Tri-State Water Resource Coalition
Board of Directors Meeting
Wednesday, March 16, 2016
9 a.m., the MARC, 822 W. Mt. Vernon Blvd, Mt. Vernon, MO 65712

MINUTES

Welcome:

President Matt Barnhart called the meeting to order. The following were present:

Cassandra Ludwig – Carthage Water and Electric
Chuck Bryant – Carthage Water and Electric
Clinton Finn – Missouri Department of Natural Resources
David Hertzberg – City of Joplin
Dennis Pyle – City of Monett
Dick Scott – Olsson Assoc.
Doyle Childers
Earl Pabst
Eric Dove – HDR Engineering
Gail Melgren – Tri-State Water Resource Coalition
Gene Stanton – City of Mt. Vernon, Missouri
Hal VanDaGriff – retired board member
Jason Choate - Carthage Water & Electric, Carthage, Missouri
Jeff Farah – Jacobs
Jennifer Henggeler – U.S. Army Corps of Engineers
John Carter – Geo Engineers
Jordan Wilson – U.S. Geological Survey
Kyle Slagle – Empire District Electric Company
Loretta Bishop – City of Branson
Lynn Calton – City of Lamar
Matt Barnhart – Missouri American Water Company
Mike Beezhold – CDM Smith
Mike Coleman – HDR
Mike Ray – City of Branson
Milton Dickensheet – City of Nixa, Missouri
Penny Speake – Healy Law Office
Ryan Mueller – Interstate Council on Water Policy / Mueller Consulting
Skip Schaller – City of Monett, Missouri
Steve McIntosh – Senator Roy Blunt
Steve Walensky – City of Cassville

Approval of Minutes from January 20, 2016:

Mr. Barnhart asked for any corrections or additions to the minutes from January 20, 2016, and none were received. He asked for a motion to accept the minutes as written.

Lynn Calton moved, seconded by Steve Walensky, that the minutes from January 20, 2016 be approved. The motion carried, with all voting "aye".

Standing Committee Reports:

President:

Mr. Barnhart described an opportunity for Tri-State Water to take advantage of momentum created by FY17 requests for water project funding from two north Missouri projects (Little Otter Creek and East Locust Creek), as well as DNR's request to modify the multipurpose water fund. Given that momentum, Tri-State has requested funding through a legislative ask for the FY17 State of Missouri budget through the Capital Improvements Budget in the House, alongside Little Otter Creek and East Locust Creek.

Executive:

Mr. Barnhart reported that the executive committee had not met since the last board meeting.

Financial:

Mr. Barnhart noted that monthly financial reports for January and February, 2016, are included in board packets. The ending balance as of February 29, 2016 was $233,172.87 in checking and $279,825.46 in the Prime Advantage account = total assets of $512,998.33.

Gene Stanton moved, seconded by Chuck Bryant, that the financial reports for January and February, 2016, be approved. The motion carried, with all voting "aye".

Technical:

The Technical Committee met 2/22/16 in Springfield. Representatives from Tri-State Water, CDM Smith, MoDNR, and the Corps of Engineers in KC and Little Rock were present. Issues covered included continued discussion about projected future water demand, especially within the framework of the Stockton reallocation study. At issue is the fact that the model developed by CDM to project future demand tends by virtue of its regional nature to project less future demand than Tri-State thinks is accurate to reflect not only the smaller communities in southwest Missouri but also the larger population centers of Springfield and Joplin. Conversations also continue about what assumptions to make regarding future water availability. Tri-State thinks use of Scenario 4 (in which our future use of groundwater is limited to prevent overuse) would be preferable over Scenario 3 (in which groundwater use is unlimited).

At the 2/22/16 Technical Committee meeting, John Grothaus and Jenn Henggeler, KC Corps of Engineers, announced funding for FY17 for the Stockton reallocation study in the amount of $300K. They had previously warned that this funding might require contributed funds from Tri-

State Water Coalition. They also announced that funding for the Pomme de Terre reallocation has come through for $300K for FY17

Also at the 2/22/16 Technical Committee meeting, Chad Dulaney, Little Rock Corps of Engineers, announced funding for FY17 for the first stage of reallocation study for Table Rock Lake in the amount of $250K.

Communications:

Mr. Walensky reported that Tri-State Water will work in tandem with the Corps of Engineers to create a revised communications plan, starting mid-summer of 2016.

Letters of support from Watershed Committee of the Ozarks and the City of Webb City were included in board packets.

Membership:

There was nothing new to report regarding membership.

Legislative/Regulatory:

Ms. Melgren reported that she will be traveling to Washington D.C. the week of March 21st to make visits with elected officials and with agency representatives, as well as to attend the annual spring conference of the Interstate Council on Water Policy.

