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December 10, 2015

Ms. Tammie J. Hynum, Chief
Hazardous Waste Division
Arkansas Department of Environmental Quality
5301 Northshore Drive
North Little Rock, 72118-5317

Re: Supplemental Environmental Projects (SEP) Proposal
ExxonMobil Pipeline Company – Pegasus Pipeline Incident
Mayflower, Faulkner County, Arkansas

Dear Ms. Hynum:

In accordance with the ExxonMobil Pipeline Company / Mobil Pipe Line Company Consent Decree (CD) entered August 12, 2015, Civil Action No. 4:13-cv-0355, Paragraph 20 and Attachment 2, please find enclosed the Supplemental Environmental Projects (SEP) proposal for the Pegasus Pipeline incident that occurred on or about March 29, 2013, near Mayflower, Faulkner County, Arkansas. This SEP proposal conforms to the requirements of the CD provisions identified above. Upon preliminary approval of this SEP Proposal by ADEQ, ExxonMobil Pipeline Company will begin development of the detailed SEP Plan.

If you have any questions or require any additional information regarding the attached proposal, please feel free to contact Mr. Brian Magruder at 713-898-5736.

A handwritten signature in black ink, appearing to be "M.C. Bouchard", written over a horizontal line.

M.C. Bouchard, Manager
Safety, Security, Health and Environment Department

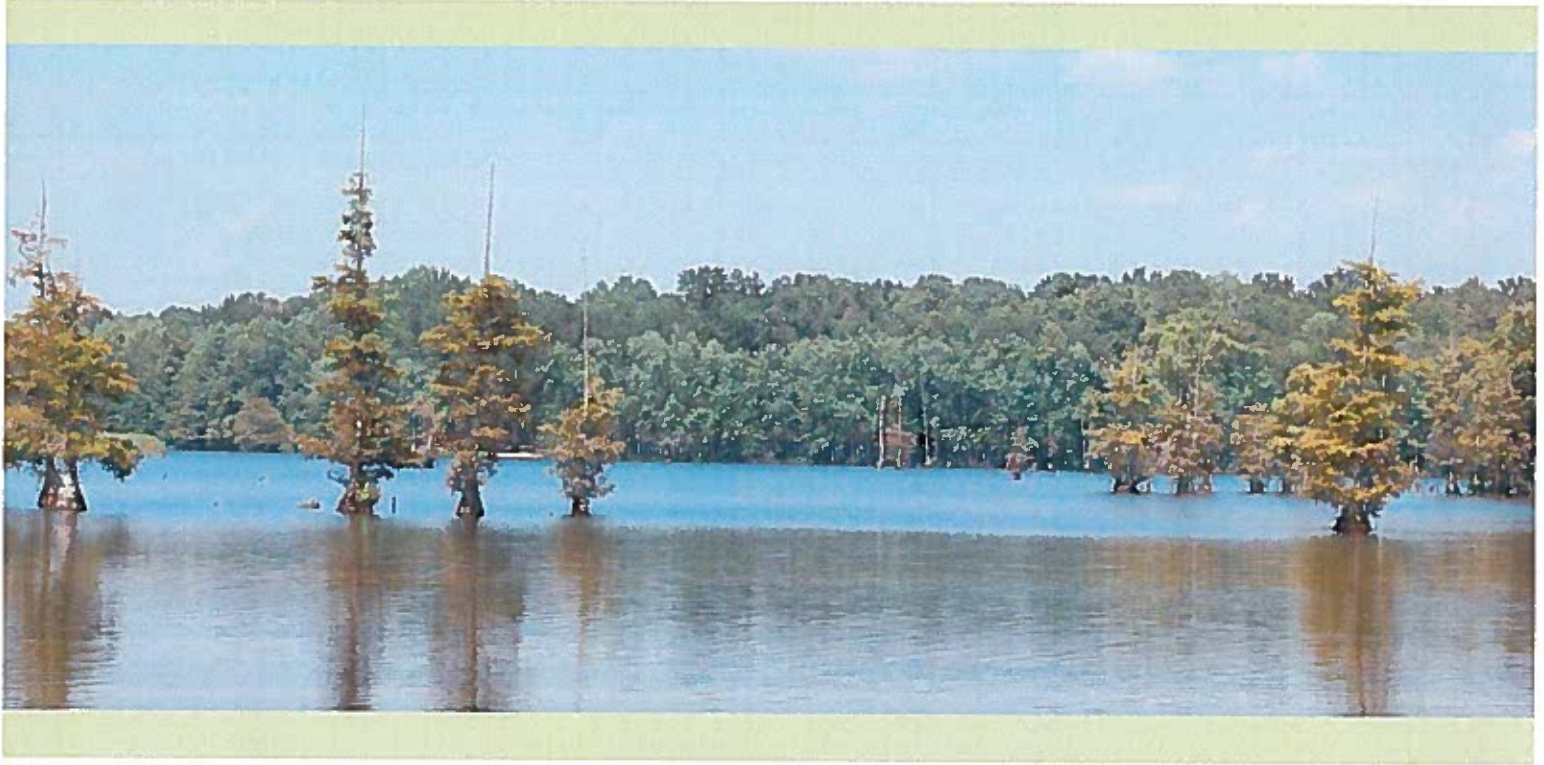
Enclosure

c - w / enclosure:

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W.G. Sint

Proposal for Supplemental Environmental Projects

Mayflower and Lake Conway, Arkansas



Prepared for

Arkansas Department of Environmental Quality

5301 Northshore Drive

North Little Rock, Arkansas 59620-0901

Prepared by

ExxonMobil Pipeline Company

22777 Springwoods Village Parkway

Spring, Texas 77389

Submitted

December 10, 2015

ExxonMobil

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Proposal for Supplemental Environmental Projects

Mayflower and Lake Conway, Arkansas

Introduction

This document proposes several Supplemental Environmental Projects (SEPs) intended to benefit the communities and watershed most affected by the Pegasus Pipeline incident that occurred in Mayflower, Arkansas in March 2013. Under a Consent Decree (CD; Docket No. 4:13-cv-0355) negotiated between ExxonMobil Pipeline Company / Mobil Pipe Line Company (EMPCo), U.S. Environmental Protection Agency (USEPA), and Arkansas Department of Environmental Quality (ADEQ), EMPCo agreed to fund \$600,000 of SEPs in compliance with Section VII Paragraph 20 of the CD. This SEP Proposal (Proposal) also incorporates input provided by ADEQ during planning meetings and additional emails and telephone calls with EMPCo. As required by the CD, this SEP Proposal is submitted to ADEQ within 120 days after the effective date of the CD, which is August 12, 2015.

