving Fund Revenue Bonds, Series 2020
- \$100,000,000 Clean Water State Revolving Fund Revenue Bonds, Series 2020A
- \$199,000,000 Drinking Water State Revolving Fund Revenue Bonds, Series 2021
- \$150,000,000 Clean Water State Revolving Fund Revenue Bonds, Series 2023
- \$175,000,000 Drinking Water State Revolving Fund Revenue Bonds, Series 2023A

**AGENDA ITEM 3D(25)**

**ADDENDUM TO ISSUER USER AGREEMENT**

**WITH:** BondLink, Inc.

**PURPOSE:** For investor support services for OWRB bond issuances.

**AMOUNT:** Not to exceed \$1200.00

**TERM:** July 1, 2024 through June 30, 2025

## ADDENDUM TO ISSUER USER AGREEMENT

This Addendum to the Issuer User Agreement has entered into as of this 30th day of June, 2024 (the “Addendum”) among the State of Oklahoma, acting through its State Treasurer’s Office (the “Treasurer’s Office”), BondLink, Inc. (“BondLink”) and the Oklahoma Water Resources Board (“OWRB”), supplementing that certain Issuer User Agreement dated as of November 1, 2018 (the “User Agreement”) between the Treasurer’s Office and BondLink. Capitalized terms used herein shall have the meaning ascribed thereto in the User Agreement.

WHEREAS, the Treasurer’s Office and BondLink entered into the User Agreement pursuant to which BondLink agreed to provide access to and use of its Services by the Treasurer’s Office’s Site pursuant to the terms and conditions of the User Agreement;

WHEREAS, OWRB desires to access and use the Services for its website OWRBbonds.com (the “OWRB Site”) on the same terms and conditions as set forth in the User Agreement, and the Treasurer’s Office and BondLink have agreed to supplement the User Agreement by adding OWRB as an Issuer thereunder and the OWRB Site within the definition of “Site”.

NOW THEREFORE, to the extent permitted by law, in consideration for the foregoing, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. OWRB hereby represents and warrants that it has read and understands the terms and conditions of access to and use of the Services as set forth in the User Agreement. OWRB agrees that it shall be bound by all of the terms and conditions of the User Agreement, including all applicable terms and conditions of our [Privacy Policy](#) which are incorporated therein, the restrictions on use, limitation of liability and BondLink’s disclaimer of warranty. Without limiting the foregoing, OWRB specifically grants BondLink a worldwide, royalty-free, fully-paid, non-exclusive, transferable (in connection with an assignment of the User Agreement) and sublicensable license to copy, publicly perform, publicly display, publish, distribute, and otherwise exploit Your Content as we in our sole and absolute discretion deem appropriate to operate and maintain the Services for you, (ii) modify, copy, distribute and incorporate into the Services (without attribution of any kind) any suggestions, enhancement request, recommendations, proposals, correction or other feedback or information provided by you, your Representatives relating to the Services or BondLink’s business; and (iii) use your business name(s), trademarks, service marks or logos (collectively, “Your Marks”) in connection with providing the Services and with your prior written consent, for marketing and promotional purposes in connection with BondLink’s business.

2. The parties agree that for all purposes of the User Agreement, the terms Issuer, Issuer User, you and your shall refer to both the Treasurer’s Office and OWRB and that the term Site shall refer to both the Site and OWRB Site.

3. Costs of Issuance Fees, monthly fees, and build out fees with respect to OWRB’s use of the Services shall be billed to OWRB and calculated at the same rates as set forth in the User Agreement. Cost of issuances and monthly subscription will begin when OWRB issues its first bonds under this Agreement. Initial build out fee will be invoiced in June.

4. The terms of the User Agreement remain in full force and effect and are not otherwise modified supplemented, or amended hereby, except to the extent that OWRB is hereby added as an Issuer under the User Agreement.

The parties have caused this Addendum to be executed by their respective duly authorized signing officers as of June 30, 2024.

BONDLINK, INC.

By: \_\_\_\_\_  
Title:

OKLAHOMA WATER RESOURCES BOARD

By: \_\_\_\_\_  
Title:

### **3. SUMMARY DISPOSITION AGENDA ITEMS**

**WATER RIGHTS ADMINISTRATION DIVISION**  
**AND**  
**ENGINEERING AND PLANNING DIVISION**

**May 21, 2024**

**WATER RIGHTS ADMINISTRATION DIVISION**  
**Applications for Temporary Permits to Use Groundwater**

**May 21, 2024**

<b>APP. NO. &amp; DATE FILED</b>	<b>NAME OF APPLICANT</b>	<b>NUMBER OF WELLS</b>	<b>COUNTY &amp; BASIN</b>	<b>LAND DEDICATED</b>	<b>PURPOSE &amp; AMOUNT RECOMMENDED</b>
2023-553 04/28/2023	THI Group, LLC	1	LeFlore County, Kiamichi	80 acres Section 36, T8N, R23EIM	Agriculture 160 a.f.
2023-668 11/08/2023	Encore Cultivation, LLC	1	Jackson County, Southwestern Oklahoma	0.9 acres Section 19, T3N, R20WIM	Agriculture 0.5 a.f.

**WATER RIGHTS ADMINISTRATION DIVISION  
Well Driller and Pump Installer Licensing**

**May 21, 2024**

<b>DPC NUMBER</b>	<b>NAME OF FIRM</b>	<b>CERTIFIED ACTIVITIES</b>	<b>OPERATORS</b>
<b>New Licenses, Accompanying Operator Certificates and Activities:</b>			
DPC-1046	M & H Enterprises	Pump Installation	Mark Smith OP-2536
<b>New Operators, License Name Change, and/or Activities for Existing Licenses:</b>			
DPC-0065	F & H Drilling Services	Groundwater Wells & Pump Installation	Casey Pickard OP-2532
DPC-1023	Dolese Bros. Co.	Monitoring Wells	Dan Heidrick OP-2533
DPC-0587	J&B Pump Supply	Pump Installation	Jacob Barker OP-2535
DPC-0587	J&B Pump Supply	Plugging of certain water wells	Matthew Caraway OP-2200
DPC-0619	Talon LPE	Monitoring Wells, Groundwater Wells, Pump Installation, and Heat Exchange	Robert Meyer OP-2534
DPC-0371	Equus Environmental, LLC	Monitoring Wells	Justin Hoppis OP-2537

**ENGINEERING AND PLANNING DIVISION**  
**Applications to Construct, Enlarge, Repair or**  
**Alter Dam and/or Spillway**

**May 21, 2024**

<b>NID. NO. &amp; COUNTY</b>	<b>NAME OF APPLICANT &amp; NAME OF PROJECT</b>	<b>PLANS &amp; SPECS PREPARED BY</b>	<b>HAZARD CLASSIFICATION</b>	<b>LEGAL DESCRIPTION</b>
OK00115	Oklahoma Department Of Wildlife Conservation	Joseph C. Haydock, PE	Low	Sec. 18, T17N, R11WIM
Blaine County	Knob Creek Dam	Garver Engineering		

The applicant requests the approval for the repair and modification of a low hazard potential dam that was originally built in 1955. The purposes of the dam and reservoir are recreation and fish & wildlife. The proposed plan is to decommission the existing principal spillway outlet and install a toe drain on the downstream slope, a primary outlet control structure, and two auxiliary spillways on the southeast and northwest sides of the dam. The dam is 37 feet tall, with 355 acre-feet of normal storage, with a maximum impoundment capacity of 726 acre-feet.

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<b>NID. NO. &amp; COUNTY</b>	<b>NAME OF APPLICANT &amp; NAME OF PROJECT</b>	<b>PLANS &amp; SPECS PREPARED BY</b>	<b>HAZARD CLASSIFICATION</b>	<b>LEGAL DESCRIPTION</b>
OK30622	West Thomas Field Services	Tolga Ertugrul, PE	Low	Sec. 30, T15N, R15WIM
Custer County	West Thomas Field Services Dam	A & M Engineering and Environmental Services, Inc.		

The applicant requests the approval for the removal of a low hazard potential dam that was originally built without a permit from the OWRB. The dam does not currently impound water. The dam owner was given the option to bring the dam into compliance with OWRB dam safety standards for jurisdictional size dams or remove the dam.



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NID. NO. & COUNTY	NAME OF APPLICANT & NAME OF PROJECT	PLANS & SPECS PREPARED BY	HAZARD CLASSIFICATION	LEGAL DESCRIPTION
OK30634	Continental Resources	Doug Schrantz, PE	Significant	Sec. 35, T1N, R01WIM
Garvin County	Knob Creek Dam	Envirotech Engineering & Consulting, Inc.		

The applicant requests the approval for the construction of a new, significant hazard potential dam. The primary purpose of the dam is flowback water recycling for oil and gas operations. The dam will be 25 feet tall, with 163 acre-feet of normal storage, and a maximum impoundment compacity of 207 acre-feet. The proposed project includes two storage pits, a treatment pit, and a diversion pit contained by earthen embankments. There will be no spillway constructed for the project because no surface runoff will enter to the pits, only flowback fluid from oilfield activities or direct rainfall will enter. The facility will operate with a minimum of 3-ft of freeboard in all pits.

