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July 9, 2024

Rachel Wilcox, Compliance Analyst
Division of Environmental Quality
Arkansas Department of Energy and Environment
5301 Northshore Drive
North Little Rock, AR 72118

Re: NPDES Permit No. AR0021601, AFIN 73-00055
PROPOSED CONSENT ADMINISTRATIVE ORDER

Dear Ms. Wilcox,

Searcy Board of Public Utilities dba Searcy Water Utilities (SWU) received and reviewed your letter dated June 7, 2024, and the associated proposed Consent Administrative Order (CAO). This letter is in response to the proposed CAO documenting Searcy Water Utilities' activities related to the violations cited in the CAO and our request to modify the CAO and associated civil penalty.

We appreciate the opportunity to meet with you and the DEQ staff at 2:00 PM on June 20, 2024, to discuss the CAO. The face-to-face meeting was beneficial, informative, and valuable in preparing this response. We understand that this meeting satisfied DEQ as being responsive to the letter and that the twenty-day requirement for accepting the CAO was extended for further negotiations.

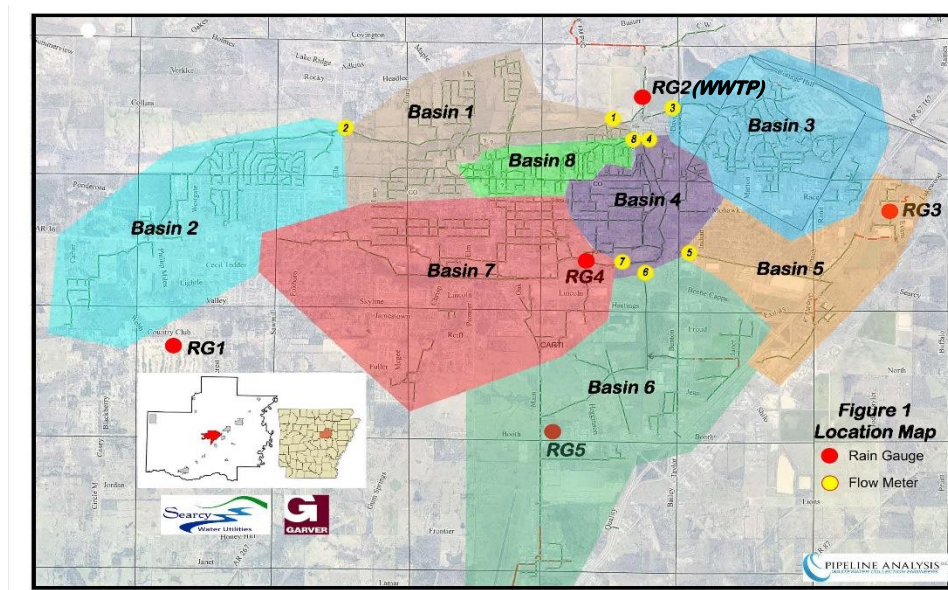
We acknowledge that the NPDES Permit renewal application was not submitted at least 180 days prior to the permit expiration date of April 30, 2024. The Permit renewal application due date was November 2, 2024. The initial Permit renewal application submittal was missing one signature on the Application Form PPS – Priority Pollution Scan Information and was considered incomplete. We consider a civil penalty of \$1,000 excessive for the lack of a single signature on the entire Permit renewal application. Searcy Water Utilities requests that the civil penalty associated with the incompleteness be completely removed.

Based on conversations with you by phone with Jerry Martin of Garver on June 10, 2024, and discussion during our June 20, 2024, meeting, we understand that DEQ was not aware of the Corrective Action Plan (CAP) to address inflow and infiltration (I&I) and sanitary sewer overflows (SSOs) submitted by Searcy Water Utilities to DEQ on May 2, 2019. In addition, DEQ was unaware of the CAP activities completed before preparing the proposed CAO.

During the June 20, 2024, meeting, DEQ staff stated they would have liked to see regular updates on the progress of the SSO mitigation; Searcy was unaware this was needed since there was no response to the CAP when submitted in 2019. As presented at the June 20, 2024, meeting, the following activities, per the CAP, have been completed or are planned to mitigate SSOs. Also included are the related expenditures to SSO mitigation.

