BEFORE THE ARKANSAS NATURAL RESOURCES COMMISSION

In the Matter of: Cabot # 2009 10 30-001 and Ward # 2007 02 26-001, Appeal of the Specific portions of these Determinations granting Tract A to Ward

Findings of Fact and Conclusions of Law, and Order

Upon examination of the administrative record and briefs and oral arguments of attorneys for the Petitioner, the city of Ward, and the Commission's staff, the Commission hereby enters the following Findings of Fact Conclusions of Law, and Order.

Findings of Fact and Conclusions of Law

The Executive Director's Final Determinations, Cabot # 2009 10 30-001 and Ward # 2007 02 26-001, in this matter are a proper application of the duty to review water projects under the Arkansas Water Plan. His Determination implements the goals and objectives of the Arkansas Water Plan, and it coordinates the efficient use of water resources in the project vicinity and surrounding region.

<u>Order</u>

The Commission upholds and adopts by reference both Final Determinations,

Sloan Hampton, Chairman

BEFORE THE ARKANSAS NATURAL RESOURCES COMMISSION

IN THE MATTER OF:

Cabot, Arkansas

WPC #: 2009 10 30 - 001

FINAL DETERMINATION ARKANSAS WATER PLAN COMPLIANCE

This application was considered for Water Plan Compliance pursuant to Arkansas Code Annotated §15-22-503 and the Arkansas Natural Resources Commission's Title VI - Rules Governing Water Development Project Compliance with the Arkansas Water Plan. Based upon the record of this matter, I, acting as referee for the Arkansas Natural Resources Commission, do make the following findings of fact and conclusions of law:

- 1. The Applicant is Cabot, Arkansas.
- 2. The application was filed on October 30, 2009.
- 3. Notice of the first Hearing was published on Wednesday, December 23, 2009 in the Cabot Star-Herald, a paper of general circulation in Lonoke County.
 - Notice of the second Hearing was published on Wednesday, January 25, 2012 in the Cabot Stär-Herald, a paper of general circulation in Lonoke County.
- 4. A hearing was held on Thursday, January 7, 2010 at 1:30 p.m., at the offices of the Cabot City Hall in Lonoke County.
 - A second hearing was held on Monday, February 6, 2012 at 1:00 p.m., at the offices of the Commission in Pulaski
- 5. Mr. Tim Joyner, the utility general manager, represented the Applicant at each hearing.
- 6. This project involves the submittal of a Master Plan for review and approval.
- 7. I have reviewed this application and have deemed the project, with the modifications set out in Paragraph 8, to be in compliance with the Arkansas Water Plan because it:
 - A. Implements the goals and objectives of the Arkansas Water Plan; and,
 - B. Coordinates the efficient use of water resources in the project vicinity and surrounding region.

- 8. Specific findings concerning the project are:
 - A. The Applicant has demonstrated through running its water system that it has the managerial, financial and operational abilities to run a water system.
 - B. At the first Hearing held on January 7, 2010, conflicts with three other water utilities were discussed. The three water utilities were: City of Austin, North Pulaski WaterWorks and the City of Ward. After the first Hearing, the Commission staff requested that Cabot meet with each utility to work out the disputed areas. On January 22, 2010, Cabot sent the Commission staff a revised drawing showing new boundaries that resolved the conflicts with the City of Austin and North Pulaski WaterWorks. The conflict with the City of Ward was not resolved at that time.
 - C. The Commission staff received a letter on August 26, 2011 from Applicant stating that they were unable to reach agreement with Ward and requesting the Commission staff proceed with issuing a Final Determination. The Applicant's Master Plan shows three areas that conflict with an earlier Master Plan (WPC# 2007 02 26 001) approved for the City of Ward on July 23, 2007.
 - D. The three areas in conflict with Ward's Master Plan are described as follows:
 - a. Parcel A: The Northeast Quarter of the Southeast Quarter, Section 20, Township 4 North, Range 9 West, Lonoke County, Arkansas. West of Stagecoach Road and North of Stagecoach Elementary School.
 - b. Parcel B: The Northwest Quarter of the Southeast Quarter, Section 20, Township 4 North, Range 9 West, Lonoke County, Arkansas.
 - c. Parcel C: The Southeast Quarter of the Southeast Quarter, Section 20, Township 4 North, Range 9 West, Lonoke County, Arkansas. The Stagecoach Elementary School property.
 - E. Parcel A Findings This parcel is bounded by Honeysuckle Lane on the North, South Stagecoach Road on the East, the Stagecoach Elementary School on the South and Parcel B on the West. Cabot has a 2" water line on Honeysuckle Lane that stops short of Stagecoach Road with future plans to replace the line with a 12" water line that would go to Stagecoach turn south and connect with the existing 14" water line that serves the Stagecoach Elementary School. Ward has an existing 10" water line on the west side of Stagecoach Road from Honeysuckle Lane to Campground Road. This line ties into Ward's existing water tank which is just east of this parcel across Stagecoach Road.
 - F. Parcel B Findings This parcel is bounded by Honeysuckle Lane on the North, Parcel A on the East, undeveloped property on the South, developed property on the Southwest and undeveloped property on the Northwest. Cabot has a 2" water line on Honeysuckle Lane that serves a customer in this parcel with future plans to replace the line with a 12" water line. Ward does not have a water line

