

# **Minutes of the ARKANSAS NATURAL RESOURCES COMMISSION**

**September 30, 2009**

The regular meeting of the Arkansas Natural Resources Commission was held Wednesday, September 30, 2009, at 9:30 a.m., at the Arkansas Natural Resources Commission, 101 East Capitol, Suite 350, Little Rock, Arkansas.

Commissioners in attendance were Chairman Robert White, David Feilke, Alec Farmer, Ann Cash, Neal Anderson, Corbet Lamkin (via telephone), and Sloan Hampton.

Staff members participating included: Randy Young, Executive Director; Jon Sweeney, Deputy Director/Chief Engineer; Cynthia Bearden, Controller; Earl Smith, Chief, Water Resources Management; Ken Housh, Land Resource Specialist, Crystal Phelps, Associate General Counsel; Darla Brooks, Financial Programs Manager, Katie Stafford, Project Administrator; Dave Fenter, Blake Walters, Land Resource Specialist; Tony Ramick, Supervisor; Todd Fugitt, Senior Geologist; Carla Hill, Administrative Assistant; Wesley Perry, Fiscal Support Analyst; Ken Brazil, Engineering Supervisor; Jayne Dooley; Jessica Campbell; Mike Borengasser, State Climatologist; Dannielle Gray; Kary Rideout; and Pat Smith, Executive Assistant.

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

A list of guests is attached to the minutes.

## **APPROVAL OF MINUTES; JULY 15; AUGUST 5; AND AUGUST 28, 2009**

Upon motion by Dr. Lamkin, second by Mr. Farmer, the Commission approved the minutes of the July 15; August 5; and August 28, 2009, regular and telephonic meetings.

## **REPORT OF THE EXECUTIVE DIRECTOR**

**Employee Recognition** – Mr. Young presented twenty-year service certificates to Ken Brazil and Kary Rideout for their service to the State of Arkansas.

Mr. Young introduced Ms. Katie Stafford to the Commission. Mrs. Stafford works as a project administrator in the Water Development Division.

## **STATUS OF FINANCIAL ASSISTANCE PROGRAMS**

Mrs. Cynthia Bearden presented the financial assistance report and a report on the Clean Water and Drinking Water Revolving Funds (A copy of the reports are attached to the minutes). She reported that ANRC is ready to release its first stimulus check to the City of Newport. An ARRA disbursement report will be presented to the Commission until funds are exhausted.

**LEGAL ISSUES**

**Proposed Revisions to Title XIII, Rules Governing the Tax Credit Program for the Creation, Restoration, and Conservation of Private Wetland and Riparian Zones; Proposed Revisions to Title XX, Rules Governing the Nutrient Management Planner Certification Program; and Title XXII, Rules Governing the Nutrient and Poultry Litter Application and Management Program** – Mrs. Phelps presented the proposed revisions to Titles XIII, XX, and XXII and requested authorization to proceed with rulemaking. Upon motion by Mrs. Cash, second by Mr. Anderson, the Commission approved authorizing staff to proceed with rulemaking for Title XIII, Title XX, and Title XXII.

**Update on the Critical Ground Water Hearings** – Mrs. Phelps stated that hearings were held in Clay, Craighead, Poinsett, Cross, St. Francis, and Greene Counties on September 15, 16th and 22<sup>nd</sup>. Mr. Fugitt presented technical information at each meeting on ground water declines. The public comment period expires on October 6th. The next step will be for staff to present draft recommendations for the Commission’s consideration at the December meeting.

Mr. Feilke and Mr. Farmer individually facilitated hearings and both noted that the staff did an excellent job conducting the hearings.

Mr. Young stated that the Lee County Conservation District asked that he recommend to the Commission that it consider including Lee County in the proposed critical ground water designation and to schedule a public hearing in that county. Mr. Farmer asked if they wanted to include the area west of Crowley’s Ridge or the entire county.

Mr. Young asked Mrs. Phelps if the comment period could be extended for that county. Mrs. Phelps stated that the comment period would be separate from the other five counties. Upon motion by Mr. Farmer, second by Mr. Feilke, the Commission approved including Lee County in the critical ground water designation with boundaries to be defined, and to hold a hearing in that county before the December Commission meeting.

**APPLICATIONS FOR FINANCIAL ASSISTANCE**

Mr. Fenter presented staff recommendations for the referenced projects below requesting financial assistance from the Water, Sewer and Solid Waste Fund (WSSW); the Drinking Water State Revolving Fund (DWSRF); the Clean Water State Revolving Loan Fund (CWSRF); Water Development Fund (WDF); and the Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bond Program (AWWDPAFGOBP).