As stated in the CD, this Proposal is the first step in the planning process to develop feasible and approvable projects that directly benefit the community of Mayflower and Lake Conway water quality, while also benefiting Faulkner County and the people and environment of Central Arkansas. Based on EMPCo's current understanding of CD and ADEQ SEP policy requirements, and including written and verbal feedback from ADEQ, we believe the proposed SEPs described in this Proposal fully comply with the CD and are therefore approvable by ADEQ. Specifically, the proposed SEPs are CD and ADEQ SEP and Proposal Guidelines (SEP Guidelines) compliant, technically and administratively feasible, cost efficient, and satisfy EMPCo's requirement to provide \$600,000 in grant funding for new or existing projects or programs sponsored by qualified established third parties. Grant funding will be covered by written agreements between EMPCo and the funding recipients stipulating that funding must be used for the approved SEPs.

As required by the CD, this Proposal describes the proposed SEPs; identifies the proposed third party recipients of SEP funding and their qualifications to perform the SEPs; identifies how the SEPs meet the criteria of the CD; sets forth a proposed implementation schedule, including anticipated performance and funding milestones; and includes a proposed budget and payment schedule.

After ADEQ reviews and preliminarily approves SEP project concepts at the level of detail discussed in this Proposal, EMPCo will submit (within 120 days after ADEQ preliminary approval) a detailed SEP Plan to further describe the scope of each approved SEP and how projects will be funded to satisfy EMPCo's obligation under the CD. The SEP Plan will also include more fully developed cost estimates/budgets, anticipated implementation (funding) milestones, identities and qualifications of each third-party partner, and descriptions of how each SEP meets the criteria of the CD. After the SEP Plan is submitted and approved, EMPCo will provide to ADEQ bi-annual progress reports and, upon SEP completion, a SEP Completion Report to verify that the SEPs were funded in the total amount of \$600,000.

Approach to Developing Compliant / Approvable SEPs

More than 40 candidate project concepts were identified and broadly considered and then more closely reviewed, evaluated, and screened against CD criteria and SEP Guidelines to determine which concepts were potentially most feasible, compliant, and of most benefit to the Mayflower community, Lake Conway, and its watershed. Input from local stakeholders within Mayflower and the Lake Conway watershed were combined with independent research and other similar experience.

Proposal for Supplemental Environmental Projects

Mayflower and Lake Conway, Arkansas

Several project concepts emerged and were then further refined through assessment of potential scope, feasibility, estimated cost, readiness for implementation, and other critical screening factors such as benefit to Mayflower and overall focus on environment, water quality, or Lake Conway. Specifically, the screening and concept development process involved these steps that culminated in the SEPs described in this Proposal:

- **Identify candidate projects and sponsors** – A wide range of project concepts and associated potential third party funding recipients (SEP sponsors) were identified from initial research of readily available public information sources and other input provided by local and other stakeholders. In addition to guidance from ADEQ, EMPCo gathered input or accessed information from dozens of relevant sources, including the City of Mayflower (Mayor Randy Holland), Arkansas Game and Fish Commission (AGFC), University of Central Arkansas (UCA), University of Arkansas (including UA Cooperative Extension Service), Lake Conway Point Remove (LCPR) Watershed Alliance, Lake Conway Homeowners Association (LCHOA), City of Conway, The Nature Conservancy of Arkansas, Arkansas Association of Conservation Districts, USDA Natural Resources Conservation Service (NRCS), and others. EMPCo also utilized internal resources and expertise at the local, regional, and national levels to help identify projects in keeping with its own priorities of investing in efforts that are high value, long lasting and, in this case, of direct benefit to the local community and affected environment.

EMPCo presented its planned approach to ADEQ during the SEP process kickoff meeting held at ADEQ's North Little Rock headquarters. The meeting was also attended by AGFC. At that time, EMPCo communicated its understanding of the CD requirements and discussed with ADEQ and AGFC example concepts from each of the five categories or types of projects listed as appropriate projects in the SEP Guidelines:

- a. Environmental restoration/protection projects
 - b. Pollution prevention/reduction projects
 - c. Environmental regulatory compliance/technical assistance projects
 - d. Environmental education/assistance projects
 - e. Other environmental projects beneficial to the community
- **Screen and select feasible and compliant SEPs with qualified sponsors** – Additional screening of the initial candidate list of potential projects and sponsors was conducted to evaluate how well each complied with or could comply with CD and ADEQ criteria for approvable SEPs. Specifically, Paragraphs 2 and 4 of CD Attachment 2 require that each proposed SEP comply with the criteria listed below. Each project proposed herein was carefully and thoroughly evaluated and screened against these criteria and related eligibility considerations listed in the SEP Guidelines.
 - a. All SEPs shall directly or indirectly benefit Lake Conway, located in Faulkner County, Arkansas and/or its watershed, with a preference for projects designed to improve the water quality of Lake Conway and/or its watershed.