bordering this parcel. Ward does have a 10" water line on the other side of Parcel A next to Stagecoach Road.

- G. Parcel C Findings This parcel is bounded by Parcel A on the North, South Stagecoach Road on the East, Campground Road on the South and undeveloped property on the West. This is the site of the Stagecoach Elementary School. Cabot currently serves the school with a 14" water line along Campground Road and north a short distance along Stagecoach Road. Ward has a 10 water line along Stagecoach Road down to Campground Road and then east along Campground Road. This line is on the west side of the road north of the school and crosses over to the east side of the road when it nears the Cabot water line.
- H. Parcel A shall be Ward's to serve due to the existing 10" water line on the east side of the parcel and the location of the water storage tank close to the parcel. This parcel is also undeveloped, so there are no prior service claims that would influence this decision.
- I. Parcel B and C shall be Cabot's to serve due to the existing Cabot customers in these parcels.
- J. The projects listed in the Master Plan must be submitted to the Commission at the time plans and specs are prepared. The Commission will compare the projects with the Master Plan. If the Commission finds that the projects are consistent with the Master Plan, it will inform the Applicant that no further action will be needed by the Applicant and that project becomes part of the Arkansas Water Plan. If a project is significantly different from the Master Plan, the Commission may require a separate review under the Arkansas Water Plan.

Based upon the above findings and recommendations regarding this proposal, this water development project, as modified, meets the objectives of the Arkansas Water Plan and is hereby approved. This Certification will remain valid for ten years as required for Master Plans in the Commission's Title VI. Any significant changes in project scope will require submittal of new project plans for Water Plan Compliance Review.

This determination entered the 5th day of March, 2012.

J. Randy Young, L.

Executive Director

ARKANSAS NATURAL RESOURCES COMMISSION

101 East Capitol, Suite 350 -

Little Rock, AR 72201

(501) 682-1611

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BEFORE THE ARKANSAS NATURAL RESOURCES COMMISSION

IN THE MATTER OF:

Ward, Arkansas

WPC #: 2007 02 26 - 001

FINAL DETERMINATION ARKANSAS WATER PLAN COMPLIANCE

This is an amendment to a Final Determination issued on July 23, 2007. Based upon the record of this matter, I, acting as referee for the Arkansas Natural Resources Commission, do make the following findings of fact and conclusions of law:

- 1. The Applicant is Ward, Arkansas.
- 3. Notice of Hearing was published on Wednesday, January 25, 2012 in the Cabot Star-Herald, a paper of general circulation in Lonoke County.
- 4. A hearing was held on Monday, February 6, 2012 at 1:00 p.m., at the offices of the Commission in Pulaski County.
- 5. Mayor Art Brooke represented the Applicant at the hearing.
- 6. This involves amending the existing Determination for the Ward Master Plan to reflect changes in the boundary with Cabot.

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- 7. I have reviewed this application and have deemed the project, with the modifications set out in Paragraph 8, to be in compliance with the Arkansas Water Plan because it:
 - A. Implements the goals and objectives of the Arkansas Water Plan; and,
 - B. Coordinates the efficient use of water resources in the project vicinity and surrounding region.

