

**MINUTES**  
**ARKANSAS NATURAL RESOURCES COMMISSION**  
**May 26, 2021**

The regular meeting of the Arkansas Natural Resources Commission (ANRC) was held in person and via WebEx/teleconference on Wednesday, May 26, 2021, at 9:30 a.m. at Arkansas Natural Resources Commission, 10421 W Markham, Little Rock, AR 72205.

Commissioners in attendance in-person were Chairman Bruce Leggitt, Eddie Glover, Bill Poynter, and JoAnne Bush. Commissioners in attendance via conference call were Vice Chairman Roy Reaves, Commissioner William Anderson and Will Brewer. Commissioners Troy Gaston and Neal Anderson were not able to participate in the meeting.

Staff members in attendance included: Bruce Holland, Director; Ryan Benefield, Deputy Director; Debby Dickson, Program Fiscal Manager; Tony Ramick, Agriculture Division Manager; Kevin McGaughey, Program Coordinator; Jim Battreal, Geology Supervisor; Blake Forrest, Geologist; April Harris, Administrative Analyst; and others attending virtually.

Chairman Leggitt called the ANRC meeting to order.

**APPROVAL OF MINUTES: March 17, 2021**

*Upon motion by Mr. Bill Poynter, seconded by Mr. Eddie Glover, the commission unanimously approved the minutes of the meeting held on March 17, 2021.*

**REPORT OF THE DIRECTOR** – Director Holland began by stating we hope to continue our commission meetings virtually in addition to having them in person.

During the legislative session, which just concluded, there were several bills discussed that affect Natural Resources Division (NRD). These bills were:

- Act 563 tax credit program (extends project time from three to five years)
- Acts 265, 266, 267, 359 (levy task force recommendations)
- Act 875 tax credit program (expanded programs into adjacent critical groundwater counties, doubled the maximums which credits could be taken)

Director Holland introduced and welcomed new commissioner, JoAnne Bush, to ANRC.

**FINANCIAL ASSISTANCE REPORT** - Mr. Inoussa Zaki, Chief Fiscal Officer, presented the financial assistance report dated April 30, 2021. Mr. Zaki also noted the Fiscal Year 2019 legislative audit had no report findings.

**WATER RESOURCES DEVELOPMENT SECTION**

Mrs. Debby Dickson informed the commission that projects have been coming in overestimate due to the huge increase in the cost of materials. As a result, a recommendation for the commission to authorize the director, after consulting the chairman, to increase the funding amount up to 10% of the amount the commission approves on projects going to construction has

been included for construction projects. The amount would be reported at the next commission meeting.

Mrs. Dickson stated the 10% is included on construction projects presented during this meeting. However, projects approved prior to this meeting did not include the 10% discretionary authority; therefore, a special meeting may have to be called to approve additional cost due to bid overruns.

### **FINANCIAL ASSISTANCE:**

Mrs. Debby Dickson presented staff recommendations for the referenced projects below requesting financial assistance from the Water Development Fund (WDF), the Arkansas Drinking Water State Revolving Fund (DWSRF), the Water, Sewer and Solid Waste Fund (WSSW), the Arkansas Clean Water Revolving Loan Fund (CWRLF), and the Arkansas Water, Waste Disposal, and Pollution Abatement Facilities General Obligation Bond Fund (CGO).

*Upon motion by Mr. Will Brewer, seconded by Mr. Bill Poynter, the Commission unanimously approved the following staff recommendations for financial assistance:*

### **Central Arkansas Water Pulaski County**

#### **Project: Frazier Pike Public Facilities Board regionalization**

##### **Project Description**

Frazier Pike Public Facilities Board (PFB) and Central Arkansas Water (CAW) have agreed that CAW will assume operation of the Frazier Pike PFB water distribution system to provide a necessary operations and maintenance. The improvements necessary to meet CAW system requirements are complete.

##### **Project Financial Information**

The PFB is no longer active and at their request, CAW has agreed to purchase the PFB system. Currently the PFB has one loan with ANRC with an outstanding balance of \$211,030 on. CAW is requesting funds to purchase this system including transfer of assets and outstanding debt; no other costs are included in the purchase of the system.

The proposed project is a regionalization project of a small, unsustainable system into a well-managed, sustainable system, to meet Safe Drinking Water Act requirements ensuring properly treated potable water as public health benefit. Unfortunately, this project is ineligible for Drinking Water State Revolving loan funds, which would qualify for additional incentives for regionalization. As a result, a small grant out of the WDF has been included in the director's recommendation to encourage CAW to own, operate and maintain this small system to ensure sustainability of the system and public health.

**Estimated Project Costs**

Construction & Contingencies:	\$0
Engineering	\$0
Legal Fees & Administrative	\$0
Capitalized Interest during Construction	\$0
Issuance fee (3%)	\$6,331
Other: Loan #00987-WDF-D	\$211,030
Other –	\$0
Total Estimated Capital Cost:	\$ 217,361

**Executive Director's Recommendation**

Recommend the Commission approve an amount up to \$200,000 (includes fee of \$5,825) in a loan and a grant in an amount up to \$17,361 (includes fee of \$506) in a grant to Central Arkansas from the Water Development Fund.

If approved, the Executive Director will establish any necessary combined annual borrower rates and additional terms and conditions including the requirement to establish and maintain a depreciation reserve fund.

**Central Arkansas Water  
Pulaski County****Project: New Water Distribution System – West Pulaski****Project Description**

Central Arkansas Water (CAW) plans to expand their water services to the Ferndale/West Pulaski area. The project will consist of the instillation of approximately 50 miles of water mains ranging in diameter from 2 to 16 inches. The water mains will be installed along the roadways in the area, either in the existing right-of-way or in easements to be acquired through this project. The mains will be installed in phases to accommodate project needs based on logistics, construction cost, easement acquisition, design requirements, and other project requirements.

**Project Financial Information**

The estimated monthly water surcharge for customers of this project is \$85 per month. CAW estimates the customer base for this project at 350, upon completion of the project. CAW is not required to raise rates at this time, however, should it be determined during the term of this loan that the rates are not sufficient in covering required debt service, operation and maintenance costs, the city will be required to increase the rates. The current three-year (2017-2019) average Median Household Income (MHI) provided by UALR for Pulaski County is \$51,749.

Central Arkansas Water currently has six loans with ANRC and is current on all payments and ANRC audit requirements.

