

MINUTES
ARKANSAS NATURAL RESOURCES COMMISSION
March 13, 2025

The regular meeting of the Arkansas Natural Resources Commission (ANRC) was held in person on Thursday, March 13, 2025, at 9:30 am at the Wyndham Hotel, 2 Riverfront Place, North Little Rock, AR 72214.

Commissioners in attendance were as follows: Vice Chairman William Anderson, Commissioner Eddie Glover, Commissioner Neal Anderson, Commissioner Bruce Leggitt, and Commissioner Mike McDermott, Commissioner Joanne Bush, Commissioner David Gilbert. Chairman Jamie Burr and Commissioner Will Brewer were unable to participate in the meeting.

Staff members in attendance included: Chris Colclasure, Natural Resources Division Director; Christy Raatz, Administrative Analyst; Debby Dickson, Water Development Section Manager; Blake Forrest, Groundwater Section Supervisor; Tate Wentz, Water Resources Section Manager; Matthew Brooks, Engineer Supervisor; Darla Brooks, Audit Coordinator; Whit Montague, Engineer Supervisor; Fred Wiedower, Deputy Chief Fiscal Officer; Corey Seats, General Counsel.

A list of guests is attached to the minutes.

Vice Chairman Anderson called the ANRC meeting to order, and roll was called.

APPROVAL OF MINUTES: January 15, 2025

Upon motion by Mr. Eddie Glover, seconded by Mrs. Joanne Bush, the Commission unanimously approved the minutes of the meeting held on January 15, 2025.

REPORT OF THE DIRECTOR – Director Colclasure began by highlighting events occurring within the Arkansas Natural Resources Division (NRD):

General Agency

- **Water Plan** – The US Army Corps of Engineers, Memphis District selected Michael Baker International as the Phase II contractor for updating the State Water Plan. We held three focus group meetings in March for water quality, water demands and flooding. The meetings were well attended, in total we had about 51 in attendance from a diverse group of stakeholders representing industry, utilities, nonprofits and state and federal agencies. In addition, we have been presenting to groups about the water plan. Since the January commission meeting, I presented at the Soil and Water Conference, The Nature Conservancy Board Meeting, Arkansas Rice Federation Meeting and the Riceland In-depth Leadership meeting.
- **Bond Sale** – We closed on our revenue bond sale on March 5, 2025. We received \$75 million in bond proceeds. We will use \$70 million for clean water and \$5 million for drinking water projects. We are also estimating our bond needs from the GO Bond Program from next fiscal year. We have until June 30 to use out remaining biennium authority of \$30 million.
- **Office Move** – We are in the process of moving out of the Natural Resources Division Offices located at 10421 W. Markham and moving to the Department of Agriculture

headquarters at 1 Natural Resources Drive. Our goal is to be completely moved in by the end of March. There may be some temporary disruptions as we are moving but we should be at full capacity in April.

- **Acknowledgement of Darla Brooks** – Darla Brooks has worked for the State of Arkansas for 32 years for Natural Resources. In her time at Natural Resources, she spent most her years in the water development section overseeing water and wastewater projects and project administrators. For the last three years, she has single handedly managed the Act 605 Retail Water Provider Oversight Program. Darla’s experience, knowledge and commitment will be very difficult to replace.

FINANCIAL ASSISTANCE REPORT – Mr. Fred Wiedower, Deputy Chief Fiscal Officer of the Department of Agriculture, presented the financial assistance report dated February 28, 2025.

LEGAL: Corey Seats, General Counsel for the Department of Agriculture, briefly reported on the legislative session. Many bills are agriculture and natural resources focused. There are 13 bills that are of specific interest to this commission that we’re tracking. There are a couple of items that we are involved in. The commission may recall there was a hearing regarding Central Arkansas Water. The ruling has been appealed to the Pulaski County Circuit Court, and I filed the answer in that case yesterday.

WATER WELL COMMITTEE UPDATE:

The Arkansas Natural Resources Commission’s Water Well Construction Committee (Committee) met February 26, 2025, at the Arkansas Department of Agriculture’s Natural Resources Division.

