

ARKANSAS WATER PLAN COMPLIANCE



Presented to the Water Provider Legislative
Task Force of the Arkansas General Assembly
September 21, 2017

J. Ryan Benefield, P.E.
Deputy Director



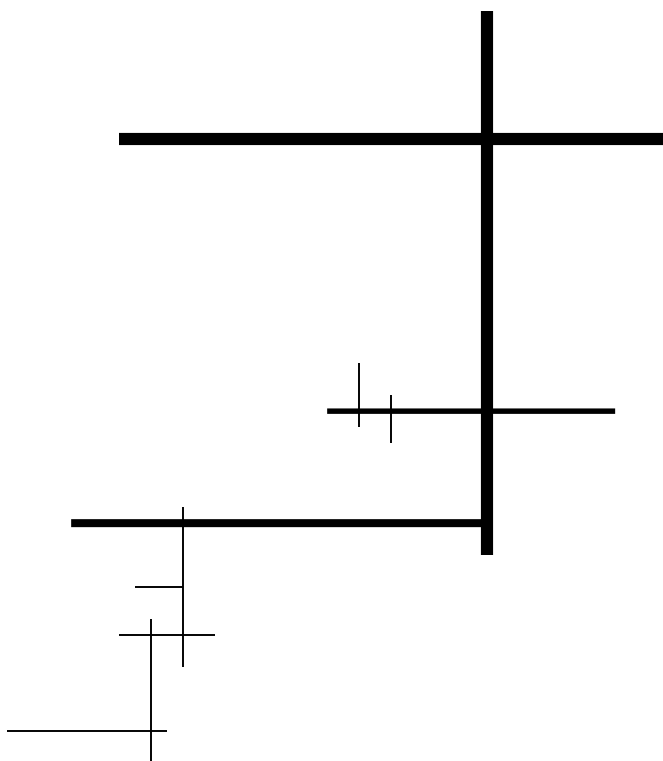
Authority

- Ark. Code Ann. §15-22-503
 - ANRC's has the authority to prepare and oversee compliance with the Arkansas Water Plan. The Arkansas Water Plan is the state policy for the “comprehensive program for the orderly development and management of the state's water and related land resources.”.
 - (e) (1) No political subdivision or agency of the state shall spend any state funds on or engage in any water development project, excluding any water development project in which game protection funds or federal or state outdoor recreation assistance grant funds are to be spent, provided that such a project will not diminish the benefits of any existing water development project, until a preliminary survey and report therefor which sets forth the purpose of the water development project, the benefits to be expected, the general nature of the works of improvement, **the geographic area to be served by the water development project**, the necessity, feasibility, and the estimated cost thereof is filed with the commission and is approved by the commission to be in compliance with the plan.
- Sewer Projects (2011)

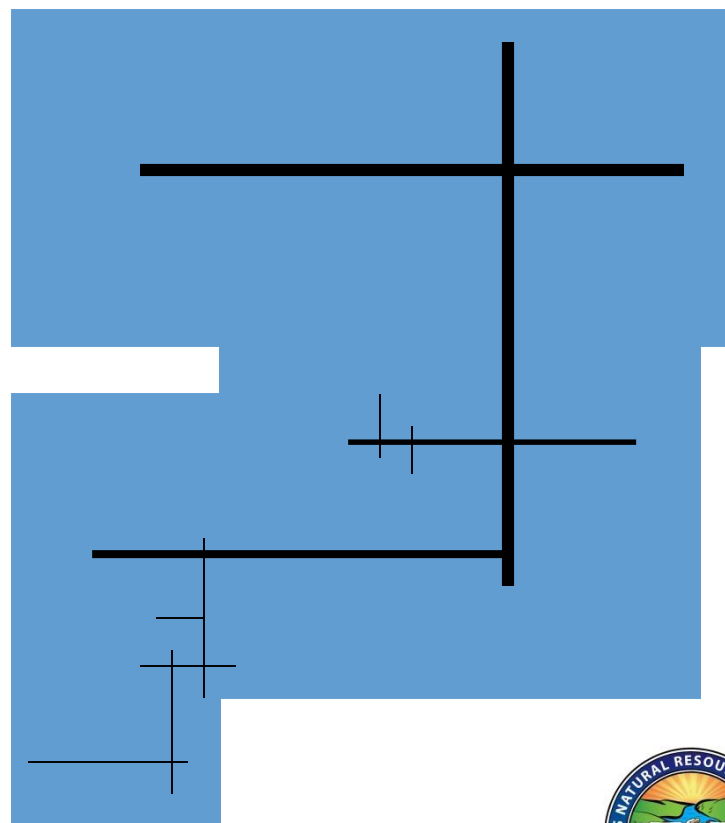


“Project Area”

Old law



New Law



Master Plan Approval - 2007



- Approved under Water Plan Compliance Review
- Must specify a time-frame the applicant plans to construct each phase
- Approved for a period of ten (10) years
- Final Determination on a Master Plan provides the applicant with the presumption that it will construct the projects as set out in the Master Plan during the specified time-frame, to the exclusion of other water providers.
- The Commission may reconsider the Final Determination of a Master Plan when sufficient progress toward implementing the projects has not been made.

Protection of Actual Service Areas

- Territory Swap – A.C.A. 15-22-223
 - State debt - ANRC approval required
 - Portion of debt may have to be repaid by new provider
 - ANRC considers based on these factors:
 - Impact of transfer on ability to repay debt
 - Value, including depreciation, of facilities
 - Expenditures for planning, design, or construction outside area directly and reasonably allocable to area to be transferred
 - Impairment of service or increase in cost to customers
 - Future lost revenues, but only until debt retired
 - Legal expenses and professional fees
 - “Other relevant factors”



Right to Acquire Service Area

- Annexation of Rural System A.C.A. 14-208-102
- May Purchase Annexed Areas
- Must be Approved by ANRC under WPC
 - Proper Value must be established
 - Without Agreement – Circuit Court
- Municipal to Municipal Acquisitions



Sherwood Water Plan Compliance

- ANRC Findings of Fact, Conclusion of Law, and Order
 - Sherwood requested transfer of disputed areas from Jacksonville's service area to their service area
 - The disputed area's are within the city limits of Sherwood.(except area served by Mid Ark Utilities)
 - The disputed areas were approved by ANRC to be within Jacksonville's service area for water service
 - No current water or sewer service is being provided to the residents in the Disputed Area.
 - Jacksonville would provide water and sewer service to the area if the area was annexed into Jacksonville.
 - Sherwood is willing and able to provide service to disputed areas.
 - ANRC transferred the disputed area's (except area served by Mid Ark Utilities) from Jacksonville to Sherwood.

Questions?