Upon motion by Dr. Lamkin, second by Mrs. Cash, the Commission approved the following recommendations:

**HAYNES (LEE COUNTY) (WSSW)**

**Up to \$82,400.00**

*PURPOSE OF FUNDS: To repair or replace and upgrade the pumps and associated electrical system in the sewer pump station. And to pay costs associated with the emergency repairs to keep the station operating while permanent repairs are being made.*

The Commission approved a grant in an amount up to **\$82,400.00** for Haynes from the Water, Sewer and Solid Waste Fund. The Director may disburse funds to Arkansas Rural Water Association, Inc. for costs incurred by Arkansas Rural Water in making repairs to the station. An administrative fee in an amount up to \$2,400.00 is to be retained by the Commission. Approval is contingent upon the Town maintaining a depreciation reserve.

**NORMAN (MONTGOMERY COUNTY) (WSSW)**

**Up to \$231,750.00**

PURPOSE OF FUNDS: *Waterline extensions to serve customers along Smokey Hollow Road and the repainting of the existing standpipe.*

The Commission approved a grant in an amount up to **\$231,750.00** for Norman from the Water, Sewer and Solid Waste Fund. An administrative fee in an amount up to \$6,750.00 is to be retained by the Commission. Approval is contingent upon the Town maintaining and establishing a depreciation reserve fund and upon the grant funds being the last funds used for the project.

**NORMAN (MONTGOMERY COUNTY) (WSSW)**

**Up to \$77,250.00**

PURPOSE OF FUNDS: *Waterline extensions to serve customers along Smokey Hollow Road and the repainting of the existing standpipe.*

The Commission approved a deferred loan in an amount up to **\$77,250.00** for Norman from the Water, Sewer and Solid Waste Fund. This deferred loan is for twenty three (23) years with a repayment schedule of twenty years (20) at five percent (5%) interest. Payment upon principal is to be deferred for three (3) years and interest is to be waived for three (3) years. An administrative fee in an amount up to \$2,250.00 is to be retained by the Commission. Approval is contingent upon the Town maintaining and establishing a depreciation reserve fund.

**NORMAN (MONTGOMERY COUNTY) (WSSW)**

**Up to \$143,685.00**

PURPOSE OF FUNDS: *To provide sanitary sewer services to customers along Smokey Hollow Road.*

The Commission approved a grant in an amount up to **\$143,685.00** for Norman from the Water, Sewer and Solid Waste Fund. An administrative fee in an amount up to \$4,185.00 is to be retained by the Commission. Approval is contingent upon the Town maintaining and establishing a depreciation reserve fund and upon the grant funds being the last funds used for the project.

**NORMAN (MONTGOMERY COUNTY) (WSSW)**

**Up to \$47,895.00**

PURPOSE OF FUNDS: *To provide sanitary sewer services to customers along Smokey Hollow Road.*

The Commission approved a deferred loan in an amount up to **\$47,895.00** for Norman from the Water, Sewer and Solid Waste Fund. This deferred loan is for twenty three (23) years with a repayment schedule of twenty years (20) at five percent (5%) interest. Payment upon principal is to be deferred for three (3) years and interest is to be waived for three (3) years. An administrative fee in an amount up to \$1,395.00 is to be retained by the Commission. Approval is contingent upon the Town maintaining and establishing a depreciation reserve fund.

**NW ARKANSAS CONSERVATION AUTHORITY (BENTON COUNTY) (WSSW)**

**Up to \$205,000.00**

PURPOSE OF FUNDS: *To provide assistance to the Authority for operations, management, design and construction costs associated with the new wastewater collection and treatment system.*

The Commission approved a grant in an amount up to **\$205,000.00** for NW Arkansas Conservation Authority from the Water, Sewer and Solid Waste Fund. An administrative fee in an amount up to \$5,971.00 is to be retained by the Commission. Approval is contingent upon the Authority establishing and maintaining a depreciation reserve fund.

**BRYANT (SALINE COUNTY) (DWSRF)**

**Up to \$7,500,000.00**

PURPOSE OF FUNDS: *Water distribution improvements including the construction of a new elevated water storage tank, booster pump station, water line improvements, and other miscellaneous improvements.*

The Commission approved loan funds in an amount up to **\$7,500,000.00** for the City of Bryant from the Arkansas Drinking 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. Approval is contingent upon the availability of the federal capitalization grant and the state match.

**BRYANT (SALINE COUNTY) (CWSRF)**

**Up to \$8,500,000.00**

PURPOSE OF FUNDS: *Wastewater system improvements including rehabilitation of the collection system and wastewater treatment plant.*

The Commission approved loan funds in an amount up to **\$8,500,000.00** for the City of Bryant 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.

**CLARK COUNTY COUNTRY WATER FACILITIES BOARD (WDF)**

**Up to \$25,000.00**

PURPOSE OF FUNDS: To provide the extension of water service to customers along South Fork Road.

