

**Minutes of the
ARKANSAS NATURAL RESOURCES COMMISSION
May 18, 2016**

The regular meeting of the Arkansas Natural Resources Commission was held Wednesday, May 18, at 9:30 a.m., at Arkansas Natural Resources Commission, 101 East Capitol Avenue, Suite 350, Little Rock, Arkansas.

Commissioners in attendance were Chairman Mike Carter, Don Richardson, Neal Anderson, Fred Fowlkes, Ann Cash, Bill Poynter and Jerry Hunton. Sloan Hampton and Bruce Leggitt were absent.

Staff members participating included: Randy Young, Executive Director; Ryan Benefield, Deputy Director; Edward Swaim, 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; Lori Nakai, Public Information Specialist; Dave Fenter, Grants Manager; Darla Brooks, Financial Programs Manager; Trevor Timberlake, Engineer Supervisor; Shawn Jackson, Program Coordinator; Ken Brazil, Engineer Supervisor; Bentley Reynolds, Program Coordinator; Debbie Davis, Administrative Specialist; Debbie Dixon, Grants Coordinator; Blake Walters, Land Resource Specialist; Bob Fowler, Land Resource Specialist; Cody Harrington, Land Resource Specialist; Joe Moore, Environmental Program Coordinator; Nate Salinas, Engineer; and Carla Hill, Executive Assistant.

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

A list of guests is attached to the minutes.

APPROVAL OF MINUTES: March 16, 2016

Upon motion by Mr. Fred Fowlkes, second by Mr. Don Richardson, the Commission unanimously approved the minutes of the March 16, 2016 regular meeting.

REPORT OF THE EXECUTIVE DIRECTOR

Career Service Recognition – Director Young recognized Shawn Jackson, Water Resources Division Program Coordinator, for her ten years of service.

Resolution No. 2016-01 - As approved at the March meeting, Director Young presented Edward Swaim with a plaque recognizing his contributions to the Arkansas Water Plan.

Status Report on Financial Assistance Programs - Mrs. Cynthia Bearden presented the financial assistance report dated April 30, 2016. (A copy of the report is attached to the minutes.) She announced the FY'15 internal control and compliance assessment is complete with no findings or recommendations. The agency is in compliance with the state financial policies.

Legal Issues - Eoff v. EPA Update – Mrs. Deanna Ray, Associate General Counsel, announced the parties in the Eoff federal case are negotiating final terms of a consent decree. The case is under seal but is expected to be publicly reviewed and final by August 10, 2016.

Title 2, Conservation District Rules – Mrs. Crystal Phelps, General Counsel, stated Legislative Counsel has deferred any ruling until June.

Sale of house near Bayou Meto canal – The Commission now owns a home near the Bayou Meto canal. ANRC will work with Arkansas Building Authority accepting bids for the sale of the house or to have the house moved.

Senator Rapert's Levee District Bill – Mrs. Crystal Phelps stated Senator's Rapert's bill would support the county clerk reporting to ANRC with levee district memberships, vacancies, district maps and other information as well as publish public notices.

Jacksonville Appeal Hearing – Mrs. Crystal Phelps introduced Judge Charles Moulton who will serve as the hearing officer. The hearing is scheduled for mid-July.

WATER RESOURCES DEVELOPMENT DIVISION –

Mr. Mark Bennett presented staff recommendations for the referenced projects below requesting financial assistance from the Clean Water Revolving Loan Fund (CWRLF); the Water Development Fund (WDF); and the Drinking Water State Revolving Fund (DWSRF).

Upon motion by Mrs. Ann Cash, second by Mr. Jerry Hunton, the Commission unanimously approved the following recommendations.

NORTH LITTLE ROCK (Pulaski) (CWRLF-L) **Up to \$30,000,000.00**

PURPOSE OF FUNDS: Make improvements to the city's wastewater system.

The Commission approved funds in an amount up to \$30,000,000.00 for the City of North Little Rock from the Arkansas Clean Water State Revolving Loan Fund in the form of a loan in accordance with the established funding priorities. The Executive Director will set the combined annual borrower rate and loan terms. Approval is contingent upon the Applicant establishing and maintaining a depreciation reserve fund.

BURDETTE (Mississippi) (WDF-DL) **Up to \$20,600.00**

PURPOSE OF FUNDS: Inspect existing deep well & possibly repair.

The Commission approved funds in an amount up to \$20,600.00 for the City of Burdette from the Water Development Fund in the form of a deferred loan in accordance with the established funding priorities. This loan is for ten (10) years with a repayment schedule of eight (8) years at two and three-quarters percent (2.75%) interest. Payment upon principal is to be deferred for two (2) years and interest is to be waived for two (2) years. An administrative fee in an amount up to \$600.00 is to be retained by the Commission. Approval is contingent upon the Applicant establishing and maintaining a depreciation reserve fund.

HUTTIG (Union) (WDF-L)

Up to \$329,600.00

PURPOSE OF FUNDS: Drill new water well to replace the existing well.

