

**Minutes of the
ARKANSAS NATURAL RESOURCES COMMISSION**

May 20, 2015

The regular meeting of the Arkansas Natural Resources Commission was held Wednesday, May 20, 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, Don Richardson, Neal Anderson, Fred Fowlkes, Jerry Hunton, Sloan Hampton, Ann Cash, and Bill Poynter.

Staff members participating included: Randy Young, Executive Director; Edward Swaim, Interim Deputy Director/Water Resources Division Manager; Mark Bennett, Water Development Division Manager; Adrian Baber, Conservation Division Chief; Cynthia Bearden, Agency Controller; Crystal Phelps, General Counsel; Deanna Ray, Assistant General Counsel; Todd Fugitt, Senior Geologist; Jim Battreal, Professional Geologist; Jacob Harvey, Construction Inspector; Quinn Baber, Summer Intern; Darla Brooks, Financial Programs Manager; Gina Wilson, Construction Finance Analyst; Marylen Smith, ANRC Program Coordinator; Bob Fowler, Land Resource Specialist; Cody Harrington, Land Resource Specialist; Blake Walters, Land Resource Specialist; Lori Scott-Nakai, Public Information Specialist; and Carla Hill, 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: March 18, 2015

Upon motion by Mr. Anderson, second by Mr. Fowlkes, the Commission approved the minutes of the March 18, 2015 regular meeting.

REPORT OF THE EXECUTIVE DIRECTOR

Red River Compact Commission Meeting – Director Young informed the Commission that Louisiana's Commissioners continue to express concern Louisiana is not receiving entitled water from streams in south Arkansas in accordance with the compact. The Engineering Committee and USGS have been working on weekly run off calculations entering Louisiana. Mr. Young is to meet with the Corps of Engineers and Arkansas Attorney General concerning the water flow issue and the possibility of a law suit.

Land Purchase – Jerry Lee Bogard and Jerry Winemiller, partners in Bayou Meto Canal Company have contacted Director Young and the White River Irrigation District offering the sale of adjacent property to the irrigation district. Dennis Carman, White River Irrigation District Chief Engineer, and Edward Swaim, Interim Deputy Director/Water Resources Division Manager are preparing a response.

Little Bayou Meto Pumping Station - Little Bayou Meto Pumping Station has been completed by the Corps of Engineers and will turn responsibilities over to the Commission and Bayou Meto Water Irrigation District for operation and maintenance on June 30, 2015.

Faulkner County Conservation District – The Faulkner County Conservation District has sold the building housing the district, USDA Agencies and U.S. Fish and Wildlife. The district is requesting waive of \$300,000 repayment or a portion of the payment to the Commission for the construction grant. The Director recommends ANRC waive the requirement for repayment and that portion of the repayment be used for funding conservation measures in Faulkner County. Upon motion by Neal Anderson, second by Jerry Hunton, the motion passed.

STATUS REPORT ON FINANCIAL ASSISTANCE PROGRAMS

Mrs. Cynthia Bearden presented the financial assistance report dated April 30, 2015. (Copy of report is attached to the minutes.)

LEGAL ISSUES

Arkansas Water Plan Rulemaking Update – Mrs. Crystal Phelps reported the Governor has approved the Water Plan Rules. Public hearings will be scheduled for this summer in each planning region of the state.

Inclusion of Phillips County into the Cache Critical Ground Water Area – Phillips County public hearing was held May 12, 2015 to petition joining the Cache River Critical Ground Water Area. From comments received, the staff recommends inclusion of Phillips County for the alluvial aquifer. Upon motion by Fred Fowlkes, second by Jerry Hunton, the motion passed.

WATER RESOURCES DEVELOPMENT DIVISION

Mr. Bennett presented staff recommendations for the referenced projects below requesting financial assistance from the Water, Sewer & Solid Waste Fund (WSSW); the Water Development Fund (WDF); and the Clean Water Revolving Loan Fund (CWRLF).

Upon motion by Mrs. Ann Cash, second by Mr. Don Richardson the Commission approved the following recommendations:

FOREMAN (LITTLE RIVER COUNTY) (WSSW)

Up to \$103,000.00

PURPOSE OF FUNDS: Improvements at sewer pump stations including without limitation replacement or repairs of sewer pumps and controls.

