



# ARKANSAS

## ENERGY & ENVIRONMENT

January 6, 2022

Rick Ferguson, President  
Southwest Equity Investments, LLC  
P.O. Box 23670  
Little Rock, AR 72221

RE: Paradise Valley Subdivision WWTP  
NPDES Permit No. AR0053210, AFIN: 60-05010

Dear Mr. Ferguson:

The Division of Environmental Quality (DEQ) is in receipt of the approval letter from Arkansas Department of Health (ADH), dated December 17, 2021, pertaining to the referenced wastewater treatment plant. DEQ is additionally in receipt of updated information supplied by Pollution Management, Inc. (PMI) by email on November 2, 2021. To move forward with processing the permit application, DEQ requests the following additional information:

1. The financial plan required by Arkansas Code Annotated (A.C.A.) § 8-4-203(b)(1)(D) relies on revenue generated through future billing of the Sewer Improvement District (SID) customers. Please provide the final signed and approved formation documents for the SID.
2. A review of the assumptions made in the financial planning documents include a reference to 300–316 residential connections, and a plan to permit and construct additional treatment capacity at that point in time. The design flow specified in the DEQ-issued State Construction Permit, AR0053210C, is 0.05 MGD, which may only have the capability to treat approximately 200 residential customers, estimated using a factor of 250 gallons per home per day. On this basis, a shortfall is presented that will require permit limitations on the number of customer connections. The number of approved connections will be lower than the 300–316 connections presented in the application materials. If additional information is available to justify precise wastewater generation rates or the system's capacity for a greater number of connections, then the additional information and calculations may be presented for consideration. It is acknowledged that the Financial Plan's reliance on a customer billing rate of \$40/month appears to remain solvent with only 200 total connections.
3. According to a letter provided by the Arkansas Department of Parks, Heritage, and Tourism, dated November 4, 2021, there is a large archeological site that will be impacted if the wastewater treatment facility is constructed. The staff at the Arkansas Historic Preservation Program (AHPP) has requested that any negative impacts to the site be considered during the permitting review of the wastewater treatment plant. At this time there is limited information available or provided to DEQ to understand the nature

and extent or location of the referenced archeological site. Please contact the AHPP to develop additional documentation, such as maps or narratives discussing the type and proximity of these interests and to develop a satisfactory plan for the site development. All submitted documentation and plans must satisfy the regulatory requirements of both the AHPP and DEQ.

4. In accordance with A.C.A. § 8-4-203(b)(1)(A):

*The division shall not issue, modify, renew, or transfer a National Pollutant Discharge Elimination System permit or state permit for a nonmunicipal domestic sewage treatment works without the permit applicant first:*

*(iii) Certifying that the permit applicant has complied with applicable local ordinances and regulations, including without limitation:*

- (a) Local zoning ordinances;*
- (b) Local planning authority regulations; and*
- (c) Local permitting requirements.*

- a. Information submitted by the applicant indicates there are local floodplain permit(s) pending local review and final issuance. Please provide an update on the floodplain permitting process and a copy of the final permit(s) when all required permit(s) have been approved.
- b. It is unclear if all local planning board approvals are final and in place. Please provide a copy of all final approved subdivision plats approved by Pulaski County. Please provide the status of any pending plat submittals or any other ongoing reviews pending with the county.
- c. The subdivision plats provided did not contain a plat for the location of the wastewater treatment facility itself. Is there an additional final approved plat that includes the wastewater treatment facility location? Please provide documentation of the approved plat or explanation of the status of any required approvals for the wastewater treatment facility property.

In order to continue and complete the permitting process, and acknowledging the previous and above-listed discrepancies in the application, DEQ has determined that an additional thirty-day (30-day) public comment period is necessary in order to provide opportunity for public review and comment. This determination is made in consideration of the new application information recently provided that was not originally included in the permitting record at the time of the previous draft decision announcement. If there is any other information pertinent to this permitting decision based on this request or regarding the facility, you may supply it with your response to this request and it will be considered for the forthcoming permitting decision. When the requested final information is submitted, and a new draft decision is completed, DEQ will announce the new comment period through an additional newspaper public notice as specified by APC&EC Rule 8, *Administrative Procedures*.

If you have any questions concerning this matter, please feel free to contact the Office of Water Quality at (501) 682-0656.

Sincerely,

A handwritten signature in black ink that reads "Bryan Leamons". The signature is written in a cursive style with a long horizontal stroke at the end.

Bryan Leamons, P.E.  
Senior Operations Manager  
Office of Water Quality, Division of Environmental Quality  
5301 Northshore Drive, North Little Rock, AR, 72118

cc: Rick Ferguson, Responsible Official: [rickferguson777@gmail.com](mailto:rickferguson777@gmail.com)  
Doug Ford, P.E., Consulting Engineer: [dford@pmico.com](mailto:dford@pmico.com)