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- b. All SEPs shall prevent pollution, reduce or mitigate the amount of pollutants reaching the environment, enhance the quality of the environment, or contribute to public awareness of environmental matters.
- c. The cumulative total cost of all SEPs shall not exceed the amount of money required by Paragraph 19 of the Consent Decree (\$600,000.00).
- d. All SEPs shall be completed within 3 years from approval of the SEP Plan pursuant to Paragraph 3 of CD Attachment 2. The SEPs shall be deemed complete once the total funding for the SEPs has reached \$600,000, regardless of the status of the work being performed by the approved third parties.
- e. All SEPs shall fund new or existing projects or programs sponsored by qualified established third parties to the extent that such projects or programs meet these criteria. EMPCo shall have no obligation to guarantee or ensure the performance of the SEPs by any approved third-party partner. Once the SEP Plan is approved, EMPCo's sole obligations shall be to fund the SEPs in accordance with the SEP Plan.
- f. No SEP that is otherwise required by any federal, state, or local law or regulation or by any other agreement, grant, or injunctive relief shall be considered.

Approximately 20 project concepts were retained for more detailed consideration and relative ranking after this screening step. These 20 project concepts became the "short list" of likely most beneficial, feasible, compliant, and effective projects to develop in more detail (e.g., scope, benefits, costs, schedule). Based on that assessment, EMPCo reviewed a short list of eight candidate projects (and sponsor qualifications) with ADEQ at a subsequent meeting at ADEQ's headquarters offices in North Little Rock. That consultation coupled with more detailed discussion with key sponsors (i.e., City of Mayflower, UCA, LCPR Watershed Alliance, AGFC) assisted EMPCo in refining candidate projects down to the four most viable, beneficial, and locally supported projects described in this Proposal.

- **Develop preliminary scope, budgets, and schedule milestones for selected SEPs** – The four projects retained were developed in more detail and in closer consultation with potential sponsors of each project. The sponsors and experienced subject matter experts were consulted to further evaluate project benefits (community and environmental) and feasibility (technical and administrative), develop preliminary grant funding targets/budgets (to be refined in the SEP Plan), review project sponsors, and discuss how each project could be implemented and what resources and time would be required. Potential partnering or supporting organizations were also contacted for information, opinions, case examples, and other input needed to increase the level of certainty about project scope, benefits, costs, schedule, sponsors, and probability of successful implementation. These and other attributes of the four proposed SEPs are described in this Proposal.

It is important to note that all project details in this Proposal are preliminary, conceptual, and subject to further refinement during the SEP Plan phase of work, as stipulated in the CD. For example, the scope, scale, or funding for some projects may be modified (in consultation and with approval by ADEQ) during SEP Plan development or prior to SEP funding based on new information or issues that may arise or to optimize a project's benefits and effectiveness.

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Each SEP sponsor understands that preliminary budgets may change during the 120-day SEP Plan development process, and EMPCo will work closely with ADEQ and all sponsors to determine appropriate grant funding levels and contingency plans in case circumstances change.

Preliminary general estimates related to funding amounts and when funding will be provided to sponsors is included in this Proposal. EMPCo will work closely with sponsors so that more refined estimates of funding milestones can be provided in the SEP Plan.

- **Prepare SEP Proposal and submit to ADEQ** – Submitting this Proposal to ADEQ by December 10, 2015 is compliant with Paragraph 3.a. of CD Attachment 2 that requires the Proposal to be submitted within 120 days after the effective date of the CD (August 12, 2015). In accordance with the CD, ADEQ has 30 days (to January 9, 2016) to then review and “preliminarily approve or disapprove” the SEP Proposal (Paragraph 3.c.). Within 120 days after the preliminary approval of the project proposal by ADEQ, EMPCo will propose a SEP Plan to the State incorporating the preliminarily approved SEPs (Paragraph 3.d.) as well as a provision concerning periodic reporting. A SEP Completion Report, along with all appropriate technical and accounting documentation, is to be submitted to ADEQ 60 days after SEP completion (issuance of all grant funds) but no more than 3 years after approval of the SEP Plan (currently estimated on or before approximately June 10, 2019).

Should ADEQ have questions that are not addressed in this Proposal, additional information will be provided upon request. As described above, each proposed project is supported and encouraged by one or more sponsor, and additional project details will be further developed and defined in the SEP Plan.

Finally, and as required by Paragraph 2.f. of CD Attachment 2, EMPCo certifies that, to the best of its knowledge, the projects included in this Proposal are compliant with the CD and no SEP is otherwise required by any federal, state, or local law or regulation or by any other agreement, grant, or injunctive relief. As required by Paragraph 9 of CD Attachment 2, any prepared public statement (oral or written in print, film, or other media) made by EMPCo or SEP funding recipients will include this statement: “This project was undertaken in connection with the settlement between the State of Arkansas, the United States, ExxonMobil Pipeline Company, and Mobil Pipe Line Company.”

Proposal for Supplemental Environmental Projects
Mayflower and Lake Conway, Arkansas

Proposed Supplemental Environmental Projects

Proposed SEPs that provide broadly supported water quality and other environmental benefits within the community and watershed, while also best fulfilling the City of Mayflower's stated priorities for community recovery and enhancement are:

- "Heart of Mayflower" Community Center Environmental Enhancements Grant
- Lake Conway Nature Center and Water Science Living Laboratory Grant
- Water Quality Education and Stone Dam Creek Planning Grant
- Water Quality Monitoring Stations and Community Involvement Grant

Results of the proposed project screening process leading to selection of the four SEPs and qualified sponsors ready to implement these projects are summarized in the table below and described in more detail in the following sections of this Proposal. Sponsor organization input and EMPCo's evaluation to date show that these SEPs have merit as individual projects as well as an inter-related portfolio of activities that will generate broad community and environmental benefits in Mayflower and across the watershed. Moreover, the City of Mayflower, UCA, LCPR Watershed Alliance, and AGFC share similar priorities, and these projects will give each organization even greater opportunity to share ideas, resources, and outcomes for their constituencies and the Central Arkansas region on an ongoing basis.

