Tri-State Water Resource Coalition
Board of Directors Meeting
Wednesday, January 18, 2017
9 a.m., the MARC, 822 W. Mt. Vernon Blvd, Mt. Vernon, MO 65712

MINUTES

Welcome:
Vice President Lynn Calton called the meeting to order. The following were present:

Clinton Finn – MO Department of Natural Resources
Gail Melgren – Tri-State Water Resource Coalition
Gene Stanton – City of Mt. Vernon
Jack Schaller – Olsson Associates
Jason Choate - Carthage Water & Electric
Kyle Slagle – Empire District Electric
Loretta Bishop – City of Branson
Lynn Calton – City of Lamar
Mike Weller – MO Department of Natural Resources
Milton Dickensheet – City of Nixa
Roddy Rogers – City Utilities of Springfield
Skip Schaller – City of Monett

Approval of Minutes from September 21, 2016:
Mr. Calton asked for any corrections or additions to the minutes from September 21, 2016, and none were received. Lacking a quorum, the minutes had been tabled at the November board meeting.

Skip Schaller moved, seconded by Roddy Rogers, that the minutes from September 21, 2016 be approved. The motion carried, with all voting "aye".

Approval of Minutes from November 16, 2016:
Mr. Calton asked for any corrections or additions to the minutes from November 16, 2016, and none were received.

Skip Schaller moved, seconded by Kyle Slagle, that the minutes from November 16, 2016 be approved. The motion carried, with all voting "aye".

Standing Committee Reports:

President:
Mr. Calton welcomed participants to the meeting and asked for self-introductions.

Mr. Calton reviewed the report from the nominating committee (David Hertzberg, Roddy Rogers and Matt Barnhart). Mr. Hertzberg first reported at the November, 2016, board meeting (during which there was no quorum and therefore no vote) the proposed slate for 2017 is as follows:

Officers:
President – Skip Schaller (City of Monett)
Past President – Matt Barnhart (Missouri American Water Company/Joplin)
Vice President – Chuck Bryant (Carthage Water & Electric)
Treasurer – Mike Ray (City of Branson)
Secretary – Gene Stanton (City of Mt. Vernon)

Ad Hoc Executive Committee Members
Roddy Rogers – Technical Committee Chair, Past President (City Utilities of Springfield)
Nick Heatherly – JMUC liaison (City of Joplin)

Milton Dickensheet moved, seconded by Carl Francis, that the proposed slate for 2017 be approved. The motion carried, with all voting "aye".

Executive:
New board president Skip Schaller reported that the executive committee had communicated by email to review and approve the annual evaluation of executive director Gail Melgren. The executive committee recommended to the full board that the evaluation be approved. The board unanimously approved.

Financial:
Loretta Bishop, alternate for newly elected treasurer Mike Ray, noted that monthly financial reports for November and December, 2016, were included in board packets. The ending balance as of December, 2016, was $117,694.38 in checking and $292,029.08 in the Prime Advantage account = total assets of $409,723.46.

Gene Stanton moved, seconded by Roddy Rogers, that the financial report be approved. The motion carried, with all voting "aye".

Technical:
Chair Roddy Rogers reported that the Coalition has submitted revised water storage reallocation request letters to the Little Rock District (Table Rock Lake) and Kansas City District (Stockton and Pomme de Terre Lakes) of the Corps of Engineers. The original request letters were sent by the Coalition to the Corps of Engineers in 2007. Subsequently, the Coalition sent revised reallocation request letters in 2014, and again December 12, 2016.

Mr. Rogers reported that the Coalition has drafted a response to the Corps of Engineers regarding their recent Water Supply Rule change. Ms. Melgren will submit to the Federal Register.

The second white paper from Mueller Consulting was received by Tri-State Water on November 15, 2016. The paper was distributed electronically, and a copy was included in board packets. Mr. Mueller reviewed the paper's contents with the board by conference call. Mr. Mueller noted that prior to 2007 most projects were funded at least in part through earmarked funds, but that now agency funding plays a dominant role. He reported that significant federal actions have taken place since the completion of his #2 white paper for Tri-State Water, completed in November, 2016, called *Federal and State Funding Sources to be Considered for the Southwest Missouri Water Supply Project*. On December 16th, 2016, the Corps released a proposed revision to their Water Supply Rule. On December 16th the Water Resources Development Act (WRDA) passed. On December 19th the Water Infrastructure Finance and Innovation Act (WIFIA) interim final rule was released. Finally, last week WIFIA released notice of funding availability and requested letters of interest.

He reported that WIFIA (which exists within the Water Resources Development Act) is accepting applications, and said the application process is lengthy and detailed. He suggested an application not be submitted until an answer regarding reallocated storage has been received from the Corps of Engineers, but suggested the Coalition review and perhaps move forward with development of elements of the application. Mr. Mueller noted that several funding sources will likely be necessary to meet the Coalition's goals. He noted that WIFIA can't exceed 49% of total costs. Mr. Mueller also noted a new Corps of Engineers Water Supply Rule is currently in the Federal Register for public review and comment. He noted that a portion of his contract is still available.

