MINUTES
ENVIRONMENTAL QUALITY BOARD
JUNE 17, 2014
PITTSBURG COUNTY DEPARTMENT OF HEALTH
MCALESTER, OKLAHOMA

Official EQB Approved
On August 19, 2014

Notice of Public Meeting – The Environmental Quality Board (Board) convened for a Regular Meeting at 10:00 a.m., at the Pittsburg County Department of Health, 1400 East College, McAlester, Oklahoma. This meeting was held in accordance with 25 O.S. Section 311, with notice of the meeting given to the Secretary of State on November 18, 2013. The agenda was mailed to interested parties on June 5, 2014, and was posted at the DEQ and the facility on June 16, 2014. Mr. John Wendling, Chair, called the meeting to order. Ms. Quiana Fields called roll and a quorum was confirmed. Mr. Wendling welcomed Representative Donnie Condit. Mr. Wendling introduced new Board member Daniel Blankenship. Mr. Roy Walker, Assistant Division Director of Administrative Services, talked on safety precautions in case of an emergency.

MEMBERS PRESENT
Daniel Blankenship
Shannon Ferrell
David Griesel
Tracy Hammon
Jerry Johnston
James Kinder
Jan Kunze
Tim Munson
Billy Sims
Loretta Turner
John Wendling

DEQ STAFF PRESENT
Scott Thompson, Executive Director
Jimmy Givens, Deputy Executive Director
Martha Penisten, General Counsel
Michelle Wynn, Legislative Liaison
Catherine Sharp, Administrative Services Division
Roy Walker, Administrative Services Division
Amber Miller, Administrative Services Division
Eddie Terrill, Air Quality Division
Lloyd Kirk, Office of External Affairs
Gary Collins, Environmental Complaints & Local Services
Kelly Dixon, Land Protection Division
Fenton Rood, Land Protection Division
Chris Armstrong, State Environmental Laboratory Services
Skyler McElhaney, Public Information Officer
Cindy Przekurat, Executive Director’s Office
Quiana Fields, Board & Council Secretary

MEMBERS ABSENT
Steve Mason
Cheryl Vaught

OTHERS PRESENT
Representative Donnie Condit
Senator Larry Boggs
Clayton Eubanks, Office of the Attorney General
Sheila Richey, Court Reporter

Approval of Minutes – Mr. Johnston moved to approve the Minutes from the February 21, 2014 Regular Meeting. Ms. Kunze made the second.

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Mr. Scott Thompson, Executive Director of the DEQ, proposed that Mr. Jimmy Givens, Deputy Executive Director of the DEQ, give his report first. Mr. Givens gave an overview of the legislature session.

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Executive Director's Report — Mr. Thompson discussed fiscal year 2015 proposed and revised budget for the agency.

Mr. Wendling recognized Senator Larry Boggs for District 7.

Mr. Wendling suggested a five minute break before proceeding to the next agenda item; there were no objections.

Division Director Reports/Updates — Mr. Wendling called upon Lloyd Kirk, Division Director of the External Affairs. Mr. Kirk spoke on the upcoming change for the Customer Assistance Program that has been in existence since 1993. Mr. Kirk mentioned the Customer Assistance Program is a new approach regarding enforcement and permitting for the divisions.

Mr. Wendling called upon Eddie Terrill, Division Director of the Air Quality. Mr. Terrill gave an overview of the Air Quality Division. Also, Mr. Terrill spoke on upcoming challenges for fiscal year 2015, such as the carbon rule and Ozone and SO2 NAAQS Implementation.

Mr. Wendling called upon Kelly Dixon, Division Director of Land Protection. Ms. Dixon spoke on the core functions of the Land Protection Division such as the permitting and compliance program. Ms. Dixon gave an overview of other activities within the division.

Mr. Wendling called upon Shellei Chard-McClary, Division Director of the Water Quality. Ms. Chard-McClary spoke on staffing and the budget throughout the division. Also, mentioned were programs underway throughout the division.

Mr. Wendling called upon Gary Collins, Division Director of the Environmental Complaints and Local Services. Mr. Collins spoke on staffing problems in the local offices. Mr. Collins also provided an update of other division activities.

Mr. Wendling called upon Chris Armstrong, Division Director of the State Environmental Laboratory Services. Mr. Armstrong provided an update on concerns and goals for the state laboratory.

Performance Review of Executive Director — Mr. Wendling thanked the directors for the overview of their division. Ms. Kunze made a motion to have the Board go into Executive Session with Mr. Thompson. Mr. Griesel made the second and was designated as the scribe for Executive Session.

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The Board reconvened. Mr. Wendling called for a motion to come out of Executive Session and resume the Board meeting. Mr. Griesel made a motion to reconvene and Dr. Hammon made the second.

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New Business – None

Next Meeting – The next scheduled meeting will be August 19, 2014 in Quartz Mountain.

Adjournment – Mr. Kinder moved to adjourn and Ms. Kunze made the second. Meeting adjourned at 1:55 p.m.

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The transcript and sign-in sheet become an official part of these Minutes.
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TRANSCRIPT OF PROCEEDINGS

OF THE OKLAHOMA ENVIRONMENTAL QUALITY

BOARD MEETING

ON JUNE 17, 2014 AT 10:00 A.M.

IN MCALESTER, OKLAHOMA

* * * * *

YOUNG REPORTING SERVICES
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REPORTED BY: SHEILA F. RICEY, CSR
MEMBERS OF THE BOARD

1. DANIEL BLANKENSHIP, MEMBER
2. SHANNON FERRELL, MEMBER
3. DAVID GRIESEL, MEMBER
4. DR. TRACY HAMMON, MEMBER
5. JERRY JOHNSTON, MEMBER
6. JAMES KINDER, MEMBER
7. JAN KUNZE, VICE CHAIR
8. STEVE MASON, MEMBER
9. TIM MUNSON, MEMBER
10. BILLY SIMS, MEMBER
11. LORETTA TURNER, MEMBER
12. CHERYL VAUGHT, MEMBER
13. JOHN WENDLING, CHAIR

PROCEEDINGS:

MR. WENDLING: All right. I would like to go ahead and begin our meeting today, and I welcome everyone to the June meeting of the Environmental Quality Board.

I would like to read the call to order.

"The June 17th, 2014 regular meeting of the Department of Environmental Quality has been called according to the Oklahoma Open Meeting Act, Section 311 of Title 25 of the Oklahoma Statutes. Notice was filed with the Secretary of State on November 18, 2013.

Agendas were mailed to interested parties on June 5th of 2014 and were posted at the DEQ and the facility on June 16th, 2014. Only matters appearing on the posted Agenda may be considered. If this meeting is continued or reconvened, we must announce today the date, time, and place of the continued meeting, and the Agenda for such continuation will remain the same as today's Agenda."

With that, I would like to have a roll call, please.

MS. FIELDS: Dr. Hammon?

DR. HAMMON: Present.

MS. FIELDS: Mr. Johnston?

MR. JOHNSTON: Here.

MS. FIELDS: Mr. Kinder?

MR. KINDER: Here.

MS. FIELDS: Ms. Kunze?

MS. KUNZE: Present.

MS. FIELDS: Mr. Mason is absent. Mr. Munson?

MR. MUNSON: Here.

MS. FIELDS: Mr. Sims?

MR. SIMS: Here.

MS. FIELDS: Ms. Turner?

MS. TURNER: Here.

MS. FIELDS: Ms. Vaught is absent. Mr. Wending?

MR. WENDLING: Here.

MS. FIELDS: We have a quorum.

MR. WENDLING: All right. Thank you very much.

Before we move on, I would like to see if we have any guests with us today. We have State Representative Donnie Condit from District 18.

Representative Condit, welcome. Would you like to say anything to the group?

REPRESENTATIVE CONDIT: I just appreciate you taking the time out of your busy schedule to be here in McAlester. We invite you at any time, on behalf of the City Manager and myself. Thanks for coming.

MR. WENDLING: Thank you very much.

All right. We also have a new board member with us today, and for the first time we have Daniel Blankenship. Welcome to the Board.

MR. BLANKENSHIP: Thank you.

MR. WENDLING: And so, we have another new one, Cheryl Vaught. It doesn't look like she's with us today. So, hopefully we'll get to meet her at a meeting at another time.

Before we go on, I know we had a welcome to McAlester, but it was kind of interesting. I got on the website the other day just out of curiosity, because I've been to McAlester once about two years ago for a meeting.

And I remember running late, driving into town, going to the website and then having to leave right away. So, I really didn't get a chance to absorb, you know, the area around McAlester.

But anyway, so I got on the website and looked at the history. So, if you haven't done that, any of the Board Members, take a few minutes of time and get on the
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1 City website. And I thought it was kind of interesting.
2 Here are a few little tidbits I’m sure you’ll view. It
3 says that the town gets its name from J. J. McAlester,
4 who later became Lieutenant Governor for Oklahoma and was
5 immortalized as a character in the novel “True Grit”. I
6 thought that was kind of interesting from that
7 perspective.
8 Another thing is, you’ll find out as you read
9 through there that the State prison has some nicknames
10 that they have historically used, "Big Mac" or
11 "McAlester". And it says the town is referenced in that
12 manner in the opening pages of the "Grapes of Wrath".
13 So, it’s kind of interesting to see. And as
14 you go through these, you realize what the history is of
15 McAlester. And if you go back to Indian Territory, how
16 McAlester was merged, and that the railroads were a part
17 of that, and what drove that was the fact that there was
18 a plot of coal in the area which helped fuel the trades
19 as they came through. So, there’s a little history
20 there. So, it’s good to know and good to read through
21 here. There’s a lot more about history. And so, just
22 FYI, if you get a chance.
23 All right. With that and before we begin, I
24 would like to ask Roy to do a safety moment for us. For
25 everyone here, if you haven’t been in this facility, just

1 in case something did happen, we would know what we
2 should do in any type of emergency.
3 MR. WALKER: Sure. The facility has informed
4 us that if there is an emergency there will be a very
5 loud alarm that will go off. And they said someone will
6 come in and direct us where to go. And, of course, the
7 exit is right there (indicating), and you pass the
8 restrooms on the way as well.
9 MR. WENDLING: All right. Thank you very
10 much.
11 One thing everyone will notice today, you will
12 notice that our Agenda is different than it has been in
13 the past. We have no rules in it today. But we felt it
14 was important to get together because of the changes
15 within the agency, and we’ve also had some things going
16 on from a budgeting perspective in response to the State
17 budget, and felt that we needed to communicate that to
18 the Board, as well as other activities going on. And
19 also, it gives us an opportunity with the new board
20 members to hear from some of the directors. So, it’s a
21 little different Agenda than we’ve had in the past, but I
22 think it’s well worth it.
23 So, with that, the next item on the Agenda is
24 the approval of the minutes. Hopefully everyone had the
25 chance to review those. And with that, I ask if there’s

1 MS. FIELDS: Mr. Wendling?
2 MR. WENDLING: Yes.
3 MS. FIELDS: Motion passed.
4 MR. WENDLING: All right. Thank you.
5 All right. Moving along, what I would like to
6 do at this point, looking at the Agenda, the next item is
7 the Executive Director’s report with Scott Thompson. So,
8 I would like to, at this point, turn it over to Scott.
9 MR. THOMPSON: Jimmy, are there slides up
10 first?
11 MR. GIVENS: Yes.
12 MR. THOMPSON: Why don’t you go ahead and
13 start.
14 MR. GIVENS: While Roy is pulling up the
15 PowerPoint presentation, let me just go ahead and begin
16 by saying that what I want to do this morning is give you
17 a brief overview of the Legislative session that just
18 closed. With Representative Condit here, feel free to
19 chime in on any of these items. I will keep it brief
20 this morning. It truly will be an overview.
21 We want to touch mainly on the things that
22 affect DEQ most directly. I’ll touch on a few items
23 that, in addition to the Bills that affect DEQ directly,
24 some Bills that were not enacted but may give an
25 indication of the level of interest on the part of the

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Legislature that could reappear. And then the Interim
Study Requests, I'll touch on very briefly because,
again, that gives us some indication of what might be
coming down the pike.

Probably the most notable development during
the session itself was the resignation of the Speaker, of
Speaker T.W. Shannon, and his replacement by Speaker
Jeff Hickman. We certainly had a cordial relationship
with Speaker Shannon's office. But, frankly, we probably
know Speaker Hickman and his office a little bit better,
and we'll see if that helps us in the future as things
play out in the coming session. But that is probably—
that made as much news during the session as anything
that I know of.

Just a few things that touched on some of the
major themes. You probably have heard about these if
you've kept up at all with the Legislative session.
Obviously, the income tax cut was high on the Agenda of
leadership. A lot of discussion of education, the Common
Core, and testing requirements. A lot of discussion
about the Capitol, repairs to the Capitol, and a bond
issue for that. The Native American Cultural Center
received a lot of attention.