The Commission approved funds in an amount up to \$329,600.00 for the City of Huttig from the Water Development Fund in the form of a loan in accordance with the established funding priorities. This loan is for up to twenty (20) years at three and nine-tenths percent (3.9%) interest. An administrative fee in an amount up to \$9,600.00 is to be retained by the Commission. Approval is contingent upon the Applicant establishing and maintaining a depreciation reserve fund.

HUTTIG (Union) (WDF-G)

Up to \$51,500.00

PURPOSE OF FUNDS: Drill new water well to replace the existing well.

The Commission approved funds in an amount up to \$51,500.00 for the City of Huttig from the Water Development Fund in the form of a grant in accordance with the established funding priorities. An administrative fee in an amount up to \$1,500 is to be retained by the Commission. Approval is contingent upon the Applicant establishing and maintaining a depreciation reserve fund and upon these grant funds being the last funds used for the project.

PERRY COUNTY LEVEE DIST. 1 (Perry) (WDF-L)

Up to \$489,250.00

PURPOSE OF FUNDS: Repair damaged levee, pipes & gate.

The Commission approved funds in an amount up to \$489,250.00 for the Perry County Levee District 1 from the Water Development Fund in the form of a loan in accordance with the established funding priorities. This loan is for up to thirty (30) years at four and three-quarters percent (4.75%) interest. An administrative fee in an amount up to \$14,250.00 is to be retained by the Commission. Approval is contingent upon the Applicant establishing and maintaining a depreciation reserve fund.

PERRY COUNTY LEVEE DIST. 1 (Perry) (WDF-G)

Up to \$489,250.00

PURPOSE OF FUNDS: Repair damaged levee, pipes & gate.

The Commission approved funds in an amount up to \$489,250.00 for the Perry County Levee District 1 from the Water Development Fund in the form of a grant in accordance with the established funding priorities. An administrative fee in an amount up to \$14,250 is to be retained by the Commission. Approval is contingent upon the Applicant establishing and maintaining a depreciation reserve fund.

**APPLICATIONS FOR ADDITIONAL FINANCIAL ASSISTANCE
STAFF RECOMMENDATIONS FOR FUNDING**

Mr. Bennett reported that the Executive Director, pursuant to the Commission regulations, increased funding for the following project:

**EUDORA (Chicot) (DWDRF-PF)
(WRD-003-995)**

Up to \$1,300,00.00

CONSERVATION DIVISION

Appointments and Reappointments to Conservation District Boards - Mr. Adrian Baber presented Conservation District Board Appointments to the Commission. Upon motion by Mr. Fred Fowlkes, second by Mr. Don Richardson, the Commission unanimously approved the following appointments:

APPOINTMENTS

Arkansas County	David Stephens
L'Aigle Creek	Don Hamilton
Perry County	Kallem Hill
Prairie County	Kenneth Foot

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

REAPPOINTMENTS

Buffalo County	Don Balentine
Buffalo County	Ricky Reed
Lafayette County	Troy Odom
Newton County	Waymon Villines
Washington County	Carolina Castaneda
Woodruff County	Vance Thompson III

Conservation Line Item Funds - Upon motion by Mr. Don Richardson, second by Mr. Fred Fowlkes the Commission unanimously approved the FY 2017 Conservation District Line Item Funding as presented by Mr. Adrian Baber. (A copy of the report is attached to the minutes.)

Grants/Districts Funds - Upon motion by Mrs. Ann Cash, second by Mr. Jerry Hunton the Commission unanimously approved the FY 2017 Grants to Districts Funding as presented by Mr. Adrian Baber. (A copy of the report is attached to the minutes.)

Beaver Funds - Upon motion by Mr. Fred Fowlkes, second by Mr. Don Richardson the Commission unanimously approved the Beaver Program Funding for FY 2017 as presented by Mr. Adrian Baber. (A copy of the report is attached to the minutes.)

Conservation District Activity Report - Mr. Blake Walters, Land Resource Specialist, introduced Mr. Conaly Bedell, Sebastian County Conservation District Director. Mr. Bedell explained the accomplishments the directors have achieved to provide a solid foundation for the Sebastian County Conservation District including a balanced financial budget, good office management and high work yield.

WATER RESOURCES MANAGEMENT DIVISION

Arkansas Water Plan Implementation Update - Mr. Edward Swaim discussed recommended Water Plan needs including a drought plan, additional stream gauging, and federal reservoirs. In addition, transport of Mississippi River water to Texas continues to be a topic.

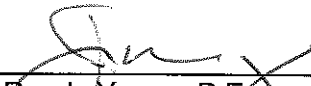
Title 9, Biosolid Program – Ryan Benefield explained if ANRC wants a successful biosolid program the incentives would need to be long term.

ACTIVITY REPORTS

Activity reports were presented by the following: Mrs. Debbie Moreland, Arkansas Association of Conservation Districts and Jaysson Funkhouser, US Geological Survey.

ADJOURN

There being no further business, Mrs. Ann Cash made the motion to adjourn, with a second by Mr. Jerry Hunton.



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

7-20-14
Date