TRI-STATE WATER
Resource Coalition

Board of Directors Meeting
Wednesday, November 15, 2017
9 a.m., Monett City Park Casino, 101 S. Lincoln Ave, Monett, MO 65708

MINUTES

Welcome:
President Skip Schaller called the meeting to order. The following were present:

Cassandra Ludwig – Carthage Water & Electric
Chuck Bryant – Carthage Water & Electric
Clinton Finn – MO Department of Natural Resources
Don Lucietta – Senator Roy Blunt's Office
Drew Landoll – Empire District Electric Co
Gail Melgren – Tri-State Water Coalition
Gene Stanton – City of Mt. Vernon
Heidi Scheffler – Harry S Truman Coordinating Council
Jackie Mosher – CDM Smith
Jane Hood – S.W. MO Council of Governments
Jason Choate – Carthage Water & Electric
Joe Kelley – City of Mt. Vernon
Joe Richards – USGS (MO)
John Forrester – Allgeier, Martin & Associates
Lynn Calton – City of Lamar
Michael Weller – MO Department of Natural Resources
Mike Beezhold – HDR
Mike Ray – City of Branson
Milton Dickensheet – City of Nixa
Phil Walsack – Burns & McDonnell
Roddy Rogers – City Utilities of Springfield
Scott Marrs – Governmental Services Group
Skip Schaller – City of Monett
Suzie Carpenter – CDM Smith

Approval of Minutes from August 16, 2017:
Mr. Schaller asked for any corrections or additions to the minutes from August 16, 2017, and none were received.

Milton Dickensheet moved, seconded by Drew Landoll, that the minutes from August 16, 2017, be approved. The motion carried, with all voting "aye".

Standing Committee Reports:

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

Mr. Schaller noted that packets contained a list of board of director meeting dates for 2018, and that meetings will continue on a quarterly basis.

Mr. Schaller noted that packets contained a list of officers and committee chairs for 2018. As has often been the case with the Coalition, the officers have all agreed to serve a second year – though at some point Joe Kelley will replace Gene Stanton, who is close to retirement.

Gene Stanton moved, seconded by Chuck Bryant, that the proposed slate of officers and committee chairs be approved. The motion carried, with all voting "aye".

Mr. Schaller announced that the Executive Committee will meet on January 17, 2018, at 1:30 pm, at the Casino in Monett City Park. He also announced that the first meeting of the Coalition board in 2018 will be February 21st, at 9 am, also at the Casino in Monett City Park.

Mr. Schaller reported that he, Mr. Rogers, Mr. Hertzberg, and Ms. Melgren, had a good meeting recently with MO DNR director Carol Comer and her top management team. They expressed support for the Coalition and its mission to ensure adequate long-term water supply for S.W. Missouri.

Mr. Schaller noted that the executive director's evaluation is due and that he will work with the executive committee to complete.

Executive:
Mr. Schaller noted that the executive committee had not met since the last board meeting.

Financial:
Treasurer Mike Ray reported that monthly financial reports for August, September, and October, 2017, were included in board packets. The balance in checking on October 31, 2017, was $53,806.00. The balance in the prime advantage account was $412,392. The total assets for the Coalition as of October 31, 2017, were $466,198.53.

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

Ms. Melgren reported having requested a proposal from BKD for 2018 and will also seek other bids

Communications:
Mr. Choate noted that a financial summary of the 2017 water conference was included in board packets. He reported the conference was well supported, with approximately 125 in attendance. KY3 TV of Springfield did interviews and Joplin Globe sent a reporter, generating coverage in both major markets. The one-day format was popular and will be used in the future. Ms. Melgren read a list of sponsors for the conference and thanked them. She reported that a theme of, *We Value Water!* will be used in the coming year to organize regional messaging around water issues. MSU's Darr Agricultural Center continues to be a great location to hold the event.

Ms. Melgren walked the board through an updated 4-page S.W. MO Regional Water Supply Summary.

Mark Ellickson gave an update of the in-progress Regional Citizen Water Survey on Water Use and Supply. He noted that his conference presentation was well received. He mentioned two stand-out take aways from the survey results. First was the fact that respondents from the 16 counties responded overwhelmingly that water is essential for the health and economic development of communities, they hold elected officials and community leaders responsible for making sure the resource is adequate, and they know investments need to be made, however, a large majority would pay either no more at all, or no more than $5 per month more to ensure adequate long-term water supply. Second, that there was very little opposition expressed for the idea of using a small amount of water storage in Stockton Lake for regional municipal and industrial water supply, especially considering that residents of Stockton area were included in the survey.