**Estimated Project Costs**

Construction:	\$14,254,000.00
Contingencies	\$1,425,400.00
Engineering – Planning, Design & Construction	\$1,136,756.00
Engineering – Inspection	\$587,977.00
Legal Fees	\$45,500.00
Administrative	\$20,000.00
Capitalized Interest during Construction	\$780,000.00
Issuance fee (3%)	\$0
Other: Environmental Documents	\$100,000.00
Other – Easements	\$150,367.00
<b>Total Estimated Capital Cost:</b>	<b>\$18,500,000.00</b>

**Executive Director's Recommendation**

Recommend the Commission approve a loan in an amount up to \$16,300,000 and a loan with principal forgiveness in an amount up to \$2,200,000 from the Arkansas Drinking Water State Revolving Loan Fund program.

In addition, authorize the executive director of the commission the discretionary authority to increase the amount of financial assistance to the applicant for bid overruns by an amount up to 10% of the commission funding amount (\$1,850,000) without returning to the commission for approval. Such increase in financial assistance shall be granted only after consultation with the commission chairman. Any financial assistance increases pursuant to this section shall be reported to the commission in its entirety at the next regularly scheduled Commission meeting.

If approved, the executive director will establish any necessary combined annual borrower rates and additional terms and conditions including the requirement to establish and maintain a depreciation reserve fund.

**Central Arkansas Water  
Pulaski County****Project: LMI Service Line Project  
New Water Distribution System – West Pulaski****Project Description**

Central Arkansas Water (CAW) plans to expand their water services to the Ferndale/West Pulaski area. The project will consist of the instillation of approximately 50 miles of water mains ranging in diameter from 2 to 16 inches. The mains will be installed in phases to accommodate project needs based on logistics, construction cost, easement acquisition, design requirements, and other project requirements.

In connection with the new water distribution system project, CAW has requested assistance for low to moderate income (LMI) residents within the proposed service area. The Drinking Water State Revolving Loan fund prioritizes projects that address risk to human health and providing communities with potable water that meets or exceeds health-based drinking

water standards. The current residents of the service area depend on private water wells, many of which do not meet health-based drinking water standards. In addition, the community service area has a wide diversity in socioeconomic factors. Throughout the service area are potential customers without the financial ability to pay for the service lines to gain access to the community water system. This funding will enable CAW to implement a service line installation project to assist qualifying LMI homeowners in accessing safe, potable water.

CAW proposes to implement an LMI service line installation program based on the existing Little Rock Water Reclamation Authority's (LRWRA) service line replacement program: Eligibility is based on income guidelines provided by the U.S. Department of Housing and Urban Development for its Community Development Block Grant Program. (Most current guidelines below and in the attached form.)

#### **INCOME ELIGIBILITY CRITERIA**

Funded activities must benefit persons whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD. The current income limits are listed below, but limits are updated annually.

**2020 HUD Income Guidelines**

Family Size	Very Low (50%)	Low (80%)
1	\$25,300.00	\$40,450.00
2	\$28,900.00	\$46,200.00
3	\$32,500.00	\$52,000.00
4	\$36,100.00	\$57,750.00
5	\$39,000.00	\$62,400.00
6	\$41,900.00	\$67,000.00
7	\$44,800.00	\$71,650.00
8	\$47,700.00	\$76,250.00

*City of Little Rock FY 2021*

CAW will use the same program guidelines and an application form to verify income-based eligibility for West Pulaski County residents, within the community service area, to qualify as LMI in order to receive a subsidy for the cost of their service line connection to the water main.

#### **Project Financial Information**

The estimated monthly water surcharge for customers of the new distribution water system project is \$85 per month. CAW estimates the customer base for this project at 350, upon completion of the project. CAW was unable to determine how many residents may qualify as LMI and apply for assistance with service lines to connect to the new water distribution system. As a result, CAW will have one year from the completion of the new distribution water system project to assist eligible LMI homeowners to connect to the system. However, the disbursement cutoff date for the LMI service line installation program fund shall not be greater than 4 years from commission approval. Should it be determined during the term of this loan that the rates are not sufficient in covering required debt service, operation and maintenance costs, the city will be required to increase the rates. The current three-year (2017-2019) average Median Household Income (MHI) provided by UALR for Pulaski County is \$51,749.

Central Arkansas Water currently has six loans with ANRC and is current on all payments and ANRC audit requirements.

**Estimated Project Costs**

Construction:	\$1,200,000
Contingencies	0
Engineering – Planning, Design & Construction	0
Legal Fees	0
Capitalized Interest during Construction	0
Issuance fee (3%)	0
Other: s	0
Total Estimated Capital Cost:	\$1,200,000

**Executive Director's Recommendation**

Recommend the Commission approve a loan with principal forgiveness in an amount up to \$1,200,000 from the Arkansas Drinking Water State Revolving Loan Fund program.

If approved, the Executive Director will establish any necessary combined annual borrower rates and additional terms and conditions including the requirement to establish and maintain a depreciation reserve fund.

**City of Crossett**

**Ashley County**

**Project: Sewer System Improvements Planning, Design, Easements and Rights-of-Way**

**Project Description**

The Commission previously approved a loan in an amount up to \$7,000,000 to the City of Crossett (City) from the Arkansas Water Sewer Solid Wastewater fund (WSSW) during the July 2019 meeting for improvements to better allow the transfer of wastewater from east Crossett to the wastewater treatment plant. The City continues to move forward with the design and construction of the approved project and pledged a dedicated sales tax for the debt service.

However, until the loan is closed, and funding becomes available, the City continues to expend wastewater operations funds for project costs. These costs are ineligible for reimbursement from the collected sales tax because this sales tax is designated for debt service. One of the largest delays is the acquisition of easements under the federal relocation act, required by the CWRLF funding. As a result, the City has requested an additional loan to cover costs incurred and for easement acquisition. This would allow reimbursement of the City's wastewater operations fund, provide a simplified easement acquisition process, and to reimburse the city wastewater operations fund for project costs incurred for the project.

**Project Financial Information**

The current average monthly sewer bill for the City of Crossett is \$13.40 based on 4,000 gallons of usage per month. The city is not required to raise rates at this time, however, should it be determined during the term of this loan that the rates are not sufficient in covering required debt

service, operation and maintenance costs, the city will be required to increase their rates. The current three-year average (2017-2019) Median Household Income (MHI) provided by UALR for Crossett is \$33,451. Crossett listed their current customer base for this project at 3,050.

Crossett has one loan with ANRC and is current on all ANRC requirements.

