
On April 13, 2007, the Bayou Meto Water Management District (BMWMD) filed a Petition to Promulgate an Emergency Rule and Initiate Third-Party Rulemaking to Amend Regulation No. 2, Regulation Establishing Water Quality Standards for Surface Waters of the State of Arkansas. The Petition has been designated as Docket No. 07-004-R.

Having considered the Petition, the proposed amendments to Regulation No. 2, and other documents, the Arkansas Pollution Control and Ecology Commission finds as follows:


1. The Alluvial aquifer is being depleted at an average annual rate of more than one foot per year and can no longer support irrigation withdrawals at many locations.
2. At current rates of withdrawal the alluvial aquifer will fail in 2015.
3. Farms dependent on the alluvial aquifer for water will be forced to shift to less profitable dry land farming. By 2019 the state will lose 60% of its current acreage of rice, 36% of its acreage of irrigated soybeans, 36% of its acreage of irrigated cotton, and 39% of its acreage of baitfish ponds.
4. Other Arkansas farmers are drilling down into the Sparta aquifer to obtain a dependable source of irrigation water.
5. The Sparta aquifer provides most of the municipal water for the area and is not capable of providing a sustainable supply for both municipal and irrigation needs.
6. Some consolidation and subsidence is already occurring in the Sparta aquifer thereby reducing the aquifer's recharge capacity. Recent estimates state that the Sparta will be irreversibly damaged or depleted by 2027.
7. The Bayou Meto basin area has been designated a "critical groundwater depletion area" by the Arkansas Natural Resources Commission.
8. Water is essential to the farmers of eastern Arkansas. Due to the tight credit budgets and high production costs, a single bad crop year (from being unable to irrigate crops) could result in bankruptcies to local farmers.
9. To secure financing, farmers are required to ensure a working irrigation system is present on the farm before a loan application can be considered. This is because irrigated farmland has a higher value as collateral than dry land farmland. Because of declining water levels in the alluvial aquifer, lenders in the Bayou Meto area are increasingly requiring farmers to install wells into the Sparta aquifer, even though utilizing the Sparta

aquifer rarely generates a profit. Therefore, some farmers risk bankruptcy due to an inability to secure financing from not being able to afford costly Sparta wells.

10. Local industries, such as farm supply dealers and lending institutions that rely on farmers will also be forced into bankruptcy. Small farms would convert to larger farm complexes and many of the areas businesses and farmers would be displaced without this project.
11. Without the project, property values in the Bayou Meto area will decrease significantly, as will tax revenues, as the area can no longer support irrigation practices.
12. The Bayou Meto Basin project sponsored by BMWMD will provide a cost-effective alternative source of irrigation water for area farmers thereby reducing the rate of aquifer draw-down.
13. The Bayou Meto Basin project will take approximately seven years to build. A 2008 construction start will ensure the project can be fully brought on-line in 2015.
14. The Bayou Meto Basin Project requires Fiscal Year 2008 federal funding to ensure a 2008 construction start. Congress is unlikely to appropriate construction funding without project approval by the United States Secretary of the Army prior to the close of the budget cycle.
15. The Arkansas Department of Environmental Quality has issued conditional water quality certification for the Bayou Meto Basin Project. Condition Number 1 requires the mineral standards for streams impacted by the project to be changed.
16. The United States Secretary of the Army will not approve the Bayou Meto Basin Project until this condition is met.
17. The Commission concludes that an imminent peril to the public health, safety, or welfare exists.

Therefore, the Commission adopts, as an emergency rule, an amendment to Regulation No. 2 as set forth in Section 2.511 and Appendix A.




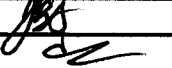

PROMULGATED THIS 27th DAY OF APRIL 2007 BY ORDER OF THE ARKANSAS
POLLUTION CONTROL AND ECOLOGY COMMISSION.




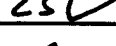

BY: 
Dana Samples, Chair


ATTEST: 
Teresa Marks, Director

APPROVED: 
Mike Beebe, Governor

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SUBMITTED BY: William N. Reed PASSED: 04/27/07