- Committee members in attendance included: Chairman Mike McDermott, David Washington, and David Gilbert. Several water well contractors along with Department staff also attended this meeting.
- Staff provided a report on licensing activity. Since the October 16th meeting, five water well contractors, 10 drillers, six pump installers, seven apprentices, and 14 rigs have been registered, which were all new registrations. Staff also processed one late license renewal. For the 2025 licensing year, there are 143 licensed contractors, 209 drillers, 65 driller apprentices, 192 pump installers, 84 pump installer apprentices, and 424 permitted rigs.

The Committee discussed two active cases:

1. In the case of Caddo Mountain Spring Water and Environmental Works, Inc., staff reported a request made by Environmental Works, Inc. to modify item three of the Allegations of Fact. Staff stated that the request would not affect the intent of the order and that the request had been executed.
2. Staff discussed the details of a case in Rogers, AR, where a domestic well was constructed within 100 feet of a septic system. The Committee recommends that the Commission disapprove the well per Arkansas Code 17-50-205, and that the landowner has 60 days to abandon the well. The Committee further recommends a violation with a first offense level fine against the drilling contractor for violation of the Commission’s minimum distance

requirements in regard septic systems, as the septic system was in place before the well was constructed.

The Committee was presented with a financial report showing a water well fund balance as of December 31, 2024, of \$434,569.

The Committee then heard statements from attendees. Jerry Sollis, of S & L Irrigation, stated his concerns about the declining number of well contractors, proposed researching a well registration fee similar to other states, and discussed the enforcement of Commission rules as they are applied to illegally constructed wells. Jesse Carter, of Carter Irrigation, shared his concerns about improperly abandoned wells at newly constructed solar farms. Mr. Carter also questioned the Committee about what can be done when contractors do incomplete, or sometimes damaging, work for landowners. Mike Shudy, of Shudy Drilling, discussed the activity of unlicensed contractors working in his area. Jonathan Jackson, of Jackson Farm Services, shared his concerns about plumbers in his area doing well pump work.

Recommendations to the Arkansas Natural Resources Commission:

- Approve a \$250 fine against Summers Drilling for violation of the minimum distance requirements in the water well rules.
- Disapprove the well in Rogers, AR that has been constructed in violation of the state's water well rules.

Upon motion by Mr. Neal Anderson, seconded by Mrs. Joanne Bush, the Commission unanimously approved the action items

APPLICATIONS FOR FINANCIAL ASSISTANCE:

Upon motion by Mr. Neal Anderson, seconded by Mr. David Gilbert, the Commission unanimously approved the following staff recommendations for financial assistance.

Mrs. Debra Dickson, Water Development Section Manager, presented a recommendation for the referenced project below requesting financial assistance.

City of Earle

Crittenden County

Purpose: Wastewater System Improvements

Project Description

The City of Earle has five (5) locations where the flow of wastewater has been compromised, and raw sewer is flowing onto the ground almost daily.

The first location is on Barton Street, just south of 2nd Street, in front of some apartments and the sewer service for this complex runs south to a gravity main which is running east and west through the alley between Barton Street and Brown Street, south of 2nd Street. This main is stopped up and neither the city, nor independent contractors seem to be able to unstop the main to allow flow. There is supposed to be a manhole located approximately mid-block in this alley, but it cannot be found. The city would like to replace the manhole between the two streets.

The second location is behind a residence on the east end of 2nd street, this residence flows into a dead-end manhole. This manhole flows through a line to the west back to a gravity main that

flows north up Clinton Street. Based on visual inspection of the manholes, it appears that the line running from the dead-end manhole is tied into a gravity main on Clinton Street against the flow of the sewer, and without a manhole. There needs to be a new service line installed to this house to eliminate the chance of wastewater backing up into this house.

The third location is a manhole located on the west side of St. Francis Street, between Alabama Avenue and Railroad Avenue. This manhole is full of water and city personnel cannot get the main going either direction for more than a few feet. This manhole is located just north of the city's Alabama Lift Station. The city proposes to tie this manhole into the Alabama Lift Station with a new line.

The fourth location is behind 923 Third Street. It appears that a single house in this area is having trouble with sewer flows.

The fifth location is in the alley just north Fourth Street and east of Exchange Street, in the alley. There is a sinkhole in the alley that appears to be above a main break. There is also a sewer service at this location that continually flows back underneath a trailer. The service line under the trailer has become disconnected and is allowing sewer to run out on the ground under the trailer and into the yard. This issue would appear to be a point repair and possibly sewer service repair.