**ENGINEERING & PLANNING DIVISION**  
**Permit Applications for Proposed Development on**  
**State Owned or Operated Property with Floodplain Areas**

**May 21, 2024**

<b>Application NO.</b>	<b>NAME OF APPLICANT</b>	<b>LOCATION</b>	<b>PROJECT NARRATIVE</b>
FP-2024-9	ODOT	Bryan and Marshall Counties	Construction of new bridge across lake Texoma and to widen US-70 to four lanes

**ENGINEERING AND PLANNING DIVISION  
Floodplain Administrator Accreditation Applications**

**May 21, 2024**

<b>NUMBER</b>	<b>NAME OF COMMUNITY</b>	<b>FLOODPLAIN ADMINISTRATOR</b>
FPA-844	Adair County	Blake Woods
FPA-523	Muskogee County	Tyler Hulse
FPA-794	Garvin County	Keith Huitt

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

IN THE MATTER of )  
Stigler Lake dam in ) NID ID: OK00699  
Section 20, Township 9 North, )  
Range 21 East of the Indian Meridian, )  
Haskell County, Oklahoma. )

**CONSENT ORDER**

This Consent Order is entered into between the Oklahoma Water Resources Board (hereinafter “Board” or “OWRB”) and the of City of Stigler (hereinafter “Respondent”) pursuant to the Oklahoma Administrative Procedures Act, Section 309(E) of Title 75 of Oklahoma Statutes. The parties waive statutory requirements of formal notice of the preparation and service of proposed Findings of Fact, Conclusions of Law and Board Order, and the entry of final Findings, Conclusions and Order.

**MATTERS OF JURISDICTION AND AUTHORITY**

1. Respondent, as owner of the dam and spillway, is responsible for the safety of the structure and for meeting the requirements placed on owners of dams by the State of Oklahoma. *See* 82 O.S. §§ 110.1 et seq., Chapter 25 of Title 785 of the Oklahoma Administrative Code (OAC) Chapter 25, specifically OAC 785:25-3(a).

2. The Board is the state agency responsible for oversight and approval of the construction, repair, and alteration of certain dams in Oklahoma, including the Stigler Lake dam. *See* 82 O.S. §§110.5 and 110.10.

3. By agreement of the parties, an administrative hearing is not necessary, and this Consent Order is entered voluntarily.

**PARTIES BOUND**

4. This Order entered into by agreement once entered has the force of law and shall apply to and be binding upon the Board, the Respondent, and its agents, successors, and assigns. No change in the ownership or corporation status of any party shall alter its responsibilities under this Order.

## FINDINGS OF FACT

5. Respondent is an Oklahoma municipal corporation and organized and existing under the laws of the State of Oklahoma and is the owner of and party responsible for Stigler Lake dam and spillway located in Section 20, Township 10 North, Range 21 East Indian Meridian, Haskell County, Oklahoma.

6. Stigler Lake dam, included in the National Inventory of Dams (“NID”) as No. OK00699, is an earthen dam approximately 40 feet in height and can impound a maximum of 474 acre-feet of water. Stigler Lake dam is classified as high hazard potential because if the dam were to fail, the failure would probably cause loss of human life. *See* OAC 785:25-3-3(a)(2)(C).

7. Stigler Lake dam was built prior to 1973 but was subsequently modified in 1987.

8. On July 16, 2020, the Board received an inspection report of Stigler Lake dam for year 2019, prepared by Brandon Wall, P.E., as fulfillment of the requirements of OAC 785:25-9-1, which listed the general condition of the dam to be in fair condition.

9. On March 24, 2021, the Board received an inspection report of Stigler Lake dam for year 2020 prepared by Cecil Bearden, P.E., as fulfillment of the requirements of OAC 785:25-9-1 and listing the general condition of the dam to be in poor condition.

10. On July 6, 2021, Board Chief of Engineering and Planning Division, Yohanes Sugeng, notified the City of Stigler via letter that upon review of the March 24, 2021 inspection report, the Board considers the dam to be in unsatisfactory condition, stating in part that dams assigned a condition rating of “unsatisfactory” are those for which a dam safety deficiency is recognized that requires immediate or emergency remedial action, such as excessive uncontrolled seepage and severe deterioration of the downstream slope which could lead to failure of the dam under normal operating conditions. The letter also requested a plan of action to address the dam deficiencies noted in the inspection report.

11. On August 26, 2021, City of Stigler City Manager, Bobby Mouser, responded to the July 6, 2021, letter by reporting the City’s intent to engage the services of Freese and Nichols, Inc. to address the deficiencies.

12. On October 26, 2021, Colin Young, P.E., of Freese and Nichols, Inc., performed a dam inspection as a fulfillment of the requirements of OAC 785:25-9-1. Also present during the inspection were Nick Hatfield and Bobby Mouser of the City of Stigler and Board staff, Emma Moradi, Natalie Orbesen, and Zachary Hollandsworth, P.E.

13. On February 21, 2023, The Stigler Municipal Improvement Authority was approved for the American Rescue Plan Act (“ARPA”) grant for the rehabilitation of Stigler Lake dam, at the Board’s regular monthly meeting.

14. On March 24, 2023, the *Stigler Lake Dam Evaluation and Rehabilitation Alternatives Study*, prepared by Colin Young, P.E., concluded that the “factors of safety for slope

stability do not meet the criteria required by Board for embankment dams.” Additionally, “Stigler Lake dam also does not meet hydrologic and hydraulic criteria as outlined by OWRB, overtopping the effective dam crest by 0.4 feet during the design flood.”

15. On November 6, 2023, Respondent submitted a grant application to the Bureau of Reclamation, requesting \$8,516,328.20 with a 5% match of \$448,228.00 from Respondent totaling \$8,964,556.00. The anticipated award of the grant is April 2024.

16. On March 14, 2023, Respondent submitted an OK FY25 Congressional Directed Spending request form to Senator Markwayne Mullin, seeking \$8,500,000.00, with a proposed match of \$448,228.00 from Respondent.

17. On March 22, 2024, Respondent submitted a FEMA FY24 High Hazard Dam Rehabilitation Grant application.

18. To date, Respondent has committed \$1,500,000.00 towards engineering studies and the completion of the engineering project. This commitment includes \$1,000,000.00 from an ARPA grant and \$500,000.00 from Respondent.

#### CONCLUSIONS OF LAW

19. Respondent, as owner of the dam, is responsible for the safety of the structure and for meeting the requirements placed on owners of dams by the State of Oklahoma. *See* 82 O.S. §§ 110.1 et seq. and OAC 785:25, specifically OAC 785:25-3-1(a).

20. Stigler Lake dam is classified as high hazard potential because if the dam were to fail, the failure would probably cause loss of human life. *See* OAC 785:25-3-3(a)(2)(C).

21. The Board is the state agency responsible for oversight and approval of the construction, repair, and alteration of certain dams in Oklahoma, including the Stigler Lake dam. *See* 82 O.S. §§110.5 and 110.10.

22. As stated in Paragraphs 10 and 14 of the Finding of Fact above, the Board has determined that the excessive uncontrolled seepage, severe deterioration of the downstream slope, inadequate factors of safety for slope stability, and inadequate hydrologic and hydraulic criteria violates OAC 785:25-3-4, OAC 785:25-3-10, OAC 785:25-9-3, OAC 785:25-3-11, and OAC 785:25 Appendix B.

#### ACTIONS ORDERED

23. Respondent is hereby Ordered to take the following actions, if not already taken:

- A. Immediately implement and continue implementing Emergency Level 1 notification pursuant to the Emergency Action Plan (EAP) for the Stigler Lake dam until further notice from the Board.

- B. Consult with a professional engineer to develop interim risk reduction measures. Submit these proposed measures to Board staff for approval within ninety (90) days of this order's execution. Upon approval, immediately implement interim the risk reduction measures until the Board issues further notice.
- C. Consult with a professional engineer to develop a monitoring plan including routine observations of the dam. Submit this plan to the Board for approval within ninety (90) days of this order's execution. Once the monitoring plan is established, submit the collected data to the Board on a monthly basis.
- D. Consult with a professional engineer to develop additional emergency flood activation and response measures, coordinating with the State Emergency Management Office, local Emergency Manager, and the Board. Submit this plan to the Board for approval within ninety (90) days of this order's execution. Upon approval, conduct a tabletop exercise involving all stakeholders to test the plan as soon as reasonably possible.
- E. Immediately inform the Board and Respondent's engineer if any action triggers are observed during monitoring.
- F. Submit an application for construction or modification of the dam by **December 31, 2024**. Upon the Board's approval of the remediation plan, Respondent is responsible for determining construction methods, remediation approaches, and funding strategies for the project.
- G. Initiate repair and construction measures for Stigler Lake dam by **December 31, 2025**. Given that commencement of construction is contingent upon funding availability, Respondent shall undertake all reasonable steps to apply for and obtain applicable grants to finance the construction expediently. In the event Respondent is unable to secure funding due to factors beyond their control, the construction start date may be amended via a second consent order, subject to agreement by February 1, 2026.

#### PENALTIES FOR NON-COMPLIANCE

24. Failure of Respondent to comply with the directions listed in Section V above, titled "ACTIONS ORDERED," may result in the assessment of administrative fines allowable by law, specifically 82 O.S. § 110.10(B) which provides for penalties not to exceed Five Hundred Dollars (\$500.00) per day for each day the violation(s) continue(s) after the date(s) set forth therein. The administrative fines assessed pursuant to this Order may be waived by the Board upon written application from Respondent.

EFFECTIVE DATE, AMENDMENTS, AND RELEASE CONDITIONS

25. The effective date of this Order shall be the date on which it is approved by the Board.

26. This Order may be amended by mutual agreement of the Board and Respondent. Amendments shall be in writing and shall be in effect when approved by the Board.

27. Satisfaction and Release under this Consent Order is contingent upon Respondent’s compliance with the Actions ordered in Section V of this Order in a manner approved by the Board staff and does not absolve Respondent, its agents, successors, and assigns of continuing compliance with Oklahoma Water Law, the Oklahoma Dam Safety Act, and Chapter 25 of Title 785 of the Oklahoma Administrative Code with respect to Stigler Lake dam.