#### **Estimated Project Costs**

Construction	\$ 0
Contingencies	102,000
Engineering – Planning, Design & Construction	458,000
Engineering – Inspection	0
Legal Fees	80,000
Administrative	0
Capitalized Interest during Construction	0
Issuance fee (3%)	27,360
Other: Environmental	50,000
Other – Easement Acquisition	222,005
Total Estimated Capital Cost:	<u>\$939,365</u>

#### **Executive Director's Recommendation**

Recommend the Commission approve a loan in an amount up to \$939,365.00 (includes 3% fee of \$27,360) from the Arkansas Water Sewer Solid Wastewater fund (WSSW).

If approved, the executive director will establish any necessary combined annual borrower rates and additional terms and conditions including the requirement to establish and maintain a depreciation reserve fund.

### **City of Eudora Chicot County**

#### **Project: Wastewater Distribution System Improvements Phase 2**

#### **Project Description**

The City of Eudora (City) has completed Phase 1 of their water distribution system replacement and is now initiating Phase 2. This second phase includes replacing water mains, fire hydrants and other associated water system appurtenances. These improvements aim to moderately reduce the amount of unaccounted-for water, which will increase overall efficiency.

#### **Project Financial Information**

The current average monthly sewer bill for the City is \$ 24.55 based on 4,000 gallons of usage. The City will be required to increase rates to \$30.69 for 4,000 gallons of usage, an increase of \$6.14 per month to service the proposed loan. Should it be determined during the term of this loan that the rates are insufficient in covering required debt service, operation and maintenance costs, the City will be required to increase their rates.

The current three year (2017-2019) average Median Household Income (MHI) provided by UALR for the City of Eudora is \$21,009. The City listed their customer base for this project at 955.

The City of Eudora currently has one loan with ANRC and is current on all payments and ANRC audit requirements.

#### **Estimated Project Costs**

Construction:	\$1,731,370.00
Contingencies	173,137.00
Engineering – Planning, Design & Construction	169,852.75
Engineering – Inspection	69,254.80
Legal Fees	20,000.00
Administrative	0.00
Capitalized Interest during Construction	10,000.00
Issuance fee (3%)	\$0.00
Other: Cultural Resources Survey	\$0.00
Other – Permitting	\$0.00
<b>Total Estimated Capital Cost:</b>	<b>\$2,173,614.55</b>

#### **Executive Director's Recommendation**

Recommend the commission approve a loan in an amount up to \$543,404 and a loan with principal forgiveness in an amount up to \$1,630,211 from the Arkansas Drinking Water State Revolving Loan Fund program.

In addition, authorize the executive director of the commission the discretionary authority to increase the amount of financial assistance to the applicant for bid overruns by an amount up to 10% of the commission funding amount (\$217,631) without returning to the commission for approval. Such increase in financial assistance shall be granted only after consultation with the commission chairman. Any financial assistance increases pursuant to this section shall be reported to the commission in its entirety at the next regularly scheduled Commission meeting.

If approved, the Executive Director will establish any necessary combined annual borrower rates and additional terms and conditions including the requirement to establish and maintain a depreciation reserve fund.

### **Forrest City Saint Francis County**

#### **Project: Wastewater System Improvements—Interim and Permanent Financing**

##### **Project Description**

Forrest City (City) proposes a wastewater system improvement project that includes replacing blowers, ultraviolet disinfection system (UV), and renovating clarifiers. The wastewater system has been dependent on equipment that has exceeded its useful life expectancy and has gone beyond what preventative and general maintenance can adequately maintain or repair. The city will not be able to meet the requirements of their discharge permit without addressing these issues.

Due to the imminent failure of the UV system the City has requested interim funding in an amount up to \$324,800 (includes a 3% fee of \$9,438) from the Water, Sewer and Solid Waste Fund for the purchase and installation of the UV system as phase I of the system improvements project. The remaining system improvements will be implemented as phase II of the project with permanent financing. Interim financing interest will be deferred for a period not to exceed 10 months, contingent on finalizing and closing the permanent financing within 10 months of commission approval.

Permanent funding for Phase I and II will be through the Arkansas Clean Water State Revolving Loan Fund (CWRLF) in an amount up to \$1,803,530.80. The permanent funding is contingent on closing the CWRLF loan within 10 months of Commission approval and attaining CWRLF eligibility for both phase I & II. Forrest City will repay the interim financing from the proceeds of the CWRLF for Phase 1 of the project if it meets the CWRLF program requirements. In the event the City is unable to close the loan for the permanent financing within 10 months of commission approval, the Phase I interim loan must be converted to a permanent financing and the City will be required to issue a wastewater bond.

#### **Project Financial Information**

The current average residential monthly wastewater bill for Forrest City is \$18.92 based on 4,000 gallons of usage. The City is not required to raise rates at this time, however, should it be determined during the term of this loan that the rates are not sufficient in covering required debt service, operation and maintenance costs, the City will be required to increase the rates. The current three-year (2017-2019) average Median Household Income (MHI) provided by UALR for the Forrest City is \$31,233. The City listed their residential wastewater customer base for this project at 4,652. Forrest City does not currently have outstanding loans with ANRC.

#### **Estimated Project Costs**

Construction:	\$1,357,000.00
Contingencies	221,400.00
Engineering – Planning, Design & Construction	135,700.00
Engineering – Inspection	63,136.00
Legal Fees	16,856.80
Administrative	0.00
Capitalized Interest during Construction	0.00
Issuance fee (3% for Phase I: \$314,600)	9,438
Other:	0.00
<b>Total Estimated Capital Cost:</b>	<b>\$1,803,530.80</b>

#### **Executive Director's Recommendation**

Recommend the commission approve an interim loan in an amount up to \$324,800 (includes a 3% fee of \$9,438) from the Water, Sewer and Solid Waste Fund.

Recommend the commission approve a loan in an amount up to \$1,803,530.80 from the Clean Water Revolving Loan Fund (CWRLF).

In addition, authorize the executive director of the commission the discretionary authority to increase the amount of financial assistance to the applicant for bid overruns by an amount up to 10% of the commission funding amount (\$180,353) without returning to the commission for approval. Such increase in financial assistance shall be granted only after consultation with the commission chairman. Any financial assistance increases pursuant to this section shall be reported to the commission in its entirety at the next regularly scheduled commission meeting.

If approved, the executive director will establish any necessary combined annual borrower rates and additional terms and conditions including the requirement to establish and maintain a depreciation reserve fund.