And the State employee pay, classification,
benefits, and pensions received a lot of discussion and
attention as well. One of the Bills did pass. It
especially directs the Office of Management, Enterprise
Services, to do a comprehensive review of State jobs and
decide which ones should be what we used to call
classified and unclassified, will be called executive and
career positions in the future.

But, again, I think that is something that we
will see in the next Legislative session. We'll see more
follow-up on that particular set of issues, probably
additional legislation on trying to reform the way that
we pay State employees, and the entire compensation
package associated with State employment.

Process changes, I won't spend much time on.
The elimination of the Calender Committee is probably not
of a whole lot of interest to most of you. Although, my
take on that is it does rest a little bit more power in
the Speaker's office and the floor leader's office.

Of more consequence to us is the
implementation of the OMNIBUS Rules Approval Process, and
that was something that passed last year. And you may
recall, those of you who were around then, that we talked
to a little bit about it then. A Bill passed and it changes
the way and the rules that we would adopt to go to the
Legislature and Governor for final approval before they
become effective. And in essence, it says that the

Legislature has to affirmatively approve the rules,
instead of not disapprove the rules. And if the
Legislature doesn't act, then it falls on the Governor to
act. And that's what happened this time around.

A resolution passed the House that would have
approved our rules, along with many others, but it didn't
make it through the Senate before adjournment sine die.
So, it is up to the Governor now to approve the rules
that you have adopted over the course of the last nine
months or so, and I think she probably will act sometime
before the end of the month, because they have to be
published in the Oklahoma Register by July the 17th, I
believe it is.

One of the big things, Dust-Up Over Vetoes.

There was, as you may have heard, quite a bit of
controversy in—I don't know, probably in April when
Governor Fallin in a single day vetoed something like 16
House bills. Does that sound about right? And the
message was not so much that she objected to the
individual Bills, but that she felt like the House in
particular was not moving as quickly on some of the
State's priorities as they should have been. So, there
was an interesting vote right in the middle of the
session.

Moving ahead quickly to some of the things
that directly affect DEQ. These first two I've
highlighted in red, because you may recall that we
brought these to you, most of you who were around at the
time, we brought these to you in the fall with a
recommendation that we move forward on these as Request
Bills.

The Good Samaritan cleanup protection, that
allows for really anyone, but it's focused first of all
on the Institutions of higher education and non-profits,
allows them to provide assistance to clean up areas of
historical contamination, and provides them some
additional liability or relief when they voluntarily do
that. If they are doing it for compensation, this does
not apply. If they are grossly negligent or
intentionally do something wrong, it doesn't apply. But
it does encourage people to step forward, maybe as a
research project, or something like that, to help out
with some cleanup, Tar Creek and other places like that.

1336, again was a Request Bill. You may
recall what it does is, it's saying that if you're going
to get a solid waste permit, you ought to act on it
within some reasonable period of time after you get the
permit. We have a couple that have been lying around for
a long time. This will not apply to them because it is
prospective in nature. But we did feel like it was
Important to say to them, "Look, if you're going to get a permit, you can't just keep it forever and decide 50 years down the road that you're going to try to implement it."

3102 was not a DEQ Request Bill, but we did have the opportunity to have input into it. In essence, it allows the processors to recover reimbursement for their capital investments a little bit more quickly than they could before by removing a yearly cap on the amount that they can receive.

And 1418, again, not a DEQ Request Bill, but we did have some input into it. It says that, for those entities, those oil and gas operators, that want to send oil and gas related waste to one of our landfills, they have to keep the same sort of records about that waste as they would have had to keep if they were sending it to some facility regulated by the Corporation Commission.

This was driven largely by, I think, those entities that operate oil and gas facilities. As you might expect, they wanted to level the playing field for wherever the disposal occurs.

Let me pause before I move to the next slide.

Any questions about any of those four, because I'm going to shift gears to a different environmental area? John.

MR. WENDLING: Do you notice that the effective date of the first three is different than the last one? Is there a reason that it's different?

MR. GIVENS: Yeah, I should have highlighted that. The first -- in general, Legislation will take effect on either July 1st or November the 1st. If it's something that is considered to be relatively urgent by the Legislature, they often will put an emergency clause on it. If it's particularly urgent, they'll put an emergency clause, with nothing else, which means it takes effect immediately on the Governor's signature. And if it's something that more or less corresponds to the State fiscal year, they'll make it effective July 1st with the emergency clause. But if it's not as urgent, something more routine, they'll delay it to November 1st so it has time to get into the published statute book.

The other, Senate Bill 1418, becomes effective on August 21st, because if they don't have an effective date, and they don't have an emergency clause, they take effect 90 days after adjournment sine die in the Legislature, and that particular Bill had neither an effective date nor an emergency clause.

Water and Wastewater and Lab. Senate Bill 1187 was driven largely by the City of Norman, and more particularly the Central Oklahoma Master Conservancy Districts. Certainly there were other municipalities that have an interest, but Norman was probably the most active in driving this particular bill. It was carried by two Norman legislators.

It does a variety of things in a roundabout way. It encourages the Water Board and DEQ to be very active in reviewing and moving through permits for water reuse projects. Probably the most interesting feature is what is reflected by this bullet. It essentially says that if you are discharging -- if you have a discharge that has concentrations of pollutants that are not considered to be a degradation of that particular water body.

So that is the most notable feature, I think, of that particular bill. It probably does set the stage for Norman to move ahead on some of the things that they want to do, discharging upstream from Lake Thunderbird.

1413, you may recall back a year or two ago there was a statutory change that eliminated a couple of our councils, combined those councils into the Water Quality Council, providing for representation from those councils on the expanded Water Quality Council. And this just clarifies that we want the Lab representative, or the Water Quality Council, to be a representative of a fairly comprehensive lab, one that's accredited for -- I forgot the exact terminology. Chris, general water quality?

MR. ARMSTRONG: General water quality, or drinking water, or there's more specific bills of accreditation that apply within that. But we want them to be a representative of a lab that's accredited by our agency.

MR. GIVENS: So, it really was just a clarification of what that particular representative -- the qualifications that particular representative needs to have. Any questions about either of those two?

On the Air, both of these are resolutions. They do not have the force and effect of the law. State Concurrent Resolution 39 simply says the EPA, in moving forward on its rules on CO2, is urged to allow the States the maximum flexibility possible in implementing those new CO2 rules.

And HR 1070, as you can see there, it interposes an objection to the President's Climate Action Plan. It really focuses on agriculture, and even more specifically than that, on dairy cattle. If I can put this delicately, it basically says that our dairy cattle, their natural functions take care of themselves. That's the polite way to put it, I guess.
1. Questions about either of those?
2. A few Bills that were not enacted, I put the
3. first one in red because this was the one -- there were
4. three Request Bills that did not make it through. We had
5. wanted to, since we are starting to get some of our
6. Brownfields loan moneys back in, we had wanted to be
7. allowed to collect interest on those repayments, the fund
8. itself. That did not get through, and not so much,
9. really, I think, because of any objections specifically
10. to the concept. But there is a little bit of resistance
11. in the Legislature to funneling money away from the
12. General Fund, and even though this would have been a
13. miniscule amount in the grand scheme of things. And
14. there may have been a little bit of concern about that,
15. and then there, frankly, were some political factors that
16. came into play that caused that not to move forward. I
17. suspect we will try again in the foreseeable future on
18. that. And the rest of these, I don't know that I'm going
19. to mention individually. I'll let you just read through
20. those. Most of these did not make it past the initial
21. committee deadline. So, they didn't get very far. There
22. is some concern about wind energy, particularly in the
23. eastern half of the State.
24. Smart meters I think was -- I'm speculating
25. here, but probably privacy concerns as much as anything

1. else. And core needs, there is a fairly vocal group in
2. Tulsa that has a concern about core needs. So, that's
3. where some of that came from.
4. Okay. Any questions about any of those as you
5. scan through those?
6. Okay. The last thing, and again, I won't
7. spend a lot of time on these. The first couple, these
8. were Interim Study Requests by the House. The Senate has
9. not yet published their Interim Study Requests, and even
10. these are merely requests. It's up to the Speaker to
11. decide which ones of these will be approved to move
12. forward.
13. The first couple have to do with budgeting.
14. As I mentioned earlier, there's some concern that too
15. much money is being funneled out of the General Revenue
16. ear-marked, if you will. So there's some request for an
17. Interim Study on that. Our Revolving Fund, as Scott will
18. talk about here in a little while, a large amount was
19. taken out of our Revolving Fund, along with that of many
20. other agencies. There will be a study, if approved, that
21. has to do with the balance and use of Revolving Funds.
22. Government modernization is kind of an annual
23. thing. How well or how badly are we doing at modernizing
24. government?
25. Water, literally, that's all it says. I don't

1. know what the agenda is behind that one.
2. Water quality in Norman and Lake Thunderbird,
3. probably driven in part by outside entities that have
4. questioned the quality of Norman's water.
5. Infrastructure and available resources, that's
6. about all I know about that one.
7. Groundwater use for fracking, not really our
8. deal, but something that we have followed and will follow
9. to see how it turns out. It's mostly the Corporation
10. Commission involved there.
11. Groundwater/surface water interaction sites
12. and hydraulic testing, that's what that literally says.
13. But you read the inscription, and that's the title on the
14. Interim Study. But if you read the inscription, it
15. sounds like it's as much about seismic activity
16. associated with oil and gas exploration, fracking, and
17. disposal as anything else. We'll have to see how that
18. plays out.
19. Representative Russ has an ongoing -- well, I
20. would say a dispute with the DEQ about the extent of the
21. lateral lines that may be needed for individual waste
22. water systems, and he has requested an Interim Study on
23. our rule-making associated with that.
24. And finally, the wind industry in Oklahoma.
25. As I mentioned earlier, there's a lot of discussion about

1. further redevelopment, rights of lands owners, and all of
2. that sort of thing that probably will come up during that
3. particular Interim Study.
4. Any questions about those?
5. MR. WENDLING: Are most of these Interim
6. Studies that are being proposed?
7. MR. GIVENS: They have all been proposed.
8. Friday was the deadline for the House to request Interim
9. Studies. And at this moment, we don't know which of
10. these will be approved. The Senate will request Interim
11. Studies by the end of the month, and we will probably in
12. July have a list of those.
13. They operate a little bit differently, in the
14. sense that it's generally left up to the Committee Chair
15. to determine whether or not they are going to have any
16. sort of hearing on those Interim Studies. From the
17. House, the Speaker has to approve.
18. Okay. Well, if I've left you lost, confused,
19. unsure, unclear, perplexed, disoriented, or bewildered, I
20. will ask one more time if there are any questions about
21. any of this. All right. If you think of anything later,
22. please let me know. Thank you.
23. MR. THOMPSON: I'm going to go over our
24. budget. And a word of caution, our budget is always a
25. moving target. This is our best snapshot of where we are
Now and what we are likely to turn in as our budget. But depending on — okay. There we go. These are the sources of the revenue that the agency has, Federal grants. The Revolving Fund is fee money, as well as penalty money; and the general revenue. The general revenue also goes into the Revolving Fund. This is a pie chart describing the 2014 fiscal year budget, and there are some changes primarily in the Federal grant money. We get a little more Federal grant money. There's also — you know, you will see, as we go through the budget, that there's some reductions in our General Revenue and in our Revolving Fund, our cash balance. So, this is the 2015. You see we got about $5 million for a — that we expect to get this year for a Superfund cleanup, the Tulsa Fuels site in Collinsville, Oklahoma. There's a chance that will not get funded this year, and so that money will just not show up in our budget. But if it does, we're going to have it in there so that we can spend it and do the cleanup. And we also have to match that with some State dollars, and I think I'll show that a little later. This is a breakdown by division. The Land Division, LPD, it looks a little bit large because they do have a bunch of cleanup projects. So, we get one-time funding for those from the Federal Government, and/or with some State funds we have to match with. They also carry some money in a balance that is for our Voluntary cleanup Program. Which the way that works is, most of the entities that we work with, private companies and such, we ask for them to cover the State's oversight cost. So, we agree on a dollar figure. Usually it's about $5,000 if it's a very large site. If they write a check to us, we put that in, and we draw into that. If the work continues on for some period of time and we need to replenish that, then we work that out with them, and they replenish the dollars in that. And if, at the end of the project, there's money left over, we are supposed to refund that to those folks. So, even though it shows up in our budget and is held in our Revolving Fund, it's not really our money unless we code it to do and work on it. And if I recall, there's probably $500,000 in that account right now.

