

MINUTES

WATER PROVIDER LEGISLATIVE TASK FORCE

DECEMBER 4, 2018

The Water Provider Legislative Task Force met Tuesday, December 4, 2018, at 9:30 a.m. in Room 130, State Capitol, Little Rock, Arkansas.

Legislative Task Force members present: Senators Alan Clark, Co-Chair and Ronald Caldwell. Representative Tim Lemons, Co-Chair.

Other members present: Senators Linda Chesterfield and Bryan King. Representatives Kim Hammer and Danny Watson.

Non-Legislative Task Force members present: Mark Bennett, Dr. Bob Blanz, Jack Critcher, Judge Rick Davis, Daniel Dawson, Jennifer Enos, Alan Fortenberry, Tom Fox, Barry Haas, Dale Kimbrow, Jean Noble, Dennis Sternberg, and Lance Jones filling in for Jeffery Stone.

Call to Order

Senator Clark called the meeting to order.

Consideration of Motion for Approval of Minutes – November 20 and 26, 2018 [Exhibits C, C-1]

A motion to approve the minutes of November 20 and 26, 2018, Task Force meetings was made by Judge Davis and seconded by Ms. Enos. The motion carried.

Arkansas Water Plan Presentation

Senator Clark recognized Edward Swaim, Water Resources Division Manager, Arkansas Natural Resources Commission (ANRC). Mr. Swaim gave a PowerPoint presentation (Exhibits D, D-1) including an overview of the history of the Arkansas State Water Plan:

- The first State Water Plan was established by legislation in 1939 followed by updates in 1969, 1975, and 1990
- The General Assembly authorized the ANRC to update the plan in 2011
- In 2012, a contractor was selected to coordinate the collection of data
- From 2013 to 2014 the process of public participation was implemented through statewide meetings with an estimated 1,000 contacts from industry, water providers, farmers, and individuals
- In 2015, a report was issued and rules drafted for the main content of the Water Plan followed by public hearings
- In 2015, implementation began on the recommendations in the plan
- In 2016, following completion of public hearings, the draft was formally adopted by the Legislative Council

- The planning horizon in the State Water Plan is 2050

Mr. Swaim described the process ANRC used to update the plan beginning with the collection of data on water demand. ANRC requires an annual report for any amount of groundwater or surface water used above domestic use. The reports from agricultural counties are submitted to Conservation Districts. Reports by industry and municipalities are submitted directly to ANRC. ANRC compiles the data to determine the amount of water used and where it comes from. Data on the supply of water is also reported using physical measuring of groundwater in the state's aquifers by the ANRC, water utilities, and the U.S. Geological Survey in cooperation with Conservation Districts. A stream gauging network provides data on the amount of water in the state's rivers and streams. Data on the amount of stored water is also collected. The data regarding the demand and supply of water is projected out to 2050. Mr. Swaim then discussed the gaps found in the amount of water available versus demand. He said the State Water Plan is over 2,600 pages and is available on ANRC's website, arwaterplan.arkansas.gov. A nine (9) page summary was included in committee members' packets. This summary provides the status of infrastructure issues and maps of specific areas in the state.

Continued Drafting of the Water Provider Task Force Vision Report, Action Report, Suggested Best Practices for Providing New Services, and Other Areas as Specified in Act 1056 of 2017 [Exhibits E, E-1]

Senator Clark recognized Mr. Bennett who reviewed his handout and suggested the content and wording in his handout replace Recommendation 2.d. Task Force members discussed Mr. Bennett's handout. The handout was adopted as amended with edits to be approved at the December 12, 2018, Task Force meeting. Senator Clark referenced Challenge 6 in the Vision Report and opened discussion for suggested wording changes to include implementation and enforcement of requirements of the Arkansas State Water Plan.

Senator Clark recognized Mr. Dawson who discussed a handout with revised content for Challenge 5 and its recommendations. He explained that he, Mr. Fortenberry, Mr. Sternberg, and Ms. Enos reviewed and provided the revised document. After discussion of specific wording on the revised document, Senator Clark recessed the meeting for lunch at 12:45 a.m.

Following the lunch recess, Senator Clark, Co-Chair, called the meeting to order at 1:15 p.m. Senator Clark suggested resuming discussion on Challenge 5 wording beginning with the second paragraph. Senator Clark suggested changes to wording in Challenge 5 to address circumstances where property owners have been denied service. Task Force members continued discussion on the wording throughout Challenge 5.

Ms. Noble suggested the following wording to 5.c. - Establish protocols and practices that eliminate or at least limit the ability of elected or appointed officials to use water as a means to promote political agendas such as the establishment of a separate utility commission or board that operates independently of municipal governance. A water

provider's sole purpose is to provide water; its natural tendency and best management practice is to provide water service to as many customers as possible, barring any capacity, engineering, or written contractual limitations

Senator Clark asked Task Force members to consider a recommendation to provide a consumer appeal process through ANRC or another agency. It was concluded this recommendation would be added to Challenge 5 and request the Legislature to empower ANRC or another agency with rulemaking authority.

Senator Clark told Task Force members that BLR staff will begin drafting proposed legislation based on the recommendations in the Vision Report.

Senator Clark announced that the Task Force will meet December 12, 2018. This will be an all-day meeting.

There being no further business, the meeting adjourned at 2:45 p.m.

DRAFT