**ORDER**

**IT IS SO ORDERED** in regular and open meeting of the Oklahoma Water Resources Board this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

CITY OF STIGLER, OKLAHOMA  
a Municipal Corporation

OKLAHOMA WATER RESOURCES BOARD

By: \_\_\_\_\_  
Larry Godfrey, Chairman

By: \_\_\_\_\_  
Jennifer Castillo, Chairman

ATTEST:

ATTEST:

By: \_\_\_\_\_  
Amber Hamilton, Secretary

By: \_\_\_\_\_  
Suzanne Landess, Secretary



## **5. SPECIAL CONSIDERATION**

### **WATER RIGHTS ADMINISTRATION DIVISION**

**May 21, 2024**

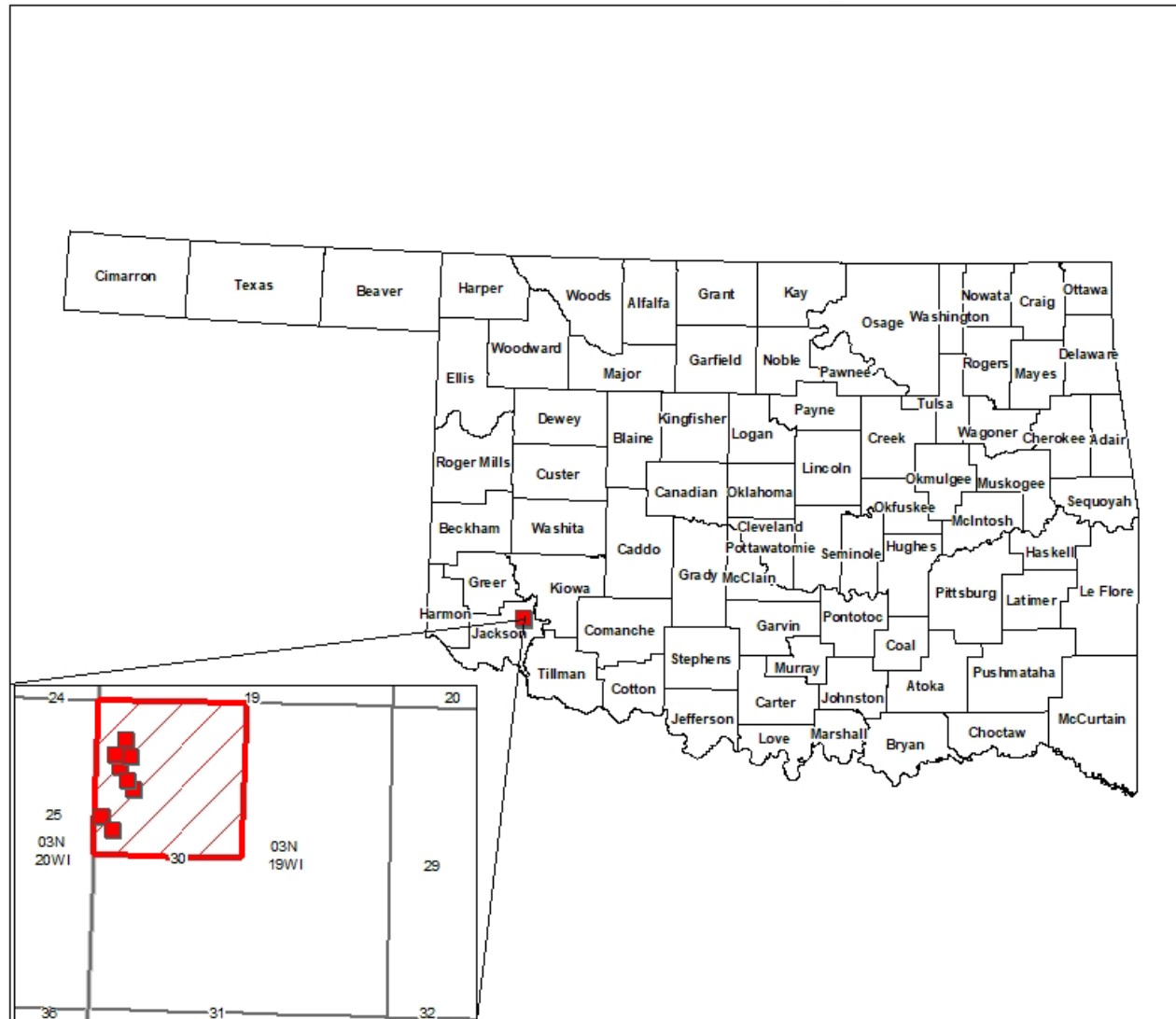
**WATER RIGHTS ADMINISTRATION DIVISION**  
**Application for a Temporary Groundwater Permit**

**May 21, 2024**

NUMBER & DATE	COUNTY	NAME OF APPLICANT	RECOMMENDATION
2022-573 10/31/2022	Jackson County	Winters Farms, LLC	Approval of Proposed Order

Notice is given by Winters Farms, LLC c/o Glen Winters of 15910 S. CR 209, Altus, OK 73521 has filed an application, #2022-573, with the Oklahoma Water Resources Board (Board) for a permit to use 299.3 acre-feet of groundwater per year. The groundwater is proposed to be used for irrigation (cotton, wheat, alfalfa, and grass) and taken from 149.64 acres located as follows: NW of Section 30, T3N, R19WIM, Jackson County. The water is to be withdrawn from eight (8) wells located as follows: one (1) well each in the NE SW NW, NW NW NW, NW SW NW, two (2) wells in the SW SW NW, and three (3) wells in the SW NW NW; all in Section 30, T3N, R19WIM, Jackson County, and used in Jackson County, Oklahoma. Wells and dedicated lands are located over the Southwestern Oklahoma groundwater basin. The applicant gave proper Public Notice, the application was protested, and an administrative hearing was held on February 28, 2024. The hearing examiner recommends approval.

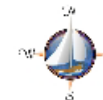
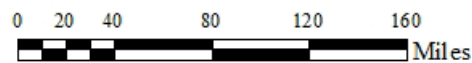
# Groundwater Application: Permit #20220573, Winters Farm LLC, Jackson County



### Legend

- Wells to be Permitted
- Dedicated Land
- Counties

Created by: CW  
Date: 5/10/2024



**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

In the Matter of the Application by Winters )  
Farms, LLC. for Permit to Use Groundwater in )      Application No. 2022-0573  
Jackson County, Oklahoma )

**PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW AND BOARD ORDER**

**INTRODUCTION**

This matter arises out of the application for a temporary groundwater use permit filed by Winters Farms, LLC. (the “Applicant”). Applicant has requested to use eight existing wells on the property owned by the Applicant for agricultural use to grow cotton, wheat, alfalfa, or grass. David and Amy Parson and Carl Wayne Whitaker (the “Protestants”) all submitted protests to the application and the matter was set for hearing on February 28, 2024.

**PROPOSED FINDINGS OF FACT BY APPLICANT AND PROTESTANTS**

Based upon the separately stated Findings of Fact and Conclusions of Law that follow, the Board determines that the application should be approved.

The Board is required by 75 O.S. §312 and OAC 785:4-7-10 to rule individually on findings of fact submitted by a party. Subsequent to, and within five days of the Hearing as provided in OAC 785:4-7-10, the Applicant and the Protestants submitted proposed findings of fact and conclusions of law herein on March 4, 2024. The submission of the Applicant’s proposed findings of fact is treated as follows:

- a. Applicant’s Proposed Findings of Fact nos. 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, and 40, are substantially adopted by the Board.
- b. Applicant’s Proposed Findings of Fact no. 24 are substantially adopted by the Board in part and are rejected in part.
- c. Applicant’s Proposed Conclusion of Law (which is mislabeled as proposed conclusion of law is comingled with additional proposed findings of fact) no. 54 is substantially adopted by the Board.

The submission of the Protestants’ proposed findings of fact are treated as follows:

- a. Protestants’ Proposed Findings of Fact nos. 11, 13, 14, 15, 16, 17, 18, 19, 20, 23, 26, 27, 29, 30, 31, 32, 33, 34, and 35 are substantially adopted by the Board.
- b. Protestants’ Proposed Findings of Fact nos. 25 and 28, are substantially adopted by the Board in part and are rejected in part.
- c. Protestants’ Proposed Conclusions of Law (which are in large part mislabeled as proposed conclusions of law and are actually comingled with additional proposed findings of fact) nos. 37, 38, 42, 47, are substantially adopted by the Board.
- d. Protestants’ Proposed Conclusions of Law (which are mislabeled as proposed conclusions of law and are actually comingled with additional proposed findings of

fact) nos. 36, 39, and 41, are substantially adopted by the Board in part and rejected in part.

- e. Protestants' Proposed Conclusions of Law (which are mislabeled as proposed conclusions of law and are actually commingled with additional proposed findings of fact) nos. 40, 44, 46, 51, are rejected in whole.

A hearing was held at the Board offices in Oklahoma City, Oklahoma, on February 28, 2024. The Applicant was present as were the Protestants for the Hearing on this matter. The Applicant and the Protestants were represented by counsel. Pursuant to Oklahoma Administrative Code ("OAC") 785:4-7-2, the Hearing Examiner, having reviewed the notice of the application and its publication for two consecutive weeks in a legal newspaper of general circulation in Jackson County, Oklahoma, determined that notice of the application was properly given as required by law, which determination was announced in the hearing. Pursuant to OAC 785:4-7-1 and 4-7-7, records were admitted that were offered by the Oklahoma Water Resources Board ("OWRB") pertinent to this Application, including in part the application, ownership documents, notice documents, maps, protests of David and Amy Parson and Carl Wayne Whitaker, the well drilling logs, and the notice scheduling hearing. *See* OWRB Exhibits 1-17. After the hearing was adjourned, the matter was taken under advisement. A proposed order was prepared, served on the parties, and presented to the Board for consideration and action.

Based upon the separately stated Findings of Fact and Conclusions of Law that follow, the Board determines that the application should be approved.

## **BACKGROUND**

1. On October 31, 2022, the Applicant filed Application No. 2022-0573 with the Board for a permit to use groundwater in Jackson County, Oklahoma. Applicant requested authorization to use 299.3 acre-feet of groundwater each year from the eight existing, previously drilled, groundwater wells for agricultural use to grow cotton, wheat, alfalfa, or grass. Protestants do not dispute the reported locations of the Applicant's eight wells. Applicant dedicated to the application 149.64 acres of land; namely 149.64 acres in the NW  $\frac{1}{4}$  of Section 30, Township 3 North, Range 19 West Indian Meridian, Jackson County; *See* OWRB Exhibit 1.