The Commission approved a loan in an amount up to \$103,000.00 from the Water, Sewer and Solid Waste Fund. This loan is for up to ten (10) years at two and three-quarters percent (2.75%) interest. An administrative fee in an amount up to \$3,000.00 is to be retained by the Commission. Approval is contingent upon the city establishing and maintaining a depreciation reserve fund.

INDIAN SWITCH RURAL WATER ASSOCIATION

(CHICOT COUNTY) (WSSW)

Up to \$103,000.00

PURPOSE OF FUNDS: Repaint and repair water tanks.

The Commission approved a loan in an amount up to \$103,000.00 from the Water, Sewer and Solid Waste Fund. This loan is for twenty (20) years at three and nine-tenths

percent (3.9%) interest. An administrative fee in an amount up to \$3,000.00 is to be retained by the Commission. Approval is contingent upon the association establishing and maintaining a depreciation reserve fund and upon these grant funds being the last funds used for the project.

**INDIAN SWITCH RURAL WATER ASSOCIATION
(CHICOT COUNTY) (WSSW)**

Up to \$206,000.00

PURPOSE OF FUNDS: Repaint and repair water tanks

The Commission approved a grant in an amount up to \$206,000.00 from the Water, Sewer & Solid Waste Fund. An administrative fee in an amount up to \$6,000.00 is to be retained by the Commission. Approval is contingent upon the association establishing and maintaining a depreciation reserve fund and upon these grant funds being the last funds used for the project.

SMACKOVER (UNION COUNTY) (WSSW)

Up to \$412,000.00

PURPOSE OF FUNDS: Repair approximately 20 sewer manholes and repair or replace approximately 7,000 feet of Gravity Sewer Mains.

The Commission approved a loan in an amount up to \$412,000.00 from the Water, Sewer and Solid Waste Fund. This loan is for ten years (10) years at two and three-quarters percent (2.75%) interest. An administrative fee in an amount up to \$12,000.00 is to be retained by the Commission. Approval is contingent upon the city establishing and maintaining a depreciation reserve fund.

TURRELL (CRITTENDEN COUNTY) (WSSW)

Up to \$51,500.00

PURPOSE OF FUNDS: Add a hydropneumatic tank, generator, and well controls to the system.

The Commission approved a loan in an amount up to \$51,500.00 from the Water, Sewer and Solid Waste Fund. This loan is for ten years (10) years at two and three-quarters percent (2.75%) interest. An administrative fee in an amount up to \$1,500.00 is to be retained by the Commission. Approval is contingent upon the city establishing and maintaining a depreciation reserve fund and upon these grant funds being the last funds used for the project.

TURRELL (CRITTENDEN COUNTY) (WSSW)

Up to \$154,500.00

PURPOSE OF FUNDS: Add a hydropneumatic tank, generator, and well controls to the system.

The Commission approved a grant in an amount up to \$154,500.00 from the Water, Sewer and Solid Waste Fund. An administrative fee in an amount up to \$4,500.00 is to be retained by the Commission.

Approval is contingent upon the city establishing and maintaining a depreciation reserve fund and upon these grant funds being the last funds used for the project.

BEARDEN (OUACHITA COUNTY) (CWRLF)

Up to \$1,100,000.00

PURPOSE OF FUNDS: Rehab and replace sewer collection lines and pump stations.

The Commission approved loan funds in an amount up to \$1,100,000.00 for City of Bearden from the Arkansas Clean Water State Revolving Loan Fund in accordance with the established funding priorities. The loan repayment schedule will not exceed twenty (20) years. The Executive Director will set the combined annual borrower rate and loan terms.

VIOLA (FULTON COUNTY) (WDF)

Up to \$103,000.00

PURPOSE OF FUNDS: Repaint and Repair Tank and Repair and Replace portions of the Disinfection System identified in the Department of Health Sanitary Survey

The Commission approved a loan in an amount up to \$103,000.00 from the Water Development Fund. This loan is for twenty (20) years at three and nine-tenths percent (3.9%) interest. An administrative fee in an amount up to \$3,000.00 is to be retained by the Commission. Approval is contingent upon the town establishing and maintaining a depreciation reserve fund.