Membership:
Mr. Calton noted that Ozark has requested a presentation about the Coalition to its board of alderman.

Legislative/Regulatory:
Mr. Hertzberg reported that the Coalition will be asking for a modest appropriation from the Missouri Legislature in spring of 2018. It will be $180K, to include $150K to pay for the Coalition's financial contribution toward the upcoming year for the Stockton Lake reallocation study (which will likely finish it), plus another $30K to pay half of the cost of a rate study. He noted that the Coalition does have some funds, but far less than the upcoming expenses, so need to conserve in every way. He said these requests are clearly defined expenses so the legislature would know exactly what the money would be used for. He also said these costs, if funded, would be spent in a timely manner. Mr. Hertzberg explained that a modest appropriation in 2018 will allow the Coalition to get a foot on the ladder, so to speak, as well as build support for possible future funding requests.

Scott Marrs reported that he, Ms. Melgren and Mr. Hertzberg have visited with several elected officials recently, including Rep. Scott Fitzpatrick (House Budget Chair), Rep. Justin Alferman (House Budget Vice Chair), Rep. Curtis Trent (Spfd), Rep. Crystal Quade (Spfd), Rep. Charlie Davis (Joplin), Rep. Cody Smith (Carthage), Sen. Ron Richards (Joplin), Sen. Mike Cunningham (Webster to Oregon Counties), and will soon meet with Sen. Brown (Appropriations Chair), Rep. Sater

(Cassville), Rep. Rowland (Taney County), and Rep. White (Joplin). Mr. Marrs cautioned that state revenues are projected to decline by $700 million due to slated tax cuts.

Technical:
Mr. Rogers reported that board members have received the Table Rock Lake transmission alternatives report and that CDM touched on this during their report at the last board meeting. Mr. Rogers reported that the current number for the Stockton reallocation is 39 MGD. This is the amount for members of the Coalition (30 MGD) with a contingency for possible future members (9 MGD). Mr. Rogers says this is the most realistic number at this point, taking many factors into consideration. He said that this amount from Stockton would not preclude the Coalition from receiving additional future water storage reallocations from Pomme de Terre and/or Table Rock Lake.

Suzie Carpenter and Jackie Mosher of CDM Smith walked the board through a planning level timeline of next steps and upcoming costs for Tri-State, which they created at the Coalition's request. That timeline of studies and costs was included in board packets, as was an alternative list of next steps and costs created by Mr. Rogers, who said the two were compatible and together give a good idea of the road ahead. These documents will serve as a high-level roadmap for the future and include approximately $15 million in costs.

Executive Director Report:
Ms. Melgren reported having presented to the Stockton Area Chamber of Commerce recently. She said the meeting was well attended with a high degree of interest in the Coalition's goals - especially how they will affect the lake. She reported that the audience seemed generally understanding about the projected regional demands and the reallocation request for water storage from Stockton Lake. She said she received questions from several people seeking clarification, and that one gentleman asked several questions and indicated a strong belief that the City of Stockton should receive a benefit of some kind if the Corps of Engineers reallocates water storage to Tri-State Coalition.

Ms. Melgren noted that she is now attending both the Southwest Missouri Council of Governments meetings in Springfield, and the Harry S Truman Council of Government meetings in Joplin.

Ms. Melgren said the Corps of Engineers KC has requested rate study funding for the Coalition through Planning Assistance to States in their FY18 new starts study request. She said that a rate study will define a cost per 1000 gallons, including how the cost changes depending on how many members participate to share the cost. She said the Corps KC team reports working on the last stages of the reallocation study/report for Stockton Lake. She noted they are also drafting an agreement for funding. She said the approval of a reallocation is more likely favorable with a signed agreement.

Ms. Melgren reported that she, Mr. Schaller, and Mr. Rogers will be visiting Colonel Guttormsen of the KC Corps on November 28th and invited others to attend if interested.