2. The existing groundwater wells are located in Jackson County as follows:

1 Well: NE  $\frac{1}{4}$  of SW  $\frac{1}{4}$  of NW  $\frac{1}{4}$  of Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County;

1 Well: NW  $\frac{1}{4}$  of NW  $\frac{1}{4}$  of NW  $\frac{1}{4}$  Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County;

3 Wells: SW  $\frac{1}{4}$  of NW  $\frac{1}{4}$  of NW  $\frac{1}{4}$  of Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County;

1 Well: NW  $\frac{1}{4}$  of SW  $\frac{1}{4}$  of NW  $\frac{1}{4}$  of Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County; and,

2 Wells: SW/4 of SW/4 of NW/4 of Section 30, Township 3 North, Range 19 WIM, in Jackson County.

*See* OWRB Exhibit 1. The application indicated that groundwater would be taken from the Southwestern Oklahoma groundwater basin. *See* OWRB Exhibit 1.

3. To support this application, Applicant submitted the following instruments recorded in the Office of the County Clerk of Jackson County:

Warranty Deed (Book 867, Page 572)  
Trustee's Deed (Book 813, Pages 925-926)

*See* OWRB Exhibit 2. The ownership of land was not disputed during the Hearing on this matter.

4. Applicant revised the application as necessary by Board rules and statutes. *See* OWRB Exhibit 1. Applicant also submitted a surface estate owner's map for notification purposes. *See* OWRB Exhibit 1.

#### NOTICE

5. On March 2, 2023, Board staff notified Applicant that the application had been reviewed and directed Applicant to give notice of the application by certified mail to each surface owner of land within 1,320 feet of the outside boundary of the ten-acre tract of land with a groundwater well location covered by the application, and publish notice of the application in a newspaper of general circulation in the county in which the wells are located during the weeks beginning March 19, 2023, and March 26, 2023. *See* OWRB Exhibit 3. The notice was published on March 10, 2023, and March 17, 2023, in *The Altus Times*, a newspaper of general circulation in Jackson County. *See* OWRB Exhibit 4. The notice listed a protest deadline of April 24, 2023. *See* OWRB Exhibit 5. Applicant also sent, by certified mail, direct notice to those individuals listed on the surface estates owner's map. *See* OWRB Exhibit 5.

It is noted that the direct notice sent by certified mail to surface estate owner Wesley Churchwell (Father-in-Law to Carl Wayne Whitaker) at an address in Midwest City, Oklahoma, came back to the Applicant as "undeliverable". *See* Applicant's Exhibit 19; Protestants' Exhibit 26; and uncontested testimony from Applicant's Manager Glen Winters that Wesley Churchwell, Father-in-Law of Protestant Carl Wayne Whitaker, due to health issues, was residing in Altus, Oklahoma, at the home of Protestant Carl Wayne Whitaker, at the same time the direct notice sent by certified mail to Wesley Churchwell at an address in Midwest City, Oklahoma, came back as "undeliverable". (*See* Applicant's Exhibit 19). It is also noted that Protestants' Exhibit 26, a U.S. Department of Agriculture Annual Lease Agreement Certification Statement, signed as Lessee by Protestant Carl Wayne Whitaker on May 17, 2023, discloses that Landowner/Lessor Wesley Churchwell has leased a Jackson County, Oklahoma, tract of land of 147.00 acres, more or less, to Protestant Carl Wayne Whitaker, and that Protestants' Exhibit 22, documents that Protestant Carl Wayne Whitaker, through a Warranty Deed, actually owns a tract of land of 1.18 acres, more or less.

It is further noted that the direct notice sent by certified mail to surface owner Sherrie Reaser came back as “unclaimed”, as did the direct notice sent by certified mail to surface owners Charles and Tresa Garrett. *See* Applicant’s Exhibit 19. The Applicant’s Manager Glen Winters testified that upon learning the aforesaid direct notices for Sherrie Reaser and Charles and Tresa Garrett came back as “unclaimed”, he telephoned both Ms. Reaser and Mr. Garrett to inform them of the notice and apparently neither chose to file a protest.

## PROTESTS

6. Surface estate owners David and Amy Parson and Carl Wayne Whitaker each protested the application by separate letters dated April 24, 2023, and each was made a party herein. *See* OWRB Exhibit 6. At the Hearing, Protestant David Parson testified that he purchased water for his domestic use from a rural water district, and that he had no OWRB groundwater permit for his single water well that he used in his two-year old cattle and livestock operation that includes ten (10) cows, eight (8) calves, and seven (7) or eight (8) goats. Even though Protestant David Parson uses his single water well solely for his cattle and livestock (goats) operation, under the provisions of 82 O.S. §1020.1(2), in part, “...the use of water by a natural individual or by a family or household for household purposes, **for farm and domestic animals up to the normal grazing capacity of the land...**” (emphasis added), is defined as “domestic use”. The Applicant alleges that well #31843 depicted on OWRB Exhibit 7 is the one and only well of the Protestant David Parson, and as such well #31843 is located on land that overlies a different groundwater basin, namely the North Fork of the Red River groundwater basin. The Protestant David Parson alleges his one and only well is not printed or depicted on OWRB Exhibit 7 and is not well #31843, but rather is depicted on Protestants’ Exhibit 24 as a hand-drawn circle that lies above the Southwestern Oklahoma groundwater basin and nearer to the Applicant’s property than well #31843, which Protestant David Parson does not claim to be his well.

Protestant Carl Wayne Whitaker testified at the Hearing that he had two water wells, one for his domestic use and one he used solely for his cattle operation including eleven (11) cows and eleven (11) calves, for which second water well he had no OWRB groundwater permit. Once again, under the provisions of 82 O.S. § 1020.1(2), in part, “...the use of water by a natural individual or by a family or household for household purposes, **for farm and domestic animals up to the normal grazing capacity of the land...**” (emphasis added), is defined by statute as “domestic use”.

## HEARING

7. The hearing commenced on February 28, 2024, at the Board’s office in Oklahoma City, Oklahoma. Appearing on behalf of Applicant were Attorneys Dale E. Cottingham and Craig Regens of the Crowe Dunlevy law firm in Oklahoma City, Oklahoma, together with Dean A. Couch, of the firm of Couch H2O Law, PLLC. From Arcadia, Oklahoma. The Protestants were both represented by Eric R. King and R. Blaine Nice, of the Fellers Snider law firm, of Oklahoma City, Oklahoma. The hearing was opened, appearances were entered, witnesses were sworn and testified, evidence was admitted, the protestants’ protest was heard, and the hearing was adjourned. Thereafter, a proposed order was prepared, served on the parties, and presented to the Board for consideration and action at an upcoming meeting. It is noted that Protestants’ Exhibits 33, 34, and 35 were not admitted into evidence and that Protestants’ counsel made or attempted to make an

offer of proof as to the three exhibits to which the Applicant objected as the offer was improper, which objection was sustained.

## **FINDINGS OF FACT**

### **OWNERSHIP OF LAND**

8. The title to the land is held by the Winters Farms, LLC. *See* OWRB Exhibit 2. Ownership was not disputed at the hearing.

### **LAND LOCATED OVER GROUNDWATER BASIN**

9. The land dedicated to this application overlies the Southwestern Oklahoma groundwater basin. Pursuant to the application, the maximum annual yield determination established by the Board is 2 acre-foot per year per acre of land. This was not disputed at the hearing.

### **BENEFICIAL USE**

10. The proposed use of the groundwater is for agricultural use to grow cotton, wheat, alfalfa, or grass. *See* OWRB Exhibit 1. The beneficial use (agricultural use to grow cotton, wheat, alfalfa, or grass) of the groundwater by the Applicant, while questioned through the Protestants' attempt to wrongfully convert the statutory definition of "beneficial use" from its being an unambiguous objective standard into a subjective standard because of the Protestants' perception that granting the Applicant's groundwater application for agricultural use would not be beneficial to them in their respective cattle and livestock operations, was not legitimately disputed at the hearing. The Applicant's Manager Glen Winters testified that he intended to use a manifold system of irrigation to avoid cavitation of the pumps in his wells in putting the requested groundwater to the beneficial use of agriculture to grow cotton, wheat, alfalfa or grass.

### **WASTE BY DEPLETION**

11. No testimony was presented at the hearing that waste by depletion will occur by the granting of the application for a permit and no evidence was admitted that waste by depletion will occur should the application be granted. The Protestants failed to introduce any evidence to substantiate that any waste will occur should the requested permit be granted by the OWRB. The Applicant's Manager, Glen Winters, testified that the Applicant will not use more water than is allocated by the permit and the Applicant will ensure efficiency by use of manifolding the wells together to avoid cavitation. Through Glen Winters testimony, the Applicant has expressly shown the method the Applicant intends to use for irrigating a particular area, that being the approximate area of crops to be irrigated consisting of 118 acres as provided in the Application (*See* OWRB Exhibit 1), which method information has been furnished to the OWRB, and which OWRB now has the authority to determine that waste will not occur. Glen Winters also testified that he wanted no more or less water than he was entitled to, based on the 2-acre feet of water each year requested for the 149.64-acre property dedicated to this Application.

### **WASTE BY POLLUTION**



12. No testimony was presented at the hearing that there would be any waste by pollution and no evidence was admitted that that waste by pollution will occur should the application be granted.

### **WELL SPACING EXCEPTION REQUESTED**

13. Based on distances estimated from locations shown on OWRB Exhibit 7, seven (7) of the eight (8) Applicant's wells may be located within 1,320 feet of authorized existing wells on lands owned by another. The Applicant's lone well that does not appear to be located within 1,320 feet of an authorized existing well that is in the NW NW NW of Section 30 and is identified by well log #136680 that was drilled for Glen Winters in 2010 with an estimated yield of six (6) gallons a minute to provide water for 800 peach trees.