The 2015 Budget. As you see, in 2013 we were about seven and a half million. 2014, we went up to nine, and in 2015 we got reductions again and went down to about seven. So, the bump from last year was for the Public Water Supply Program. And then they took an additional 5.5 percent off of the top after moving the million and half we got the year before. So, that's how we came up with the $7 million, and in reality that's about a 21 percent reduction that we'll have from 2014. And I want to say, this was a very tough budget year for everybody. We had more total income in the State than ever, but there was an over estimate of income in some areas the year before. So, too much money was budgeted in 2014, which left us about a 190 million-dollar shortfall for 2015, and that's why there were so many reductions, and a number of agencies' Revolving Funds were hit, their cash balances were hit. And pretty much everybody got the 5.5 percent. We got a little more.

So that shows the total reduction from last year, this coming year is $1.9 million in the general revenue appropriated dollars. And most of that money, it goes to the normal complaints and local services, all of our local offices across the State, the Laboratory and the Water Quality Division. The other divisions are totally fee funded, and we are Federal grant funded. We have taken three public water supply rules recently, and there are one or two more coming at us, which we're not certain that we're going to be able to take primacy for. There's one that EPA threatens if you don't take it, they take back; the Total Caliform Rule. Whether they really mean that or not, I guess we'll see.

But I think we'll just have to cross that bridge when we get there and try to determine what that is. I don't, at the moment, have a good cost estimate for what it would require to take those two programs, but we'll come up with that and submit to you probably in the next week.

Okay. Part of what's happened in the process this year, historically — yes, John.

MR. WENDLING: Can you go back to the previous slide?

MR. THOMPSON: We'll see if I can.

MR. WENDLING: So, we received primacy from the EPA to implement those projects, and we've used that money for that. So, if we don't have that money, are we still going to try to do those, or are we going to send those back to the EPA to administer?

MR. THOMPSON: We are going to try to do those. I would say that, you know, at the moment I don't know that I have great confidence in the dollars requested the year before as being totally accurate in terms of what we needed. And I was hoping to be able to stay level and go through that, and figure that out, and see what we can adjust, and then probably be able to commit to not trying to raise any fee's for a long time to come, but that's not what happened. So, we are going...
1. to reevaluate that, and we're going to look pretty hard
2. at it.
3. What we've done with the budget, we're going
4. to show you where we've had the cuts based on the general
5. revenue cuts, and then also taking $12 million in cash
6. out of our Revolving Fund, and that, I guess, comes out
7. July 1, probably.
8. So, we are going to show the impact of that,
9. but when we actually do the budget, we are going to
10. budget based on what we expect to have. So we fill some
11. of those holes a little bit by shifting some things
12. around and by not doing some other things, and we'll try
13. to explain all of that.
14. But our agency is very broad, very large, and
15. we have a lot of different programs, and we have a lot of
16. different revenue sources. And the revenue shows up at
17. different times through the year from different ways, and
18. so it's pretty complex to try to really and fully
19. understand the budget. It's not like we get X dollars at
20. the start of the year, and we spend off of that. It's
21. throughout the year income comes in, and you have to
22. adjust what you do. And so, all of the income is
23. estimated, even the appropriated dollars.
24. This year and the year before, towards the end
25. of the session, we've lost one or two percent in

terms of what we expected to actually receive in
appropriated dollars. So, that wasn't a huge amount of
money. But last year we did pretty good in some of our
fee balances and stuff, and having extra fee income that
we hadn't anticipated. But that's not always the case.
There are years when we have shortfalls in fee income,
and there's years when we have people that don't pay for
certain fees, and we have to kind of change that around
and deal with it.

2. dump cleanups. We also got in that we could do some
local projects from recycled tire materials. So, if
enough money accrues in that account, we can't really use
it for anything else -- actually, it doesn't need to
accrue in our account, but we authorize the expenditure
of it. So we might be able to -- in addition to cleaning
up some tire dumps, we might be able to advertise across
the State for some projects, like maybe a county road
project to use rubberized asphalt, rubberized asphalt
playgrounds or walking trails, or something like that.
And then, of course, we have to build up to accrue enough
money to actually do a project before we let them bid on
a project or agree to sign a contract to pay that amount.
And that's one of the challenges, when you
look at our budget from the outside maybe, and looking at
the cash balance that we have in the bank, and thinking
about this fiscal year versus next fiscal year. Well,
the reality is, for things like armory clean-ups, we had

3. to have a full amount accrued before we could let bids on
that project. And so, we do have carryover, and we do
have to make payroll, and the things at the first part of
the fiscal year. So we have to carry some carryover
through June to pay the bills in July and August as some
other income is coming in.
And I will have to say that the PeopleSoft
financial program that the State invested in is a
challenge to get an accurate snapshot today as to exactly
where we are. It takes a while for that program to sort
out, and move some money around from account to
account. And so, much of the time, we are operating on
estimates of what we expect to come in, and we have to
validate that a little later as to whether or not we did
actually get that, and to write checks and stuff.

4. And so, this transition from the last fiscal
year to the next one is not as simple as -- we don't just
shut off, you know, we don't shut down stuff that didn't
work. We are able to -- if we have accrued funds, then
we can let a project like this to cleanup an armory or do
some local project. If not, we have to wait until that
money accrues to the next fiscal year. And it could cost
two or three months or more to be able to do that.

5. So, the first of May, we had about $27 million
in our cash balance, and we had seven projected for
payroll, another three encompassed for fiscal projects or
payments we had to make for things. And then we had
about a million dollars extra there.

6. And then we had a bunch of funds in there for
long-term projects. This is all -- but when you're
looking at the cash balance on OMES website, or whatever,
you just see the total balance. You don't understand
what it's all there for. As well as at the time their --
I don't know if this is fixed or not -- but their program
was overreporting. It was double counting some income,
and so it actually showed 30, and we only had 27.
So, anyway, these long-term funds, we had some
penalty money. We had some money that accrued in Air,
based on the money that comes from the tire fees. And
then we had those voluntary clean-ups, and that's not
really our money until we code it to it and draw down on
that. Then there's the fuel tax money that goes for
armory clean-ups and other projects like that.
We had some settlement funds from some
historical clean-ups that we had gotten some settlements
on from some private parties, and we had some small
communities funds. And we had another set of settlement
funds for Historical Bankruptcy Settlements. And that
one was destined for a smelter site in Kusa, or most of
that money was.
And then We had $200,000 for the audit that we
were planning to do for the Public Water Supply. And we
had a little bit left over to be transferred to the
Wildlife Department for some natural resource damage and
restoration work. And then we had another couple of
million dollars from a separate ASARCO settlement that we
were planning to use. It was really in the Secretary of
Environment's bank account for awhile, but they
transferred it to us because they wanted us to do another
Passive Water Treatment project at Tar Creek with it,
and that will be used to match Federal funds, and so it
could bring in nine times as much Federal dollars.
So, when we had to cut 12 million July 1st out
of that, this is pretty much what we had to give up to
meet that cash and still be able to continue to function
and do the things that need to be done in terms of
protecting public water supplies and such.
Most of those are clean-ups, and we gave up
the remaining penalty money that wasn't already spoken
for or incumbered, and we gave up quite a bit of that Air
money that was already there.
Now, the parking garage modifications, that's
what we could have put towards our parking garage fix. I
don't know if you guys have spent much time in our
parking garage, but it's in about the same condition as
the State Capitol. There's some things falling off the
ceiling on people's cars, and stuff like that. And once
upon a time, I think in 2007, the agency decided it was
going to cost about $4 million to build a new garage, and
it was cheaper to build a new garage because this garage
is sandwiched between a current building and another
parking garage. So it's really part of those structures

as well.
And the pillars were built very, very, very
well. It's a very stout infrastructure. But the rebar
and the concrete that are at the parking levels
themselves, it would be very costly to go in and try to
tear that out and replace that with the existing stuff.
So, the demolition of it would be very expensive, and the
repair would be very expensive. So, it would be cheaper
to build a new parking garage in our current visitors
parking lot. With the current prices, we estimate about
$6 million to do that.
So, at some point, we would like to be able to
accrue enough money to actually do that, because it's
necessary. We don't even have enough parking for our own
employees right now. There's some consideration -- we
have a third floor that's used as a warehouse currently.
We even looked at -- Wildlife was looking for a temporary
location for -- well, their whole building has to be
repaired. They've got some major structural issues. And
we looked into that, but it wasn't really feasible to get
them there if we don't have enough parking. We also
have -- that's not on our current air handling system.
Where Southwestern Bell has their computers
and stuff, and it has a totally separate air handling
system, which is no longer there or functional. So, it
would take some capital improvements to be able to
allow -- to have allowed the Wildlife Department, or
maybe someone like the Water Resources Board was looking
for another location, to be able to move onto that floor.
Anyway, so that's a major capital expense that
we would like to plan for at some point and figure out
how to deal with before it really does start falling down
completely.
Okay. This is where we took the General
Revenue cuts. And where we say we're going to cut
technical assistance for the public water supply, that
was kind of where the bulk of the general revenue that
was added to the agency was planned to go before. But
I'm pushing really hard. This does not mean that we're
going to stop helping people. And some of what we're
going to do is shift some of this help to the County
offices to do, and involve our County folks more, and
educate them more on the upcoming programs, and how to
comply with some of these new rules and have them work
closer with the folks in the cities that they work with.
And we are going to just find a different way to do it
than we were planning to do it. We may do more online
stuff. We may prepare more written materials that are
available.
We recently, this month, have been going
around doing some seminars for everybody across the State
on these new rules and things like that, and that was
going very well. So, if I can, I would like to find a
way to continue those efforts somehow, because I think
that's critical. The better we can educate people and
walk some folks through these processes, because some of
them are pretty complicated, and we've just got to
continue to do that. So we are going to take these cuts
one way or another, but we have shifted some things
around to try to deal with that.

Okay. This is a snapshot of the anticipated
income for the Air Quality Program. And you see in
parentheses, we anticipated taking that amount as an
indirect cost cut to cover administrative services, and
our IT costs, and a couple of other miscellaneous things.
So that's mostly -- that's all fee income. And let's
see. We also show -- yeah. Now, on this slide you see
the fee income, plus the Federal grants that we get, and
some projected carryover.

So, at the bottom is a carryover for this
coming year. And again, this is all projections. You've
got to put some cushion in your budget because if the
money doesn't show up, you've got to cut somewhere, and
you have to have somewhere to cut. If you get to looking
like you're going to carryover too much money, you can
probably start some new projects, et cetera, and deal
with that. But we do have to make payroll and such next
July as well.

And if we hadn't taken some of the cuts we
have throughout this budget, we would probably have been
in the red quite a bit. In the old days when you talked
about how much cash you had, you looked at it from a
budget standpoint. You looked at where you were really
in the red and places where you hadn't received payments
on things, or carrying a lot of debt in some area versus
your actual cash balances or income, and where you were
in the black when you looked at what the difference was.
Now, the way things are online, people just look at the
cash in the bank, and they don't look at where you're
carrying the deficits, and how much you're in the red
here or there. That doesn't really come into play in
terms of the way they looked at the budget this year.

So, that's just part of how it went.

Okay. This is a snapshot of the Air Program.
Do you see the middle column? There's nothing in that
middle column. In the next slide, you'll see numbers in
red, which is where the cuts showed up. So, Air is
pretty healthy at this point.