Ms. Melgren reported having recently attended a Table Rock Lake shoreline management plan meeting in Branson, hosted by the Corps of Engineers Little Rock District, with Colonel Dixon and Randy Hathaway (civilian head of the district) in attendance. She said the Corps and local Table Rock Lake stakeholders are still working through issues. She also reported that Jim Sanford is no longer serving as project manager at Table Rock Lake. She said she will continue to attend shoreline management meetings with the goal of advocating for issues that will best serve the lake as a drinking water supply source. She noted that her participation serves to expose a large leadership group from that region to the Coalition's mission and goals.

Ms. Melgren reminded the board that the Coalition's request for reallocated storage from Table Rock Lake has been paused while the Little Rock District pursues a study of all five lakes in the White River system. She reported that Colonel Dixon described the White River study as a tool to help with water supply, not only for Table Rock Lake but also the other reservoirs in the White River system. She noted that Beaver Lake is in high demand as a drinking water supply source for the very fast growing northwest Arkansas region. Mr. Rogers described the pause in the Table Rock Lake reallocation request process as a good thing because it will stagger the work needed to be done for Stockton Lake, Pomme de Terre Lake and Table Rock Lake.

Ms. Melgren reported that the Department of Natural Resources Water Resource Center has a new director whose name is Jennifer Hoggatt. Ms. Melgren reported that former Water Resources Center director Ryan Mueller has been named the director of water for the State of Indiana's Department of Natural Resources.

Ms. Melgren noted that Brian Bingle has retired from the City of Nixa and that she attended his very well attended retirement party recently, passing along the Coalition's gratitude for his service.

Ms. Melgren reported having attended a recent drought seminar in Kansas where she had the opportunity to talk with representatives from Grand Lake. Soon after, she, along with Mr. Schaller and Mr. Hertzberg, met with Darrell Townsend, assistant general manager for Grand River Dam Authority, in Langley, Oklahoma, to discuss again the possibility of Grand Lake serving as a source of drinking water supply in the future. Mr. Hertzberg reported that the Grand River Dam Authority is still interested in selling water and that the political environment may have shifted in Oklahoma toward a more favorable perspective regarding same. He reported that the Authority must complete a FERC process before exploring the issue further and that process will take another two years at a minimum.

Ms. Melgren reported that she and Mr. Rogers recently met with Kyle McClure, director of public policy and governmental relations at City Utilities of Springfield, to update him about the Coalition's progress and upcoming request to the Missouri legislature. She encouraged Coalition members to communicate with their government relations staff so that the Coalition's talking points are communicated effectively, especially as we make requests of the legislature.

Ms. Melgren reported that both she and Mr. Rogers will be participating in the re-energized state water planning process, led by Department of Natural Resources, and facilitated by CDM Smith. Mr. Rogers will serve on the consumptive use committee and Ms. Melgren will serve on the infrastructure committee. In addition, Mr. Rogers will serve on the stakeholder coordinating committee, which will synthesize the commentary from all the committees and put forth recommendations.

Ms. Melgren noted that the annual trip to Washington DC will take place the week of March 12th.

Ms. Melgren reported that she plans to sponsor a rain garden at the Springfield Botanical Garden (where she sits on the board) and would like to do so in the name of the Southwest Missouri Regional Water Utility. She asked for any objections. Hearing none she said she would have the water utility name placed on the sponsorship sign.

New Business:
There was no new business.

Report from the Southwest Missouri Joint Municipal Water Utility Commission:
Mr. Rogers said the Joint Utility Commission had not met since the last Tri-State board meeting.

Reports from legislative or agency officials:
Michael Weller, from MO DNR, reported that the State of Missouri/Department of Natural Resources is enthusiastic about the upcoming process to revise the state water plan.

Joe Richards, from United States Geological Survey, discussed the possibility of updating MO DNR's 2006 groundwater-level decline map of southwest Missouri, as the Coalition has requested. He distributed a handout with the 2006 map, a figure showing the wells measured by USGS in 2006, and a description of the history of the map and goals for updating it. He said it would cost $100K to reproduce the water-level decline map, of which USGS would be willing to contribute approximately $30K. The board indicated interest in having this done and Ms. Melgren was tasked with finding additional information about the study components and possible funding sources.

Presentations:
There were no additional presentations.

Adjournment:
Drew Landoll moved, seconded by Jason Choate, that the meeting adjourn. The motion carried, with all voting "aye".

The next Tri-State Water Coalition board meeting will be February 21, 2018.

Gene Stanton, Secretary