Summary of Proposed SEPs Retained through the Screening Process				
Proposed SEP	Qualified Sponsor	Primary Benefits	Grant Budget Estimate	Potential Funding Milestone
"Heart of Mayflower" Community Center Environmental Enhancements Grant	City of Mayflower	Focus on Mayflower, pollution prevention, environmental education, other community benefits	\$420,000	Within 12 to 18 months of SEP Plan approval
Lake Conway Nature Center and Water Science Living Laboratory Grant	City of Mayflower	Focus on Mayflower, environmental education, technical assistance, other community benefits	\$80,000	Within 12 to 18 months of SEP Plan approval
Water Quality Education and Stone Dam Creek Planning Grant	UCA	Focus on watershed/water quality, pollution prevention, environmental restoration, environmental education, other community benefits	\$40,000	Within 6 to 12 months of SEP Plan approval
Water Quality Monitoring Stations and Community Involvement Grant	LCPR Watershed Alliance	Focus on watershed/water quality, pollution prevention, technical assistance, environmental education, other community benefits	\$60,000	Within 6 to 12 months of SEP Plan approval
Total Preliminary Cost Estimate for Proposed SEPs:			\$600,000	

Notes:

- Project cost estimates and associated grant funding budgets and milestones are preliminary and conceptual and include contingencies. Actual costs and schedules may vary and will be developed in more detail with sponsors for the SEP Plan.
- If any of the SEPs in this Proposal are determined to be infeasible for technical, cost, or other reasons beyond EMPCo's control, EMPCo may request ADEQ approval to direct funds to another approved SEP or an alternative SEP via a process to be described in the SEP Plan.

Proposal for Supplemental Environmental Projects Mayflower and Lake Conway, Arkansas

Proposed SEPs are described briefly below. Description and purpose of proposed grant funding is explained, as is type of project, preliminary approximate funding estimate, expected results and benefits, and preliminary notes on implementation. The proposed qualified sponsor for each SEP is also described.

Two alternative SEPs are listed at the end of this section. Should one or more of the Proposed SEPs become infeasible prior to issuance of funding grants, EMPCo may request ADEQ approval to direct remaining funds to another approved SEP or to an alternative SEP, as described in the SEP Plan.

SEP 1: “Heart of Mayflower” Community Center Environmental Enhancements Grant

Since the 2013 pipeline incident and 2014 tornado in Mayflower, Mayor Holland and residents have joined with experts from the University of Arkansas Community Design Center, University of Arkansas Little Rock’s Institute for Economic Advancement, and others to develop a long-term community recovery plan. The plan’s overall goal is to help Mayflower become a more resilient, vibrant, and sustainable community. Specifically, the plan addresses economic development potential, housing and neighborhood priorities, school and community facility needs, infrastructure improvement options, and education/awareness opportunities.

The symbolic centerpiece and practical starting point of the recovery plan is a multi-function “Heart of Mayflower” Community Center to be built at an existing location within the City’s municipal complex. The local school district is partnering with the city, and through a series of public meetings, the project has broad support from City of Mayflower residents, City Council, local/state elected officials, and other funding sources that will combine to make the project a reality.



This project will integrate water quality best management practices and environmental education features into the planned multi-function “Heart of Mayflower” Community Center to be built in the City’s municipal complex. Shown here is the potential location of the Community Center, placed in context of the long-term redevelopment plan.

Project Description

Inspired in part by the successes demonstrated at Heifer International headquarters in Little Rock and similar examples of low impact, sustainable building and grounds, this SEP will provide grant funding to add environmental enhancements to the City of Mayflower’s planned community center project. Enhancements envisioned at this stage of SEP development include integration of pollution prevention and water/energy conservation best management practices (BMPs) into the building design and surrounding grounds. Other enhancements focus on creating designated space in and around the building for watershed, water quality, and other environmental education and awareness displays and programming for the community and others.

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The EMPCo grant will support at least two types of pollution prevention and water/energy conservation BMPs, including these preliminary concepts and potentially others that will be developed in more detail with the City and its architect prior to submittal of the SEP Plan:

- **Integrate several site/grounds BMPs** – For example, construct a permeable surface parking lot and create stormwater catchment basins that trap sediment while creating small aquatic/wetland habitats with native plants to encourage wildlife, birds, and pollinators.
- **Integrate building design BMPs** – For example, capture and reuse rainwater, install water and energy saving fixtures, include passive solar heating during cooler weather, and look for other components that create a tangible benefit while creating educational opportunities as practical demonstration BMPs designed to protect the environment.

The EMPCo grant is also expected to fund creation of space within the community center devoted to water quality and watershed education and awareness. While currently in the early planning stages, working with UCA and/or other subject matter experts, the area may feature display panels (or other engaging elements) with environmental themes and will be outfitted with technology for wildlife observation via webcams at the waterfront Lake Conway Nature Center pavilion. Enthusiastically requested by Mayor Holland, the space will also feature capability for remote presentations or simulcasts (via Internet) by experts outside the area, and lockable storage for Arkansas Innovation Hub activities/equipment to encourage science, technology, engineering, and math (STEM) projects for youth and adult learners within the community and across Central Arkansas.

To highlight appropriate stormwater pollution prevention BMPs and other relevant and practical activities, indoor and outdoor areas could also integrate watershed awareness features such as rain collection barrels, rain garden display, model of the Lake Conway watershed, light-up interactive water cycle display, or a map that shows how stormwater travels to Lake Conway from around the watershed via runoff, storm sewers, and creeks.

Sponsor/Third-Party Funding Recipient

The City of Mayflower will serve as sponsor, with Mayor Randy Holland serving as the primary point of contact and project manager unless and until he appoints another representative. This sponsor is well qualified for receipt and responsible administration of the EMPCo grant, and the City has tremendous experience in soliciting, proposing, and successfully implementing grants. The City is currently working with a qualified architect that has a demonstrated track record for designing, integrating, and constructing water quality and environmental BMPs into buildings and grounds.

