## MINUTES ARKANSAS NATURAL RESOURCES COMMISSION October 20, 2021

A special meeting of the Arkansas Natural Resources Commission (ANRC) was held in-person and via Zoom on Wednesday, October 20, 2021, at 9:30 a.m. at the Arkansas Department of Agriculture, 1 Natural Resources Drive, Little Rock, AR 72205.

Commissioners in attendance in-person were Chairman Bruce Leggitt and Commissioner Eddie Glover. Commissioners in attendance via Zoom were William Anderson, Neal Anderson, Will Brewer, Jamie Burr, Bill Poynter. Commissioners JoAnn Bush and Roy Reaves were unable to participate in the meeting.

Staff members in attendance included: Chris Colclasure, Director; Debby Dickson, Program Fiscal Manager; Nicole Blanks, Program Outreach Coordinator; April Harris, Administrative Analyst; Wade Hodge, Chief Counsel, Kolton Jones, Attorney; Cynthia Edwards, Deputy Secretary of Agriculture, and others attending virtually.

Role was called and Chairman Leggitt called the ANRC meeting to order.

Director Colclasure began by providing a brief history of how Act 605 came about, and its requirements, such as rate studies, fiscal distress, and training. He stated the purpose of the meeting today is for the Commission to promulgate rules to implement Act 605 per its requirement.

Chief Counsel Wade Hodge stated this is a standard rule making process. If approved today by the Commission, the rule will go to the governor's office for his approval. If approved by him, next is a 30 day public comment period. If there are any comments, the Commission will meet again and make necessary changes to the draft rule. Next, the draft rule will go to the legislature for review by the legislative council rules committee, then full legislative council review. After review, it will be filed with the Secretary of State and become effective ten days after filing. Mr. Hodge clarified this is not an amendment to any existing rule but are brand new rules for Act 605.

Commissioner Glover asked what recourse we have if the legislature has passed this law & the Commission makes a change, would it go back before the legislature? Mr. Hodge stated the legislature passed the law stating ANRC has to adopt rules to implement their law. ANRC is to pass rules regarding fiscal distress, training, etc. Director Colclasure stated we have been instructed within the Act to promulgate rules.

Chairman Leggitt asked how many water associations fall under the Act. Mr. Hodge stated there is not a number stated within the Act. Director Colclasure stated he believes around 800 water providers. Chairman Leggitt stated his concern is staffing. Director Colclasure said the rate studies are implemented by number of customers. For example, rate studies with 500 or less customers are due by 2024, 500-1,000 are due by 2025, and more than 1,000 are due by 2026.

Neal Anderson asked if this would affect the agency's budget. Director Colclasure stated at this time budget issues have not been identified.

Chairman Leggitt asked if this only covers drinking water, to which Mr. Hodge responded, yes.

Dennis Sternberg with Arkansas Water Association stated he was on the Water Providers Task Force representing Arkansas Rural Water. He responded to Chairman Leggitt's earlier question about the number of water systems. Mr. Sternberg clarified it is not just water associations, but water providers which encompasses cities, water associations, public facilities boards, & regional water distribution districts, as determined by the Arkansas Department of Health as community water systems. He went on to say in March 2018 there were 684 community water systems.

Mr. Leggitt stated he read within the Act some water providers will not fall under the Act. Mr. Sternberg stated any entity that has an electric company will be exempt.

Chairman Leggitt asked if there were any additional questions; there were not. At that time Chairman Leggitt called for a motion to accept the proposed rules.

Upon motion by Mr. Will Brewer, seconded by Mr. Neal Anderson, the commission unanimously approved the proposed rules for Act 605.

## **ADJOURN**

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

12/17/2021

Chris Colclasure

Director