- 8. Specific findings concerning the project are:
 - A. The Applicant has demonstrated through running its water system that it has the managerial, financial and operational abilities to run a water system.
 - B. At the Hearing held for Cabot's Master Plan on January 7, 2010, conflicts with three other water utilities were discussed. The three water utilities were: City of Austin, North Pulaski Water Works and the City of Ward. After that Hearing, the Commission staff requested that Cabot meet with each utility to work out the disputed areas. On January 22, 2010, Cabot sent the Commission staff a revised drawing showing new boundaries that resolved the conflicts with the City of Austin and North Pulaski Water Works. The conflict with the City of Ward was not resolved at that time.
 - C. The Commission staff received a letter on August 26, 2011 from Cabot stating that they were unable to reach agreement with the Applicant and requesting the Commission staff proceed with issuing a Final Determination. The Cabot's Master Plan shows three areas that conflict with the Applicant's Master Plan (WPC# 2007 02 26 001) approved on July 23, 2007.
 - D. The three areas in conflict with the Applicant's Master Plan are described as follows:
 - a. Parcel A: The Northeast Quarter of the Southeast Quarter, Section 20, Township 4 North, Range 9 West, Lonoke County, Arkansas. West of Stagecoach Road and North of Stagecoach Elementary School.
 - b. Parcel B: The Northwest Quarter of the Southeast Quarter, Section 20, Township 4 North, Range 9 West, Lonoke County, Arkansas.
 - c. Parcel C: The Southeast Quarter of the Southeast Quarter, Section 20, Township 4 North, Range 9 West, Lonoke County, Arkansas. The Stagecoach Elementary School property.
 - E. Parcel A Findings This parcel is bounded by Honeysuckle Lane on the North, South Stagecoach Road on the East, the Stagecoach Elementary School on the South and Parcel B on the West. Cabot has a 2" water line on Honeysuckle Lane that stops short of Stagecoach Road with future plans to replace the line with a 12" water line that would go to Stagecoach turn south and connect with the existing 14" water line that serves the Stagecoach Elementary School. Ward has an existing 10" water line on the west side of Stagecoach Road from Honeysuckle Lane to Campground Road. This line ties into Ward's existing water tank which is just east of this parcel across Stagecoach Road.
 - F. Parcel B Findings This parcel is bounded by Honeysuckle Lane on the North, Parcel A on the East, undeveloped property on the South, developed property on the Southwest and undeveloped property on the Northwest. Cabot has a 2" water line on Honeysuckle Lane that serves a customer in this parcel with future plans to replace the line with a 12" water line. Ward does not have a water line

bordering this parcel. Ward does have a 10" water line on the other side of Parcel A next to Stagecoach Road.

- G. Parcel C Findings This parcel is bounded by Parcel A on the North, South Stagecoach Road on the East, Campground Road on the South and undeveloped property on the West. This is the site of the Stagecoach Elementary School. Cabot currently serves the school with a 14" water line along Campground Road and north a short distance along Stagecoach Road. Ward has a 10 water line along Stagecoach Road down to Campground Road and then east along Campground Road. This line is on the west side of the road north of the school and crosses over to the east side of the road when it nears the Cabot water line.
- H. Parcel A shall be Ward's to serve due to the existing 10" water line on the east side of the parcel and the location of the water storage tank close to the parcel. This parcel is also undeveloped, so there are no prior service claims that would influence this decision.
- I. Parcel B and C shall be Cabot's to serve due to the existing Cabot customers in these parcels.
- J. The projects listed in the Master Plan must be submitted to the Commission at the time plans and specs are prepared. The Commission will compare the projects with the Master Plan. If the Commission finds that the projects are consistent with the Master Plan, it will inform the Applicant that no further action will be needed by the Applicant and that project becomes part of the Arkansas Water Plan. If a project is significantly different from the Master Plan, the Commission may require a separate review under the Arkansas Water Plan.

Based upon the above findings and recommendations regarding this proposal, this water development project, as modified, meets the objectives of the Arkansas Water Plan and is hereby approved. This Certification will remain valid for ten years as required for Master Plans in the Commission's Title VI. Any significant changes in project scope will require submittal of new project plans for Water Plan Compliance Review.

This determination entered the 5th day of March, 2012.

J. Randy Young, P.E. Executive Director

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101 East Capitol, Suite 350

Little Rock, AR 72201

(501) 682-1611

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