Mayor Holland's contact information is:

Honorable Mayor Randy Holland
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Mayflower, Arkansas 72106
Phone: 501-470-0244
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Proposal for Supplemental Environmental Projects

Mayflower and Lake Conway, Arkansas

Geographic Area and Expected Environmental Benefits

The community center is at the heart of a much larger vision developed by the City and its partners for the long-term recovery and sustainable development of the community as it rebuilds in the wake of the 2014 tornado that heavily impacted parts of the City. Mayor Holland has worked closely with Metroplan, Jumpstart Arkansas, Faulkner County Judge Jim Baker, the Mayflower City Council, Mayflower Public School District, and many others to build consensus around the benefits a community center project will provide as the starting point and symbolic “Heart of Mayflower” in the recovery and redevelopment plan. The community center is the number one community need in the City’s redevelopment plan. Funding provided through this SEP will enhance the project by integrating value-added, practical, and educational environmental enhancements.

The geographic focus of this SEP is the City of Mayflower. The preliminary location the City is considering for the community center is on a City-owned and vacant lot within the center of the municipal complex (thus, one origin of the term “Heart of Mayflower”). The specific location may change but is planned to be easily accessible to school children and the entire community. Indeed, one vital function of some portion of the planned structure is a storm shelter large enough to protect resident families during severe storms or other emergency. The doors will unlock when storm sirens sound, providing 24/7 quick access to members of the community who need it.

This is also an ideal location to implement and demonstrate to the community practical water quality, water/energy conservation, and other BMPs that benefit the community, environment, and Lake Conway watershed. The indoor and outdoor BMPs are intended to provide direct environmental benefit as well as educate and inspire visitors to duplicate them for home and small business scale implementation.

The building, grounds, and dedicated environmental education space will be available for educational programs featuring the BMPs and other themes for and on behalf of constituencies such as local families, school groups, AGFC, UCA, UA Cooperative Extension, and the Innovation Hub. The multi-function building and meeting space could also be used for LCPR Watershed Alliance meetings and other events.

Anticipated Grant Budget and Funding Milestones

Approximately \$420,000 in grant funding is anticipated for this SEP, which is based on preliminary conceptual drawings and cost estimates provided by the City. This estimate also considers what level of funding is required to provide a “critical mass” large enough to successfully design, integrate, and construct the planned indoor and outdoor BMPs, educational features, and necessary related structures/infrastructure.

The City of Mayflower believes it is feasible to construct the community center within approximately 3 years. Once funding for this SEP is provided, the SEP is considered complete pursuant to the CD; the CD does not require EMPCo to remain involved or guarantee full implementation of the project by the sponsor after funding is issued (CD Attachment 2, Paragraph 4). The City and EMPCo believe that the project will be sufficiently developed with the architect and other partners to allow issuance of the EMPCo grant within approximately 12 to 18 months after ADEQ approval of the SEP Plan. The goal is to provide funding in a timely manner to facilitate project development and implementation.

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SEP 2: Lake Conway Nature Center and Water Science Living Laboratory Grant

There are approximately 52 miles of Lake Conway shoreline, yet there is no public lake access available in Mayflower. The Lake Conway Nature Center will better connect the City of Mayflower with Lake Conway and its watershed by providing a unique mix of traditional and virtual informational and educational tools.

The Lake Conway Nature Center will also serve as a satellite learning center connecting the Community Center and schools in Mayflower (and within the region) via internet and hands-on programming. As an integrated whole, the Community Center will serve as a meeting/educational area and feature demonstration BMPs, while the Nature Center provides opportunities for hands-on educational encounters with the lake, water science/ecology, and local ecosystems by residents, school children, universities and community colleges, government agencies, non-profit organizations, and others.



This example of a Nature Study Shelter and Water Science Station operated at an Audubon Society preserve illustrates one possible configuration for a pavilion to be constructed on or near Lake Conway to provide hands-on water quality and lake ecology educational programming for Mayflower and other communities.

Project Description

This SEP grant will provide funding for an open pavilion structure or “Nature Study Shelter” to house space and secured equipment storage for a “Living Laboratory” or “Water Science Station”. Educational equipment will include items such as water test kits, seine nets, examination trays, magnifying glasses, and other things useful for school field trips and community programs. Outdoor displays or engagement panels could also be integrated at the site to educate participants, anglers, boaters, and other visitors about the lake/watershed and water quality improvement. It’s anticipated that the Nature Center pavilion will also be used as an outdoor classroom and living laboratory by the LCPR Watershed Alliance, AGFC Stream Teams, college groups, school groups, scouting groups, and many others.

The Nature Center pavilion will be linked to the “Heart of Mayflower” Community Center through a waterfront audio/video webcam. This will allow “virtual” bird watching and other wildlife observation, a visual link to the lake during Community Center activities, and facilitate presentations or waterfront activities to be digitally streamed/broadcast to local schools and beyond. Although the City has not yet indicated to EMPCo who will design the pavilion, signs, and water science station, we believe this represents an opportunity for all three SEP sponsors (i.e., Mayflower, UCA, LCPR Watershed Alliance) to work with other local and relevant organizations (e.g., AGFC, others) to design the facilities and educational programming.

Proposal for Supplemental Environmental Projects

Mayflower and Lake Conway, Arkansas

Sponsor/Third-Party Funding Recipient

The City of Mayflower will serve as sponsor, with Mayor Randy Holland the primary point of contact and project manager, unless and until he appoints another representative. As previously stated, this sponsor is well qualified for receipt and responsible administration of the EMPCo grant. The Lake Conway Nature Center is an important cornerstone project that aligns well with Mayor Holland's larger vision for creating an environmentally aware and sustainable community. Ultimately, day-to-day use and programming may be co-managed with a partner such as UCA or AGFC, but the focus of this SEP and its many benefits is on the City of Mayflower.

Mayor Holland's contact information is:

Honorable Mayor Randy Holland
2 Ashmore Street (PO Box 69)
Mayflower, Arkansas 72106
Phone: 501-470-0244
Email: randy.holland@mayflowerar.org

Geographic Area and Expected Environmental Benefits

Three potentially suitable locations for the Nature Center and Water Science Living Laboratory have been identified for further exploration during development of the SEP Plan. The goal is to identify a small parcel (~1 acre) that is either owned by a willing partner or that can be obtained at low cost through an easement, lease, or purchase. Possible locations include the existing lakefront wayside along Highway 89 (across the bridge east of Dawson Cove) that is already used by local anglers and boaters, at or near the Lake Conway dam, at an existing AGFC boat launch/access site, or along Dawson Cove.

