

**Minutes of the
ARKANSAS NATURAL RESOURCES COMMISSION**

January 21, 2015

The regular meeting of the Arkansas Natural Resources Commission was held Wednesday, January 21, 2015, at 9:30 a.m., at the office of the Arkansas Natural Resources Commission, 101 East Capitol, Suite 350, Little Rock, Arkansas.

Commissioners in attendance were Chairman David Feilke, Vice-Chairman Mike Carter, Fred Fowlkes, Corbet Lamkin, Neal Anderson, Don Richardson, Sloan Hampton, Jerry Hunton, and Ann Cash.

Staff members participating included: Randy Young, Executive Director; Crystal Phelps, General Counsel; Adrian Baber, Chief, Conservation Division; Edward Swaim, acting Deputy Director/Manager, Water Resources Management Division ; Mark Bennett, Chief, Water Development Division; Dave Fenter, Marketing Management; Cynthia Bearden, Agency Controller; Deanna Ray, Assistant General Counsel; Todd Fugitt, Senior Geologist; Gina Wilson, Construction Finance Analyst; Darla Brooks, Financial Programs Manager; Blake Walters, Land Resource Specialist; Trevor Timberlake, Engineer Supervisor; Lori Scott-Nakai, Public Information Specialist; and Carla Hill, acting Executive Assistant.

Chairman Feilke called the meeting of the Arkansas Natural Resources Commission to order.

A list of guests is attached to the minutes.

APPROVAL OF MINUTES; DECEMBER 9, 2014

Upon motion by Mr. Hunton, second by Mr. Fowlkes, the Commission approved the minutes of the December 9, 2014 regular meeting.

REPORT OF THE EXECUTIVE DIRECTOR

Introduction of acting staff - Mr. Young introduced Mrs. Carla Hill as acting Executive Assistant to the Director and Mr. Edward Swaim as acting Deputy Director.

STATUS REPORT ON FINANCIAL ASSISTANCE PROGRAMS

Mrs. Cynthia Bearden presented the financial assistance report dated December 31, 2014. (Copy of report is attached to the minutes.)

Mrs. Bearden will prepare a three year grant average loan compliance report for the Commissioners.

LEGAL ISSUES

Commissioner Stipend and Expense Reimbursement – Mrs. Crystal Phelps presented information pertaining to the stipend and travel reimbursement. Upon motion by Mr. Lamkin, second by Mr. Anderson, the Commission declined payment of an \$85.00 per meeting attended stipend for members of the Commission. A motion by Mr. Anderson, second by Mr. Fowlkes, the Commission agreed to authorize expense reimbursement for official business at the rate of state employees.

Legislative Update – Mrs. Phelps reviewed House Bill 1067 and House Bill 1054. She then informed Commissioners on Title 24 and Title 3 which are to be sent to the Governor for review.

WATER RESOURCES DEVELOPMENT DIVISION

Mr. Mark Bennett reported on post issuance compliance of the outstanding General Obligation Bond issues and the provisions of Post Issuance Compliance Manual. ANRC is in compliance on all bond covenants, SEC regulations and IRS regulations. Balances of bond proceeds for each issue are as follows: Series 2013A (Taxable) \$7,917,858.44, Series 2014A (Tax Exempt) \$3,675,853.75, Series 2014B (Taxable) \$29,788,004.72. Series 2014A issue has met the 12 month spend down requirement.

CONSERVATION DIVISION

APPOINTMENTS AND REAPPOINTMENTS TO CONSERVATION DISTRICT BOARDS

Mr. Adrian Baber presented Conservation District Board Appointments to the Commission. Upon motion by Mrs. Cash, second by Mr. Hunton, the Commission approved the following appointments:

APPOINTMENTS

Monroe CD

Tyler Pettigrew

CONSERVATION DISTRICT ACTIVITY REPORT – Mr. Blake Walters introduced Mr. Jim Turnbo with the Baxter County Conservation District. Mr. Turnbo explained the importance of working with local state and federal agencies to accomplish conservation projects and community goals in Baxter.

WATER RESOURCES MANAGEMENT DIVISION

Arkansas Water Plan Rulemaking - Mr. Edward Swaim reported the rulemaking for the Arkansas Water Plan is proceeding. The completed Executive Summary, including the presence of waste water infrastructure and water infrastructure, is now posted on the website.

Southwest Arkansas Water District – Representing the Southwest Arkansas Water District (SWAWD) were Mr. David Manns, Mr. Danny Gray and Mr. Gary Nutter. Mr. Manns explained how SWAWD was working to pay the original loan back to the Corps of Engineers by finding water customers within its five county regional service area which includes Little River Rural Water District and Domtar, Inc. in Little River County, the City of Hope and SWEPCO in Hempstead County, and the City of Texarkana in Miller County, Arkansas. Two additional counties within the district have no customers. Federal legislation requires SWAWD to sell to any willing user. The district is near three contiguous states. Director Young asked the Commission to consider what Arkansas should do in terms of stored water in Arkansas and whether it would be in the best interest for the State to sell to out-of-state customers, including those in north Texas. If an out-of-state transfer is proposed, it must be reviewed by the Commission, who must then make a recommendation to the General Assembly.

ACTIVITY REPORTS


Informational activity reports were presented by the following: Debbie Moreland, Program Administrator, AACD; Dr. Stacey McCullough, U of A Cooperative Extension Service; Randy Childress, USDA/Natural Resources Conservation Service; and Jaysson Funkhouser, USGS.

COMMISSION TRAVEL EXPENSE REIMBURSEMENT

Approval of Travel Reimbursement – Upon motion by Mr. Carter, second by Mr. Richardson, the Commission approved reimbursable expenses for the Commission to attend the following:

- (1) Arkansas Association of Conservation Districts Annual Meeting, February 17-18, 2015 and area meetings for 2015.

ADJOURN



J. Randy Young, P.E.
Executive Director and Secretary

3-18-15
Date