Timeline & Schedule - Searcy Water Utilities I&I and SSO Efforts as of June 20, 2024

➤ Sanitary Sewer Flow Monitoring and Report	Completed - October 2016
➤ Sanitary Sewer Evaluation Study – Request for Qualifications	Advertised - October 2016
➤ Sanitary Sewer Evaluation Study – Firm Selection	Completed - November 2016
❖ Sanitary Sewer Evaluation Study – Basin 7 East - Year 1	Completed - January 2018
❖ Sanitary Sewer Evaluation Study – Basin 7 Central - Year 2	Completed - December 2018
◆ Sewer Rate Increase of 24% (6% per year over four years)	Approved – February 2019
• ADEQ Request for SSOs Corrective Action Plan	Received - March 2019
• Searcy SSOs Corrective Action Plan to ADEQ	Submitted - May 2, 2019
❖ Sanitary Sewer Evaluation Study – Basin 7 West - Year 3	Completed - October 2019
❖ Sanitary Sewer Evaluation Study – Basin 4 East - Year 4	Completed - December 2020
❖ Sanitary Sewer Evaluation Study – Basin 4 West - Year 5	Completed - April 2022
◆ Sewer Repairs and Rehabilitation – Phase 1 - Basin 7	Completed - November 2022
▪ Basin 7 – One (1) SSO caused by roots intrusion	Occurrence April 2023
❖ Sanitary Sewer Evaluation Study – Basins 2 & 8 - Year 6	Completed - June 2023
• DEQ Proposed Consent Administrative Order	Received - June 2024
❖ Sanitary Sewer Evaluation Study – Basins 1,3, 5 & 6 - Years 7 & 8	Planned Completion June 2025
◆ Sewer Repairs and Rehabilitation – Phase 2	Planned Completion Dec. 2029



Expenditures - Searcy Water Utilities I&I and SSO Mitigation Efforts as of June 20, 2024

Sanitary Sewer Evaluation Studies

2016 Flow Study	\$52,125.00
2017 SSES	\$146,209.44
2018 SSES	\$174,118.90
2019 SSES	\$184,874.35
2020 SSES	\$125,654.55
2021 SSES	\$77,467.20
2022 SSES	\$172,109.31
2023 SSES	\$91,366.02
2024 SSES	\$116,492.56

Sub-Total: **\$1,140,417.33**

Sewer Repairs and Rehabilitation for I&I and SSOs

Engineering & Construction Admin. Services	\$760,625.12
Construction	\$4,952,623.05

Sub-Total: **\$5,713,248.17**

Other Inflow & Infiltration Related Expenditures

July 1, 2017 - Purchased new Vac-Con unit	\$379,995.00
April 1, 2022 - Replaced CCTV sewer camera	\$43,239.00
June 1, 2023 - Replaced sewer main on Park Ave.	\$32,186.00
August 1, 2023 - Replaced old lift station, new trunk line	\$599,985.00
September 1, 2023 - Replaced sewer main on Vine St.	\$44,495.00
January 1, 2024 - Replaced sewer main on N. Hickory St.	\$45,650.00
May 1, 2024 - Replaced sewer main on Benton St.	\$38,960.00

Sub-Total: **\$1,184,510.00**

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Grand Total **\$8,038,175.50**

Based on Searcy Water Utilities staying on schedule with the submitted CAP, the significant investment and expenditures to date for reducing I&I and SSOs, and the lack of communication from DEQ since the submission of the CAP in 2019, Searcy Water Utilities kindly requests that the civil penalty related to SSOs in the CAO be removed.

Regarding the proposed CAO "Order and Agreement," Searcy Water Utilities plans to do the following and requests that DEQ revise the proposed CAO accordingly.

- Searcy Water Utilities will revise the Corrective Action Plan and submit it to DEQ within 45 days of this letter. The revisions to the CAP will include the following:
 - Include additions to the Corrective Actions of the CAP:
 - Update and submit to DEQ Searcy Water Utilities' existing Capacity, Operation, and Maintenance (CMOM) program with an expected milestone completion date of April 2025.
 - Provide semi-annual progress reports to DEQ detailing activities completed for the progress made towards reducing and eliminating I&I and SSOs. These would occur in January and July of each year starting in 2025.
 - Update the "Reasonable anticipated completion date" to December 31, 2029.

In addition, it was mentioned that the 2,708,160-gallon overflow event at the wastewater treatment plant (WWTP) influent pump station that occurred on June 18, 2023, could have been reported as some type of wastewater treatment plant upset instead of an SSO. We would like to know if retracting that SSO and reclassifying this event is possible. Please advise.

In conclusion, we kindly request that the proposed CAO be reconsidered to incorporate our suggested updates to the Corrective Action Plan, which we aim to finalize by December 31, 2029. Additionally, we respectfully ask that no civil penalties be imposed on Searcy Water Utilities.

Feel free to call me with any questions or if you would like to discuss further.

Sincerely,

SEARCY WATER UTILITIES

A handwritten signature in blue ink, appearing to read "Daniel K. Dawson", with a long horizontal flourish extending to the right.

Daniel K. Dawson
General Manager

CC: Paul Strickland, JPStrickland@GarverUSA.com
Jerry T. Martin, JTMartin@GarverUSA.com