The primary benefit of this project is the experiential and virtual environmental educational opportunities it will provide to connect with Lake Conway and the watershed. This facility will be the first of its kind on Lake Conway and near the City of Mayflower accommodating a broad audience for connecting more directly with the lake and lake ecology.

Anticipated Grant Funding and Implementation Milestones

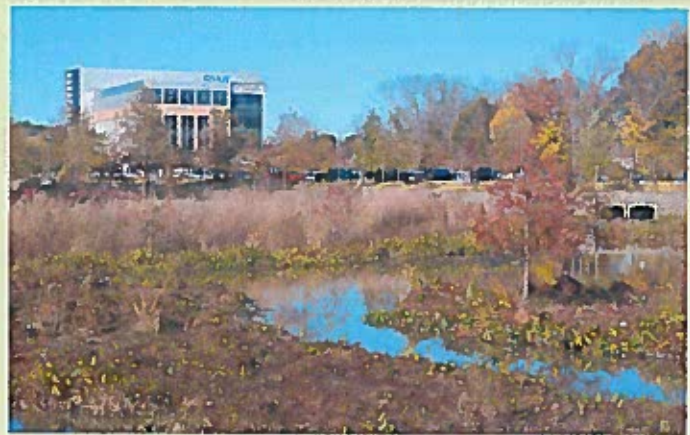
Approximately \$80,000 in grant funding is anticipated for this SEP. This cost estimate is based on preliminary conceptual design and includes costs to either purchase or otherwise acquire rights to a suitable parcel.

The City believes it is feasible to construct the nature center within approximately 1 to 2 years. Once funding for this SEP is provided, the SEP is considered complete pursuant to the CD; the CD does not require EMPCo to remain involved or guarantee full implementation of the project by the sponsor after funding is issued (CD Attachment 2, Paragraph 4). The City and EMPCo believe the project will be sufficiently developed with other partners to allow issuance of the EMPCo grant within approximately 12 to 18 months after ADEQ approval of the SEP Plan. The goal is to provide funding in a timely manner to facilitate project development and implementation.

Proposal for Supplemental Environmental Projects Mayflower and Lake Conway, Arkansas

SEP 3: Water Quality Education and Stone Dam Creek Planning Grant

Stone Dam Creek runs through the UCA campus and is a major tributary flowing into Lake Conway. It is classified as an impaired waterway on the Clean Water Act 303(d) national list of impaired waters as a result of summer fish kills, high water temperatures, dense algae, and the lack of critical shade and habitat. For years, UCA biology professors have studied the water quality and ecology of Stone Dam Creek and implemented small-scale restoration projects. The creek and its challenges and opportunities also serve as a focus of experiential learning by students, residents, and the community at large.



University of Central Arkansas plans to conduct a feasibility study to evaluate options for creation/restoration of a wetland on Stone Dam Creek that flows into Lake Conway. The project is inspired by the example shown above from Hendrix College in Conway. This SEP also includes funding for an educational riverwalk on Stone Dam Creek and a riparian corridor management plan for the creek.

Project Description

This SEP will provide funding for a Water Ecology Riverwalk along Stone Dam Creek.

Signs will be placed along the existing pedestrian trail noting the reemergence of habitat features in the area and the benefits of more natural stream systems within urban settings. The Riverwalk will also include an outdoor classroom space to provide students, researchers, and others more diverse and hands-on learning opportunities.

This SEP will also fund UCA's planned Wetland Restoration Feasibility Study to explore the ecological benefits of creek restoration for a segment of Stone Dam Creek. Wetland restoration would be aimed at enhancing flood control on campus and downstream, reducing nutrient and sediment loading into Lake Conway, encouraging biodiversity, and providing an area for educational experiences.

Funding for a Riparian Corridor Management Plan to protect restoration work already completed on Stone Dam Creek is also included in this SEP. Currently UCA is considering dredging the stream and managing aquatic and riparian vegetation to improve habitat function and improve aesthetics. Creating best management practices for this urban stream will help set standards for other urban waterways on the UCA campus and in the City of Conway.

Sponsor/Third-Party Funding Recipient

UCA professors and students provided support to Mayflower and recovery efforts during the 2013 incident in several ways. This SEP will help UCA continue its service to the community. UCA will serve as sponsor for this SEP, with Department of Biology Professor Katherine Larson serving as the project manager and primary point of contact. Professor Larson and her colleagues at UCA have successfully administered grants and performed related work on Stone Dam Creek, including coordinating a Stream Teams clean up event on Earth Day.

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Professor Larson's contact information is:

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Email: klarson@uca.edu

Geographic Area and Expected Environmental Benefits

The primary purpose of this Project is to fund UCA's completion of two key planning studies that will lead to prioritized creek improvements. The Project will also put water quality education facilities in place along the creek for immediate use by students, the community, and others.

Stone Dam Creek is located next to some of the most highly visible areas of the UCA campus, including Reynolds Performance Hall and Arkansas Educational Television Network. While the Riverwalk and outdoor classroom contribute to academic vitality for students and professors, this area is beneficial to the Conway and local/regional community as well. The City of Conway plans to connect the UCA trail along Stone Dam Creek to an existing municipal trail to provide running, walking, stroller, wheelchair, and bike access along the creek and proposed wetland to the community. Creating and/or restoring a wetland and enhancing Stone Dam Creek also will prevent pollution, reduce stream quality impairments, and in turn improve the water quality of Lake Conway. These outcomes will improve lake ecology and benefit for all who live near or recreate on the lake.