## **City of Mena**

### **Polk County**

#### **Project: Water Treatment Plant Improvements**

##### **Project Description**

The City of Mena (City) operates the Irons Fork Water Treatment Plant (WTP) which serves residents of the city and approximately 50% of the population of Polk County. The WTP was constructed in two major phases in the year 1989 and 2000. Most of the equipment at this WTP is the original equipment and the clearwell has developed major structural issues. The age of the facility has made it nearly impossible to acquire parts for equipment. The Arkansas Department of Health (ADH) has determined the clearwell to be at risk of catastrophic failure and issued a "Significant Deficiency" letter ordering the City to develop a plan to replace it. . The project includes replacing the existing clearwell and high service pump station to comply with the ADH requirements, replacing other existing process equipment that has reached or exceeded its expected service life, and perform upgrades at the WTP.

##### **Project Financial Information**

The current average monthly sewer bill for the City of Mena is \$22.38 based on 4,000 gallons of usage per month. Our documentation also shows the City is planning to accept \$8,162,500 of loan funding from USDA who may require them to raise rates at a later date to service both the USDA and ANRC loans. The city is not required to raise rates at this time, however, should it be determined during the term of this loan that the rates are not sufficient in covering required debt service, operation and maintenance costs, the city will be required to increase the rates. The current three-year average (2017-2019) Median Household income (MHI) provided by UALR for the City of Mena is \$32,037. The City listed their current total customer base for this project at 3,761. The City of Mena does not currently have outstanding loans with ANRC.

##### **Estimated Project Costs**

Construction:	\$11,982,825
Contingencies	1,183,775
Engineering – Planning, Design & Construction	732,450
Legal Fees	50,000
Administrative	0
Capitalized Interest during Construction	250,000

Issuance fee (3%)	0
Other: American Iron and Steel Compliance	50,000
Other – Construction Management	732,450
Other – Geotechnical Investigation	25,000
Other – Preliminary Engineering Report	156,000
<u>Total Estimated Capital Cost:</u>	<u>\$15,162,500</u>
Less – estimated USDA Funding - Loan	6,610,000
Less – estimated USDA Funding - Grant	1,552,500
ANRC Funding - Loan	\$ 7,000,000

### **Executive Director's Recommendation**

Recommend the commission approve a loan in an amount up to \$7,000,000 from the Arkansas Drinking Water State Revolving Loan Fund program.

In addition, authorize the executive director of the commission the discretionary authority to increase the amount of financial assistance to the applicant for bid overruns by an amount up to 10% of the commission funding amount (\$700,000) without returning to the commission for approval. Such increase in financial assistance shall be granted only after consultation with the commission chairman. Any financial assistance increases pursuant to this section shall be reported to the commission in its entirety at the next regularly scheduled Commission meeting.

If approved, the executive director will establish any necessary combined annual borrower rates and additional terms and conditions including the requirement to establish and maintain a depreciation reserve fund.

## **City of Paris**

### **Logan County**

### **Project: Wastewater Collection System Improvements**

#### **Project Description**

The City of Paris proposes to implement a rehabilitation program for the existing wastewater collection system. The proposed project includes the rehabilitation and replacement of manholes and deficient gravity sewer lines as well as conducting post construction flow monitoring. This rehabilitation will ensure the Paris Wastewater Treatment Facility (PWWTF) remains in compliance with their National Pollutant Discharge Elimination System (NPDES) permit.

#### **Project Financial Information**

The current average monthly sewer bill for the City of Paris is \$14.00 based on 4,000 gallons of usage. The city is not required to raise rates at this time, however, should it be determined during the term of this loan that the rates are not sufficient in covering required debt service, operation and maintenance costs, the city will be required to increase the rates. The current three year (2017-2019) average Median Household Income (MHI) provided by UALR for the City of Paris is

\$32,910. Paris listed their customer base at 1,566. The City of Paris currently has no outstanding loans with ANRC.

#### **Estimated Project Costs**

Construction:	\$105,000
Contingencies	10,500
Engineering – Planning, Design & Construction	570,500
Engineering – Inspection	3,500
Legal Fees	0
Administrative	0
Capitalized Interest during Construction	0
Issuance fee (3%)	0
Other: Department of Environmental Quality	500
<b>Total Estimated Capital Cost:</b>	<b>\$690,000</b>

#### **Executive Director's Recommendation**

Recommend the commission approve a loan in an amount up to \$690,000 from the Arkansas Clean Water State Revolving Loan Fund program.

In addition, authorize the executive director of the commission the discretionary authority to increase the amount of financial assistance to the applicant for bid overruns by an amount up to 10% of the commission funding amount (\$69,000) without returning to the commission for approval. Such increase in financial assistance shall be granted only after consultation with the commission chairman. Any financial assistance increases pursuant to this section shall be reported to the commission in its entirety at the next regularly scheduled commission meeting.

If approved, the executive director will establish any necessary combined annual borrower rates and additional terms and conditions including the requirement to establish and maintain a depreciation reserve fund.

### **South Logan County Public Water Facilities Board**

#### **Logan County**

#### **Project: Water Line Installation**

#### **Project Description**

The South Logan County Public Water Facilities Board (PWFB) proposed project includes installation of approximately 54,500 lineal feet of polyvinyl chloride (PVC) waterline to serve 49 customers in the Sugar Grove Community and approximately 19,250 lineal feet of pvc waterline to serve 23 customers on Martin Loop. This project is intended to increase the number of customers served by 72.

#### **Project Financial Information**

The current average monthly water bill for South Logan County PWFB is \$51.60 based on 4,000 gallons of usage per month. South Logan County PWFB will be required to increase rates by 5% to \$54.18 for 4,000 gallons of usage, an increase of \$2.58 per month, to service the proposed

loan. Should it be determined during the term of this loan that the rates are not sufficient in covering required debt service, operation and maintenance costs, the city will be required to increase their rates. The current three-year average (2017-2019) Median Household income (MHI) provided by UALR for South Logan County is \$35,078. South Logan County PWFB listed their current customer base for this project at 762. South Logan County PWFB currently has no outstanding loans with ANRC.

#### **Estimated Project Costs**

Construction:	\$ 922,387
Contingencies	92,238
Engineering – Planning, Design & Construction	86,679
Engineering – Inspection	36,896
Legal Fees	15,729
Administrative	0
Capitalized Interest during Construction	0
State Program Issuance fee (3%)	35,470
Other: ADH Review Fee	500
Other: Easements	27,900
Total Estimated Capital Cost:	<u>\$1,217,799</u>

#### **Executive Director's Recommendation**

Recommend the commission approve a loan in an amount up to \$608,899 (includes 3% fee of \$17,735) and a grant in an amount up to \$608,900 (Includes 3% fee of \$17,735) to the South Logan County Public Water Facilities Board from the Water, Sewer and Solid Waste (WSSW) fund.

