



Board of Directors Virtual Meeting
Wednesday, August 19, 2020

MINUTES

Welcome:

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

Andrea Collier – Barr Engineering
Andrew Nelson – City of Republic
Brad Gray – City of Willard
Chuck Bryant – Carthage Water and Electric
Cody Brewington – Missouri State University
David Hertzberg – City of Joplin
David Shorr – Lathrop GPM
Dennis Pyle – City of Monett
Doug Colvin – City of Nixa
Drew Landoll – Empire/Liberty Utilities
Emma Schneider – Missouri Department of Natural Resources
Eric Dove – HDR
Ewell Lawson – Missouri Public Utility Alliance
Gail Melgren – Tri-State Water Coalition and SWMO Joint Municipal Water Commission
Jack Schaller – Olsson
Jake White – Burns & McDonnell
Jane Hood – Southwest Missouri Council of Governments
Jason Choate – Carthage Water & Electric
Jen Henggeler – Corps of Engineers, Kansas City District
Jeremy Parsons – City of Ozark
Jesse Veach – CDM Smith
Joe Kelley – City of Mt. Vernon
Joe Richards – US Geological Survey
John Forrester – Allgeier, Martin
Jordon Wilson – US Geological Survey
Judith Thomas – US Geological Survey
Lacy Hirschvogel – Missouri Association of Municipal Utilities
Laura Kelley – CDM Smith

Matt Barnhart – Missouri American Water
Michael Weller – MO Department of Natural Resources
Mike Pessina – City Utilities of Springfield
Roddy Rogers – City Utilities of Springfield
Sarah Stewart – CDM Smith
Skip Schaller – City of Monett
Stephanie Crawford – City of Branson

Approval of Minutes from Previous Meeting:

Mr. Bryant asked for any corrections or additions to the minutes from May 20, 2020, and none were received.

ACTION: Doug Colvin moved, seconded by Skip Schaller, that the minutes from May 20, 2020, be approved. The motion carried, with all voting “aye”.

Standing Committee Reports:

President:

Mr. Bryant welcomed attendees to the virtual meeting and asked everyone to introduce themselves.

Executive:

Mr. Bryant reported that the executive committee had not met since the previous meeting.

Financial:

Treasurer Mike Ray was absent. Board president Chuck Bryant reported that monthly financials were included in board packets. As of July 31, 2020, the balance in checking was \$24,568.54, and the balance in the Prime Advantage account was \$440,216.70. Total assets of the Coalition were \$464,785.24.

ACTION: Skip Schaller moved, seconded by David Hertzberg, that the financials through July 31, 2020, be approved. The motion carried with all voting “aye”.

Communications:

Mr. Choate reported that the completed communication plan will continue to be a resource for web updates, revised written materials, etc.

Membership:

Ms. Melgren reported that membership is stable.

Legislative/Regulatory:

Mr. Hertzberg reported that the application and funding request to MO DNR for the Multipurpose Fund are close to DNR approval and will be used for next-step technical studies. DNR has been structuring the program internally, including the development of rules guidance, which has taken some time.

Mr. Hertzberg reported that the Corps of Engineers has completed a draft Stockton Lake reallocation report. That report was posted for public review and comment for a month in July/August. Mr. Hertzberg said that several stakeholders submitted letters of support for SWMO Water, including Senator Roy Blunt and Representative Billy Long. SWMO Water also submitted letters.

Technical:

Mr. Rogers reported that the Rate Study is complete. He suggested board members focus on purchase of water storage first. He said the purchase of water storage in Stockton is an opportunity to secure additional water supply for the region which will not likely be available again for a long time. He said it will continue to get more expensive, so now is the time to secure.

Mr. Rogers noted the Project Elements to 2028 document in board packets. He said next-step technical study scopes have been drafted.

Executive Director Report:

Ms. Melgren asked for the board's approval to write a scope and interview for a federal lobbyist to help shepherd the Stockton reallocation request through the approval process. The board approved.

Ms. Melgren expressed concern about the continued opposition to the Stockton reallocation by the Southwestern Power Resources Association (SPRA).

Ms. Melgren reminded the board that the Stockton Lake reallocation request is scheduled for USACE reviews for the rest of 2020. It is then scheduled to go to the Assistant Secretary of the Army approximately February 2021, unless the timeline extends.

Ms. Melgren noted the fall water conference is scheduled for October 8th. Presentations lined up are DNR/State Water Plan, State of MO climatologist Pat Guinan, the Drought Mitigation Center, CDM Smith/SWMO Water Rate Study. The board suggested skipping the conference for this year because of the Coronavirus pandemic.

Ms. Melgren said a new treasurer will be needed starting in 2021. She thanked Mike Ray for serving in that role for the past few years.

