



Board of Directors Meeting
Wednesday, March 27, 2019
(Rescheduled from February 20th because of inclement weather.)
9:00 am, Monett City Park Casino, 101 S Lincoln Ave, Monett, MO 65708

MINUTES

Welcome:

President Chuck Bryant called the meeting to order. The following were present:

Andrea Collier – Barr Engineering
Andrew Nelson – City of Republic
Bob Wilson – City Utilities of Springfield
Brad Gray – City of Willard
Casandra Ludwig – Carthage Water & Electric
Chuck Bryant – Carthage Water & Electric
Clinton Finn – Missouri Department of Natural Resources
Connie Ford – Missouri Public Utility Alliance
Dennis Pyle – City of Monett
Devin Smith – Kansas City District Corps of Engineers
Don Lucietta – Senator Roy Blunt
Dr. William Doubek – City of Neosho
Drew Landoll – Empire District Electric
Gail Melgren – Tri-State Water Coalition and SWMO Joint Municipal Water Commission
Jack Schaller – Olsson Engineering
Jason Choate – Carthage Water & Electric
Jennifer Henggeler – KC District Corps of Engineers
Jennifer Hoggatt – Missouri Department of Natural Resources
Jeremy English – HDR Engineering
Jeremy Parsons – City of Ozark
Jessi Veach – CDM Smith
Joe Kelley – City of Mt. Vernon
John Forrester – Allgeier, Martin & Assoc.
Laura Kelley – CDM Smith
Leland Butcher – City of Neosho
Mary Norell – City of Stockton
Matt Barnhart – Missouri American Water
Mike Pessina – City Utilities of Springfield
Mike Ray – City of Branson

Milton Dickensheet – City of Nixa
Pete Rauch – Monett
Roddy Rogers – City Utilities of Springfield
Ruth Bozarth – Pierce City
Sarah Stewart – CDM Smith
Skip Schaller – City of Monett
Tony Robyn – Harry S Truman Coordinating Council
Tyler Merriott - Senator Roy Blunt

Approval of Minutes from November 14, 2018:

Mr. Bryant asked for any corrections or additions to the minutes from November 14, 2018, and none were received.

Drew Landolf moved, seconded by Andrew Nelson, that the minutes from November 14, 2018, be approved. The motion carried, with all voting “aye”.

Standing Committee Reports:

President:

Mr. Bryant welcomed attendees and asked everyone to introduce themselves.

Executive:

Mr. Bryant reported that the executive committee met January 31st to discuss new legislative advocacy representation in the wake of the death of Scott Marris, owner of Governmental Services Group. The executive committee approved continuing to use Governmental Services Group, with new representation from William “Will” Marris, Scott’s son. Will, a recent law school graduate, has worked on and off for Governmental Services Group for five years. The executive committee agreed to continue with Will at least until the end of the current legislative session.

Financial:

Treasurer Mike Ray reported that monthly financials for November, December, January and February were included in board packets. As of February 28, 2019, the balance in checking was \$14,505.93, the balance in the Prime Advantage account was \$475,758.58, and total assets of the Coalition were \$490,264.51.

Mr. Barnhart moved, seconded by Milton Dickensheet, that the financials for Nov – Feb be approved. The motion carried with all voting “aye”.

Mr. Ray reported that the budget for 2019, previously sent by email, was also included in board packets.

Roddy Rogers moved, seconded by Matt Barnhart, that the budget be approved. The motion carried, with all voting “aye”.

Communications:

Mr. Choate called attention to the Request for Proposals for Communications Planning included in board packets. He suggested the board approve the RFP.

Matt Barnhart moved, seconded by Andrew Nelson, to approve the Request for Proposals for Communication Planning at the cost of up to \$20K. The motion carried, with all voting "aye".

Mr. Choate reminded the board of the decision last spring to use both the Tri-State Water Coalition and SWMO Joint Municipal Water Utility Commission logos on documents. The goal was to co-brand the organizations and familiarize people who are used to the name Tri-State Water with the name of the regional utility. With that having been done, Mr. Choate suggested a transition to general use of the name, "Southwest Missouri Regional Water". This name will refer to both organizations, as an "umbrella" name. The two organizations will still be legally separate and transact business separately – Tri-State Water as a 501c4 and SWMO Joint Municipal Water Utility Commission as a joint municipal water utility. Mr. Choate noted the name "Tri-State" has become a misnomer because all members are from Southwest Missouri. He noted the names of both organizations are somewhat cumbersome, and this new "umbrella" name will allow the use of a simpler, more accurate, and more memorable name to use when referring to the combined efforts of the sister organizations.

Ms. Melgren reported having included a graphic in board packets showing the organizational structure of both organizations, and their relation to each other.

Membership:

Ms. Melgren reported having included a 2019 Membership Spreadsheet in board packets. She said Christian County is under new leadership and may not join in 2019. She mentioned having reached out to Newton County, as she has in years past. She said Lamar has dropped its membership. She reported that Willard has joined, represented by Brad Gray. She reported that Ozark has joined, represented by Jeremy Parsons. She reported that Stockton has joined, represented by Mary Norell. She introduced Ruth Bozarth, alderman and representative for Pierce City. She introduced Leland Butcher, city administrator, and Bill Doubek, city councilman, from Neosho. She said Neosho is planning to join, but not until fall of 2019.

Legislative/Regulatory:

Will Marrs gave a legislative update by phone. He said so far in the session revenue looks to be down. He noted a withholding error by the Department of Revenue which will lower revenue. He reported concern that across the board cuts could still be made to the budget. He said HB6 contains the Multi-Purpose Fund, whose appropriation could potentially benefit SWMO Regional Water. He noted the fund originally had \$10M and is currently at \$8.5M.