In addition, authorize the executive director of the commission the discretionary authority to increase the amount of financial assistance to the applicant for bid overruns by an amount up to 10% of the commission funding amount (\$121,779) without returning to the commission for approval. Such increase in financial assistance shall be granted only after consultation with the commission chairman. Any financial assistance increases pursuant to this section shall be reported to the commission in its entirety at the next regularly scheduled Commission meeting.

If approved, the executive director will establish any necessary combined annual borrower rates and additional terms and conditions including the requirement to establish and maintain a depreciation reserve fund.

### **City of Strong Union County**

#### **Project: Wastewater System Improvements**

#### **Project Description**

This project is for upgrades and rehabilitation to the wastewater system. The city of Strong (City) has been in violation of its National Pollutant Discharge Elimination System (NPEDS) permit due to an inability to maintain its' equipment. The City has a three-celled

oxidation pond that holds approximately six months of water; however, parts of this system have been in operation since the 1960s and are in need of replacement or rehabilitation. In addition, the pumps in this wastewater system are not designed or capable of running continuously for six months, which has led to violations. The City developed a corrective action plan that will be accomplished, in part, with this project.

### **Project Financial Information**

The current average residential monthly wastewater bill for Strong is \$11.30 based on 4,000 gallons of usage. The City will be required to increase rates by 55%, which equates to \$17.52 for 4,000 gallons of usage, an increase of \$6.22 per month to service the proposed loan. Should it be determined during the term of this loan that the rates are not sufficient in covering required debt service, operation and maintenance costs, the city will be required to increase their rates. The current three-year (2017-2019) average Median Household Income (MHI) provided by UALR for Strong is \$26,250. The City listed their residential wastewater customer base for this project at 432. Strong has one outstanding loan with ANRC and is current on all payments and ANRC requirements.

### **Estimated Wastewater Project Costs**

Construction:	\$162,000
Contingencies	16,200
Engineering – Planning, Design & Construction	17,820
Engineering – Inspection	8,019
Legal Fees	0
Administrative	0
Capitalized Interest during Construction	0
Issuance fee (3%)	0
Other – PER/ER	5,000
<b>Wastewater Total Estimated Capital Cost:</b>	<b>\$209,039</b>

### **Executive Director's Recommendation**

Recommend the commission approve a loan in an amount up to \$146,327 and a loan with principal forgiveness in an amount up to \$62,712 from the Arkansas Clean Water State Revolving Loan Program

This funding recommendation is made under the condition that the water and wastewater departments continue to receive at least \$75,000 jointly per annum of sales tax revenue.

In addition, authorize the executive director of the commission the discretionary authority to increase the amount of financial assistance to the applicant for bid overruns by an amount up to 10% of the commission funding amount (\$20,904) without returning to the commission for approval. Such increase in financial assistance shall be granted only after consultation with the commission chairman. Any financial assistance increases pursuant to this section shall be reported to the commission in its entirety at the next regularly scheduled Commission meeting.

If approved, the Executive Director will establish any necessary combined annual borrower rates and additional terms and conditions including the requirement to establish and maintain a depreciation reserve fund.

## **Bayou Meto Irrigation Water Distribution District Lonoke County**

### **Project: Aquifer Restoration Project**

#### **Project Description**

Bayou Meto is applying for financing to match federal grant money to complete a substantial portion of Phase 1 in Lonoke and Jefferson county.

The project was authorized by the United States Congress in 1996, and approximately \$160,000,000 has been spent on planning, designing, and construction to date, \$49,000,000 of which has been incurred by the State of Arkansas and Bayou Meto Irrigation Water Distribution District (IWDD). The project aims to provide groundwater protection, agricultural water supply, and environmental restoration and protection. Additionally, the project addresses the depletion of the Alluvial and Sparta aquifers by diverting excess water from the Arkansas River via a delivery system made up of new canals, existing streams, and pipelines to the water depleted areas along with channel improvements and a pumping station which will provide an outlet to reduce flooding. These changes and additions are planned to aid in environmental restoration and enhancement.

The State of Arkansas is the non-federal sponsor of this project, based on its adoption as a necessary project in the Arkansas Water Plan revisions of 1990 and 2014. Environmental and cultural resources reviews were conducted by the Memphis District, US Army Corps of Engineers.

#### **Estimated Project Costs**

Construction:	\$63,540,016
Contingencies	0
Engineering – Planning, Design & Construction	4,606,651
Engineering – Inspection	2,382,750
Legal Fees	20,000
Administrative	0
Capitalized Interest during Construction	0
Issuance fee (3%)	0
Other: Real Estate, Relocations, Mitigation, System Preparation	2,775,341
Total Estimated Capital Cost:	\$73,324,758
Less – NRCS grant	-44,642,920
ANRC Funding requested	\$28,681,838

#### **Executive Director's Recommendation**

Recommend the commission approve a loan in an amount up to \$28,681,838 from the Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bond Fund and waive the 3% Issuance fee.

If approved, the executive director will establish any necessary combined annual borrower rates and additional terms and conditions including the requirement to establish and maintain a depreciation reserve fund.

### **INCREASE IN FINANCIAL ASSISTANCE:**

Mrs. Debby Dickson presented staff recommendations for the referenced projects below requesting an increase in financial assistance from the Arkansas Clean Water Revolving Loan Fund (CWRLF) and the Arkansas Drinking Water State Revolving Fund (DWSRF).

*Upon motion by Mrs. JoAnne Bush, seconded by Mr. Bill Poynter, the Commission unanimously approved the following staff recommendations for an increase in financial assistance:*

### **Gravel Ridge Sewer District SID #213 Pulaski County**

#### **Project: Wastewater Treatment Facility Improvements Additional Funding**

##### **Project Description**

The commission approved funding for Gravel Ridge SID 213 (Gravel Ridge) wastewater treatment facility improvements project at the November 2019 meeting in an amount up to \$4,822,900 (Loan #01254-CWRLF-L). The wastewater treatment plant improvements project includes a new mechanical screen, aeration and clarification, U.V. disinfection, and post-aeration and flow measurement system. The bids have been opened and are higher than expected, exceeding the approved funding. As a result, Gravel Ridge is requesting an additional \$1,043,260. This funding will be used for construction and contingencies associated with the original project.

##### **Project Financial Information**

The previous loan required Gravel Ridge to increase their monthly average sewer cost to \$25.74 based on 500 cubic feet of usage. The additional funding will require Gravel Ridge to increase their average monthly sewer bill to \$27.54 based on 500 cubic feet of usage, an increase of 7%. Should it be determined during the term of this loan that the rates are not sufficient in covering required debt service, operation and maintenance costs, the city will be required to increase their rates. The current three year (2017-2019) average Median Household Income (MHI) provided by UALR for Gravel Ridge is \$46,914. Gravel Ridge listed their customer base for this project at 1480. Gravel Ridge has no other outstanding loans with ANRC.