Applicant's wells #193518 and #193519 are located in the SW/4 of the SW/4 of the NW/4 of T3N, R19WIM and based on distances estimated from well locations depicted in OWRB Exhibit 7, and Applicant's wells #193518 and #193519 appear to be within 1,320 feet of two wells located on Exhibit 7, one designated as #31843 and the other designated as #36034. *See* OWRB Exhibit 7.

Well #36034 appears to be on lands owned by Michael and Kimberly Maahs as indicated on the Surface Estate Owners Map (OWRB Exhibit 1) who were given notice of the Application by certified mail and who did not file a protest (OWRB Exhibit 7). Accordingly, a location exception based on non-objection should be granted.

Well #31843 on OWRB Exhibit 7, sometimes referred to as the Carrie Thornton Well, is located on the 1.18-acre property owned by Protestant David Parson who uses his one and only well for his small cattle and livestock operation, and the Applicant well #193518 is within 1,320 feet of well #31843. Protestant David Parson handmarked OWRB Exhibit 7 from his memory with a circle where he believes his well is located (Protestants' Exhibit 24). Glen Winters testified that, according to the OWRB Map (OWRB Exhibit 7), well #31843 is located on lands above the underlying North Fork of the Red River groundwater basin and not under lands above the Southwestern Oklahoma groundwater basin, which is the groundwater basin at issue herein. It is noted that the drilling logs provided by Wade Drilling and Pump Service, LLC. on Parson Well (Protestants' Exhibit 23) evidences an estimated yield of 25 gallons per minute for only 6 minutes. OWRB Exhibit 7 is a OWRB Map that depicts well #31843 of the Protestant David Parson to be located outside of the Southwestern Oklahoma groundwater basin. Accordingly, under OAC 785:30-3-6(a)(3), in pertinent part, provides "...no new well or proposed well(s) shall be authorized by temporary permit to be drilled and completed within one thousand three hundred and twenty (1,320) feet of an authorized existing well or proposed well on lands of another, provided the well is capable of taking water from the same basin". (*See* OWRB Exhibit 7).

Applicant's well #194535 is located in the SW/4 of the NW/4 of the NW/4 of Section 30, T3N, R19 WIM, is within 1,320 feet of the well designated on OWRB Exhibit 7 as well #22031, and appears to be on lands owned by Debra Mardis. Ms. Mardis received the notice of the Application by certified mail and did not file a protest. Applicant's well #194535 together with Applicant's wells #194533, #19516 and #19517 also appear to be located within 1,320 feet of the well designated on OWRB Exhibit 7 as well #22030, which appears to be located on lands owned by Charles Dobbs who likewise filed no protest (OWRB Exhibit 7). Accordingly, a location exception based on non-objection should be granted.

Protestant Carl Wayne Whitaker, who uses one of his two wells solely for his small cattle operation, testified that that he has two wells on the 147.00-acre tract of land he leases from his Father-in-Law, Wesley Churchwell, yet neither of such wells appear on any OWRB maps. Applicant's wells #136680, #194535, and #194536, are located within 1,320 feet of the one and only well used by Protestant Carl Wayne Whitaker for his small cattle operation which includes eleven (11) cows and eleven (11) calves.

It is noted that the drilling logs by Wade Drilling and Pump Service, LLC. on Whitaker Well #1 and #2 provided by Protestant Carl Wayne Whitaker (Protestant Exhibits 27 and 28) evidences an estimated yield of 8 gallons per minute.

### **CONCLUSIONS OF LAW**

Based upon applicable law, and as applied to the above Findings of Fact and evidence in the record, the Board draws the following Conclusions of Law:

#### **USE OF GROUNDWATER**

14. Under 60 O.S. § 60, the owner of the surface of a given tract of land owns the fresh groundwater beneath the surface of that land. That surface owner may use such groundwater in accordance with the use regulations imposed by the Oklahoma Groundwater Law, 82 O.S. § 1020.1 et seq.

#### **SUBJECT MATTER JURISDICTION**

15. The Board has subject matter jurisdiction to adjudicate applications for permits according to the Oklahoma Groundwater Law and the Board's rules promulgated pursuant thereto. 82 O.S. § 1020.7. *See* OWRB Exhibits 6 and 7.

#### **PERSONAL JURISDICTION; DUE PROCESS**

16. Due and proper notice of the application and subsequent proceedings was given to all potentially interested persons as required by law, except surface estate owners Sherrie Reaser and Charles and Tresa Garrett, whose notifications sent by certified mail were returned "unclaimed" (under OAC 785:4-7-7, Judicial Notice is taken of these records on file with the OWRB); Applicant's Exhibit 19. It is uncontested that the Applicant's Manager Glen Winters telephoned Sherrie Reaser and Charles and Tresa Garrett to inform each one of the notification of the deadline date in which to file a protest to the Applicant's groundwater permit application sent to them by certified mail, and that neither Sherrie Reaser nor Charles and Tresa Garrett, subsequently picked up their Applicant-sent certified mail notifications. Applicant and Protestants are interested parties to this proceeding. All other potentially interested persons have defaulted or abandoned their interests. Oklahoma Administrative Code ("OAC") 785:4-7-3.

#### **DOMESTIC USE**

17. Under the provisions of 82 O.S. §1020.1(2), in pertinent part, "...the use of water by a natural individual or by a family or household for household purposes, **for farm and domestic**

**animals up to the normal grazing capacity of the land...**” (emphasis added), is defined by statute to be “domestic use”.

### **ISSUES TO BE DETERMINED**

18. When a person makes an application for a groundwater permit, 82 O.S. § 1020.9 and OAC 785:30-3-5 requires the Board to determine several specific issues. These are:

- (a) whether the applicant owns the surface of the dedicated land or holds a valid lease for the taking of groundwater from the land;
- (b) whether the dedicated land overlies a fresh groundwater basin or subbasin;
- (c) whether the use to which the applicant intends to put the water is a beneficial use; and
- (d) that waste by depletion and waste by pollution as specified in 82 O.S. § 1020.15 will not occur.

Generally, if the Board finds for the applicant on all these issues, the rule provides that the Board shall approve the application and issue the appropriate permit. Section 1020.9(D) of Title 82 provides further that the Board may specify conditions in the permit, including but not limited to the rate of withdrawal and the level of perforation and sealing wells.

### **OWNERSHIP OF LAND**

19. Ownership of land was not challenged at the hearing. Regardless, based on the information submitted in the application and the evidence admitted at the hearing, the Board concludes that Applicant provided evidence of the Applicant’s right to take groundwater from the land identified on the application, in the form of ownership documentation listed above in paragraph three. *See* OWRB Exhibits 1 and 2.

### **GROUNDWATER BASIN**

20. The dedicated land in this Application overlies the Southwestern Oklahoma groundwater basin. The maximum annual yield for this basin is 2 acre-feet per acre per year. This issue was not challenged at the hearing. Therefore, based on that maximum annual yield, Applicant is entitled to a groundwater allocation of two acre-feet per acre per year, as provided in 82 O.S. § 1020.11(8). It is noted that the one well of Protestant David Parson, well #31843, overlies the North Fork of the Red River groundwater basin, and as such, well #31843 is not capable of taking water from the same basin (i. e., Southwestern Oklahoma groundwater basin) (*See* OAC 785:30-3-6(a)).

### **BENEFICIAL USE**

21. This Board defines beneficial use in OAC 785:30-1-2 as follows:

“Beneficial use” means the use of such quantity of stream or groundwater when reasonable intelligence and reasonable diligence are exercised in its application for a lawful purpose and as is economically necessary for that purpose. Beneficial uses include but are not limited to municipal, industrial, agricultural, irrigation, recreation, fish and wildlife, etc.”

22. Although beneficial use was not legitimately disputed or challenged at the hearing, the evidence established that Applicant’s proposed agricultural use to grow cotton, wheat, alfalfa, or grass, meets the definition of beneficial use. The Protestants assert as a conclusion of law that the Applicant has the burden of proof that the use to which it intends to put the water is a beneficial use without any citation of legal authority in support, be it statute, administrative rule, or case law.

### **WASTE BY DEPLETION**

23. The Board must determine whether Applicant will allow waste as specified by 82 O.S. § 1020.15 to occur. Section 1020.15 is quoted as follows:

A. The Oklahoma Water Resources Board shall not permit any groundwater user to commit waste by:

1. Drilling a well, taking or using groundwater without a permit, except for domestic use;
2. Taking more groundwater than is authorized by the permit;
3. Taking or using groundwater in any manner so that the water is lost for beneficial use;
4. Transporting groundwater from a well to the place of use in such a manner that there is an excessive loss in transit;
5. Using groundwater in such an inefficient manner that excessive losses occur;
6. Allowing any groundwater to reach a pervious stratum and be lost into cavernous or otherwise pervious materials encountered in a well;
7. Permitting or causing the pollution of fresh water strata or basin through any act which will permit fresh groundwater polluted by minerals or other waste to filter or otherwise intrude into such a basin or subbasin. The Board shall be precluded from determining whether waste by pollution will occur pursuant to the provisions of this paragraph if the activity for which the applicant or water user intends to or has used the water as specified under Section 1020.9 of [Title 82] is required to comply with rules and requirements of or is within the jurisdictional areas of environmental responsibility of the Department of Environmental Quality or the Oklahoma Department of Agriculture, Food and Forestry;
8. Drilling wells and producing groundwater therefrom except in accordance with the well spacing previously determined by the Board;
9. Using groundwater for air conditioning or cooling purposes without providing facilities to aerate and reuse such water; or

10. Failure to properly plug abandoned water wells in accordance with rules of the Board and file reports thereof.

According to OAC 785:30-1-1, paragraphs (1) through (6) and paragraphs (8) and (9) are forms of “waste by depletion” (as that term is used in the case of *Oklahoma Water Resources Board v. Texas County Irrigation and Water Resources Ass’n*, 1984 OK 96). Paragraphs (7) and (10) are forms of “waste by pollution”).