The Land Protection Division. This is the fee
income for the Land Protection Division. As you can see,
project. And we may see if we can come up with funds to
do that Kusa Smelter site, and have settlement funds to
cleanup the whole smelter site, which we are going to
have to pay that back or ask for immediate appropriation
for that money back to try to get that project done.
The impact of not doing these cleanups.
Basically, it's all redevelopment of a lot of these
properties or reuses, and that can, you know, have the
potential for exposures to things, or, you know, it just
doesn't – if there's something sitting there and not on
the tax rolls and not being useful, and it's a negative
economic impact compared to what it could be. And a lot
of reuses of these facilities are pretty neat. I've been
to a lot of the ceremonies that we do for the clean-ups,
and it's always kind of fun.
We have done, historically, a lot of land
reclamation projects. We've helped the OERD do salt scar
repairs and such, worked with the local Conservation
Districts in some places to do some of these projects.
And we also historically have given money to counties for
chippers and shredders and things like that, or other
equipment, to try to divert things from the landfills
that don't need to be in a landfill, and use them in
other ways, and we're not going to have money for that
this year.
The Water Quality Division's income from fees
is there, about 5.6 million. And then there's our fee
income from Federal grants, some appropriated dollars,
and then we have a few hundred dollars projected to
carryover so that we can pay the bills on July 1st if we
need to.
The 2015 Budget. These are the General
Revenue cuts in Water Quality. So, basically, we are not
going to fill quite a few positions is one way we're
taking some of those cuts.
MR. BLANKENSHIP: Are those just vacant
positions at this time?
MR. THOMPSON: Yeah. We're not terminating
any employment at this time. We're not going to fill
current vacancies. It remains to be seen, as we go
through the year, and it depends on income and how things
are going, we may choose not to fill some of the future
vacancies as they come up.
MR. BLANKENSHIP: Okay.
MR. THOMPSON: We'll just have to play that by
ear. You'll see that in the local office's budget as
well –
MR. BLANKENSHIP: Okay.
MR. THOMPSON: – that we're not going to fill
quite a few positions. And we are going to have to do a
few, because we have some big gaps from people that have
left the agency, that have retired or whatever. And we
really can't operate very efficiently at all without some
local offices in some parts of the State.
So, there's Water Quality's overall budget for
2015. And you see the left column. I didn't explain
that earlier. But that's what we originally proposed
when we were doing our allocation for the year. That was
a few months back that we projected that based on,
basically, the previous year's situation. And then we
took the cuts, and that's what the actual 2015 Budget is
most likely to be like when we submit it.
These are some of the impacts on Water
Quality. The TMDL projects, Total Maximum Daily Load,
are studies that are done on streams. It's not an EPA
rule, but we get Federal funding through a Federal grant
to do those. And we have taken a hard look at those as
this year started. We have some concerns about the way
those were set up to be done, and what the impacts of
those are. Because even though it's not a rule, it leads
to requirements of how you set permit limits for some
streams. And the minimum TMDL could lead to making it
impossible for current dischargers or any new dischargers
to be able to use certain streams segments, and that
could really be a serious problem across Oklahoma in
terms of being able to maintain existing industries in
communities, as well as having any chance to bring in new
ones.
And so, we think that the way it was being
done was a little bit arbitrary in terms of what you call
an impairment. If you decide that the stream is
impaired, then you have really strict limits on any
additional discharges, terminating any existing
discharges the way the impairment was set. It was
basically set on a 1970's stream data from very few
points. And if you average it, and then you apply that
average to the whole basin, and it may be hard to
represent a natural variation in that basin.
So, we have to submit 45 of those to EPA by
the end of the Federal fiscal year, which is September
30th, and we're going to work that out, and try to find
45 that don't cause any major turnover, and do that. But
we may have to revise some of the other ones that we have
previously done, and try to verify and validate the
additional ones we have to do. So, we have a total of
300 or so, and maybe more, that we have to do. So,
that's a significant item that we may consider once we
get our heads around this issue and determine what it
might take to do that. We might ask for some additional
funds in the new year to conduct those.
It's going to take longer to do things in some of our programs. It may take longer to get permits out. It could take longer for processing certain things, and we may reduce the number of people we send to training, which isn't always a good thing. And we may have to shift some of the money from the DWSRF Fund. I don't have all of the details of this down perfectly yet. But, basically, we can use up to 31 percent of that for operational costs. We typically do not, and we use quite a bit less. And we are not going to use the whole 31 percent, but we may shift about $500,000 over to the County offices and have them do some additional work in Water. And so that will be 500,000 that won't go over to the Water Board to be available for loans.

And that's -- you know, it's an allowable cost. We're going to look at it, and we're going to do things to preserve our abilities in County offices.

But, again, that's money that won't go to the Water Board, and can't be leveraged against other money. And I'm going to meet with J.D. Strong, the Director of the Water Resources Board, and go over that with him to make sure that that's not going to be too big a problem. But, you know, we would rather see that money there, because when you give it out in loans, it comes back, and you get to loan it out again.

Okay. Our County Offices of Environmental Complaints and Local Services Division. This is their projected income from fees. And their fee income does not come close to covering their total costs per year. I think it's maybe half, roughly. And then there's fees from Federal grant money, mostly out of Water that they access. And then Land, they have some funds as well, and it takes quite a bit of State Appropriations to do that, and we keep money to do that.

And then, these are the cuts to the ECLS. There are quite a few positions. We are already closing the Miami office and the Ponca City office. We have previously been unable to fill the Enid and Woodward offices, and a position in Burns Flat, because, basically, we couldn't attract people that we felt were quality candidates for what we were paying.

We did hire someone in Woodward that couldn't afford to live there with the oil boom and the lack of available places to rent with the price of rent. That person quit pretty quickly after they figured out that they couldn't afford to live in Woodward. So, that's a significant issue in terms of looking at salaries and compensation. And we are going to have to fill somebody in that area, because we have -- the closest offices to those two are Stillwater, Guymon, and Burns Flat. So, we are going to have to probably fill three positions this year of the current vacancies to try to cover the State, at least in a minimal way.

There is the projected -- the proposed 2015 Budget, and that's what we think the actual amount will be, and that shows where we're taking cuts. ECLS pretty much is all people. So, when you're cutting them, you have to cut bodies.

We may have to reduce how much time we have when people have to travel further because we're closing offices or don't have adequate staff in a given office to cover an area. But they just have to drive further. It takes longer to get to an event, to do an inspection, or to do something, to go investigate a complaint. And so there's a balance there. You can't -- you know, you're not always saving money if you have to drive too far, and especially if you can't do as many events in a day. So, the ECLS folks have a pretty good system for trying to track workload, and make sure they're covering parts of the State. But we're getting pretty low.

I think Gary may have some information on how many people we started out with when we were at our high point as an agency, which has been years back. But we have cut back quite a bit in terms of numbers of individuals and numbers of county offices, and we're pretty much at bare bones, or right at that point, or maybe a little below to have ideal coverage.

So, it's going to take longer to respond to complaints and do things, and we may cut back on the number of inspections that we do in some areas, which I think some folks would be happy about. But, you know, we are going to do the best we can with what we have to work with, and that's the bottom line of how this whole budget is put together.

Okay. This is the Labs, the fee income. And they do a lot of work for other State agencies. This is their Revolving Funds, Federal grants, State Appropriations, and money coming from other divisions for projected work from other divisions. And the Lab is going to have to cut some staff, as well as some planned expenses on replacing laboratory equipment and stuff. It puts you a little bit at risk that if something breaks down you may be in trouble, in terms of being able to continue to produce all of the reports and to do all of the analyses you have to.

That's a key item, to try to keep our laboratory up-to-date, with equipment not getting old, or having the ability to replace it quickly or repair it quickly. There's the overall proposed budget, and the...
There is the ASD. Legal services that is also an entity as far as personnel, and all of our finance personnel, IT functions that are in the agency itself for the communication with the centralized IT folks comes through this division.

We also have the Office of External Affairs, an Office of Communications, which I think you guys are pretty familiar with. The External Affairs guys are out helping people with permit issues, and doing small business assistance, assistance on trips to Durant to try to recruit some new industry in Oklahoma. So, that's some of the work that they do.

We have our Central Records also in Administrative Services. We process over 40,000 fee payments annually with 30,000 invoices. So, I guess we do more work in finance than I thought. Yeah, we have to have a lot of transactions. And then, trying to track all of those, especially with our new fangled IT system.

I kind of miss our old systems. It was a little bit troubling, but it was a little easier to tell where you were in the central records.

This is our overall budget for ASD.

Basically, that's where all of the indirect goes to cover that division and those functions. Some of those folks may code individual projects or independent Federal grants day-to-day, but there's also indirect costs. You see that in total. Again, this current fiscal year it's 500,000, and we project no carryover at all for next year.

So there is the 2015 Proposed and Revised Budget. Okay. I guess that's the end of the show. Does anybody have any questions?

Well, we'll make this available to you guys if you want a copy of it. And, again, we are always available for questions. So, feel free to holler or stop by the office any time.

MR. WENDLING: Scott, thank you for providing the overview for the public. This is for many of you maybe the first time of seeing this type of detail. But for those that are new, each year, usually the August timeframe, the Board approves the proposed budget for the next fiscal year.

All right. So last August we were presented a budget. We approved it for fiscal year 2015. So what Scott was showing all of us is the impact of the adjustments that he had to make that the whole — really Stale made due to changes within the State budget.

So, Scott, I appreciate you giving us the overview. One of the things I wanted to do is mention that in August we will be brought the fiscal year 2016 Budget, and whatever adjustments — what the impact of 2015 will probably be incorporated to some degree in the 2016 Fiscal Year Budget. So, even if certain things were delayed, I'm assuming that Scott and the group will try to pick it up next year.

But one thing I want to do is recognize Scott and his people for getting us a change — a quick change in the budget, getting together, and looking at its impact, and then trying to mitigate the impact as best they can. So, I think they've done a great job. It's not without an impact to the agency, but it's not without an impact to what the agency administrators for the public benefit. So, you can see there are specific implications. But everyone was impacted in the State. It's no different than each of us as individuals, sometimes things come our way, and we have to make adjustments in our own personal lives. So, what I see here is — what I want to do here is recognize the Department for the efforts they put into making these adjustments. So thank you very much.

Any other questions? What I would like to do, I was told we had another visitor that joined us a little while ago. I would like to recognize Senator Larry Boggs for Senate District 7. Larry.
to give you guys a very brief ten minutes on the key things that are coming at them this year, or how they are dealing with the budget cuts in their division. And I'm sure there's some Federal rules coming at us in Water and Air that are going to make life interesting. And, you know, so far we haven't got you, know, really detailed explanations for what they mean from the Federal Government from the folks who have written them, and we are in that process. And so we'll turn it over to the directors.

MR. WENDLING: Thank you. We're going to keep a timer up here to kind of move the meeting along. I hate to do that, but we'll allow about 10 minutes per person. So, with that, I think, Lloyd, it's your turn.

MR. KIRK: Good morning, everyone. Is that on? There we go. Now it's on.

Good morning, everyone. I just generally thank you all for the opportunity to give you an update for the Office of External Affairs.

As you know, in the last Board Meeting, Scott gave an update. He started this new office back in January. Scott asked me to basically reprint the Customer Assistance Program. Reinvent is a big word. We weren't starting from scratch, but the Customer Assistance Program had been in existence since 1993, but he wanted it changed. So, we reinvented a lot of things in the last few months. So, this basically is an update of the last few months.

We had to plan what our core functions were for External Affairs. And, basically, you can see that right here as far as communication; customer/compliance assistance; technical assistance; permit assistance; permit/enforcement ombudsman, which is Saba; small business assistance ombudsman, which is myself; and outreach events, and special projects.

On communication, we just wanted to basically produce one of Scott's initiatives as far as a new approach with DEQ. "A common sense approach regarding enforcement and permitting throughout all Divisions."

So, basically, we've been doing that internally and externally, and promoting compliance instead of enforcement. We've incorporated it on our website. If you go to the front page, it's called Experiencing Permitting Obstacles on our DEQ website. If you hit that, it will go straight to Saba. So, if you have a problem with a permit, and so it's for the outside regular community. I think it's very effective, and we are currently working with the iT on our own specific webpage.

On the Customer Compliance Assistance, and if you notice it's not customer enforcement, it's customer compliance. We want to have compliance.

So, basically, we are working with all of the Divisions to assist regulated entities, and we're trying to provide a one-stop-shop. We want to be a liaison with the regulated entity and all of the divisions. We want to solve problems, you know, as per Scott's initiatives, with a new philosophy and approach. And we have been solving a lot of problems over the past few months.

We want to change the culture. And I really believe this, in regards to customer assistance, every employee is an ambassador of the DEQ every day.

On the Technical Assistance. That is just a couple of examples both internally and externally. As some of you know, under dual permitting the -- Saba has been working on this for over a year, and the Class II/Injection Well Permit, that is a first in the Nation, saving communities money by allowing disposal of the reject water into a Class II injection well instead of constructing a Class V injection well, plus permit fees.

So, you know, Oklahoma is taking the lead.

Internally we're evaluating the permitting process from a system's perspective to make it more effective.

From the Permit Assistance side, these are a few of the businesses that we have been visiting with.

We have a great Permit Assistance team that we've put together. And actually, I've asked the directors from each division to visit, and we have just recently done this -- well, we went from a one-page to an eight-page document as far as all of the permits required, and it became invaluable.

As Scott mentioned, the last slide, it's Project Cannonball. The company flew in from -- I think Waco is what the guy told me. But when I introduced myself, they wouldn't even say their last names. We don't know what they're going to manufacture, but they wanted 80 acres, 250,000 square feet. They are going to use a lot of electricity and a lot of natural gas, and Durant is in the final four of this Nationwide competition. So, Durant is excited. Durant, I said it wrong yesterday standing in front of the mayor, and he came up to me, It's Durant, Lloyd and I said, "Okay."

But anyway it's called Project Cannonball. We hope they get it. The main question they had was employment. But the second question was environmental as far as the Air permits.

So, I'm glad we put that document together, and we put that in their portfolio. The brokerage firm is out of Dallas. It's actually is a worldwide large
| Page 54 | 1. Roger Staubach used to work for them. I didn’t know he was still alive, but he used to work for them. As far as outreach events, we have a number of outreach events planned for the next few months, and you can see that. One we have been working with Shellie in our Water Quality Division with some water workshops. We recently did five in the last few weeks across the State. Over 240 people were in attendance, and it was a great success.