Upon motion by Mr. Don Richardson, second by Mr. Bill Poynter the Commission approved the following recommendation for a grant:

BIRDSONG (MISSISSIPPI COUNTY) (WSSW)

Up to \$7,725.00

PURPOSE OF FUNDS: Replace sewer pump stations.

The Commission approved a grant in an amount up to \$7,725.00 from the Water, Sewer & Solid Waste Fund. This grant is for ten (10) years at two and three-quarters percent

(2.75%) interest. An administrative fee in an amount up to \$225.00 is to be retained by the Commission. Approval is contingent upon the town establishing and maintaining a depreciation reserve fund.

Upon motion by Mrs. Ann Cash, second by Mr. Sloan Hampton, the Commission voted to table Ferncrest South Property Owners' WID until the next regular meeting:

FERNCREST SOUTH PROPERTY OWNERS' WID OF PULASKI COUNTY

(WDF)

Up to \$412,000.00

PURPOSE OF FUNDS: Develop a public water system for 19 properties in the Ferncrest Estates Subdivision. The system will be operated and ultimately owned by Central Arkansas Water.

BREAK/RECONVENE

WATER RESOURCES MANAGEMENT DIVISION

Aquifers of Arkansas – Mr. Edward Swaim commended the ANRC/USGS partnership. Todd Fugitt, ANRC Senior Geologist, introduced Mr. Tim Kresse, USGS Hydrologist and Dr. Phil Hays, USGS Groundwater Research Scientist with the Department of Geosciences, University of Arkansas. Mr. Kresse summarized the Aquifers of Arkansas Scientific Investigations Report 2014-5149.

CONSERVATION DIVISION

APPOINTMENTS AND REAPPOINTMENTS TO CONSERVATION DISTRICT BOARDS

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

APPOINTMENTS

Arkansas County CD
Drew County CD
Franklin County CD
Franklin County CD
Jackson County CD

Jared Holzhauer
Mar Miles
Tom white
Martin Mershon
Gus Graham

Upon motion by Mrs. Cash, second by Mr. Carter, the Commission approved the following reappointments:

REAPPOINTMENTS

Desha County CD
Desha County CD
Greene County CD
Izard County CD
Lee County CD

William Teeter
Andrew Wargo III
David Pique
John B. Banning
Martha Manley

*Phillips County CD
Poinsett County CD
Saline County CD
Stone County CD*

*Chris Carnathan
Tommy Wimpy
Franklin Wright
Larry Gammill*

CONSERVATION LINE ITEM FUNDS - Upon motion by Mrs. Cash, second by Mr. Anderson, the Commission approved FY 2016 line item funding to be equally distributed in the amount of \$10,022.25 to each of the 75 conservation districts in Arkansas. (Copy of the FY 2016 Line Item Funding (Attachment E) is attached to the minutes.)

GRANTS/DISTRICTS FUNDS - Upon motion by Mrs. Cash, second by Mr. Anderson, the Commission approved the FY 2016 Grants to Districts Funding. (Copy of FY 2016 Grants to Districts Funding (Attachment F) is attached to the minutes.)

BEAVER FUNDS - Upon motion by Mr. Carter, second by Mrs. Cash, the Beaver Program Funding for FY 2016 was approved. (See attached FY 2016 Beaver Program Funding (Attachment G).)

CONSERVATION DISTRICT ACTIVITY REPORT – Mr. Blake Walters introduced Ms. Holly Jones, Conservation District Manager/Water Quality Technician, representing the Logan County Conservation District. Ms. Jones affirmed the district's commitment to education stating their numerous projects such as part time student help, Envirothon, field days, and workshops, as well as, rental equipment and plans for litter storage.

ACTIVITY REPORTS

Activity reports were presented by the following: Debbie Moreland, Arkansas Association of Conservation District Program Administrator; Mr. Randy Childers, USDA Natural Resources Conservation Service; and Jaysson Funkhouser, US Geological Survey.

ADJOURN

There being no further business, Mrs. Cash made the motion to adjourn, second by Mr. Anderson.



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

7-15-15
Date