	Loan #01254- CWRLF-L	Additional Funds	Total Funding
Construction:	\$3,711,375	\$1,043,260	\$4,754,635
Contingencies	445,365	0	445,365
Engineering – Planning, Design & Construction	423,323	0	423,323

Engineering – Inspection	207,837	0	207,837
Legal Fees	35,000	0	35,000
Administrative	0	0	0
Capitalized Interest during Construction	0	0	0
Issuance fee (3%)	0	0	0
Other:	0	0	0
Other:	0	0	0
<b>Total Estimated Capital Cost:</b>	<b>\$4,822,900</b>	<b>\$1,043,260</b>	<b>\$5,866,160</b>

### **Executive Director's Recommendation**

Recommend the commission approve additional loan funds in an amount up to \$1,043,260 from the Arkansas Clean Water State Revolving Loan Fund program.

If approved, the executive director will establish any necessary combined annual borrower rates and additional terms and conditions including the requirement to establish and maintain a depreciation reserve fund.

## **City of Mitchellville**

### **Desha County**

### **Project: Water Meter & Water Storage Tank Rehabilitation project**

#### **Additional Funding**

### **Project Description**

The commission approved funding for the City of Mitchellville (City) Water Meter & Water Storage Tank Rehabilitation project at the May 2020 meeting in an amount up to \$391,320 (Loan #01277-DWSRF-F \$293,490 & Loan #01278-DWSRF-L \$97,830) for repainting and rehabilitating the 50,000-gallon water storage tank in accordance with the recommendations from a 2015 inspection report. In addition, other improvements include extending the existing overflow pipe for the water storage tank to within 24 inches of ground level, installation of a screen for the vent pipe on the well casings, and replacement of the existing door to the water treatment plant with a door equipped with a panic bar. The bids have been opened and are higher than expected, exceeding the approved funding. As a result, the City is requesting additional funding in an amount up to \$75,000. This funding will be used for construction and contingencies associated with the original project.

### **Project Financial Information**

The current average monthly water bill for the City of Mitchellville is \$34.79 based on 4,000 gallons of usage. The city is not required to raise rates at this time, however, should it be determined during the term of this loan that the rates are not sufficient in covering required debt service, operation and maintenance costs, the city will be required to increase the rates. The current three year (2017-2019) average Median Household Income (MHI) provided by UALR for the City of Mitchellville is \$17,930. Mitchellville listed their customer base at 180. The City of Mitchellville has one outstanding loan with ANRC and is current on all payments and ANRC audit requirements.

	Loan #01277-DWSRF-F \$293,490	Additional	Total Funding
	Loan #01278-DWSRF-L \$ 97,830	Funds	
Construction:	\$300,669	75,000	\$375,669
Contingencies	30,067	0	30,067
Engineering – Planning, Design & Construction	25,557	0	25,557
Engineering – Inspection	12,027	0	12,027
Legal Fees	10,830	0	10,830
Administrative	2,170	0	2,170
Capitalized Interest during Construction	0	0	0
Issuance fee (3%)	0	0	0
Other: PER, ER, DAVIS BACON	10,000	0	10,000
Total Estimated Capital Cost:	\$391,320	\$75,000	\$466,320

### **Executive Director's Recommendation**

Recommend the commission approve additional funds in an amount up to \$75,000 in a loan with principal forgiveness from the Arkansas Drinking Water State Revolving Loan Fund program.

If approved, the executive director will establish any necessary combined annual borrower rates and additional terms and conditions including the requirement to establish and maintain a depreciation reserve fund.

### **REQUEST CHANGE IN TERMS:**

Mrs. Debby Dickson presented staff recommendations for the referenced projects below requesting a change in terms from the Arkansas Drinking Water State Revolving Fund (DWSRF) and the Arkansas Water Resources Cost Share Revolving Fund (CSRF); the CSRF loan is no longer in existence.

*Upon motion by Mrs. JoAnne Bush, seconded by Mr. Bill Poynter, the Commission unanimously approved the following staff recommendations for a request for change in terms:*

### **City of Arkadelphia/Gum Springs Clark County**

#### **Project: Gum Springs Regionalization**

#### **Project Description**

The project was approved by the commission in September 2019 with funding approved in the form of a loan with principal forgiveness (#01245-DWSRF-F-\$766,900), and a loan (#01246-DWSRF-L - \$2,000,000) for total project funding in an amount up to \$2,766,900 - for regionalization of the Gum Springs water system into the City of Arkadelphia's water system.

The City of Arkadelphia, with the agreement of Gum Springs, is requesting a change in scope to include additional items to aid in the operation and maintenance of the Gum Springs water system. As a result of advantageous bids, there will be funds available to expand the scope of the project to include following items:

Item	Qty	Unit	Unit Cost	Cost
Metal Shop Building	Lump Sum			\$233,102.13
Sub-Total - Building				\$233,102.13
No. 3 - 6-inch PVC Water Line	1500	LF	\$23.94	\$35,910.00
No. 10 - Connection w/ 6-inch solid sleeve	1	EA	\$1,445.17	\$1,445.17
No. 19 - Water Meter & Box Replacement, New Water Line	5	EA	\$725.50	\$3,627.50
No. 20 - Service Tubing	20	LF	\$12.15	\$243.00
No. 21 - Service Tubing, Slick Bored	150	LF	\$23.87	\$2,864.40
No. 26 - Gravel Surface Repair	60	LF	\$22.43	\$1,345.80
No. 15 - Fire Hydrant Assemblies	4	EA	\$5,000.00	\$20,000.00
Subtotal - Contract Increase (Contract 4)				\$65,435.87
Engineering Design & Inspection				\$35,824.00
Subtotal - Engineering Design & Inspection				\$35,824.00
- 3/4-Ton Single Cab Truck	1	EA	\$25,000.00	\$25,000.00
- Trailer w/ Electric Dump Bed	1	EA	\$24,900.00	\$24,900.00
- Mini-Excavator	1	EA	\$45,000.00	\$45,000.00
Subtotal - Rolling Stock				\$94,900.00
Total Requested Items				\$429,262.00

The new storage facility will be placed on Gum Springs' property located behind the Town Hall and will replace the existing old, dilapidated facilities. The Gum Springs system needs a central location for an operation and maintenance facility providing a place for the operator to work. In addition, the building will provide secure storage for equipment and materials, which reduce travel and transportation from the main facilities in Arkadelphia.