10. In fact, I talked to Carolyn with OML, and she’s very pleased. OML was at each of the meetings. I asked Carolyn, I said, “If we’re going to be partners, you need to be there.” And so we have created that partnership.

15. In working with the EFO, also, we’re having the meeting June 27th, and I hope you guys can make it to Oklahoma City. We have the Grant Assistance Seminar July 23rd. And the EFO Water Re-Use Seminar, which I’ve been working on, and we have speakers for that. It’s August.

22. And the OML Conference is in September, and the EFO Annual Conference is in October. The Brownfield Conference is in November. So, you can see we have, basically, every month covered.

24. Some special projects that we’ve been working on, as directed from the Governor, and also as directed from the Secretary and Scott, is water re-use, because of the drought, and everyone knows that. We have been focusing on how the wastewater can be reused in a beneficial manner. One of things that we have been working on, again, with Water Quality, and I appreciate Shellie’s group, is producing a map with all of the industrial and municipal wastewater and water plant discharge points, which I’ll show you here in a second. It’s basically a statewide map, and we needed a map so someone could look at it, and if they wanted to use it for fracking purposes, or for ag purposes, or whatever beneficial use, they could look at the source.

13. I’ve currently been in discussions with several oil and gas companies, besides the OIPA, regarding this, and I will be giving them access to that map. So, they are excited about that. And, you know, you have to take a business approach to that, you know, when you talk to them, how close to the facility does it have to be? If we’re at Stillwater, it has to be maybe a couple of miles from the river. In Western Oklahoma it might be 20 miles. Okay. It just depends on where the drought is worse.

23. So, the last bullet is GE. I’ve been working with GE a lot in the last few months. As you know, they are moving to Oklahoma City, their R & E Center, and we really are fortunate to have them down the street, and they are building a new facility. Their focus is, of course, the oil and gas industry, but their first initiative is water re-use. Well, that ties in with everything at first. The water treatment solution, we have a meeting next week. I’m more into the water treatment solutions and discharge. We are going to see -- Oklahoma and DEQ is going to receive the latest input from the number eight company in the World as far as technology. I think that’s going to be great for Oklahoma. A lot of that technology can be applied to the industry. And plus, right now, they are looking for work. Their building is not built, and they are hiring people. And so, I’ve been fortunate to work with them, and I’ve met with them several times on different projects.

17. This is the map I’m talking about, as far as across Oklahoma, the industrial wastewater, and municipal wastewater, and water plants. Even when we had the oil and gas, Tim Baker asked to have the lagoon systems on here. So, we may have to add to it.

22. This is just a discharge in million gallons per day. I asked the oil and gas companies and the new entities. First it was 500,000. Then it went to a hundred thousand, and then it went to zero, what they wanted to put in the water. So you can see everybody is trying to plan. What OIPA will do with this, just to give you an example, they’ll take the map, and they’ll talk to the oil and gas companies. We’re out of the picture, and they will put their plays on this map and see if it’s close to any of the oil and gas, but that’s up to the OIPA.

9. One of the special projects that we’ve been working on, and Scott mentioned it and Lloyd mentioned it as far as the passage of the Good Samaritan Act and the signing by the Governor, basically it’s Tar Creek. Everyone in here knows it’s 40 square miles. In that little first picture, it’s discharging about one billion gallons per year. You know, that could be a possible water source for Western Oklahoma.

17. I was in a meeting recently in DC and Kansas City, Kansas talked about infrastructures going from the east to the west because of the ag purposes. They are just dry. And so people are looking, and they are thinking. And this might be a possible idea. We have got the passive treatment ponds that dry up from those, you have to deal with the gases, the acids, and waste.

24. And so, you know, what could this be used for? Well, besides the ag, it could be used for something for the...
nationally about this tension that exists between the EPA and the States. You hear State's rights, and you hear overreaching, and you hear flexibility, and all of those kinds of things. And for us it's something that's been done and built up over the last 30 years, or 20 years since the agency was formed, and before that with the Health Department.

It starts with our staff, and it starts with our managers, and our interaction with the EPA at the national meetings and at the national organizations that we belong to. That's where they really get a feel for how the State is really operated on a day-to-day basis, and get a feel for whether or not they need to have more interaction or more involvement with us at the State level as opposed to doing what they need to be doing, which is a period of trends and doing the things they do nationally, and leaving the implementation up to us.

So, we have always had a very good relationship with them, and I think that will continue, although there are a few hiccups in the future that I'm going to talk about in just a little bit. But anyway, our Federal/State relationship involves us taking delegated programs, our Hazardous Waste Program, and our NSPS Program for our major sources, the MACT standard, the PSD Program, and

1 forth, I think this is actually the time to do that. We have to be more innovative in what we do to have a more efficient DEQ.

There is our group. I don't think you've met all of them, but thank you for your time. Any questions?

MR. WENDLING: Eddie, you're next.

MR. TERRILL: All right. I'm going to do a little bit different tactic than maybe some of the other directors, because we have got a pretty good budget situation, and I'm not going to go into a lot of that. I am going to provide more slides than I'm really going to talk about because I've only got a short amount of time.

But I thought since we do have several new members here, it might not be a bad idea to have what I'll call the mini version of the board and counsel orientation that you'll get later on.

And so, I've pulled some slides that we'll be doing from a bigger presentation, but they will be available for you all to look at and just kind of give you an overview of our division, and then I'm going to talk about some of the challenges that we're going to face in the upcoming year.

I thought it would be a good idea to start with the State and the Federal relationship. There's been a lot of discussion in the newspaper and the media
the effects of the 111(d) Plan, which is the carbon rule.

I'll talk about in a little bit.

You know, this is where the real tension comes in, you know, at what should be done at the State level and the Federal. The Feds have a tough job in that they have to make sure that things are done equitably across the country. Otherwise, there's going to be a race to the bottom, and it'll all be politically motivated. And so that's where you get this tension of what's acceptable and what's not. And we very rarely get into that, and I'm hoping that in the future we can avoid these kinds of things and develop plans that make the best sense for us, knowing that we do have guidelines and ditches we have to stay between.

This is our organizational chart, and this is up to date with our managers of our various sections.

We have a Monitoring and Data Acquisition. These are all closely monitored for. In addition we do toxics, mercury, visibility. We also monitor our Ozone Watch and our Ozone Advisory Programs.

Here is a map of all of the sites across this State where we have our various ambient air monitors.

We have a Quality Assurance Division. All of our data is validated, and we've put together plans for all of the programs we have to make sure that the data we collect is quality data, and it can be used for all of the various things that we use it for and that the EPA uses it for.

We have a Rules and Planning Section. This is where all of the rules are developed, and the folks that talk to you all when we bring our rules and accounts to the Board, those folks work in this section.

Our Emissions Inventory Section where we do all of our sources, and we send our fees out, and do the electronic reporting through our Redbud system. And then the CROMERR, which is the process that we use to validate electronic data so that, you know, we know who you are when you send it in, and the EPA will accept that. And hopefully we can start transitioning once we get this ironed out and have them pretty much totally electronic, with some minimal relative live data, which is something I would really like to have done in the next couple of years. We are in the process — well, I'll talk about that after Permitting.

Permitting. I've got three or four slides on permitting. This is an area that's really boomed in the last couple of years because of the oil and gas and the cell towers. We've had over 5,500 applications the past year and a half that are greater than what we've seen in the past, relative to oil and gas and cell towers, for the most part. But we've also had an uptick in other businesses coming in and permits that are needed as well.

They are expanding. But these are the types of permits and the things that they do. Within the Permitting section, we do our modeling, and all of the applications forms, and we write the permits. We are in the process of finalizing our first electronic permitting system, and then we're going to hope to roll it out by the end of the year, in which the folks will be able to submit permits electronically as opposed to sending in paper copies.

And we are hoping to streamline that where we can issue some of these permits a lot quicker because we can just dump the data into the permit, and Quality Assurance, and get it out to the folks. And it's really important to get the stuff in correctly, and we'll be working with our regulated sources to educate them about that.

This gives you an idea of the number of permitting facilities we have in the State, divided by major Source and PSD, which is our largest most complex sources. Synthetic Minors, which are Minor Sources — our Major Sources take limits so they can remain Major Source status. And then our true Minor Source Permitting Programs. So, you can see we've got a number of facilities across the State that we do have to account for.

This just gives you a history of where we are and how much upkeep we've had in the last couple of years in Permitting, again, from the oil and gas, and from the cell towers. Again, this "Permits Issued" pretty much tracks what you saw before.

Compliance and Enforcement, this gives you the overview of what they do in the Compliance and Enforcement Section.

The Regional Office is at Tulsa. We've maintained an office in Tulsa to do inspections out of, run the complaints, and do our permitting. We are at kind of a crossroads at that shop because of retirements, especially on the permitting side, having staff that are consistent and pragmatic and can work well without someone being there is very important in having offices away from the central office. And so we're at a point where we have lost a couple of experienced folks for a variety of reasons, and we're about to lose our most experienced permit writer.

So, we are going to have to make some pretty hard decisions about how we are going to man that office, and whether or not we can continue to offer the permitting services that we have in the past. We may have to scale that back a little bit while we try to develop someone that we feel like can be the, not
necessarily the day-to-day supervisor, but the day-to-day technical person so that the work can get going without having to come back and forth from Oklahoma City. And so that’s going to be our real challenge, and so we are working with the community and with Tulsa to find out what do those sources really need from us, and how are we going to continue to provide that in the future. So, I think it’s really important that we continue to do that. It saves us time and money, and it saves the folks that live over in that part of the State time and money by not coming to Oklahoma City when they can do that out of the Tulsa office. So, I hope that we’ll be able to do that.

This is my last slide. So, these are the challenges that we’ve got coming up in the next fiscal year, and these are the big ones. We’ve got a lot of them that are not on the list. But the 111(d), the carbon rule is the big one. We could spend half of our staff time doing that, but the rule is a little bit premature. I think it wasn’t quite ready for the prime time, but there were some other factors, but they had to release that. So, we’ll probably spend the next four or five months working with the regulated community making sure that the data and the assumptions that they made were correct, and then providing some comments back to them to try to craft a rule, if we are truly going to go down this route, in a form that we feel like our sources can comply with. Because right now there are some areas that look to be problematic that make it very difficult no matter what we did to try to write a plan. So, this is a little bit different than a State Implementation Plan in that we don’t have to have quite the amount of public Input that we would have to have with a State plan. But it essentially is the same thing. We will develop a plan, working with our regulated communities, we’ll have a public hearing, and we’ll work with the Corporation Commission, and we’ll work with other folks that have an interest in this. But it’s a little bit different. Normally we know when the timelines are going to be, but this thing is so complex, and it goes across so many areas that really are kind of out of our control, like the Corporation Commission and what they have jurisdiction over, and some of the generation requirements that the utilities have. And it’s going to be quite a challenge to get this done, especially in the timeframe the EPA is looking at. And they have already said that the rule may look quite a bit different after the 120 day period starts and ends, which it hasn’t started yet. So, sometime between now and the end of the month, we’ll have basically a full month to put our comments together. And the EPA will come back in June of next year with a final rule.

It may look totally different than it looks now. So, how do we figure out what we do and what we don’t do now so that we don’t waste people’s time, but we’re also prepared to move forward in some timeframe to get this thing done in the two years that EPA believes that we can write this rule after that? So, we may have to do a cap and trade type program in order to comply with that. That’s a proposed subject in this state and could be politically damaging to the agency. And, frankly, we may not be able to get those kind of rules through our council, and through you all, and through the Legislature. So, we’ve to figure out if that’s the route that we feel like in a year or two that our industry needs to go, and we’re going to have to work with them to sell that idea because it’s not something that – and it’s going to be very politically powerful in this State. And whether or not you believe it’s happening or not, we’ve still got to figure out how we are going to move forward with this, and try to put something together that our industry folks can live with, without bankrupting our rate payers, which that’s where this is going to come down on, and we don’t want that to happen either. We want to minimize the shock to them as much as possible.