The Commission approved a grant in an amount up to **\$25,000.00** for Clark County Country Water Facilities Board from the Water Development Fund. An administrative fee in an amount up to \$728.00 is to be retained by the Commission. Approval is contingent upon the Board establishing and maintaining a depreciation reserve fund.

**CLARK COUNTY COUNTRY WATER FACILITIES BOARD (WDF)**

**Up to \$25,000.00**

PURPOSE OF FUNDS: *To provide the extension of water service to customers along South Fork Road.*

The Commission approved a loan in an amount up to **\$25,000.00** for the Clark County Country Water Facilities Board from the Water Development Fund. The loan is for up to twenty (20) years at five percent (5%) interest. An administrative fee in an amount up to \$728.00 is to be retained by the Commission. Approval is contingent upon the Board establishing and maintaining a depreciation reserve fund.

**CRAWFORD COUNTY (WDF)**

**Up to \$180,000.00**

PURPOSE OF FUNDS: *To provide funds for the upgrading of four levee gates on the Arkansas River in Crawford County.*

The Commission approved a grant in an amount up to **\$180,000.00** for Crawford County from the Water Development Fund. An administrative fee in an amount up to \$5,243.00 is to be retained by the Commission. Approval is contingent upon the county establishing and maintaining a depreciation reserve fund.

**FAULKNER COUNTY (WDF)**

**Up to \$100,000.00**

PURPOSE OF FUNDS: *To provide a portion of the cost of elevating the road bed to address issues with drainage and flooding of Grassy Lake Road in Faulkner County.*

The Commission approved a grant in an amount up to **\$100,000.00** for Faulkner County from the Water Development Fund. An administrative fee in an amount up to \$2,913.00 is to be retained by the Commission. Approval is contingent upon Faulkner County acquiring sufficient funds to complete the project and upon the county establishing and maintaining a depreciation reserve fund.

**NASHVILLE RURAL WATER ASSOCIATION (HOWARD COUNTY) (WDF)**

**Up to \$18,952.00**

PURPOSE OF FUNDS: *To provide funds for the extension of water lines to the Howard County Airport.*

The Commission approved a grant in an amount up to **\$18,952.00** for Nashville Rural Water Association from the Water Development Fund. An administrative fee in an amount up to \$552.00 is to be retained by the Commission. Approval is contingent upon the Association establishing and maintaining a depreciation reserve fund.

**TUPELO BAYOU WATERSHED IMPROVEMENT DISTRICT (FAULKNER COUNTY) (WDF)**

**Up to \$20,000.00**

PURPOSE OF FUNDS: *To provide a portion of the cost associated with the merger of the Faulkner County Levee District #1 into the Tupelo Bayou Watershed Improvement District.*

The Commission approved a grant in an amount up to **\$20,000.00** for Tupelo Bayou Watershed Improvement District from the Water Development Fund. An administrative fee in an amount up to \$583.00 is to be retained by the Commission. Approval is contingent upon both Districts agreeing to the merger and the remaining District establishing and maintaining a depreciation reserve fund.

**UNION COUNTY WATER CONSERVATION BOARD (WDF)**

**Up to \$49,500.00**

PURPOSE OF FUNDS: *To provide a portion of the cost to the Union County Conservation District for the monitoring of the Sparta Aquifer.*

The Commission approved a grant in an amount up to **\$49,500.00** for Union County Water Conservation Board from the Water Development Fund. An administrative fee in an amount up to \$1,442.00 is to be retained by the Commission. Approval is contingent ANRC approving the monitoring plan.

**WHITE HALL (JEFFERSON COUNTY) (WDF)**

**Up to \$250,000.00**

PURPOSE OF FUNDS: *To assist with the cost associated with waterline extensions and the construction of a 300,000 gallon water storage tank.*

The Commission approved a grant in an amount up to **\$250,000.00** for White Hall from the Water Development Fund. An administrative fee in an amount up to \$7,282.00 is to be retained by the Commission. Approval is contingent upon the City establishing and maintaining a depreciation reserve fund.



**APPOINTMENTS/REAPPOINTMENTS TO CONSERVATION DISTRICT BOARDS**

Mr. Adrian Baber presented the staff recommendations for appointments/reappointments for Conservation District Boards of Directors. Commission action is as follows.