Ms. Melgren called board member's attention to a copy of Senate Bill 1120 which was included in board packets. She explained that SB1120 seeks to revise Missouri's Multipurpose Water Resource Program Fund. The revision would allow a small contribution back to the fund from projects that benefit from funding through the fund. This would allow the fund over time to become a revolving fund. She explained that an alternative also being considered by the State (DNR) is the creation of a straight-up revolving fund for water resource projects. However, this would require the legislature to appropriate a very large investment of up-front capital. The proposed revision to the Multipurpose Fund would allow for gradual development of capital through contributions from state water resource projects which had already received funding from the fund. That capital could then be used to invest in additional future state water resource projects. This is of interest to Tri-State because the fund may be a vehicle through which future southwest Missouri water projects are funded.

Executive Director Report:

Ms. Melgren noted the significant funding received by Tri-State for FY17 from the Corps, including funding for the fourth year of the Stockton Lake reallocation study in the amount of $300K, reallocation study funding for Pomme de Terre Lake in the amount of $300K, and reallocation study funding for Table Rock Lake in the amount of $250K.

Ms. Melgren explained the recent state-level request by Tri-State Water for $1.3 million in funding was made in conjunction with two north Missouri water projects– Little Otter Creek and East Locust Creek, both of which have presented to the Tri-State Water board of directors. She explained that both north Missouri projects are reservoir projects for an area of the state which lacks freshwater aquifers. Though all three projects have the goal of creating additional regional water supply for their respective areas in the state, the north Missouri projects seek funding to build reservoir projects and capture additional water supply, whereas Tri-State Water's request is to help fund reallocation requests which would allow access to impounded water within Corps of Engineers reservoirs.

Ms. Melgren described her upcoming trip to Washington DC, including the agenda for the ICWP conference.

Ms. Melgren reported having talked with the Branson city manager and public works director about joining the SW MO JMWUC.

Ms. Melgren reminded the board that a white paper on Missouri water supply storage contracts, statues, and funding history had been approved in January, 2016. She noted that Ryan Mueller was in attendance to present that paper. She suggested the board consider the possibility of commissioning a second paper which would create a "roadmap" for future funding of projects for southwest Missouri.

Ms. Melgren reported being a member of ICWP's Legislation and Policy Committee.

New Business:

Report from the Southwest Missouri Joint Municipal Water Utility Commission:

The SWMOJMWUC has not met since the last Tri-State Water board meeting.

Reports from legislative or agency officials:

Chad Delaney, from the Corps Little Rock District, and Jennifer Henggeler, from the Kansas City Corps of Engineers, reviewed the current status of Corps studies.

Presentations:

Jordan Wilson, Hydrologist with U.S. Geological Survey, made a presentation about a current Ozark Aquifer public well study. He reported that USGS is in the final process of selecting 48 public supply wells in the Ozark Aquifer for some very comprehensive sampling which would run April – July, 2016, for their NAWQA program.

Ryan Mueller, Mueller Consulting, presented a white paper, commissioned by Tri-State Water Coalition in January, 2016, entitled, An Overview of Water Supply Storage Contracting, Relevant Statutes and Funding history in Missouri. The presentation included information about the two

primary statutes that provide authority for the State of Missouri to assist in developing water supplies that involve storage within Federal reservoir projects: the Missouri Water Development Fund (RSMo 256.280 – 256.360) and the Multipurpose Water Resource Act (RSMo 256.435 256.445); a description of several existing contracts for water supply storage within Federal reservoir projects that represent a precedent and provide insight into the contracting, funding and reallocation process in Missouri; changes to Federal guidance for water supply storage contracting which is relevant to Tri-State's anticipated contracting with the Corps; an overview of funding mechanisms historically used for planning and development of water resource projects in Missouri; a description of recent General Revenue Fund appropriations for water supply development projects in the State of Missouri; and, a few considerations for pursuing contracts and funding for water supply storage projects in southwest Missouri.

Eric Dove, HDR in Springfield, and Mike Coleman, HDR in Sioux Falls, Idaho, presented information to the board about two water supply projects which are relatively comparable to Tri-State Water Coalition: City of Gillette, Wyoming, and Lewis and Clark Regional Water System, in South Dakota. They discussed funding, administrative structure, construction progress, successes and challenges, within the context of lessons-to-learn for Tri-State Water Coalition.

Adjournment:
Steve Walensky moved, seconded by Kyle Slagle, that the meeting be adjourned. The motion carried, with all voting "aye".

Skip Schaller, Secretary