24. According to the case of *Lowery v. Hodges*, 1976 OK 132, ¶18-19, 555 P. 2d 1016, to satisfy the requirements of 82 O.S. §1020.9 that the evidence in a case must show that waste will not occur,

...an applicant must show what method he intends to use for irrigating a particular area; but once that information has been furnished to the Board [OWRB], it [OWRB] then has the authority to determine that waste will not occur. If the Protestants think that waste will occur, they would need to present that evidence to the Board [OWRB] for its consideration.

If the plans submitted to the Board do not on their face demonstrate such waste, and the Protestants fail to introduce evidence that waste will occur, the statute [82 O.S. §1020.9] has been satisfied and further questions concerning waste must await completion of the project.

25. The Board acknowledges Protestants’ joint written concerns about the groundwater supply in the area and that existing water wells could be adversely affected by Applicant’s withdrawal of groundwater from the same basin. However, there is no basis in this case to determine that Applicant’s proposed use will be impermissible or unlawful. The legislative policy expressed in the Oklahoma Groundwater Law is “to utilize the groundwater resources of the state.” 82 O.S. § 1020.2(A). To implement that policy, the Oklahoma Groundwater Law authorizes the controlled reduction of a groundwater basin as long as that reduction is done in an orderly fashion according to the statutory scheme for reasonable restrictions on such use. The surface owner or lessee of land overlying a fresh groundwater basin is entitled to use the groundwater beneath the surface once certain elements of the Oklahoma Groundwater Law have been met. Here the application is in accordance with and not contrary to the law and rules.

### **WELL SPACING EXCEPTION REQUESTED**

26. Applicant is seeking a well spacing exception. To qualify for a spacing exception, Applicant must show that completing a new well that would satisfy the spacing requirements of OAC 785:30-3-6(a), would be inequitable or unreasonable. The well spacing for bedrock groundwater basins or subbasins is 1,320 feet. OAC 785:30-3-6(a). According to OWRB’s Exhibit 1, the well spacing exception is for all of the eight wells in this application. Under OAC 785:30-3-6(a)(3), the well on lands of another (well #31843 of Protestant David Parson, according to the uncontested testimony of Glen Winters, is located above the underlying North Fork of the Red River groundwater basin) and as such, well #31843 of Protestant David Parson, being located outside of the overlying Southwestern Oklahoma groundwater basin, is incapable of taking water from the same groundwater basin. (See OWRB Exhibit 7). It is noted that the low-flow readings

from the Protestants actual drilling logs (Protestants' Exhibits 23, 27, and 28) supports the well spacing exception request to be unreasonable to deny.

27. OAC 785:30-3-6(b)(1) gives the following examples of situations where enforcing the well spacing requirements would be inequitable or unreasonable. First, the Board considers whether the exception is met with protest. Here, the exception is met with protests. Second, the Board takes into consideration the amount and/or dimensions of the land dedicated to the permit and whether same allows for compliance with the spacing requirements. However, evidence did establish that the location of the wells was based on available area. Third, in situations where the well has already been drilled, the Board considers when the well was drilled in relation to the determination of the maximum annual yield. Here, the wells in question have been drilled. Finally, the Board looks to the remainder of the dedicated land and to the amount of groundwater available to the Applicant if wells were drilled in locations that would meet the spacing requirements. No evidence was offered to show that if the wells were drilled elsewhere there would be sufficient water to meet the Applicant's needs.

27. Because there were protests filed with respect to the well spacing exception, requiring Applicant to satisfy the spacing requirements of 785:30-3-6(a), in light of the remainder of the evidence presented, would be inequitable and unreasonable.

28. The Board concludes that the Well Exception Request should be granted.

29. The Board concludes that waste by depletion will not occur if the application is approved.

### **WASTE BY POLLUTION**

30. The provisions of 82 O.S. § 1020.15(A)(7) provide the Board shall not permit any groundwater user to commit waste by "permitting or causing the pollution of a fresh water strata or basin through any act which will permit fresh groundwater polluted by minerals or other waste to filter or otherwise intrude into such a basin or subbasin." Therefore, the Board concludes that waste by pollution will not occur.

### **CONCLUSION**

31. The Board hereby orders that application no. 2022-0573 in the name of Winters Farms, LLC. shall be and is hereby **APPROVED**. The Well Exception Request is **GRANTED**.

### **ORDER**

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that Application No. 2022-0573 in the name of Winters Farms, LLC. shall be and the same is hereby approved. A permit shall be issued which authorizes the eight (8) groundwater wells located as follows:

1 Well: NE ¼ of SW ¼ of NW ¼ of Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County;

1 Well: NW ¼ of NW ¼ of NW¼ Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County;

3 Wells: SW ¼ of NW ¼ of NW ¼ of Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County;

1 Well: NW ¼ of SW ¼ of NW ¼ of Section 30, Township 3 North, Range 19 West, Indian Meridian, Jackson County; and,

2 Wells: SW/4 of SW/4 of NW/4 of Section 30, Township 3 North, Range 19 WIM, in Jackson County.

IT IS FURTHER ORDERED that all other terms and provisions set forth in the application and not inconsistent with provisions of this Order shall be incorporated into and made a part of the permit.

IT IS SO ORDERED by the Oklahoma Water Resources Board in regular and open meeting this \_\_ day of \_\_\_\_\_, 2024.

OKLAHOMA WATER RESOURCES BOARD

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

(SEAL)

RECEIVED

MAY 14 2024

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD  
STATE OF OKLAHOMA**

OKLAHOMA WATER RESOURCES BOARD

IN THE MATTER OF THE APPLICATION OF )  
WINTERS FARMS, LLC FOR A PERMIT TO )  
USE GROUNDWATER IN JACKSON ) Permit Application No. 2022-0573  
COUNTY, OKLAHOMA )

**PROTESTANTS EXCEPTIONS TO THE PROPOSED  
FINDINGS OF FACT, CONCLUSIONS OF LAW, AND BOARD ORDER**

Protestants C. Wayne Whitaker and David Parson submit these exceptions to the Proposed Findings of Fact, Conclusions of Law and Board Order (“Proposed Order”). For the reasons below, Protestants request that the Oklahoma Water Resources Board (“OWRB” or “Board”) reject the Proposed Order and instead adopt and approve Protestants’ Proposed Findings of Fact, Conclusions of Law, and Order.

**PROCEDURAL HISTORY**

1. This proceeding arose from Winters Farms, LLC’s (“Winters Farms”) Application for a permit to use groundwater in Jackson County, Oklahoma, and request for a well spacing exception. Protests of the Application were filed with the Board by the following individuals: C. Wayne Whitaker and David Parson.

2. Winters Farms’s Application sought a permit to use 299.3 acre-feet of groundwater per year. Winters Farms proposed to use the groundwater for irrigation of 118 acres of growing crops (cotton, wheat, alfalfa, and grass). The water is to be taken from 149.64 acres located in the NW/4 of Section 30, T3N, R19W IM, Jackson County, Oklahoma (“Section 30”).<sup>1</sup>

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<sup>1</sup> Exh. “1,” Application, admitted at the Hearing on Feb. 28, 2024.



3. Winters Farms's Application (as revised) proposed to withdraw the water from eight (8) existing wells located as follows: one (1) well in the NE/4 SW/4 NW/4, one (1) well in the NW/4 NW/4 NW/4, one (1) well in the NW/4 SW/4 NW/4, two (2) wells in the SW/4 SW/4 NW/4, and three (3) wells in the SW/4 NW/4 NW/4, all in Section 30.<sup>2</sup>

4. Seven (7) of the eight (8) wells are located in the W/2 W/2 NW/4 of Section 30. **None of the eight (8) wells are located in the E/2 NW/4 of Section 30.** Seven of the eight wells are drilled within a 14.1-acre polygon-shaped tract out of the 149.64 surface acre tract.<sup>3</sup> Protestant David Parsons testified that no other operation in the area has the same number of wells that Winters Farms is requesting to permit.<sup>4</sup> This would be the only groundwater irrigation operation on this scale within miles.<sup>5</sup>

5. Winters Farms's Application states that there are existing wells owned by others that are within the applicable well spacing of the wells requested on the application. OWRB rules require that the well(s) be located a distance of 1,320 feet from existing wells or proposed well locations on lands of another unless a well spacing exception is granted. Winters Farms is seeking a well spacing exception.<sup>6</sup>

6. The hearing was held on February 28, 2024.

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<sup>2</sup> *Id.*

<sup>3</sup> Exh. "29," admitted at the Hearing on Feb. 28, 2024, attached hereto as Exh. "A".

<sup>4</sup> Protestants Findings of Fact, Conclusions of Law and Order, ¶ 32; "substantially adopted" by the Hearing Examiner in the Proposed Order, p. 1.

<sup>5</sup> *Id.*

<sup>6</sup> Exh. "1," Application, admitted at the Hearing on Feb. 28, 2024.

**EXCEPTIONS TO THE PROPOSED FINDINGS OF  
FACT, CONCLUSIONS OF LAW AND BOARD ORDER**

**I. THE PROPOSED ORDER MUST BE REJECTED, BECAUSE THE EVIDENCE DOES NOT SHOW THAT WASTE, AS SPECIFIED IN 82 O.S. § 1020.15, WILL NOT OCCUR.**

There is no evidence upon which the Board could determine, if the permit is granted, that waste, as specified in 82 O.S. § 1020.15, will not occur. Winters Farms wholly failed to show that waste will not occur. For this reason, the Proposed Order must be rejected.

In deciding whether to grant a permit to use groundwater, the Board **must determine** “[t]hat waste as specified in 82 O.S. § 1020.15 will not occur.” 82 O.S. § 1020.9; Okla. Admin. Code § 785:30-3-5. Here, there is no evidence upon which the Board could determine, if the permit is granted, that waste, as specified in 82 O.S. § 1020.15, will not occur.

