Southwest Missouri Joint Municipal Water Utility Commission

Board of Directors Meeting

Minutes

April 18, 2023

CALL TO ORDER

The meeting of the Southwest Joint Municipal Water Utility Commission (JMUC) was called to order at The Casino, 101 South Lincoln, Monett Missouri on April 18, 2023, at 9:05 a.m. by Skip Schaller, President. The JMUC meeting was concurrent with the Tri State Water Resource Coalition meeting.

SELF INTRODUCTIONS

Board Members Present:

Kendall Powell, Branson via Zoom
Jason Choate, Carthage
Steve Stodden, City Utilities of Springfield
Skip Schaller, Monett,
Dustin Davis, Mt. Vernon
Travis Cossey, Nixa
Jeremy Parsons, Ozark
Ernie Jarvis, Pierce City
Dan Johnson, Joplin
Roddy Rogers, Executive Director-SWMO

In Attendance:
Michael D. Beatty, Liberty
Matt Barnhart, Mo Am
Michael Weller, DNR via Zoom
TJ Whatley, City Utilities (CU) via Zoom
Jennifer Henggeler, COE via Zoom
Bob Wilson, City Utilities via Zoom
John Fortuna, Jones and Fortuna via Zoom
Lewis Jones, Jones and Fortuna via Zoom
Chad Johnson, CDM Smith via Zoom
Phil Walsack, Burns and McDonnell
Jack Schaller, Olsson
Jason Stutesman, Nixa
Bob Wilson, CU via Zoom
Drew Hilpert, CU via Zoom
Josh Youngblood, MPUA via Zoom
John Schumacher, USGS via Zoom

JMUC MEMBERS

Current members are now Branson, Carthage, CU, Joplin, Monett, Mt Vernon, Nixa, Stockton, Ozark, Republic. Voted previously to approve Ozark and Republic pending their board approvals/resolutions. Their boards have approved and completed resolutions so they are officially members. Pierce City has also completed their resolutions and board approval. Steve Stodden made a motion seconded by Dan Johnson to vote them into the JMUC and the motion passed.

APPROVAL OF PREVIOUS MINUTES

A motion to approve the JMUC minutes from January 18, 2023, was made by Jason Choate, seconded by Jeremy Parsons, and passed.

COMMITTEE REPORTS

JMUC Financial Report-Travis Cossey

As of 01/4/23 Central acct balance is: $397,040.51

Technical -Jason Choate

PAS Funding Agreement-- PAS funding agreement. Roddy met with John Grothaus and Ken Wade of COE on scoping and expectations for Corridor Studies, Hydraulic Model, and Timing/Permitting Studies. Provided CU studies from mid-90's for reference. There was an expense for scanning ($37)
PAS agreement is set up to use COE consultants to do hydraulic model, aerial photography, environmental archaeological studies, and timing/permitting studies. These studies are now kicking off via the COE and their consultant selection process.
This will kick start what is a several year process to get to the design stage.

COE Report -Jennifer Henggeler

Jen reported that she has received review comments and is working on those.

After comments are addressed, they would be ready to move to the next step in the process.

DNR-Michael-Weller

The current (JMUC) agreement signed in December of 2020 for $985,000 has gone beyond the 2-year budget period in the contract so the last (Jones Fortuna) payment/reimbursement request was rejected by Accounting. Michael is working on creating an extension so this funding can continue to be used. It will be a new contract that will serve as an extension. He is working to do it as quickly as possible. Our last payment has already been made to Jones and Fortuna so this will allow it to be reimbursed. In other words, SWMO Water is paid up to date.

EXECUTIVE DIRECTOR REPORT

Roddy thanked the Board for the opportunity to serve the past year.

Held meeting with COE modelers and Jones and Fortuna and Hazen Sawyer on yields. This will affect how much everyone pays for storage.

Provided additional info to Forvis (formerly BKD) for determining tax status. Since we have switched to the JMUC receiving more of the dues revenue, that entity will need to file taxes. We have not in the past because revenues were below the $50,000 threshold. (Subsequent to the meeting Roddy learned from Forvis that they had filed for an extension to May 18 and that we would be able to pay our taxes by then.)

Also signed contract for Forvis services. In the past they had just sent terms---now are requiring re-signing each year. Checked with Skip and Steve first. Can provide agreement if desired.

Multiple meetings with COE on Reallocation Report and initial meetings on reallocation contract and costs.

Web Sites—revamped websites are now live. Being managed by Kim Spradling. It is set up as one site under umbrella of SWMO Water. Can access both JMUC and Tri State Coalition information. The host is now Siteground instead of Word press.

Asked for Board approval of new logo to match SWMO Joint Municipal Water Utility Commission legal name. New JMUC Logo passed out. This matches our legal name and web site. Steve Stodden made a motion seconded by Travis Cossey to approve the new logo.

Steve also suggested looking into registering "SWMO Water" with the Secretary of State.

Presented to James River Basin Partnership on March 17.