For the record, Mr. Alec Farmer recused himself. Upon motion by Mrs. Cash, second by Mr. Feilke, the Commission approved the following reappointments:

**REAPPOINTMENTS**

<i>Rich Mtn. CD</i>	<i>James Watkins</i>
<i>Jackson County CD</i>	<i>Mark McGaughey</i>
<i>Craighead County CD</i>	<i>Danny Finch</i>
<i>Lincoln County CD</i>	<i>Frances Harper</i>
<i>Benton County CD</i>	<i>Don Mayer</i>
<i>Little River CD</i>	<i>John Thomson</i>
<i>Yell County CD</i>	<i>Johnny Foster</i>
<i>St. Francis County CD</i>	<i>Joe Whittenton III</i>
<i>Grant County CD</i>	<i>Peggy Thomas</i>

Upon motion by Mrs. Cash, second by Mr. Hampton, the Commission approved the following appointments:

**APPOINTMENTS**

<i>Dallas County CD</i>	<i>Ricky Craig</i>
<i>Craighead County CD</i>	<i>Alec Farmer</i>
<i>Poteau River CD</i>	<i>Joyce Parker</i>
<i>Jefferson County CD</i>	<i>Chad Patillo</i>
<i>Drew County CD</i>	<i>John McAlpine</i>

**CONSERVATION DISTRICT ACTIVITY REPORT** – Mr. Ken Housh introduced Mr. Steve Tinsley with the Jackson County Conservation District. Mr. Tinsley highlighted activities of the district that include: working with NRCS on various projects; selling land maps, registering wells, and the district is hoping to begin selling trees again once a new storage facility is located.

**WATER RESOURCES**

**Report from State Climatologist** – Mr. Young introduced the state's climatologist and ANRC employee, Mr. Mike Borengasser. Mr. Borengasser stated Mr. Steve Bays with the National Weather Service called him to ask if he would be interested in the position of the state climatologist since the position was vacant. The National Weather Service wants a state presence in Arkansas that can provide climatology data and information to citizens of Arkansas. He added that Mr. Young was interested in drought monitoring using information from the National Oceanic and Atmospheric Administration.

A website has been set up for citizens to receive information as well as to ask questions. There is a volunteer rain gauge program ongoing that he hopes increases to 1500 volunteers throughout the state. There is a new climate bill before Congress that will be voted on in the next few months. Part of that bill contains a National Climate Program that will benefit citizens of the state.

**Update on Proposed Lake Bono** – Mr. Jon Sweeney stated that an application was received for a permit to construct the Lake Bono dam. The citizens of Bono were concerned over

the safety of the construction of the dam because the area is subject to earthquakes. This is the first dam the agency has permitted since earthquake design became an issue. The permitting process has been completed.

HNTB out of Kansas City was contracted to conduct a peer review of the design and identified a number of concerns and proposed changes to the design. The project engineer was contacted and sponsors have responded to the changes. ANRC has issued an authorization to proceed, with the contingency that certain changes be complied with. An inspector will be on site at all times during the construction of the dam.

### **BREAK/RECONVENE**

### **ACTIVITY REPORTS**

Informational activity reports were presented by the following: Andrew Wargo III, President, Arkansas Association of Conservation Districts; Tom Riley, U of A Division of Agriculture; and Kalven Trice, Natural Resources Conservation Service.

Of special interest, Mr. Wargo stated that the Arkansas Association Conservation Districts put together a tour for elected officials to inform them of water resource concerns in eastern Arkansas and how current state and federal programs are addressing those concerns.

Mr. Tom Riley reported that Dr. Tony Windham has been named the interim director replacing Dr. Ivory Lyles. A nationwide search is ongoing for a new director.

Mr. Kalven Trice distributed a document showing programs administered during FY09. He said that the year had yielded many successes working with the partnership.

Mr. Trice said that the Mississippi River Initiative is targeting approximately \$320 million to 11 states that are adjacent to the Mississippi River. A Chesapeake Bay approach is being used to address the natural resource issues in the Mississippi River and the Gulf of Mexico to reduce hypoxia. Arkansas should benefit from the conservation practices brought about from this program.

### **COMMISSION TRAVEL EXPENSE REIMBURSEMENT**

**Approval of Travel Reimbursement** – Upon motion by Mrs. Cash, second by Mr. Feilke, the Commission approved reimbursable expenses for the Chairman or his designated representative to attend the following:

- (1) Critical Ground Water Hearings, September 15, 2009, Corning and Paragould, Arkansas;  
September 16, 2009, Jonesboro and Harrisburg, Arkansas;  
September 22, 2009, Wynne and Forrest City, Arkansas;  
and  
October 22, 2009, Marianna, Arkansas
- (2) AACD Annual Meeting, Best Western-Inn of the Ozarks, December 7-9, 2009, Eureka Springs, Arkansas

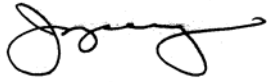
### **OTHER BUSINESS**

**Selection of Nomination Committee for 2010 Officers** – Mr. White will chair the nomination committee, and Ann Cash and Neal Anderson will serve on the committee.



**ADJOURN**

There being no further business, the meeting was adjourned.



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

December 14, 2009  
Date