Communications:
Mr. Schaller announced Jason Choate as the new chair of the communications committee.

The board considered a proposal from Opinion Research Specialists/Mark Ellickson to assess the opinions and perceptions of residents as well as business and government leaders residing within the 16-county Tri-State Water footprint, regarding attitudes and opinions about water supply, use, cost, conservation, funding of projects, etc. The goal of gathering this information will be to develop effective communication and legislative strategies for Tri-State Water Coalition, especially as relates to the possible approval and funding of water supply storage in Stockton Lake and funding/development of infrastructure to deliver that water to regional communities. The board agreed to fund the proposal up to a cap, with the understanding that Mr. Choate and Mr. Schaller will further refine the proposal and communicate with the board by email regarding same.

Gene Stanton moved, seconded by Roddy Rogers, that the research proposal from Opinion Research Specialists, dated January 17, 2017, be approved and funded up to a cap of$74,000. The motion carried, with all voting "aye".

Membership:
Mr. Calton, new membership committee chair, noted that Empire District Electric Company had been purchased by Liberty Utilities. Kyle Slagle reported that he had moved back to the electric side of the business and would not continue his involvement on Tri-State Water's board. He agreed

to send a contact to Ms. Melgren to pursue a replacement representative for Empire/Liberty on the Tri-State Water Coalition board.

Legislative/Regulatory:
Mr. Schaller noted the inclusion in board packets of a legislative report as well as a General Revenue Fund planned balance sheet for the State of Missouri, provided by the Coalition's lobbyist, Governmental Services Group/Scott Marrs. He reported that the 12 month contract for Governmental Services ends February, 2017, and asked the board to consider renewing the contract for an additional 12 months, starting February, 2017. He referred to the 12 month, 2017, contract included in board packets.

Milton Dickensheet moved, seconded by Lynn Calton, that the Governmental Services Group/Scott Marrs 12 month contract for 2017 be approved. The motion carried, with all voting "aye".

Executive Director Report:

Ms. Melgren reported that she and Scott Marrs made visits recently at the capitol in Jefferson City with several House Budget Committee members (Quade, Trent, Taylor, Rowland, Fitzpatrick) and Senate Appropriations Committee members (Cunningham, Sater, Brown). They also visited with Senator Ron Richards. She noted that the budget picture for this session was bleak, with approximately $200M in Nixon withholds, and $146M in cuts by the new Governor already in place and more expected. She noted that the $2M approved in the 2016 session for the East Locust Creek project of the North Central Missouri Regional Water Commission, which had been withheld after the session last year, had eventually been released. This project's continued funding directly from the legislature serves as a precedent for State of Missouri funding for regional water supply infrastructure projects.

Ms. Melgren reported that she, Skip Schaller, and Roddy Rogers visited the Corps of Engineers Little Rock District office on December 13th. The new Colonel, Bob Dixon, was in attendance along with Randy Hathoway and other key Little Rock District staff. At that meeting the Coalition was informed by Colonel Dixon that a study of the entire White River System would be taking place prior to any additional steps toward the Tri-State Water Coalition reallocation study for water storage requested from Table Rock Lake for municipal and industrial use in southwest Missouri.

Ms. Melgren recommended the Coalition join the Southwest Missouri Council of Governments (SMCOG).

Gene Stanton moved, seconded by Loretta Bishop, that the membership to SMCOG be approved. The motion carried, with all voting "aye".

Ms. Melgren reported a jump in executive director health care premiums, from $671 a month to $998 a month, from 2016 carrier Coventry. Consequently, coverage for executive director health insurance has been moved to Cox Health Plans at $484 mo. The executive director takes on an

additional $3,000 in potential personal liability annually, but the Coalition is assured of saving over $6000 a year in premium payments.

New Business:
There was no new business.

Report from the Southwest Missouri Joint Municipal Water Utility Commission:
Mr. Rogers noted that the SW MO JMWUC last met June 8th.

Reports from legislative or agency officials:
Jen Henggeler, KC Corps, distributed revised large-scale maps with potential corridor paths which incorporated the board discussion about priorities for infrastructure and distribution of the possible water from Stockton Lake from the November board and technical meeting. The Coalition is not obligated to build any of the three scenarios defined in the final Corps of Engineers reallocation request report. Rather, the defined options are guide posts and can be adjusted as the Coalition refines its planning in the future.

Presentations:
Joe Richards, of United States Geological Survey, gave a presentation on the Ozark Aquifer System study update in progress.

Adjournment:
The meeting was adjourned. The next Coalition board meeting will be March 15, 2017.

Gene Stanton, Secretary