Oklahoma law provides that the Board shall not permit any groundwater use to commit waste. Under 82 O.S. § 1020.15 (A), the Board shall not permit any groundwater user to commit waste by drilling a well without a permit, by taking or using groundwater in any manner so that the water is lost for beneficial use, by transporting groundwater from a well to the place of use in such a manner that there is an excessive loss in transit, or by using groundwater in such an inefficient manner that excessive losses occur. 82 O.S. § 1020.15(A) (1), (3), (4), and (5). Under Oklahoma law, it is the Applicant’s burden of proof to show that waste will not occur; specifically, the Applicant must “show what method he intends to use for irrigating a particular area” to show that waste will not occur as provided in 82 O.S. § 1020.9 and 1020.15 (A). *Lowrey v. Hodges*, 1976 OK 132, ¶ 18, 555 P.2d 1016 (“an applicant must show what method he intends to use for irrigating a particular area”).

In *Lowrey*, the applicants’ witness testified to how the land would be irrigated:

He stated the plan was to flood irrigate the land; that the static water level in all the test holes twenty-four hours after drilling was between 20 to 22 feet; that the water would be pumped under ground from west to east and there released through gated pipe on the surface to trickle down the natural slope of the land to the west; and that the applicants intended to follow the recommendations of the Soil Conservation Service regarding layout of the irrigation system, the underground pipeline, length of the rows down which the water will run and the manner of farming.

Here, there is nothing in the record even closely akin to this testimony.

In the Proposed Order, the Hearing Examiner states that “the Applicant has expressly shown the method the Applicant intends to use for a particular area, that being the approximate area of crops to be irrigated consisting of 118 acres as provided in the Application (*See* OWRB Exhibit 1), which method information has been furnished to the OWRB, and which OWRB now has the authority to determine that waste will not occur.”<sup>7</sup> If the “method the Applicant intends to use for a particular area has been shown,” what is that method? “[B]eing the approximate area of crops to be irrigated consisting of 118 acres” is not an irrigation method. The Hearing Examiner’s Proposed Order does not identify any irrigation method. There is **nothing** in the Application, Exhibit 1, identifying the method of irrigation. Furthermore, Applicant presented no evidence, through Glen Winters’s testimony or otherwise, identifying the method of irrigation.

Glen Winters, as Manager of Winters Farms, testified that “[o]n the Application, I put on there to potentially grow cotton, wheat, alfalfa, or grass.” Tellingly, however, he testified that he **has not determined** the irrigation water requirements for growing cotton, wheat, alfalfa, or grass. And Applicant presented **no evidence or testimony** showing the method that it intends to use for irrigating the 118-acre tract. Under *Lowrey*, if there is no evidence of the method of irrigation, there is no showing that waste will not occur. The Proposed Order must be rejected, and the Application denied.

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<sup>7</sup> Proposed Order, ¶ 11, p. 5.

**II. THE PROPOSED ORDER MUST BE REJECTED, BECAUSE THE EVIDENCE DOES NOT SHOW THAT REQUIRING APPLICANT TO COMPLY WITH THE ESTABLISHED WELL SPACING WOULD BE INEQUITABLE OR UNREASONABLE.**

Winters Farms requested a well spacing exception. Winters Farms’s Application states that there are existing wells owned by others that are within the applicable well spacing of the wells requested on the application.<sup>8</sup> The OWRB’s regulations require a distance of 1,320 feet of spacing between a proposed well and other wells for bedrock groundwater basins or subbasins when the proposed well may take water from the same basin, unless a well spacing exception is granted. Okla. Admin. Code § 785:30-3-6(a). Applicant is seeking a well spacing exception for seven of the eight wells that it seeks to permit. In the Proposed Order, the Hearing Examiner concluded that the “Well Exception Request” should be granted. For the following reasons, that conclusion should be denied, and the Proposed Order rejected.

**A. The Hearing Examiner Turned the Burden of Proof on its Head.**

A location exception shall be granted **if the person requesting the exception shows** and the Board determines in an individual proceeding that “drilling or completing the new or proposed well at the location required to comply with the established well spacing . . . **would be inequitable or unreasonable.**” OAC § 785:30-3-6(b) (Emphasis added.). Here, in the first paragraph 27 of the Proposed Order, the Hearing Examiner stated “[n]o evidence was offered to show that if the wells were drilled elsewhere there would be sufficient water to meet the Applicant’s needs.” Under OAC 785:30-3-6(b)(1)(D), it is not the Protestants’ burden of proof to show that “if the wells were drilled elsewhere there would be sufficient water to meet the

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<sup>8</sup> Exh. “1,” Application, admitted at the Hearing on Feb. 28, 2024.

Applicant's needs." To the contrary, it is the Applicant's burden, which it failed to prove and therefore is not met here. For this reason, the Proposed Order must be rejected.

The requisites for a location exception to the well spacing requirements are set forth in OAC 785:30-3-6(b), which, in pertinent part, states:

**(b) Location exceptions.** A location exception shall be granted **if the person requesting the exception shows** and the Board determines in an individual proceeding that drilling or completing the new or proposed well at the location required to comply with the established well spacing set forth in subsection (a) of this section would be inequitable or unreasonable, and that notice, as set forth in 785:30-3-4, of the location exception request is provided.

(1) The following situations are examples to show that compliance with well spacing would be inequitable or unreasonable:

(A) No objection is received from any landowner having a well located within the established well spacing distance of the proposed well requested to be authorized.

(B) The amount or dimensions of the land dedicated to the permit precludes the drilling of a well in compliance with the spacing requirement set forth in (a) of this section.

(C) The well requested to be authorized is a well which was drilled, completed and used prior to the date of the maximum annual yield determination or prior to October 1, 2019 within temporary basins and which does not meet the spacing requirements of (a) of this section.

(D) The applicant presents substantial, competent evidence to the Board and the Board determines that the amount of groundwater available in locations that would meet spacing requirements is insufficient for the purposes to be authorized.

(Emphasis added.)

The language of OAC 785:30-3-6(b) **squarely places the burden of proof on the person requesting the exception** (here, the Applicant Winters Farms), to prove that "drilling or completing the new or proposed well at the location required to comply with the established well spacing set forth in subsection (a) of this section would be inequitable or unreasonable." Moreover, under OAC 785:30-3-6(b)(1)(D) it is the **Applicant's burden** to present "substantial, competent evidence to the Board and the Board determines **that the amount of**

**groundwater available in locations that would meet spacing requirements is insufficient for the purposes to be authorized.”** the Applicant failed to meet its burden of proof.

The Hearing Examiner’s statement that “[n]o evidence was offered to show that if the wells were drilled elsewhere there would be sufficient water to meet the Applicant’s needs” turns the burden of proof on its head. The offset landowners did indeed file objections under OAC 185:30-3-6(b)1. The Proposed Order must be rejected.

**B. Applicant Failed to Meet its Burden of Presenting Substantial, Competent Evidence Requiring Applicant to Comply With the Established Well Spacing Requirements Would be Inequitable or Unreasonable; Applicant did not Show That the Amount of Groundwater Available in Locations that Would Meet Spacing Requirements is Insufficient for the Purposes to be Authorized.**

The Proposed Order makes no finding or conclusion that the amount of groundwater available at locations that would meet the spacing requirements is insufficient for Applicant’s intended purposes.<sup>9</sup> Furthermore, there was no evidence that would support that conclusion. Here, Applicant clearly does not meet Okla. Admin. Code § 785:30-3-6(b)(1)(A), (B) or (C). The only basis for a location exception provided in the Application was that “[t]his was the best part of my property to find water on.” This lacks the necessary underlying scientific evidence. Further, this is not a sufficient basis to conclude that it would be inequitable or unreasonable to comply with the established well spacing.

At the hearing, Glen Winters purported to testify that the amount of groundwater available in locations that would meet spacing requirements is insufficient for the purposes to be authorized. Again, however, this testimony is belied by his testimony that he **has not determined** the irrigation water requirements for growing cotton, wheat, alfalfa, or grass. Based

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<sup>9</sup> Rather, the Hearing Examiner concluded that “No evidence was offered to show that if the wells were drilled elsewhere there would be sufficient water to meet the Applicant’s needs.” Proposed Order, p. 10.

on this failure to place into the record the underlying basis for his opinion and his lack of knowledge, Applicant could not possibly know if it would be inequitable or unreasonable to comply with the established well spacing.

At the hearing, the testimony of Glen Winters in support of Applicants' assertion that the amount of groundwater available in locations that would meet spacing requirements is insufficient is based on "water witching." Paragraph 40 of the Findings of Fact, Conclusions of Law, and Board Order (**Proposed Version Submitted by Winters Farms, LLC**) states:

40. According the undisputed testimony of Winters, Applicant hired water witchers to search for water sources on his property. Applicant was unable to locate sources of water sufficient to satisfy his irrigation requirements in other locations. Applicant located sufficient water only in the locations where the Winters Farms Wells were drilled.

In the Proposed Order, the Hearing Examiner proposes that Applicant's Finding of Fact No. 40 be substantially adopted by the Board. Paragraph 27 of Protestants' Proposed Findings of Fact, Conclusions of Law, and Order (Proposed Version Submitted by Winters Farms, LLC) states:

27. At the hearing, a substantial part of the testimony of Glen Winters in support of Applicants' assertion that the amount of groundwater available in locations that would meet spacing requirements is insufficient is based on "water witching." Glen Winters testified that a "water witch" walked "every square inch of that farm" with brass rods and "that is how we decided. I mean, we just witched it." Glen Winters did not purport to be an expert in water witchery. Applicant called no water witches to testify at the hearing.

In the Proposed Order, the Hearing Examiner proposes that Protestant's Finding of Fact No. 27 be substantially adopted by the Board.