So, there’s a lot of work going into that. If we have to do rule-making as part of it, and we’ll come through our council and you all, and we’ll be able to figure out how to do it without rule-making, but I don’t think our luck is going to last that well, but we’ll see. The oil and gas shale boom. We are doing some analysis right now in some areas, and we might want to put up some special purpose monitors to take a look at the NOX impact that might be happening in our rural areas. And we are trying to figure out how best to come up with some money to do that. Even though we are pretty money flush as far as our ability to do our day-to-day work, this is something above and beyond. And the Sierra Club has pointed out some areas that they believe that there could be some issues, and we would like to look at it before anybody else does, especially in this area of partial monitors and those kinds of things. Ozone and SO2 NAAQS Implementation is a big deal for the regulated sources, and a big deal for the communities. They are likely to drop the Ozone standard to Sunny Park Pavilion at the end of the year. So next year we’ll have to be dealing with that. Hiring and retention of staff, I can’t tell you what a big problem this is likely to be in the near-term and certainly in the long-term. Those of you
who are just starting your tenure on the Board may very well see before it's up, our real problem of finding staff that are here long enough to become managers. I told this story once, and I may go 30 seconds over, but this is really important because I really think that how we react and how we go about looking at how we're going to hire staff and keep our staff, it's going to be real important for us to have the managers to step into those positions, that when they start retiring, they step into the director role. And you can't just bring somebody on board and expect them to be a manager in a year or two. You've got to find folks that are pragmatic, that have common sense, and understand what's important and what's not, that are consistent, that are fair. And then you've got to hope they have the technical ability to become competent in that area, and then you've got to hope they stay long enough to get the seasoning in order to make those decisions that allow us to keep the programs that we have now within the State of Oklahoma, without EPA having the input that we don't want, without environmental groups saying that we don't have a good program, and without the industry saying, "You guys don't know what you're doing and you don't understand your program you're trying to implement." You can just do that with staff that continually rotates over and over, because I don't think you all really realize how much we ask of our field staff to do. They might be at a coal fire plant in the morning, and doing oil field work in the afternoon. They might be in a general manufacturing system. They are all over the board. So, they have to be somewhat competent, and not just somewhat. They have to be very competent in all the technical aspects of what your sources do, as well as other sources that you may not even think about across the State.

So, we've really got to figure out how we're going to retain those folks, and especially in light of the fact that their retirement system is kind of portable. They can take that with them. There's no incentive for them to stay 10 or 15 years like there used to be. So, if you really want an agency that can be responsive, as we've been in the last 20 years, we've got to figure out how we're going to deal with that moving forward. And I think we're going to start seeing that the problems start rearing up in the next five to seven years when our managers start retiring. So, it's something to think about, and hopefully we can be working with you all to figure out how we do that, and how we attract good folks and keep them. Thank you.

MR. WENDLING: Thank you, Eddie.
All right. Next we have Kelly Dixon, the Land Protection Division.
MS. DIXON: Good morning. I don't have as much to say as Eddie. So I don't think I'm going to talk as fast.

I want to go over a few of the core functions of the Land Protection Division. We have Permitting and a Compliance Program. Typically, it's solid waste, which is basically landfills; hazardous waste; underground injection, which is the disposal of waste deep underground; radiation, which is under the authority of the Nuclear Regulatory Commission.

We have a variety of cleanup programs, as you can see there. One of the programs that's a little bit off of an anomaly is the Sara Title III, the Community Right to Know Program, where we work with the local emergency planners on preparedness and emergency response.

I'm going to talk a little bit about our key accomplishments this year, highlighting some of the programs that we work in. And you've heard about some of the armory cleanups already, and then I'm going to talk about where we are headed.

This is a picture of the armory in McAlester that we finished this year. You may or may not know that these armories, they are all over the State. They were under the Oklahoma Military Department. In around 2005 they decided to consolidate and make more regional armories, and so a lot of these have been in disrepair and idle and have some environmental problems.

Scott mentioned that these are getting turned over to local communities for use. The problems with these armories is they were built in an era where there's lead-based paint and asbestos all over. And for them to be properly reused, we have to assess that and clean it up. And so we've been engaged in doing that.

This is the 46th armory that we've cleaned up in the State, and we have a few more that we'll do this year, and the rest of them will have to be on hold pending budget. Our Brownfields Program is a program where you can cleanup environmental contamination and take care of some liability concerns. This is the historic OKLA Theater, which is also here in McAlester. They have received a $200,000 grant from our Brownfields Program to take care of the asbestos and lead-based paint in the building, and this will pave the way for it to be used.

The interesting thing, this theater was built in 1931, and you could go see a movie for 35 cents back in the day. The people that own it now, it's a
non-profit group, and they are hoping to use it for concerts, and films, and community meetings, and things like that. So, it's kind of an exciting project.

The Sara Title III work that we do, I just wanted to give you a few highlights of some of the things we worked on this year. You may remember earlier this year there was a really bad spill in West Virginia that affected people’s public water supplies in a really devastating way. So, when we saw and heard that, we decided that companies that have chemical storage have to report to us.

So, we decided to take that information that they report and map it in conjunction with service water intakes in a one to two-mile radius within service water intakes. And we did that mapping, and we provided the information to the local emergency response groups in each county. So, we are hoping that that will help them be prepared for emergencies and accidents. And hopefully that won't happen.

The other thing that we have been working on through this Federal initiative is to improve chemical safety and security, and that came out of the tragedy at West Texas when they had the explosion. We were in a good position because of our experience with tornado response to give some recommendations to this group that's putting some ideas together. And some of the recommendations we made, they've taken most of those. And some of those include providing more support to the local emergency planning groups, promoting electronic data in reporting, which we already do that in Oklahoma, but most states don't do that.

So, we are looking forward to working closely with our LEPC. LEPC is the term that we use for the Local Emergency Planning Commission. As a matter of fact, we are sponsoring some workshops where we have gotten the industries and the local groups together to share information about what's in their communities.

And we've made some progress. We have a lot of long-term cleanups that relate to mining and smelter sites. These were industries that were part of the Oklahoma economy back in the day and had left some unintended consequences.

You probably know a lot about Tar Creek. I'm not going to belabor that initiative. You heard Lloyd talk about it, and you heard Scott talk about it. It's a 30-year cleanup project right now. And hopefully, if Lloyd's ideas work, we can accelerate that type of cleanup.

One of the problems with these types of sites is they have — they mostly have a lot of waste material, and the material is like gravel, and it has historically been reused in the communities for driveways and roads and fills. And so that's created an exposure issue to heavy metals.

So we've been engaged in cleanups in these communities, residential cleanups, and other cleanups for a while. The last one on the list, the Tulsa Fuel and Manufacturing, is a superfund site that we had talked about, and that's a picture of the site on the bottom. We are targeted for funding this year from the EPA, and we're hoping we get it so we can clean up this site.

We also have a new superfund site. It's the Wilcox Refinery. This is a picture of it pre-1957. I think it closed shortly after that date. It's just outside of Bristow. And, you know, all of the refinery structures are gone, and the land got sub-divided and sold, and some people moved in, and there's residential properties on the site. Which when there's groundwater contamination, there's been refinery waste. So that's one reason it became a superfund site.

We were engaged in doing some assessments, and we reached out to a company that we thought was the responsible party and asked if they wanted to voluntarily cleanup the site instead of going to the superfund site, and they said no. And so, it is now a superfund site, and it's just in the beginning stages.

So, right now what is going to happen is the EPA is working on enforcement, trying to find responsible parties who will pay for the cleanup. So you may be hearing about this in the coming years.

So looking forward, some of the things that we want to work on this year. Lloyd talked a little bit about the dual permitting. The UIC permitting is in our division. And the interesting thing about this is, with the drought, there's communities in Western Oklahoma that are looking at developing the more ravished waters for a water supply, and this will allow them to economically manage and dispose of their treatment residuals by the dual permitting. This is a really smart idea, and I have to credit Saba for working on it.

The other program that we're really, really excited about is a Self-Certification Program for Small Quantity Generators of waste. The universe of hazardous waste will be looked at. There's a handful of facilities that treat, dispose, and store hazardous waste and some large quantity generators. This group, the Small Quantity Generators, are the biggest in number. There's over 600 in the State. But they tend to be smaller companies, and don't have dedicated environmental staff, and tend to have the most compliance issues. So what we
are hoping to do is reach out to them and come up with a
voluntary self-certification. It's mostly an educational
tool so they can learn what the regulations are, and we
can help them get into compliance. So, we are really
excited about that program.

So hopefully we'll get the funding for Tulsa
Fuel, and we can start that cleanup. And we're also
trying kind of an innovative process. We're trying to
get funding from the EPA to contract with the Quapaw
Tribe to do a small cleanup at the Tar Creek site. This
is the first in the Nation, and it could be a really good
model for how to clean up sites cost efficiently.

We will be working on rule-making from the
statutory changes that Jimmy discussed earlier. We are
also trying to focus on helping folks that have
groundwater contamination come up with exit strategies.
We have a lot of people who monitor, and monitor, and
monitor groundwater, and they never seem to get out of
monitoring. And we are trying to help them formulate
strategies so they can actually have an end game.

And some of the things that we're keeping an
eye on from the regulatory world is the coal combustion
residue regulation. I think we got our EPA grant about
four years ago, and there was some catastrophes from wet
storage of this kind of material. In Oklahoma we have
dry storage. So, it's really not a deal for us.

The EPA – I wanted to talk with you about the
regulating of the hazardous waste. That's still on the
table, but all of the buzz we have heard is it will
probably be regulated as solid waste, which is a good
thing, but it probably won't change what we do very much.
And we are also helping with the Federal
Brownfields through authorization, and that might provide
some more funding needed for some cleanups and some
redevelopment projects. And that is all I have.

Do you guys have any questions? Thank you.

MR. WENDLING: All right. Thank you, Kelly.
All right. Next is Shellie Chard-McClary on
the Water Quality Division update.

MS. CHARD-MCCLARY: Well, I guess I'm the
first one who gets to say good afternoon to the Board. I
appreciate the opportunity.

I'm going to resist the urge to repeat some of
the things that Scott and Eddie have said. So a couple
times I'm just going to say, "Yeah, what they said,"
and we'll just move on related to the staffing and some
of the budget, and hopefully get through this pretty
quickly.

First of all, I wanted to just show you how we
are structured and set up. If you look at our
administration box, you know, that is the division
director, assistant director, chief engineer, and
environmental programs manager. Something that is new,
and he's been around a while, and that is Terry Lyle, who
is my new assistant director. Tim Ward moved to
External Affairs. Terry has about a 20-year career in
the private sector working for industry directly, and
then working for the same building and in the same job
with a series of different names as the consulting firm
changed from Roberts, Schrock to Benham's to SAIC to
LIDO. But he joined us in February.

Our tracking, several of our compliance,
monitoring, and tracking work, that is all of the
thousands and thousands of data that comes in to our
Water Quality Division for all of our drinking water
systems and wastewater systems. The Enforcement and
Inspection does all of our field work and all of the
enforcements on the Clean Water Act and Safe Drinking
Water Act.

Construction and Operation, that is where we
have our State Revolving Fund that we contract with the
Water Board to do the financial side of it, but we do all
of the permitting, all of the environmental assessments,
and all of the recordkeeping type of work that is
required by the EPA in that program. That's also our
construction for both drinking water and wastewater, and
then it is our operating certification, and our licensing
of all of the water, and the wastewater, and the
laboratory operators.

Then, under Permitting, this is our Clean
Water Act permitting. It's all of the discharge and soil
retention permitting that we do. A new name that you'll
see there, Michael Moe. He also just recently joined the
Water Quality Division. He is replacing Ed Dihreberg, who
moved to a different state agency. Michael has about 22
or 23 years total experience. Some of that was spent
with the Water Resources Board, and a lot of that was
spent with the SAIC doing permitting, TMDL's, and
rule-making, and new contracts. He did a lot of that
with the EPA headquarters and recently some with the DEQ.
So, he brings a lot of experience into that.

Something that Jimmy mentioned earlier, and I
want to remind you, we had changes in the Water Quality
Management Advisory Council, and those changes took
effect in November. That council went from nine members
to twelve members. We added one for a laboratory
operator, and one for – I'm sorry -- the laboratory
accreditation position, and then we have both a municipal
water and a rural water operator added.

So we took on the additional duties of the
Right now we are looking at what we call
indirect total reuse, and that will have a lot more
expansion, I suspect, particularly as the drought
continues. We've had a lot of industrial interest, and
we had a lot of permits in our cooling towers where we
basically have switched out with watering things from the
wastewater treatment plants. So, the system ends up --
the City will have an additional two or three million
gallons of drinking water because they are no longer
putting drinking water in cooling towers. So, that is
how we are working on the water quantity issues.

On the State Revolving Funds, the loans and
grants that we do for communities, we have averaged about
$86 million over the last five years. We do this in
conjunction with the Water Board. The Water Board acts
as the banker, and we do all of the technical work. We
had that program delegated to us from the EPA, and then
we contract with the Water Board to make the best use of
resources. There's no need to have duplicate staff at
both agencies.

This program has loaned out about $731 million
since 2000, and that is only to publicly-owned water
systems.