Anticipated Grant Funding and Implementation Milestones

A grant of \$40,000 will be provided to UCA for completion of the three specific project components comprising this SEP. This amount is based on preliminary plans and cost estimates provided by UCA and includes costs to construct the Water Ecology Riverwalk and outdoor classroom, as well as complete the Wetland Restoration Feasibility Study and the Riparian Corridor Management Plan.

UCA believes it is feasible to implement the three specific projects that comprise this SEP within approximately 1 to 2 years. Once funding for this SEP is provided, the SEP is considered complete pursuant to the CD; the CD does not require EMPCo to remain involved or guarantee full implementation of the projects by the sponsor after funding is issued (CD Attachment 2, Paragraph 4). UCA and EMPCo believe the project will be sufficiently developed to allow issuance of the EMPCo grant within approximately 6 to 12 months after ADEQ approval of the SEP Plan. The goal is to provide funding in a timely manner to facilitate project development and implementation.

SEP 4: Water Quality Monitoring Stations and Community Involvement Grant

The LCPR Watershed Alliance is supported by 18 different community groups, landowners, community members, and other stakeholders. The Alliance recently developed a LCPR Watershed Management Plan that lists goals for the watershed; goals include the need for future water quality studies, installing water quality monitoring stations, establishing demonstration BMPs in the watershed, and increasing public participation in watershed related activities. The Watershed Management Plan was then submitted to USEPA for review and approval.

Project Description

This SEP will fund equipment for two new water monitoring stations: one on Little Creek just south of Conway and one below the Lake Conway Dam. LCPR Watershed Alliance personnel have indicated to EMPCo that the Alliance is currently working on defining what specific type of monitoring equipment will best meet the needs of

the Alliance and other organizations that will use the resulting data. For example, the Alliance is considering a fully automated stream gage compliant with standards set by U.S. Geological Survey (USGS) or a more passive approach involving designation and permitted access to specific locations where a technician would go to manually take water samples and other measurements. A full monitoring gage would measure real-time stage (stream height), discharge (volume, flow), temperature, and a specific customized set of other water quality parameters designed for each location, water body, and management need/purpose. Many water chemistry parameter measurements would require collecting samples for analysis in a laboratory or with a wide variety of available field measurement kits/tests.

This SEP will also provide assistance to the Alliance to achieve another of its important goals: increasing its membership, public participation, stakeholder engagement, and overall community involvement and awareness. The Alliance plans to directly engage and involve an additional 100 people or more by January 1017. A portion of the SEP grant will be used by the Alliance to support this priority, including development of outreach and educational programs, materials, activities, and events to engage people and organizations, encouraging them to get involved in watershed awareness and stewardship.

The LCPR Watershed Alliance estimates that the purchase, permitting, and installation of two automated stations may cost up to approximately \$50,000. The Alliance's Watershed Management Plan quoted an estimated \$15,000 to \$25,000 to install three modest or manual stations. Given these estimates and discussions with the Alliance to date, EMPCo estimates approximately \$40,000 of the SEP funding will be dedicated to purchase of two stations and support their siting and installation. The remaining \$20,000 will be dedicated to community involvement activities. The scope and cost of these components will be further defined in the SEP Plan based on additional consultation with the Alliance and related sources.



As a priority voiced by many local stakeholders interested in management of Lake Conway and its watershed, this SEP features funding of two new water quality monitoring stations, including near the location shown above at Little Creek that flows into Lake Conway. The other station will be placed downstream of Lake Conway dam. This SEP also includes funding of outreach and stewardship program, materials, and events designed and delivered by the Watershed Alliance.

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Sponsor/Third-Party Funding Recipient

The LCPR Watershed Alliance will serve as sponsor of this SEP, with Scott Grummer as project manager. Mr. Grummer is Director of the Alliance Program Manager for the Conway Office of Community Development and an important contributor to Imagine Conway, an organization that has been very successful with a community led approach to planning, implementation, and administration of grants.

Scott Grummer's contact information is:

Scott Grummer, Conway Office of Community Development Program Manager
1201 Oak Street
Conway, AR 72032
Phone: 501-450-6105 extension 3723
Email: scott.grummer@cityofconway.org

Geographic Area and Expected Environmental Benefits

The two new water quality monitoring stations will fill a critical gap in the existing network of Lake Conway and watershed water monitoring stations. Long-term monitoring data collected by these stations will help guide watershed planning, lake management, and urban development. This data will also supplement and enhance data collection, studies and management performed by local entities such as UCA, AGFC, ADEQ, and the cities of Conway and Mayflower.

The community involvement component of this grant will support educational and awareness programs, materials, and events to be designed and delivered by the LCPR Watershed Alliance that combine engaging ideas with subject matter experts and community action. Programs to engage all ages in active watershed stewardship can easily integrate with or supplement the facilities and programming planned through the SEPs for the Mayflower Community Center and the Lake Conway Nature Center.

Anticipated Grant Funding and Implementation Milestones

A grant of \$60,000 will be provided to the LCPR Watershed Alliance for this SEP. This estimate is based on plans and cost estimates provided in the LCPR Watershed Management Plan to establish two new water quality monitoring stations and support the Alliance's planned community involvement activities.

The LCPR Watershed Alliance believes it is feasible to implement this SEP within approximately 1 to 2 years. Once funding for this SEP is provided, the SEP is considered complete pursuant to the CD; the CD does not require EMPCo to remain involved or guarantee full implementation of the projects by the sponsor after funding is issued (CD Attachment 2, Paragraph 4). The Alliance and EMPCo believe the project will be sufficiently developed to allow issuance of the EMPCo grant within approximately 6 to 12 months after ADEQ approval of the SEP Plan. The goal is to provide funding in a timely manner to facilitate project development and implementation.

Summary SEP Compliance Checklist

A summary table illustrating how each proposed SEP complies with the key criteria required in Paragraph 2 of CD Attachment 2, in addition to other related requirements and preferences of ADEQ and the SEP Guidelines, is presented below.

