SWMO Joint Municipal Water Utility
Special Called Board of Directors Meeting
Minutes
April 30, 2026

CALL TO ORDER

The virtual meeting of the SWMO Joint Municipal Water Utility Commission (JMUC) was called to order on April 1, 2026, at about 9:00 a.m. by Skip Schaller, President.

SELF INTRODUCTIONS

Board Members Present:

Krista Shurtz, City Utilities of Springfield*
Skip Schaller, City of Monett*
Travis Cossey, City of Nixa*
Jeremy Parsons, City of Ozark*
Kendall Powell, City of Branson
Karen Haynes, City of Republic*
Jason Choate, City of Carthage*
Roddy Rogers, Executive Director
*User

In Attendance:

Chad Johnson, CDM Smith
Mark Griffin, CDM Smith
Matt Barnhart, MoAm*
Michael Weller, DNR
Derek Linam, MoAm *
Shelby Canole, MPUA
Brandon Renaud, MPUA
Lacey Hirschvogel, MPUA
John Fortuna, Jones and Fortuna
Lewis Jones, Jones and Fortuna
Jason Stutesman, City of Nixa
Jack Schaller, Olssen
Sandy Buescher, DNR

Jen Henggeler, COE
Clinton Finn, DNR
Stephanie-Republic notetaker
Cliff Cate, Burns & McDonnell
Dan Johnson, Joplin

JMUC Officers

President	Skip Schaller
VP	Travis Cossey
Secretary	Kendall Powell
Treasurer	Jeremy Parsons
At Large	Krista Shurtz

DNR FUNDING AGREEMENT AUTHORIZATION

Roddy Rogers stated that there was a quorum present for both the JMUC and the User Group and then presented the need for formal authorization to execute the DNR funding agreement. Roddy explained that the agreement is similar in structure to what was previously reviewed in January, but includes improvements, particularly related to amortization structure and coordination with the federal contract. Roddy referenced a table he had distributed comparing estimated entity payments with and without DNR funding. Lewis Jones also prepared a separate table utilizing an alternative amortization approach. Both approaches demonstrated significant savings relative to the obligations outlined in the existing pass-through contracts.

Roddy requested authority to finalize and execute the agreement with reasonable flexibility, provided that the final terms do not increase the financial obligations of the participating members beyond what has already been approved in their respective contracts.

Travis indicated support for granting this authority, noting that he was comfortable allowing flexibility so long as the outcome does not increase member reallocation costs and that any reduction in cost would be beneficial to all participants. Additional discussion clarified that if the DNR agreement is not finalized or if federal approval is delayed, the obligations would default back to the terms already established in the member contracts.

Discussion also addressed governance and structure of approval. Lewis confirmed that formal authorization is required at the JMUC Board level since JMUC will be the contracting entity, and that parallel approval by the user group is appropriate to maintain consistency in governance moving forward.

Kendall raised questions regarding liability and obligation for entities not participating in the Stockton User Group, as well as potential future members. It was clarified that only

participating user group members are obligated under the contracts, and that obligations are governed by the individual user agreements. Lewis further explained that step-up provisions within those agreements require participating members to cover any shortfall proportionally based on their storage allocation. Non-participating members are not responsible for these obligations, and entities that are not party to a user agreement (such as non-participants) have no contractual obligation to JMUC for these costs.

Additional discussion focused on timing of DNR funding and its dependency on federal contract approval. It was noted that funding is expected to be available provided the required contracts are executed within the current fiscal year. June 1 is a practical deadline to ensure sufficient time for processing, although the fiscal year end is June 30. It was emphasized that banking logistics, including the transfer of approximately $13.4 million, create practical constraints that require earlier completion. If the deadline is not met, JMUC will have to start the process over in the new DNR fiscal year.

Further discussion addressed uncertainty around the timing of DNR funding relative to contract execution, including whether funding would be confirmed prior to execution. It was noted that confirmation of DNR funding is dependent on approval of the federal contract by the Assistant Secretary of the Army and subsequent execution steps. If the contract is not approved and returned in time to meet the June 1 target, participants retain the option to delay execution in order to regroup and align timing; however, the collective intent remains to proceed as quickly as possible once approvals are received. The ASA already has a copy of the contract as of last week.

Skip requested clarification on which group needs to vote and Lewis confirmed that both JMUC and the USER Group will need to vote.

Following discussion, motions were made and approved as follows:

Travis Cossey motioned for JMUC, seconded by Skip Schaller to authorize Roddy to execute the DNR funding agreement with flexibility to finalize terms, provided that no increase in member financial obligations occurs beyond approved levels. Motion approved by Board vote.

Skip Schaller motioned for the User Group, seconded by Jeremy Parsons to approve the same authorization. Motion approved by vote.