We license about 8,000 operators every year.
By State Statute we are required to renew those licenses
by June 30th. The licenses are valid from July 1st to
June 30th, and so we do this every year. We tried a
couple of years ago to go to a two-year period, but we
were not successful. Those 8,000 operators may have been
due to duplicate licenses, where they will have a water,
and a wastewater, or a laboratory license. But we
actually process 12,000 licenses every year.

So, why do we do all of this? Well, all of
these pictures were actually taken in Oklahoma, and one
is Turner Falls during a flood, which is very beautiful.
It doesn't normally look like that, and under normal
circumstances you don't think about that as a bad thing.
But it's everything that happens downstream. And what
we're dealing with is protecting drinking water for our
citizens and visitors. We want to make sure that we have
adequate water resources for economic development.

We work with wastewater treatment facilities.
The little picture up in the corner is kind of my
favorite. There's a story behind that, but that's
actually an aeration base within a wastewater treatment
plant in a city where they mill carpet, and those are
carpet fibers that were about 24 inches deep in that
facility. And so we work with communities on how to deal
with those issues and to, you know, figure out how do we
screen, how do we work with the industry, and how do we

Well, we are also working to improve water
quantity. It's only been about 10 to 15 years that we've
actually had some form of water reuse permits and
projects in the State, and it is quickly elevating,
certainly on a National level and the State levels to
gain more focus because of drought. But the water reuse
permits range from watering agricultural fields to
drinking water for systems.
become partners and address some of those issues. And some of that comes through our Pre-Treatment Program and some of that comes just through dialogue. But those are the kinds of issues that we deal with on a regular basis in trying to improve water quality and quantity in the State.

The bottom picture is, obviously, a rainfall event, sort of a few stormwater controls with all of that beautiful Oklahoma red dirt washing into the storm drains and all of that vegetation in the creek down behind it. So we do try to work with those construction sites and make as many good decisions on what kind of barriers need to be in place in order protect those resources. So, recent really big issues, the drought. I don't know that I need to say an awful lot about that. Again, we are not in the western part of the State. So, it may not be quite as visible on this side of the State. But it's a huge, huge issue not just in Oklahoma but all over.

Water reuse. In trying to address some of that drought issue, that's becoming more and more important. Also, as we go to much more costly drinking water treatment in order to comply with all of the Federal rules, we're starting to look at how can we trade out and use the water treated to the appropriate level for what its use is, rather than saying, everything has to be drinking water no matter what you're going to do with it. So, that's going to go hand-in-hand with the budget.

You've heard a lot about the budget. There are definitely some impacts in water quality. We just took primacy. It was granted in January. So, now we are kind of looking at what are we going to do and how are we going to make that work? Some of the things that we are looking at, as you saw, there's going to be several positions left vacant in water quality.

We've been trying to hire for about nine months to fill some of our drinking water positions, and it's ended up -- looking at, you know, people are declining job offers because of the costs, it costs too much to live here, you don't pay enough. We're looking at maybe some reorganization to try and get some available staff to work on those key program areas.

Right now we have 24 rule-making items for drinking water and wastewater on the horizon, ranging from the Stage 3 Disinfection Byproducts Rule. We're looking at, almost finished, and getting ready to start the Unregulated Contaminant Monitoring Rule. We have a new revised Total Coliform Rule. We have the Congressional Act, the Lead-Free Act. We have the Electronic Reporting Rule, and we have a lot of those things that are coming at us that we're going to have to figure out what we're going to do, and how we're going to do it, and how we balance that out.

So, I could talk for about 20 minutes, but I won't, and just say, certainly, if you have any questions, feel free to call me or any of my staff.

MR. WENDLING: Thank you, Shellee.

Okay. Next we have Gary Collins. Gary.

MR. COLLINS: Yes. Thank you.

Like you've heard from several of the directors, we have had trouble with staffing at ECLS, and I'm just going to go through quickly some of that, and then I'll tell you a little bit about our local offices and how we decide where we need staff.

I'll start with March of this year. In March we had three vacancies. We had one in Enid, Burns Flat, and Woodward. We interviewed candidates in March for Enid and Burns Flat. I think we interviewed a total of eight people. And one of those -- there was one on the list that we thought could do the job, and we offered that job to the guy in Enid. And when we contacted him, he said, "Can you pay my moving expenses from Oklahoma City to Enid?" And we said, "No." And he said, "I can't take the job. I can't afford to work for you." So, we're having the same staffing problems that other people are.

So, after we went through interviewing eight people and not finding any successful candidates, we decided, what do we do now? Do we go ahead and advertise it again, or do we wait for another graduating class in May? Well, we decided we would wait. So I think in late August we advertised four positions. And after the budget cuts, it looks like we're going to get to fill three of those. But during the time from March until now, we've had two more retirements. We had an environmental specialist in Ponca City who retired. We had an environmental specialist in Oklahoma City retire, and we had an environmental specialist in Miami resign and take a job in the private sector making more money. And then in Shawnee, we actually had an employee pass away. So, now we are down to a total of seven environmental specialists, and then along came the budget cuts.

We have a staffing model that I'll talk about in a little bit. According to our staffing model, we need 59 environmental specialists to do the work across the State. And we currently have 52, and we are going to get to fill three of those positions. We are actually going to -- hoping to anyway fund six of those. But with
The uncertainty, we are only going to fill three of them.

So, What are we going to do? We're going to shift people around, which means more windshield time, which has not been productive.

This is a map that shows you where our local offices are located. The stars are the places where the offices are located. And as you can see, like up in the corner, Guymon, there's an office there, and we have one staff. In Enid, you can see, there's an office there, and we have one. The circles are where we have vacancies. And as you can see, Western Oklahoma, Enid, Woodward, Burns Flat, Stillwater, that area is -- with that many vacancies and no offices nearby, those guys are really struggling out there. So, the ones we are going to try to fill are the three with the red circles, and we have actually done the interviews for those positions. We selected a candidate for Enid, and we'll probably make that offer this week, and we're doing the second interviews for the Woodward and Stillwater position today.

The other thing I want to point out on this map is that you see the arrows that are pointing from office to office. But in general, like, for example the Enid office, up in Garfield County, they cover -- that one person is covering Grani County, Alfalfa County, Woods County, Major County, and Blaine County, and that's impossible for one person to cover.

You've got people out of Oklahoma City going down to McClain County. They are covering just a corner of it there around Blanchard. And then people out of Purcell are covering part of Cleveland County. So we've got a lot of people that are doing a lot of traveling already.

But with not being able to fill the positions, the new black arrows are what we're going to be doing now. Because of the vacancy up in Miami, we're closing the Miami office. And so we're going to try to cover that office out of Claremore and out of Bartlesville. Previously the person that was there was covering Ottawa County and Craig County. So, we're going to try to cover those two counties out of other offices.

Like I said, we had the person who passed away in Shawnee office, and we actually have a person in Henryetta that lives near Shawnee and has been commuting for several years. We're going to let them move to Shawnee, and so that will fill that hole. But then that creates a hole in the Henryetta office. So, we're going to try to get the folks out of Wagoner to shift down and help out at Muskogee. And then the guy that's moving over to Shawnee will hopefully be able to shift over and help some in Hughes County. And then the same way with the Oklahoma City office, we're going to try to shift a little bit up there further into Cleveland County and some over in Grady County to help out there, because we're going to take one person out of the Oklahoma City office who currently lives in El Reno and let them office out of their home temporarily. And they can cover Blaine County and part of Caddo to help fill the hole there in Burns Flats since we aren't going to get to fill that one.

So, we're doing a lot of shifting, which means a lot more windshield time, which means less productive work. More windshield time, and a slower response time. And then the other thing that worries me is there'll be less time for technical assistance. Some of the small communities that need help and rely on us, they'll hire a new operator, and the mayor will call and say, "I've hired a new operator. Can you come out and help this guy walk through how to do a chlorine sample?" Just those simple things. And those things are, I think, really important, and the fewer people we have the less of that we can do.

So here are some options we are considering to free up more time for technical assistance. And that would be doing fewer inspections of regulated facilities.

We've got some facilities -- some of the larger facilities we inspect four times a year. Some of the smaller ones you only inspect once a year. So we'll probably continue to make sure at least everybody gets one inspection, but we may drop the four inspections down to three. You know, we inspect total retention lagoons and land applications twice a year. We may drop those to once a year, and we're still discussing that with the managers. I met with the managers, and that's -- you know, some of them have concerns. But some of those facilities that we are inspecting four times a year are large facilities, like Oklahoma City and Tulsa, and they've got staff, and they can handle most of the problems. Some of those we inspect four times a year are relatively small towns, and they have had their portion of problems in the past, and maybe we don't want to drop them to three a year or two a year, and maybe we'll continue to do them four times a year. So, we're trying to, based on the risk, figure out where we can cut inspections.

The other thing I mentioned is response times. We have in our PMPs that our employees get, the Performance Management Process, we say they must respond, and they must be on-site to a complaint within three days. If someone has called in a complaint and says, "My
neighbor's sewage is running off onto my property," we
are going to try to be there within three days. That's
in our PMP. We may extend those response times and make
it five days, or maybe more, depending on what part of
the State they are in.

Another thing is less oversight of the
certification programs. We certify certified installers,
and we certify people -- solo profiles of the people that
put in the septic systems and design the systems. And
what we try to do is inspect all of the certified
installers, at least ten percent of the systems they
install, and we try to do spot checks, just surprise
inspections. They are required to call us and notify us
when they are putting in a system, and we'll show up at
10 percent of those and try to just give some oversight.
We may have to cut back on that. Like I say, we are
still considering the options there.

Now, I want to talk a little bit about the
staffing mode. What goes into the staffing model is how
many complaints are worked, and that's something that
varies every year. The other thing is the required
services, and the requested services are mostly septic
systems. People calling, the installers calling and
saying, "I've got a septic system I need you to inspect,"
saying, "I've got a septic system I need you to inspect,"
those that aren't certified. And it's also soil tests.

We've done a lot of soil tests in Western Oklahoma.
Another thing that's in there that we are doing fewer of
is inspections of private wells for real estate closings.
The other thing that goes into staffing
model is the number of inspections completed, and then
the other thing is the travel factor.
The travel factor is, like for the metro
areas, your facilities and your complaints are closer
together, and it takes less travel time. If you're in
Western Oklahoma, it takes a lot more travel time. So we
figure up how many people they need based on the
complaints, requested services, and inspections. And
then, if you are in the metro area, multiply it times .9;
and if you're in a rural area, you multiply it times 1.3.
And if you're not as rural, there may not be a travel
factor at all, and it may be a 1.2 travel factor. So,
that's the range.

And this is kind of what the staffing model
looks like. For example, Oklahoma County, they spent
4,232 hours working complaints last year, and requested
services they spent 1,849. And you can see if you go all
the way across, the total FTEs is 6.1. But with the
travel factor, because they don't have as far to travel
as they do out in, say, the panhandle, they need 5.5 FTEs
to work Oklahoma County.

And so those are all of the counties that are
worked out of the Oklahoma City office, and you see they
need 11 FTEs. And we currently have 10, and if you count
the one we pulled out, we've only got 9 there.
And that kind of completes mine. Does anybody
have any questions about any of that?
MR. WENDELING: Thank you, Gary.
All right. Last we have Chris Armstrong who
is going to cover State Environmental Laboratory
Services.

MR. ARMSTRONG: John, the Board, and all,
thank you and good afternoon.
This is not in any way meant to be any kind of
orientation. It's more of laboratory goals and concerns.
I wanted to talk a little bit about -- if I can find the
button -- analytical capacity to begin with.
Analytical capacity is a Federal requirement
for drinking water currently in the State principal
laboratories. It is an ongoing concern for all State
laboratories. This is a lab's ability to keep up with
the analytical requests and services, both routine and
emergency, and maintain a search capacity for the
unexpected.
Increasing wastewater analytical capacity is a
new goal for the SELS, and it will be expanded as an
assistance to the smaller communities. The SELS has
always performed these types of analyses, but has never
marketed them in the past.
Testing wells and test well analyses are critical
to groundwater drawing water supplies, particularly in
drought situations. As communities run short on water,
they must find additional sources. For groundwater a new
well must have testing performed prior to well
completion. The SELS is streamlining its ability to
report test wells back to facilities, contractors, and to
the Water Quality Division engineers.
In this part of capacity, we are also looking
at implementing Cryptosporidium testing and giardia
testing. Because the Water Quality Division has recently
taken LT2 testing, we believe it's important for us to go
ahead and implement this testing. It's an expensive
public water supply testing, and small communities are
dollars short in paying full price for this type of
analysis.
The Lab's maintenance of analytical capacity
is challenged not only by the new drinking water rules
that have potential emergency services, but also by
budgetary difficulty in replacing the aging
instrumentation, as well as the training that goes along
with that.
You should see Chapter 307 later this year for review and
your potential approval.
This rule revision and approval must first be
approved by the Water Quality Management Advisory
Council. And Shellie spoke briefly to the reorganization
of that council. It's going to present new challenges
for rule passage, particularly for laboratory
accreditation, since those rules are brand new to that
council. And that's all I have for you this afternoon.