The added quantities under contract 4 will be used to replace the existing 2-inch water line running along Whippoorwill Lane. Low pressures at the end of Whippoorwill Lane have been reported during periods of high system demand, which will be remedied by upsizing the line from a 2-inch to 6-inch line. In addition, fire hydrants will be installed in the Curtis area.

The existing rolling stock from the Gum Springs' system consists of a half-ton truck and old backhoe that are utilized to repair water leaks. However, without a trailer or truck large enough to pull the equipment, the operator is required to drive the backhoe to each location where repairs are needed. As a result, the operator is unable to access the large equipment quickly. To resolve this issue, the operator has been required to coordinate with other individuals to transport the equipment to the needed repair location.

#### **Project Financial Information**

The current average monthly water bill for the City of Gum Springs is \$48.75 based on 4,000 gallons of usage. No rate increase is required. The current three year (2017-2019) average Median Household Income (MHI) provided by UALR for the City of Gum Springs is \$36,028. The City of Gum Springs listed the customer base for this project at 384.

The City of Gum Springs currently has one loan with ANRC and is current. In addition to this project funding, Arkadelphia has one outstanding loan with ANRC and is current on all requirements.

#### **Estimated Project Costs**

<b>Project Budget</b>	<b>Original</b>	<b>Adjustments</b>	<b>Adjusted</b>
Construction:	\$2,223,700.00	\$ 56,451.00	\$2,280,151.00
Contingencies	222,400.00	-122,400.00	100,000.00
Engineering – Planning, Design & Construction	177,900.00	35,824.00	213,724.00
Engineering – Inspection	88,900.00	0.00	88,900.00
Engineering – Tank Inspection (3 <sup>rd</sup> Party Inspection services for water tank at the request of the City)	0.00	13,200.00	13,200
Legal Fees	30,000.00	-12,075.00	17,925.00
Administrative	10,000.00	-2,000.00	8,000.00
Capitalized Interest during Construction	14,000.00	31,000.00	45,000.00
Total Funding	\$2,766,900.00	\$ 0.00	\$2,766,900.00

#### **Executive Director's Recommendation**

Recommend the commission approve a change in scope to include the building, additions to contract 4, engineering services, and rolling stock.

### **Boeuf-Tensas Regional Irrigation Water Distribution District Chicot, Desha and parts of Drew, Ashley, Lincoln, and Jefferson Counties**

#### **Project: Boeuf-Tensas RIWDD planning and design**

#### **Project Description**

The previously approved funds were for the initial first year state match for federal funds designated for planning purposes for the \$370,000,000.00 project, which is to construct a multi-purpose flood control and a comprehensive irrigation water supply for agriculture, including a system of distribution canals.

The projected federal funds have not been allocated to this project, and, as a result the Boeuf-Tensas RIWDD will return all un-expended funds (\$40,000.00). The returned funds will be applied to the outstanding balance on loan #00077-CSRF-D in the amount of \$36,108, and Loan #00020-CSRF-D in an amount of \$3,892. In addition, a request for the balance of debt for Loan#00020-CSRF-D in an amount of \$27,101 be converted to a grant.

#### **Project Financial Information**

Boeuf-Tensas Regional Irrigation Water Distribution District has no revenue and no other outstanding debt with ANRC.

### **Executive Director's Recommendation**

The Staff recommends that the Commission approve a grant in an amount up to \$27,101 from the CSRF program, waiving all fees, contingent on receipt of the unexpended funds of \$40,000 on or before June 30, 2021. Upon receipt of \$40,000, the executive director will apply \$40,000 to the outstanding balance on loan #00077-CSRF-D in the amount of \$36,108, and Loan #00020-CSRF-D in an amount of \$3,892 and the remaining outstanding loan #00020-CSRF-D in an amount of \$27,101 will be converted to a grant.

### **DE-OBLIGATION OF FUNDS:**

Mrs. Debby Dickson reported on the below referenced funds to be de-obligated from the Water Development Fund (WDF), the Arkansas Drinking Water State Revolving Fund (DWSRF), and the Clean Water Revolving Loan Fund (CWRLF).

#### **Beaver Dam Drainage District (01321-WDF-L) \$1,030,000.00**

De-obligate funds in the amount of \$1,030,000.00 that were approved in May 2021 from the Water Development Fund (WDF). Applicant decided not to proceed with loan funding.

#### **Danville (01214-DWSRF-L) \$60,631.34**

De-obligate funds in the amount of \$60,631.34 that were approved in January 2019 from the Arkansas Drinking Water State Revolving Fund (DWSRF). Project is complete.

#### **Palestine (01266-DWSRF-L) \$12,507.00**

De-obligate funds in the amount of \$12,507.00 that were approved in January 2020 from the Arkansas Drinking Water State Revolving Fund (DWSRF). Project is complete.

#### **Westfork #3 (00942-CWRLF-L) \$2,850,000.00**

De-obligate funds in the amount of \$2,850,000.00 that were approved in November 2017 from the Arkansas Clean Water Revolving Loan Fund (CWRLF). Project is complete.

#### **Wilton Tank (01283- DWSRF -L) \$13,958.00**

De-obligate funds in the amount of \$13,958.00 that were approved in May 2020 from the Arkansas Drinking Water State Revolving Fund (DWSRF). Project is complete.

**CONSERVATION SECTION** – Deputy Director Ryan Benefield stated due to conservation district elections being held in March, we have pushed back reporting until May. Next year we may try to find a way to report the election results in March.

Deputy Director Ryan Benefield reported on the below appointments and reappointments:

#### **Appointments to Conservation District Boards**

Pike County	Doss Walker
Randolph County	Kevin Brown
Randolph County	Josh White

#### **Reappointments to Conservation District Boards**

Cleveland County	George Boyd
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Cleveland County	Kermit Puterbaugh
Cleveland County	Dean Steelman
Crooked Creek	James Jefferson
Desha County	Andrew Wargo III
Desha County	Danny Wilson
Drew County	Mar Miles
Greene County	Fred Gates
Greene County	David Pigue
Hempstead County	Ira Love
Lee County	Martha Manley
Lonoke County	Neal Anderson
Phillips County	Chris Carnathan
Poinsett County	Tommy Wimpy
Saline County	Franklin Wright

Additionally, Mr. Benefield gave the commission a listing of 2021 election results to certify.