Ms. Melgren mentioned again the possibility of joining the National Water Supply Alliance (NWSA) – a national group whose sole purpose is to advance the interests of water suppliers. Created in

2017, membership includes state, regional and local governments, as well as wholesale water providers and utilities who rely on water supply stored in Corps of Engineers facilities.

Legal:

David Shorr reported being ready to discuss internally the contract for purchase of water storage from the Corps of Engineers. He suggested both portions of the proposed reallocated storage be included in the upcoming agreement (the first half, from the multipurpose pool, and the second half, from the flood pool). He suggested the flood pool portion be defined as contingent upon a dam safety rating revision or the issuance of a waiver. Mr. Shorr reported having drafted Letters of Support on behalf of SWMO Water for submission to the Corps of Engineers for the recent public comment period for the Stockton Lake reallocation. Mr. Shorr noted that the upcoming November election may create changes in the ASA, most notably R.D. James. He said Mr. James and Chief of Engineers at USACE, General Spellman, could be helpful advocates.

New Business:

Report from the Southwest Missouri Joint Municipal Water Utility Commission:

Mr. Rogers noted that the JMUC had not met since the last Tri-State Water meeting. He noted there was no need to meet today because there was no actionable business to consider. Ms. Melgren noted that the SWMO JMWUC was brought to legal life (Joint Contract signed) in 2012 as a vehicle to purchase potential future water supply and build transmission infrastructure projects. It is a governmental entity by law and will serve as a regional public water utility once a source of supply is available. The Tri-State Water Coalition continues to work toward a USACE reallocation of water storage at Stockton Lake to secure that water supply.

Reports from legislative or agency officials:

Kansas City District Corps of Engineers – Jennifer Henggeler gave a Stockton Lake Water Supply Storage reallocation study update. Ms. Henggeler reported that a period of public review for the draft Stockton reallocation report ran from July 9 through August 10, 2020. USACE received comments, including from agencies, energy producers or associations, individual citizens, municipalities, and political representatives. She said the USACE internal review continues as well. She noted that USACE Headquarters policy review had yet to submit their comments. She reported that all the submitted Stockton reallocation comments will be reviewed and paths forward defined. An Agency Decision Milestone Meeting cannot take place until all report elements have been considered and paths forward defined for submitted comments. Ms. Henggeler noted she is not sure there will be adequate funds to complete the Stockton reallocation process – that it will depend on the extent of work needed to respond to all comments and concerns regarding the draft report. She said additional contributed funds from SWMO Water will most likely be needed to get over the finish line. She will provide an estimate once the USACE team has reviewed and identified a path forward for the comments. She said the methodology for hydropower benefits forgone will need further evaluation. Other agencies also provided comments related to the evaluation of effects, which are still under review.

In regards to the dam safety rating reevaluation required before the second half (or the 1.8 foot pool raise) of the reallocated water supply storage described in the Stockton reallocation report can be placed under contract, Ms. Henggeler noted that USACE will be starting a Periodic Assessment of the Stockton dam rating in 2024 (these are completed by USACE every 10 years). She said that SWMO Water could contribute approximately \$70,000 to start that evaluation without waiting until 2024. She said it will require using updated hydrologic information, which was completed earlier in 2020. The USACE Risk Management Center has indicated that after a review of the initial updated hydrologic information, a more detailed and expensive study is not needed at this time. Instead, the USACE team should complete a reevaluation of risk which is similar to what was conducted in 2018 to inform the water supply storage reallocation study about the dam safety classification rating.

MO DNR – Michael Weller reported that the Multipurpose Funds for SWMO Water are in the final stages of approval. He said coronavirus pandemic expenses for the State of Missouri have lowered Multipurpose Fund appropriations, but the fund contains enough for the current SWMO Water request. He noted that the SWMO Water request has been awarded and that the application acceptance letter will be delivered soon.

Presentations:

CDM Smith – Sarah Stewart, CDM Smith, reviewed the completed Rate Study, including demand gaps, water requests, water reallocation capital costs (including first “half” costs), annual debt service costs, rate per thousand cost per community, O&M costs, three updated corridor alternatives with costs, and an overall 35-year timeline for storage and transmission costs. Ms. Melgren noted that members have received the overall Rate Study as well as individual utility-level summary reports.

Missouri Association of Municipal Utilities – Ewell Lawson reported on the recent legislative session. He noted that appropriations to the Multipurpose Fund had been lower than expected due to coronavirus pandemic impacts. He said a special session will likely occur within the next several weeks. He said revenue numbers will be significantly impacted within the state budget due to coronavirus. He specifically noted Amendment 2, HB 1854, HB 2120, and said he expects coronavirus liability legislation to be considered soon.

Adjournment:

Skip Schaller moved, seconded by Doug Colvin, that the meeting be adjourn. The motion carried, with all voting “aye”.

The next Tri-State Water Coalition board meeting will be November 18, 2020.



Doug Colvin, Secretary