DNR AGREEMENT REVISIONS AND PAYMENT COORDINATION

Roddy reviewed specific proposed revisions to the DNR agreement, including updates to financial schedules, clarification of approval dates, and modifications to payment timing provisions.

Roddy displayed his comments to the agreement as follows

1) In paragraph 7, first line, replaced "approved" with "established consensus for"
2) In paragraph 7, changed 45,396-acre feet to 45,395-acre feet in two places in line 4
3) In paragraph 7, 6.32 % changed to 6.33%
4) Asked to add today's approval of the agreement as provided by email (April 30, 2026)
5) In paragraph 11 ask Department to provide payments to the Commission 30 days or at least 15 days instead of 5 days before the payment deadline
6) Asked, if possible, to provide for the ability for DNR to directly pay the COE

Roddy asked if there were any objections to these changes and there were none

A key discussion point was the need to extend the standard five-day payment window to 15 or 30-days due to the complexity of transferring large sums between multiple entities and financial institutions.

Discussion with DNR representatives focused on options to streamline payment, including the possibility of DNR making payment directly to COE on behalf of JMUC. This approach was favored as it would reduce administrative complexity and minimize risk of delays associated with fund transfers between multiple accounts. DNR indicated that this approach may be feasible and will be reviewed further, with potential language added to the agreement to allow this flexibility.

Board members expressed general support for both extending payment timelines where necessary and pursuing direct payment if possible. It was agreed that the agreement should include flexibility to accommodate either approach depending on what can be implemented operationally.

PASS-THROUGH AGREEMENTS

Roddy and Lewis reviewed the status of pass-through agreements, noting that these had previously been revised and approved. Additional comments from Republic were presented by Lewis and discussed.

- Clarifying that the Agreement is for storage space only, not "water" as originally indicted. This one is not possible because it is written as it is to alleviate COE concern about sub-allotting the storage
- Refining invoicing and payment triggers to require written notice and documentation of the federal contract, tying payment dates to that notice. (we will provide a signed COE contract)
- Adding minor clarifications to cost provisions, ensuring they are tied to JMUC's obligations under the federal contract.

- Replacing an undefined reference to "Contingency Fund."
- Updating notice provisions to allow electronic receipt.

While the comments were considered reasonable clarifications, it was noted that incorporating further revisions at this stage could require additional legal review across all participating entities and potentially delay execution.

Republic confirmed that they were comfortable proceeding with the agreements as currently drafted. Based on this and the need to maintain schedule, the group reached consensus to proceed without further revisions.

Agreement signing procedures were also discussed. It was determined that members will print, sign, and return scanned copies of agreements, with hard copies to follow if necessary. Electronic signature platforms were discussed but not adopted due to varying preferences among members.

Roddy and Lewis provided a detailed walkthrough of the contract execution process and associated funding structure. Roddy emphasized that the federal contract is expected to take all storage at the fiscal year 2010 pricing (all in one phase), which remains a significant financial advantage to the project.

It was explained that, upon execution of the federal contract, DNR intends to fund the cost of the reallocation through a structured approach. DNR will provide an initial payment of approximately 50% of the total cost up front, with the remaining balance to be paid to COE over a period of approximately four years.

During this interim period, DNR has arranged to cover the interest associated with the balance owed to COE, thereby reducing the financial burden on JMUC. However, JMUC will remain responsible for making principal payments to COE during this period.

Lewis explained that once DNR completes payment to the COE, the structure transitions to long-term financing through DNR. Under this structure, approximately half of the total project cost will be forgiven, while the remaining half will be financed through a loan at an interest rate of approximately 2% over a 30-year term. The first repayment to DNR is expected to occur on day 364 following execution of the agreement.

Lewis reviewed projected payment impacts based on this structure. He noted that there will be no payment required during the first year until the day 364 payment, at which point two payments will effectively occur within a short timeframe:

- Principal payment to the Corps, estimated to be approximately $165,000-175,000; and
- The first repayment installment to DNR, estimated at approximately $519,000.

He further explained that during the initial three- to four-year period, total annual payment obligations for members will be somewhat higher than in later years due to the

overlapping Corps and DNR payments. However, even during this period, the total payments are expected to be approximately 50% of what was originally projected under the prior Corps-only financing structure that had been approved.

After DNR completes its payments to the Corps and the financing transitions fully to the DNR loan structure, annual payment obligations are expected to decrease further to approximately one-third of the originally anticipated cost levels, plus administrative fees.

Roddy emphasized that, despite the complexity of the structure, the overall financial outcome remains highly favorable to the members due to the combination of legacy pricing, partial debt forgiveness, and low-interest long-term financing.

ADJOURNMENT

Motion to adjourn was made by Skip Schaller and seconded by Matt Barnhart for the user group, and by Skip Schaller and seconded by Jason Choate for the JMUC Board. Motion approved by vote at about 10:15 AM.

7-28-26

Kendall Powell, Secretary