*Upon motion by Mr. Eddie Glover, seconded by Mr. Bill Poynter, the commission unanimously approved the election results, and the appointments & reappointments to Conservation District Boards.*

**FY 2021 Grants-to-Districts Funding Modification** – Due to Covid-19, Prairie County Conservation District has requested to redesignate part of their current year grants-to-districts project funds. The ANRC grant portion is \$6,400 and was intended to be used for an irrigation field day. The request is to convert the grant and funds to a conservation district cost share program to assist local farmers in purchasing irrigation meters to improve irrigation efficiency and conserve water. Being this year's funds, it would typically need to be spent by the end of June. We are asking the commission to modify and okay spending the funds in FY2022, however, as soon as possible.

**FY2022 Grants-to-Districts Funding** – Mr. Benefield provided the commission with the NRD Fiscal Year 2022 (July 1<sup>st</sup>-June 30<sup>th</sup>) grants-to-districts funding proposal for conservation districts; this includes the \$100,000 match to Natural Resources Conservation Service (NRCS) three-year feral hog grant. NRD has \$250,000 in the budget to allocate this year.

**Line Item Funding** - Mr. Benefield provided the commission with line item funding for the conservation districts for Fiscal Year 2022 in the amount of \$939,990.00. However, the Commission withholds \$39,990 to pay the employee's dishonesty policy, worker's compensation insurance, and a reserve for special projects. Remaining amounts at the end of the fiscal year are sent back to districts. The FY2022 amount available to distribute to the districts is \$900,000.00. Staff recommends approval of the FY2022 available line item funding to be distributed equally to each of the 75 conservation districts in Arkansas.

**FY2021 Beaver Funding Modification** – Each year NRD receives \$150,000 to help eradicate beaver throughout the state; conservation districts apply with NRD for funding. This program, by law, is a reimbursement program. Trappers are to collect tails, conservation districts pay the

bounty, and NRD reimburses the districts for the amount they collect. However, a lot of districts have not been able to front the money, so we give them money in advance. In the end, we make sure the money given matches the beavers eradicated in that district. Some districts this year did not collect & trap as many bounties, while some other districts have overspent. Staff recommends Commission to modify original FY2021 approval for districts having a greater need, and we reduce funding for those with significant funding left-over.

**FY2022 Beaver Funding** – Mr. Benefield provided the commission with beaver funding for conservation districts for Fiscal Year 2022.

*Upon motion by Mrs. JoAnne Bush, seconded by Mr. Eddie Glover, the commission unanimously approved the FY2021 grants-to-districts funding modification, the FY2022 grants-to-districts funding, FY2022 line item funding, FY2021 beaver funding modification, and FY2022 beaver funding allocation.*

### **ARKANSAS UNPAVED ROADS PROGRAM**

Kevin McGaughey informed the Commission the legislature allocates \$300,000 each fiscal year to NRD for the Arkansas Unpaved Roads Program (AUPR). This is a water quality program and helps counties permanently fix problematic areas. Mr. McGaughey gave a brief overview of the need for request from the following six counties who submitted applications this year:

- Calhoun County, County Rd. 10 – requested \$75,000; total cost \$150,000
- Izard County, Croker Rd. – requested \$21,475; total cost \$43,051
- Independence County, Pine Grove Rd. – requested \$75,000; total cost \$162,029
- Lincoln County, Burling Rd. - requested \$75,000; total cost \$150,000
- Van Buren County, Silver Rock Rd. – requested \$75,000; total cost \$178,713
- Washington County, Hamestring Rd. - requested \$75,000; total cost \$150,000

Mr. McGaughey stated the steering committee met last month to discuss funding and recommends all six of the projects are approved. The total funding request is \$396,475; there is \$300,000 in AUPR FY2021 funds available, and the remaining balance of \$96,475 would come from Non-Point Source (NPS) 319 funding.

*Upon motion by Mr. Will Brewer, seconded by Mr. Bill Poynter, the commission unanimously approved the committee recommendations for funding the proposed projects in the Arkansas Unpaved Roads Program.*

**WATER RESOURCES MANAGEMENT DIVISION** – Jim Battreal, Geology Supervisor, stated we are mandated by the Groundwater Protection & Management Act to produce a report on Arkansas's aquifers. Mr. Battreal provided the commission with the framework of the Annual Groundwater Protections and Management Report. He stated all aquifers in the state are looked at, but the main focus is on the Sparta/Memphis Aquifer (Sparta) and the Mississippi River Valley Alluvial Aquifer (Alluvial). NRD partners with United States Geological Survey (USGS) and NRCS to look at the aquifers in the spring (pre-irrigation). Arkansas fluctuates between 2<sup>nd</sup> and 3<sup>rd</sup> in the nation for volume groundwater use.

Blake Forrest, Professional Geologist, provided the commission with a brief summary of the 2020 Annual Groundwater Protection and Management Report. As aforementioned, he stated the Alluvial & Sparta aquifers are the two aquifers mostly used in Arkansas. There are five groundwater study areas: St. Francis, Cache, Grand Prairie, Boeuf-Tensas, and South Arkansas. The following have been designated as critical groundwater areas: Cache (Alluvial & Sparta), Grand Prairie (Alluvial & Sparta), and South Arkansas (Sparta).

Mr. Forrest presented data on the Alluvial & Sparta aquifers. He stated USGS did data collection for 2020 on over 550 well measurements for the Alluvial; the Sparta data was collected from 202 well measurements. He touched on depth of water, explained how percent saturated is calculated, and touched on rain amounts across Arkansas and the decreases and increases of one, five, and ten-year groundwater change, as well as spring/fall (pre-/post-irrigation) change during 2020. Mr. Forrest stated he does not have any new complete data for groundwater use, therefore, he briefly discussed data from 2018. He stated total groundwater irrigation use for 2018 is 7,590 Mgal/d from all aquifer sources in eastern Arkansas, with 6,570 Mgal/d from the Alluvial aquifer and 68 Mgal/d from the Sparta aquifer. The Sparta is primarily used for municipal and industrial uses, whereas the Alluvial is used for irrigation use.

Lastly, Mr. Forrest briefly discussed the Water Conservation Tax Incentive Program. He stated last year there were 126 projects approved of which 80 were water meter installations.

### **BREAK- 10 minutes**

### **ACTIVITY REPORTS**

Activity reports were presented by Debbie Moreland, Arkansas Association Conservation Districts (AACD); Dr. Mike Daniels, U of A Cooperative Extension Service; Drew Westerman, U.S. Geological Survey; and Megan Perkins, Bayou Meto & Grand Prairie Irrigation.

### **OTHER**

Deputy Director Benefield announced the September commission meeting will be held in northwest Arkansas which will allow the commission to tour projects in the area.

### **ADJOURN**

There being no further business, the commission unanimously agreed to adjourn the meeting.

  
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Bruce Holland  
Director

  
Date