Project Financial Information

The funding recommendation will be made that Earle will increase their water rates by 207% to \$41.45, their current rates are \$13.50, based on 4,000 gallons a month of water usage. The current three-year (2019-2021) average Median Household Income (MHI) provided by UALR for Earle is \$39,228. Earle listed the customer base for this project at 513. Earle has two loans with ANRC and is current on their payments.

Estimated Project Cost

Construction:	\$197,113
Contingencies	19,711
Engineering – Planning, Design & Construction	20,598
Engineering-Inspection	18,000
Legal	9,236
Administrative	0
Other:	0
Other:	0
Capitalized Interest During Construction	230
Total Estimated Capital Cost:	264,888
Less:	0
3% Origination Fee	7,947
Total ANRC Funding Requested:	\$272,835

Executive Director’s Recommendation

Recommend the Commission approve an amount up to \$272,835 (which includes a 3% origination fee of \$7,947), in the form of a loan from the Water, Sewer, and Solid Waste Fund.

Authorize the executive director 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 (\$27,284) 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.

2024 GROUND WATER PROTECTION AND MANAGEMNT REPORT:

Spring measurements – 467 static water level measurements in the Mississippi River Valley Alluvial (MRVA), 233 in the Sparta/Memphis aquifer. Measurements taken prior to seasonal irrigation pumping.

In the MRVA – overall across the aquifer a decline of 1.35 feet was observed when compared with the previous year. In the critical groundwater area of the Cache a general trend of declining levels continued. In the Grand Prairie area there were areas of increasing water levels, particularly in the areas where the historic cone of depression has been greatest. The area of the MRVA that is below 50% saturation has increased in and around the Cache and Grand Prairie regions.

In the Sparta – in the overall one-year comparison there was a decrease of 0.7 feet in the aquifer. The ten-year comparison shows the long-term rebound happening in the historic cone of depression in South Arkansas. Union County continues to show significant improvement in increased water levels.

Cockfield and Wilcox Aquifers – measurements in these aquifers were taken as part of the three-year rotation of other aquifers across the state. Both aquifers showed water level increases when compared with levels from twelve years prior.

Groundwater Quality – 25 wells within the MRVA were tested for salinity parameters this year, 25 wells from the Sparta will be measured for the same in 2025. Wells from the MRVA, Tokio, Trinity, Sparta, and Ozark aquifers were measured this year for a wide range of water-quality constituents as part of the Arkansas Masterwell Program.

Tax Credits – 77 water conservation projects were approved for tax credits in 2024.

Water Well Construction – 1,815 new wells were drilled between July 2023 and June 2024. 932 irrigation, 701, domestic, and the remaining 182 divided between commercial, livestock/poultry, monitoring, and public supply.

GROUNDWATER CONSERVATION TAX CREDIT PRESENTATION:

Ms. Christy Steward, Environment Program Coordinator, presented on the Groundwater Tax Credit Program.

Ms. Steward discussed application information, program data, and the history of the groundwater tax credit program. She presented a video produced by Rice Stewardship Partners that shows water conservation projects that benefit from the financial incentives of the groundwater tax credit program. The video will be used in various platforms to promote groundwater conservation efforts.

RESOLUTIONS:

Upon motion by Mr. Bruce Leggitt, seconded by Mr. Mike McDermott, the Commission unanimously approved the resolution.

Mr. Chris Colclasure, Natural Resources Director, presented two resolutions. The first resolution was for Commissioner Roy Reaves recognizing his service of eight years on the Natural Resources Commission.

The second resolution is for Mr. Dennis Sternberg the current Arkansas Rural Water Association, Chief Executive Officer. Mr. Sternberg is retiring after serving a total of 36 years.

Upon motion by Mr. Eddie Glover, seconded by Mr. Mike McDermott, the Commission unanimously approved the resolutions.

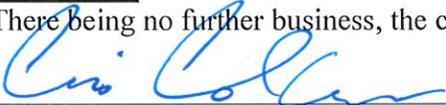
ACTIVITY REPORTS

Activity reports were presented by Kathy Seidenstricker, AACD, Dr. Sathish Ponniah, UAPB, Amanda Mathis, NRCS, and Drew Westerman, USGS.

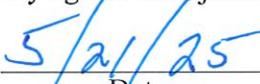
OTHER

ADJOURN

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



Chris Colclasure
Director



Date