Glen Winters testified that a "water witch" walked "every square inch of that farm" with brass rods and "**that is how we decided. I mean, we just witched it.**"

The Applicant called only one witness at the hearing, Glen Winters, the Manager of the Applicant, Winters Farms. Applicant's counsel, Dale Cottingham, stated on the record that

Applicant intended to call a Mr. George, who, according to Glen Winters, had “well witching ability.” However, Mr. George was never called to testify by Applicant, and Applicant rested its presentation having called only Glen Winters.

“Water dowsing” or “water witching” “refers in general to the practice of using a forked stick, rod, pendulum, or similar device to locate underground water, minerals, or other hidden or lost substances. . . .”<sup>10</sup> The U.S. Geological Survey’s position is that “[c]ase histories and demonstrations of dowsers may seem convincing, but when dowsing is exposed to scientific examination, it presents a very different picture.”<sup>11</sup> The “U.S. Geological Survey has concluded that the expense of further tests of water dowsing is not justified.”<sup>12</sup>

Water witching is not a basis for concluding that it would be inequitable or unreasonable to comply with the established well spacing. No hearing examiner should yield to an applicant’s insistence that it be allowed to rely on, particularly without calling the expert to the witness stand, an expert on water-well dowsing, at least until it is established that the reliability of such testimony is accepted by the scientific community and the courts. *See, e.g., Stein v. Ohlhauser*, 211 N.W.2d 737, 743 (ND Sup. Ct. 1973); *Schram v. Pearl Oil Corp.*, 90 S.W.2d 846, 851 (Ct. Civ. App. Tex. 1936) (“We take judicial knowledge of the scientific fact that there is no virtue whatever in the “doodle-bug” in locating oil or other substances underneath the earth.”).

Applicant failed to meet its burden of presenting substantial, competent evidence that requiring Applicant to comply with the established well spacing requirements would be inequitable or unreasonable. The Applicant failed to substantiate that the amount of groundwater

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<sup>10</sup>U.S. Geological Survey, Report, Water Dowsing.

Persistent URL: [http://pubsdata.usgs.gov/pubs/gip/water\\_dowsing/html/pdf.html](http://pubsdata.usgs.gov/pubs/gip/water_dowsing/html/pdf.html)

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*



available in locations that would meet spacing requirements is insufficient for the purposes to be authorized. For this reason, the Proposed Order must be rejected.

**C. The Hearing Examiner Misconstrued OAC 785:30-3-6(b)(1)(A) and Improperly Found That the Fact Protests Were Filed Make it Unreasonable and Inequitable to Satisfy the Well Spacing Requirements.**

In the Proposed Order, there are two Paragraph 27s. In the first Paragraph 27, the Hearing Examiner, in pertinent part, states:

27. OAC 785:30-3-6(b)(1) gives the following examples of situations where enforcing the well spacing requirements would be inequitable or unreasonable. **First, the Board considers whether the exception is met with protest. Here, the exception is met with protests.**

(Emphasis added.). In the second Paragraph 27, the Hearing Examiner states:

27. **Because there were protests filed with respect to the well spacing exception, requiring Applicant to satisfy the spacing requirements of 785:30-3-6(a), in light of the remainder of the evidence presented, would be inequitable and unreasonable.**

(Emphasis added.). The Hearing Examiner’s rationale simply does not make sense. The fact that Protestants filed protests against Applicant’s request for well spacing exceptions **in no way** makes it inequitable and unreasonable to require Applicant to satisfy the spacing requirements. The fact does not support the conclusion. The Hearing Examiner wholly misconstrued OAC 785:30-3-6(b)(1)(A) and committed reversible error, requiring that the Proposed Order be rejected.

**D. The Evidence Did Not Establish That the Location of the Wells “was Based on Available Area.”**

In part, the Hearing Examiner’s recommendation to grant the Well [Location] Exception Request relies on OAC 785:30-3-6(b)(1)(B) (“the amount or dimensions of the land dedicated to the permit precludes the drilling of a well in compliance with the spacing requirement.”). In the first paragraph 27, the Hearing Examiner stated:

Second, the Board takes into consideration the amount and/or dimensions of the land dedicated to the permit and whether same allows for compliance with the spacing requirements. **However, evidence did establish that the location of the wells was based on available area.**

(Emphasis added.).

None of the Findings of Fact in the Proposed Order support the conclusion that the evidence established that the location of the wells was based on available area.<sup>13</sup> To the contrary, the evidence did not establish that the location of the wells “was based on available area.” Applicant presented **no** evidence that the “amount or dimensions of the land dedicated to the permit precludes the drilling of a well in compliance with the spacing requirement set forth in (a) of this section.” On p. 3 of Exhibit 1, in Applicant’s Request for Well Spacing Exception, in the “brief justification statement explaining why a well spacing exception should be granted,” Glen Winters wrote only that “[t]his was the best part of my property to find water on.” Winters’s testimony established that this was based on “water witching.” “Water witching” was the reason that seven of the eight wells are drilled within a 14.1-acre polygon-shaped tract out of the 149.64 surface acres owned by Winters Farms.<sup>14</sup> Not because of “available area.”

Because the evidence does not support the Hearing Examiner’s reliance on OAC 785:30-3-6(b)(1)(B) as a basis for the recommendation to grant the Well [Location] Exception Request, the Proposed Order should be rejected.

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<sup>13</sup> Proposed Order, pp. 1-6.

<sup>14</sup> Exhibit 29, attached hereto as Exh. “A”.

**E. The Hearing Examiner Misconstrued OAC 785:30-3-6(b)(1)(C); Contrary to the Hearing Examiner’s Rationale, the Fact That the Wells Were Already Drilled Does not Support the Well [Location] Exception Request.**

In part, the Hearing Examiner relied on OAC 785:30-3-6(b)(1)(C) to support the recommendation to grant the Well Spacing Exception request. In the first paragraph 27, the Hearing Examiner stated:

Third, in situations where the well has already been drilled, the Board considers when the well was drilled in relation to the determination of the maximum annual yield. Here, the wells in question have been drilled.

But there is much more to OAC 785:30-3-6(b)(1)(C), which states:

(C) The well requested to be authorized is a well which was drilled, **completed and used** prior to the date of the maximum annual yield determination or prior to October 1, 2019 within temporary basins and which does not meet the spacing requirements of (a) of this section.

(Emphasis added.). OAC 785:30-3-6(b)(1)(C) is wholly inapplicable here. The purpose of OAC 785:30-3-6(b)(1)(C) is not to encourage water users to believe that “its better to ask for forgiveness than permission.” It is true that the seven wells that Applicant sought a Well Spacing Exception were drilled essentially back-to-back in December of 2018.<sup>15</sup> The Board received Winters Farms’s Application over three and one-half years after the seven wells were drilled.

The seven wells have been drilled, **but not completed** by installation of submersible motors and pumps and water distribution pipes. Winters testified that the wells are pending permitting and **have not been utilized**.<sup>16</sup> The applicability of OAC 785:30-3-6(b)(1)(C) hinges on evidence of “a well which was drilled, completed **and used** prior to the date of the

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<sup>15</sup> Multi-purpose Well Completion and Plugging Reports, Exhibit 20.

<sup>16</sup>Findings of Fact, Conclusions of Law and Board Order (Proposed Version Submitted by Winters Farms, LLC), ¶ 28; “substantially adopted” by the Hearing Examiner in the Proposed Order, p. 1.

maximum annual yield determination. . . .” Because the seven wells have never been used, **OAC 785:30-3-6(b)(1)(C) is wholly inapplicable.**

Because OAC 785:30-3-6(b)(1)(C) is wholly inapplicable as a basis to grant the Well [Location] Exception Request, the Proposed Order should be rejected.

**III. THE PROPOSED ORDER RELIES ON THE APPLICATION BEING PROOF POSITIVE AND SUBSTANTIAL EVIDENCE OF COMPLIANCE.**

The Proposed Order assumes that the numerous representations in Winters Farms’s Application filed herein somehow rises to substantial evidence to support all of the allegations in the Application.

The Applicant called only one witness at the hearing, Glen Winters, the Manager of the Applicant, Winters Farms. The Applicant did not present any witnesses with expertise in hydrology, irrigation methods, the pseudoscience of water-witching, water well drilling, or water well testing. No evidence was presented that Winters Farms would only use such quantity of water as when reasonable intelligence and reasonable diligence are exercised in its application. Mr. Winters’ unequivocal testimony was that he has not even determined the water requirements for growing cotton, wheat, alfalfa, or grass.

For the Hearing Examiner to make these assumptions without evidentiary verification undermines the foundation for the rulings in this case; the prejudicial effect far outweighs any benefit; is prejudicial against the Protestants attempting to protect their livestock operations that have been ongoing for years; and basically pre-determines the decision in favor of Applicant. This ought not to be and this case is an opportunity for the OWRB to reject this Winters Farms Application for the lack of substantial evidence and in the future create a level playing field for all applications of this nature.

## CONCLUSION

The Proposed Order must be rejected, because the evidence does not show that waste, as specified in 82 O.S. § 1020.15, will not occur if the permit is granted.

Additionally, the Proposed Order wholly fails to recognize that the Applicant failed to meet its burden of proving that “drilling or completing the new or proposed well at the location required to comply with the established well spacing . . . would be inequitable or unreasonable.” Okla. Admin. Code § 785:30-3-6(b). It is the Applicant, not the Protestants, that has the burden of proof on this issue. Because Applicant failed to meet its burden of proof the Board must reject the Proposed Order and deny the Application and Request for [Spacing] Exception.

Respectfully submitted,



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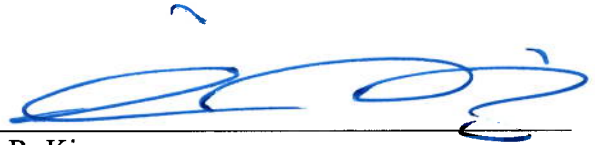
**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on the 14<sup>th</sup> day of May, 2024, a true and correct copy of the above and foregoing was electronically mailed to the following:

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