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Mayflower and Lake Conway, Arkansas

Supplemental Environmental Project Compliance Checklist				
Compliance Criteria from Paragraph 2(a-f) of Consent Decree Attachment 2	Proposed SEPs			
	"Heart of Mayflower" Community Center Environmental Enhancements Grant	Lake Conway Nature Center and Water Science Living Laboratory Grant	Water Quality Education and Stone Dam Creek Planning Grant	Water Quality Monitoring Stations and Community Involvement Grant
a. Directly or indirectly benefit Lake Conway and/or its watershed, with a preference for projects designed to improve water quality	✓	✓	✓	✓
b. Prevent pollution, enhance environmental quality, or contribute to public environmental awareness	✓	✓	✓	✓
c. Cumulative total cost of all SEPs not to exceed \$600,000	✓ Approx. Budget \$420,000	✓ Approx. Budget \$80,000	✓ Approx. Budget \$40,000	✓ Approx. Budget \$60,000
d. Completed within 3 years from approval of SEP Plan	✓ Funding potential within 12 to 18 months; will not exceed 3 years	✓ Funding potential within 12 to 18 months; will not exceed 3 years	✓ Funding potential within 6 to 12 months; will not exceed 3 years	✓ Funding potential within 6 to 12 months; will not exceed 3 years
e. Fund new or existing projects or programs sponsored by qualified established third parties	✓ City of Mayflower	✓ City of Mayflower	✓ University of Central Arkansas	✓ LCPR Watershed Alliance
f. SEP not required by any federal, state, or local law or regulation or by any other agreement, grant, or injunctive relief	✓	✓	✓	✓
Geographic Focus and Environmental Benefits				
Focus on Mayflower, the community most affected	✓	✓	Geographic focus is Lake Conway and its watershed	Geographic focus is Lake Conway and its watershed
Environmental restoration/protection	✓	✓	✓	✓
Pollution prevention/reduction	✓	✓	✓	✓
Environmental compliance/technical assistance	✓	✓	✓	✓
Environmental education/assistance	✓	✓	✓	✓
Other environmental projects beneficial to the community	✓	✓	✓	✓

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Additional/Alternative SEPs

If for any reason any one of the proposed SEPs is either not approved or becomes infeasible to implement, alternative SEPs were earmarked as potential substitute projects. Therefore, if an alternative feasible and compliant project becomes necessary, one of the SEPs listed below may be recommended to ADEQ. The process for consideration of alternative SEPs will be discussed in the SEP Plan and in consultation with ADEQ.

- **Lake Conway Dam Rehabilitation Feasibility Study Grant** – Lake water level control to manage flooding, water quality, sedimentation, and overall lake ecology is a priority for those who live on the lake, AGFC, and the entire watershed. This grant is sponsored by AGFC and would fund a feasibility study of rehabilitation options for the current Lake Conway dam and spillway. A cost range of \$60,000 to \$100,000 is estimated to complete the feasibility study.
- **Conservation Easement Grant** – The most valuable ecological features of Lake Conway and its watershed include the undeveloped areas that help control urban stormwater runoff, filter non-point source pollution, create healthy riparian and aquatic habitats, and preserve/promote diverse ecosystems. A qualified sponsor such as The Nature Conservancy, City of Conway, Ducks Unlimited, or others would use this grant to purchase or obtain an easement on one or more target areas, protecting each from development, logging, or other impacts (AGFC has indicated to EMPCo its interest in this type of SEP but does not wish to own or manage the land once easement is obtained). The cost of securing a conservation easement is highly dependent upon the size, location, quality, and market value of each target property, in addition to landowner willingness to sell or enter into an easement agreement. Therefore, a grant funding budget for this type of SEP could reasonably range from \$500/acre for an easement and up to \$5,000/acre for purchase.

Next Steps in the SEP Development Process

EMPCo will develop and submit the SEP Plan to ADEQ within 120 days after ADEQ review and preliminary approval of this Proposal (Paragraph 3.d. of CD Attachment 2). Key activities in developing the SEP Plan include:

- Working closely with sponsors to refine the scope, budget, grant payment schedule, and other attributes of each SEP so that additional information can be conveyed to ADEQ in the Plan. These attributes are estimated and approximated in this SEP Proposal, but working with the project sponsors is anticipated to generate additional detail and certainty for the SEP Plan.
- Continue periodic engagement with ADEQ as appropriate to discuss status, resolve issues and questions, and ensure clarity and alignment on the final SEPs.
- Design a template, table of contents, and schedule for reporting requirements, including bi-annual progress reports and the SEP Completion Report.

Based on Paragraph 3.e. of CD Attachment 2 and as a more detailed expansion of content in this Proposal, the SEP Plan is anticipated to include:

- Detailed description of each SEP
- Fixed budget for each SEP
- Payment schedule for each SEP

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- Milestones for each SEP
- Identities and qualifications of each third party partner (sponsors)
- Description of how each SEP meets CD criteria
- Approach to periodic reporting

In accordance with Paragraphs 4, 5, and 6 of CD Attachment 2:

- After SEP Plan approval, EMPCo will fund approved SEPs and comply with periodic reporting requirements and SEP Completion Report requirements.
- SEPs and the SEP Plan are considered complete when SEP funding reaches \$600,000, regardless of status of work performed by the approved third-party sponsors.
- EMPCo does not guarantee SEP performance by the approved third-party sponsors or their partner organizations.
- The SEP Completion Report will summarize the process and milestones leading up to grant funding of each approved SEP, and the report will include documentation of eligible SEP costs.

As stated in the previous section of this Proposal, EMPCo and the SEP sponsors believe all four proposed SEPs can likely be ready for funding via EMPCo grants within approximately 12 to 18 months of SEP Plan approval, with some SEPs and components potentially ready within 6 to 12 months of SEP Plan approval. In all cases, EMPCo anticipates achieving the CD requirement that funding grants be issued for all approved SEPs within 3 years of SEP Plan approval.

The chart below summarizes estimated key schedule durations and funding milestones, which will be further refined through consultation with the sponsors and ADEQ prior to submittal of the SEP Plan.