Sent letter to Governor in support of proclamation for "Lakes Appreciation Month". Can provide a copy if interested. Talked with Skip and Steve before sending.

Did an interview with KSMU (Missouri State Public Radio Station) on the future of water in the region on March 16 in cooperation with CU.

Got UEI (Unique Entity Identifier) on Sams Gov site! Involved several iterations and restarts over a 6 month period. This is a requisite step for any Federal Funding and replaces the Duns Number which Roddy had also acquired. Skip asked that this info be sent to reside with a couple of other Board members.

Filled out form with Tim Eastin on renewal of insurance. The Board asked to bring back the cost of the Cyber Security insurance that is being suggested by Tim.

Annual Water Conference- Planning for next Conference---Sept 26 Darr Center—possible keynote-Andy Mueller—General Manager of Colorado River District—tried but cannot fit it in. Roddy inquired as to Board input on possible speakers--Katherine Zitsch Director of Metro North Georgia Water as well as Lane Crider, the CEO of the Beaver Water District in Arkansas. Both could speak on their experience on what happens, ie positive effects of having a water source in place. The theme could be Positive Trends in Water Supply. North Georgia just received the largest allocation ever. The Board was affirmative on this direction for the conference and also said that Sept 26 date immediately preceding MPUA would not hinder their attendance.

Attended NWSA conference in Washington April 3-6. Opportunity to talk with COE staff and other water organizations like ours. Update on current ASA (Connor) was that they anticipate unprecedented resources and that priorities include climate resilient infrastructure. As year three of the current administration approaches things will begin to change.

Jones and Fortuna activities

Held multiple meetings with Jones and Fortuna and Gilmore and Bell on reallocation contracts as well as JMUC contracts with individual entities. We have provided a template contract for each board member to look at. Once the COE decides on the allocation, and it is affirmative, each entity will need to either sign the contract or opt out of storage. To know how to structure the contracts—we really need to know CU/Spfd--MO Am/Joplin plans to take any of the reallocation now and their inclination to hold a reserve pool for minimal incremental cost.

Jones and Fortuna had a financial analyst evaluate financial aspects of reallocation.

Lathrop Gage—Files transferred. Since David Shorr passed away Dec 26. Board approved transferring files to Jones/Fortuna.

An invoice between Jones and Fortuna and SWMO Water was intercepted and altered in an attempt to get us to electronically transfer funds. It was very well done and not at all readily identifiable. It was detected when Roddy called John (Fortuna) about what he thought to be John's directive to no longer do paper checks---and John informed him he did not write that in their invoice. Considerable time and effort to mitigate this. John called in a computer consultant (Bitsmith) immediately---since Jones and Fortuna transfers a lot of confidential and privileged info and (graciously) the consultant also logged in with Roddy to mitigate their presence in SWMO/Roddy's system. At least one possible avenue for the hacker(s) appeared to be through Travis Cossey's email to SWMO work email account—so have talked with Travis too.

Ultimately— signed SWMO Water up with this support company (Bitsmith) going forward for stronger security for us to prevent this from happening again and devoted time working to change passwords, doing scans, and logging online with the consultant getting it set up. It could have been worse. It is $150/month. Put one month on the Tri State credit card. This one Jones and Fortuna invoice was for $20,000+, and had we gone forward with the ACH –the money could have ended up in another account besides ours or Jones and Fortuna's. So, believe well worth it financially. Not to mention the peace of mind.

Notwithstanding-- Roddy already had at least two layers of security. Consultant said this may go back to a Microsoft breach that effected 500,000 back in August—known as "middle man" scam. The company that hacked it appeared to be Russian based.

Asking for Board to approve the contract with the consultant. Felt like getting these cyber criminals blocked and out of our/my computer system as soon as possible to be a time of the essence thing. They can do a lot of damage very quickly. Can provide agreement if desired.

The Board wanted to get a report back from Roddy/Bitsmith on their liability insurance and what cyber security that might provide.

Met with Jones Fortuna and possible subcontractor on possible future funding. JMUC Board approved enlisting the subcontractor.

OTHER BUSINESS

All Dues— Everyone is paid up now except Willard.

Next 2023 Meetings-- July 18, October 17

Skip and Steve discussed the possibility of writing a Delegation of Authority for Roddy to operate under. This would give authority for the Executive Director to make purchases or commitments up to a certain amount and beyond that would require Board approval.

CLOSED MEETING – Executive Committee

Contractual and legal discussions will be held in closed session, and only actions resulting from closed meeting will be included in the public minutes.

A motion to go into concurrent closed executive session with Tri State was made by Travis Cossey, seconded by Jeremy Parsons and approved by the JMUC Board. This motion was also to adjourn back into the regular meetings upon conclusion of the closed session.

Attendance and vote was taken by roll call

A break was taken to allow non-Board members to depart from the meeting.

Open meeting was resumed at about 11:10 a.m.

ADJOURNMENT

With no further business the meeting was adjourned at about 11:45 am by virtue of the earlier approved motion by Travis Cossey.

7-28-23

Kendall Powell, Secretary