Questions, lab questions? Thank you very
much.

MR. WENDLING: All right. Thank you.

Does the Board have any questions for any of
the previous speakers on any updates they provided?

Again, I want to thank them for, what I call,
giving us kind of a big picture of their particular
areas, and giving us an overview of the responsibilities,
and some of the changes they have implemented, and some
of the challenges they have before them. So, I know it
was kind of a drive-by with a lot of information, but I
think it's important for us to really get a picture of
what is going on within the agency, and what we see now,
and what we see in the future. So, with that, thank you,
Scott.

Do you have anything else for the Board right
now?

MR. THOMPSON: No.

MR. KUNZE: John, I would like to ask, as
we've moved through the Agenda this morning, we have been
able to absorb a lot of information, like you said, about
the challenges that they are facing with the budget
changes and the things that are going on within the
divisions, as well as the Legislature. I sit here and I
think, it's nearly six months to the day since Scott
assumed his leadership position, and I would like the
opportunity for the full Board to be able to have a
two-way discussion with Scott and provide some feedback.
And so, with that, I was going to ask and make a motion
that we move into Executive Session to allow that to
happen, appointing someone to take the notes.

MR. GRIESEL: I'll second.

MR. WENDLING: All right. Let's have a roll
call on the proposal, please.

MS. FIELDS: Mr. Blankenship?

MR. BLANKENSHIP: Yes.

MS. FIELDS: Mr. Ferrell?

MR. FERRELL: Yes.

MS. FIELDS: Mr. Griesel?

MR. GRIESEL: Yes.

MS. FIELDS: Dr. Hammon?
DR. HAMMON: Yes.
MS. FIELDS: Mr. Johnston?
MR. JOHNSTON: Yes.
MS. FIELDS: Mr. Kinder?
MR. KINDER: Yes.
MS. FIELDS: Ms. Kunze?
MS. KUNZE: Yes.
MS. FIELDS: Mr. Munson?
MR. MUNSON: Yes.
MS. FIELDS: Mr. Sims?
MR. SIMS: Yes.
MS. FIELDS: Ms. Turner?
MS. TURNER: Yes.
MS. FIELDS: Mr. Wendling?
MR. WENDLING: Yes.
MS. FIELDS: Motion passed.
MR. WENDLING: And before we reconvene in the
area that’s been designated, David, can you do the
minutes for us, please? Thank you.
(Executive Session from 12:37 p.m. to 1:45
p.m.)
MR. WENDLING: All right. I would like to
have a motion to reconvene.
MR. GRIESEL: I’ll motion to reconvene.
DR. HAMMON: Second.

MR. WENDLING: All right. Roll call, please.
MS. FIELDS: Mr. Blankenship?
MR. BLANKENSHIP: Yes.
MS. FIELDS: Mr. Ferrell?
MR. FERRELL: Yes.
MS. FIELDS: Mr. Griesel?
MR. GRIESEL: Yes.
MS. FIELDS: Dr. Hammon?
DR. HAMMON: Yes.
MS. FIELDS: Mr. Johnston?
MR. JOHNSTON: Yes.
MS. FIELDS: Mr. Kinder?
MR. KINDER: Yes.
MS. FIELDS: Ms. Kunze?
MS. KUNZE: Yes.
MS. FIELDS: Mr. Munson?
MR. MUNSON: Yes.
MS. FIELDS: Mr. Sims?
MR. SIMS: Yes.
MS. FIELDS: Ms. Turner?
MS. TURNER: Yes.
MS. FIELDS: Mr. Wendling?
MR. WENDLING: Yes.
MS. FIELDS: Motion passed.
MR. WENDLING: Thank you. I want to thank
everyone for being very patient with us, and it looks
like we still have some of our audience present. And I
do know that we have some growing stomachs. So, we’ll
try to move along as promptly as we can.
We, of course, met with Scott, and gave an
opportunity for the Board members to discuss the agency,
and the different plans and activities going on, and the
performance of the agency.
Anyway, I wanted to read a statement, a few
comments representing the Board. "Overall we are pleased
with the direction of the agency, where it’s heading, and
the changes that have been implemented to date. We do
want to thank Scott and his staff for taking control and
making the needed changes for the agency. We’ve heard a
lot of positive feedback that we have received
individually in each of the different areas and different
meetings that we’ve attended. And so, I guess our
message is keep moving along, Scott. Good job."
A couple of things, one is we really want to
thank you and your stuff for putting the budget
presentation together. It’s probably the most
comprehensive information we’ve seen in many years
regarding the budget and the details around the budget.
So, again, we want to express our appreciation for all of
the hard work that went into doing that. And, also, we
want to express our appreciation to all of the directors
for their presentations that they gave, and especially
those that gave some color in what they are doing in
light of the strategy in implementing the plans of the
agency. That helped us see that we are moving forward,
and that we are implementing, you know, changes that have
been identified. So, kudos to all of you, and thank you
for sharing that information.
Do any of the other Board Members have any
comments they would like to make?
Okay. With that, we will move to new
business, Number 7 on the Agenda. And new business is
any matter not known about which could not have been
reasonably foreseen prior to the time of posting the
Agenda. So, do we have any new business? Any business
from the Board or business from the public?
Okay. Hearing none, we will move on. The
next item is our next meeting date. We are currently
scheduled August 18th of this year in Quartz Mountain,
Oklahoma. So we will reconvene at that time for our
regularly scheduled meeting.
And now we are to the point where I would like
to move forward to the adjournment of the meeting. So,
anyway, I want to thank everyone for being here today.
It was a good meeting and good information that was
presented to all of us.

Can I have a motion from the Board?

MR. KINDER: I move.

MS. KUNZE: I second.

MR. WENDLING: All right. Roll call, please.

MS. FIELDS: Mr. Blankenship?

MR. BLANKENSHIP: Yes.

MS. FIELDS: Mr. Ferrell?

MR. FERRELL: Yes.

MS. FIELDS: Mr. Griesel?

MR. GRIESEL: Yes.

MS. FIELDS: Dr. Hammon?

DR. HAMMON: Yes.

MS. FIELDS: Mr. Johnston?

MR. JOHNSTON: Yes.

MS. FIELDS: Mr. Kinder?

MR. KINDER: Yes.

MS. FIELDS: Ms. Kunze?

MS. KUNZE: Yes.

MS. FIELDS: Mr. Munson?

MR. MUNSON: Yes.

MS. FIELDS: Mr. Sims?

MR. SIMS: Yes.

MS. FIELDS: Ms. Turner?

MS. TURNER: Yes.

MS. FIELDS: Mr. Wendling?

MR. WENDLING: Yes.

MS. FIELDS: Motion passed.

MR. WENDLING: Thank you. All right. Now we are adjourned, and we are to the public forum that we always have following our meeting. And so I would like to read a statement on that.

"Welcome to this public forum of the Oklahoma Quality Board. Public input is valuable to the Board and the Department, and we welcome your participation. If you desire to make comments today at today's forum, but you have not signed the sheet at the front of the table, please do so now or raise your hand."

Right now I have four people that have signed in for the public forum, and I'll read those as we go along.

MS. PENNSTEN: I think a couple of them have left already, but I'm not sure who. I'm not sure what their names are.

MR. WENDLING: Okay. Let me finish then. I'll read the names, and we'll see who is still here.

MS. PENNSTEN: Sorry.

MR. WENDLING: "Please try to limit your comments to five minutes. I will advise you when your five minutes have passed, and we will ask you to complete your presentation. Forums allow you to make suggestions or express concerns about environmental rules, laws, or policy. However, concern with an action or decision in a specific case or matter, such as a particular permit application or enforcement of a case, should not be communicated directly to the Department. The Board can not and does not intervene in those case specific decisions. We also ask that you not use the forum to advertise or publicize commercial products or services. Because of the nature of the issues that are appropriate for the forum, you may not receive an immediate response to your comments. Department staff and/or the Board generally will need some time to evaluate the comments and respond to them, and we will get back with you."

so, I have four people that have signed up, and apparently a few have left. So let me read these names, and raise your hand if you are still here. Ike Bandy? Okay. Sharon Reese? Okay. Harold Long? Okay. Regina Peoples? Okay.

All right. So, let's start off with Ike Bandy. You're a landowner, and your subject matter to the Board is a disposal well. So, welcome, Ike, and I appreciate you visiting with us.

MR. BANDY: Yes. Now I remember when our good hometown boy, Governor Nigh, used to come, and he would make speeches before graduation ceremonies and retirement dinners and everything. And he always told a story before he started his presentation.

Well, I read in this farm magazine this story about these little third graders was studying the oceans. Well, the teacher said, you know, said, "There's just no way that a big fish could have swallowed Jonah. And this little girl, she said, "Well, I don't know. That's what it says in the Bible." She said, "When I get to Heaven, I'll ask Jonah if that's true." And then he said, "Well, what if Jonah don't make it to Heaven?" She said, "Well, if Jonah goes to hell," she said, "well, then you ask him." No, my concern was out there in my community and Jimmy told me I need to address the Corporation Commission about a disposal well that's there that we tried to stop as it was going in. And we hired a lawyer in Fort Worth to go take it to the EPA, and we had some fundraisers, and we had him paid and ready to go, and he had a heart attack and died. So, we didn't get nothing done, and the disposal well went in. And it's not two hundred yards from the lake when the lake is up, like it is now. And, you know, one of these days it's going to do a lot of polluting down there.
But I will get ahold of the Corporation Commission and see if I can get them to address the thing. They run in and out of there day and night. And one issue was, we had -- our County Commissioner was working on the road out there and was getting water out of the lake, you know, to wet the roads down. And he said one of his hands come back and said, "Well, that truck was down there dumping in the lake when he was trying to get back up there to get some water, you know, off of the old highway." And I, myself, one day I was going up Highway 69, and I was following one of them trucks, and the valve was open, and he was just scattering along the highway there, and it got on my car. It took me two or three washings to get it off of that car, and it was on that highway for six months.

So now, they just have -- after they get something approved, they seem like they just don't care about, you know, following the rules. And it's -- we tried to get the other area people that get their water from the lake for drinking and everything in with us, and we could not get them involved. I mean, they were for us, but they wouldn't put up any money to help us. So we finally gave it up. But it's still a problem out there, and I will take it before the Corporation Commission.

The guy that was putting the well in asked us if he could come to one of our meetings, and we said, "Well, yeah, sure. Come. We'll be glad to hear your presentation." Well, he drove up with the Corporation Commission's inspector in the car with him, you know, and we didn't get anywhere.

So, I will take Jimmy's advice and bring it up before the Corporation Commissioner. Thank you.

MR. WENDLING: All right. Thank you. Thank you, Mr. Bandy. And I think you're doing the right thing, if it's about elevation, bringing it to the attention of the right people.

Jimmy, does he need any specific phone numbers or anything like that we can help with?

MR. GIVENS: Yeah. We have his contact information, and we'll get him a specific phone number to use.

MR. WENDLING: All right. Thank you very much.

All right. Next we have Regina Peoples, and the subject matter is DEQ programs. Regina.

MS. PEOPLES: Thank you, sir. First of all, I would like to introduce myself. My name is Regina Peoples, and I am the executive director for a local non-profit called Pride in McAlester. We work to promote sustainability and environmental awareness in the community.

Mostly I'm here because I would like to thank DEQ. DEQ's programs have made a lot possible in our community. We host a cleanup biannually where we collect tires to have them recycled. We actually host that program at the armory that DEQ abated, and we are in the process of working through the Brownfields grant to restore the OKLA Theater. Ms. Dixon showed you a picture in her slide of that. And I would very much like to invite you all to come back in September when asbestos is out of that theater, and I would love to show you the inside so you can see what your money is doing for us.

As far as concerns that I have, or the community has, I would like to say, I know our organization and several other organizations across the State would very firmly support gray water reclamation legislation. So, if there's any interest through DEQ, I would highly recommend that you contact ORA, the Oklahoma Recycling Association, and I know that you have support from Pittsburg County and probably from the entire State.

If that's something that you might be able pursue, you know, we can contribute time and resources if that's needed. That's all. I really just wanted to say thank you.

MR. WENDLING: All right. Thank you, Regina.
I, Sheila F. Richey, Certified Shorthand Reporter, do hereby certify that the foregoing record was taken by me in shorthand and thereafter transcribed; that the same is true and accurate; that the same was taken on the date aforementioned and under the stipulations hereinbefore set out; and that I am not an attorney for, nor relative of any of said parties, nor otherwise interested in the event of said action.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 26th day of June, 2014.

Sheila F. Richey
Certified Shorthand Reporter
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