Ms. Melgren explained that SWMO Regional Water's request for State funds has changed form. Rather than seeking funding through a separate line-item, funding will be sought through the Multi-Purpose Water Fund, which is part of the Governor's budget. This fund exists within DNR's agency budget, and would be administered by DNR.

Chuck Bryant mentioned concern about SB66, whose requirements would create higher costs for utilities. He suggested members consider reaching out to their legislative representatives.

Ms. Melgren reported on her upcoming trip to Washington, DC. She is scheduled to attend the spring roundtable conference co-sponsored by the Interstate Council on Water Policy and the National Water Supply Alliance. She said she will make Hill visits, talk with the Corps of Engineers, and with the Secretary of the Army's office. She noted that the KC District COE request for approval for SWMO Regional Water to contribute funds for year 5 of the reallocation study has not yet cleared the House and Senate Appropriations subcommittees on Water and Energy.

Technical:

Mr. Rogers reported that the rate study Workshop #1 took place December 4th, and was well attended. He said Workshop #2 was scheduled to take place after the board meeting, and that one other workshop will be scheduled.

Mr. Rogers announced the next technical committee meeting, which will take place on April 24th, at 10:00 am, in Springfield, at Ms. Melgren's office in Farmer's Park. This meeting will give participants an opportunity to discuss ideas about costs, transmission, and other details, and set the stage for a productive Rate Study Workshop #3.

Ms. Melgren noted that the rate study numbers, especially the ballpark cost-per-thousand-gallons of water for one or more infrastructure project scenarios, will inform discussions about take/pay contracts. She also reminded board members that SWMO Water is not bound by any of the rate study planning scenarios. They are planning level attempts to assess possible transmission, treatment, and cost.

Executive Director Report:

Ms. Melgren thanked Mr. Schaller for his past two years of service as board president. She thanked Mr. Rogers for his continued dedication as chair of the technical committee. She thanked Mike Ray for his continued dedication as treasurer. She also thanked Mr. Bryant for his willingness to serve as president for the upcoming year.

Ms. Melgren referred to a Request for Qualifications for Legal Work document included in board packets. She explained the need to retain legal counsel to help develop and negotiate the potential contract with the Corps of Engineers for reallocated water storage, and also to develop and negotiate contracts for projects.

Ms. Melgren referred to the Investment Summary and Timeline included in board packets, showing the work to date and associated costs in summary form. She noted that ~\$350K of regional dollars have been leveraged to accrue over \$4M of State and Federal funds.

Ms. Melgren referred to a Salary Range and Operating Cost Projection document developed by the board in 2009, included in board packets. She noted that SWMO Regional Water operates on half of the amount projected in 2009 as being the minimum required to run the organization.

Ms. Melgren suggested future costs could be considered as belonging in three different "buckets". The first will include costs incurred to prepare for a possible reallocation of water storage from Corps of Engineer lakes (Stockton and Pomme de Terre) and run approximately \$15M. The second "bucket" will include cost of reallocated water storage, and may run \$30M - \$34M. The third will include infrastructure costs, and run in the hundreds of millions.

Ms. Melgren referred to the Executive Director Annual Evaluation in board packets. She thanked Mr. Shaller and the executive committee for their feedback, and thanked the board for her raise.

Ms. Melgren reported having recently presented about SWMO Water to the Neosho City Council. She thanked Mr. Pyle and Mr. Schaller for presenting with her.

Ms. Melgren reported that the fall water conference date has been set for October 10th. It will again take place at Darr Ag Center, in Springfield. She asked that any suggestions about content for the conference be sent to her by email.

Ms. Melgren reported that Brian Clark, USGS, has said the Ozark Plateau Aquifer Study Update is still in process. Comments are back from peer review and modifications are being made to the model. Publication is anticipated toward the end of 2019.

Ms. Melgren asked Mr. Barnhart to give an update on Missouri American's potential reservoir in Joplin.

New Business:

Mr. Bryant called for a vote to approve the Request for Qualifications for Legal Services, described by Ms. Melgren and included in board packets.

Mr. Schaller moved, seconded by Mr. Barnhart, that the Request for Qualifications for Legal Services be approved. The motion carried, with all voting "aye".

Report from the Southwest Missouri Joint Municipal Water Utility Commission:

Mr. Rogers said the SWMO Joint Municipal Water Utility Commission will meet next on May 15th, at 8:00 am, at the MARC, in Mt. Vernon, MO. Mr. Rogers said an invitation has been extended to Missouri Public Utility Alliance (MPUA), which would present to the Commission about possible benefits of membership in MPUA.

Reports from legislative or agency officials:

Jennifer Hoggatt, director of DNR's Water Resources Center, talked with the board about the Multi-Purpose Water Resource Fund.

Jennifer Henggeler, economist for Kansas City Corps of Engineers, gave an update about the request for water storage reallocation in Stockton/Pomme de Terre Lakes.

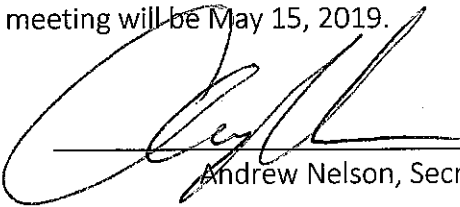
Presentations:

Sarah Stewart and Laura Kelley, with CDM Smith, gave a brief update about the Rate Study, with Workshop #2 to follow the board meeting.

Adjournment:

Skip Schaller moved, seconded by Matt Barnhart that the meeting adjourn. The motion carried, with all voting "aye".

The next Tri-State Water Coalition board meeting will be May 15, 2019.



Andrew Nelson, Secretary