



Board of Directors Virtual Meeting
Wednesday, November 18, 2020

MINUTES

Welcome:

Past President Skip Schaller called the meeting to order. Chuck Bryant, President, and Matt Barnhart, V.P., both had conflicts and were unable to attend. The following were present:

Aaron Robinson – HDR Engineering
Andrea Collier – Barr Engineering
Brad Gray – City of Willard
Chad Johnson – CDM Smith
David Shorr – Lathrop GPM
Doug Colvin – City of Nixa
Ewell Lawson – Missouri Public Utility Alliance
Gail Melgren – Tri-State Water Coalition and SWMO Joint Municipal Water Commission
Jack Schaller – Olsson Associates
Jack Whitman – Independent consultant
Jane Hood – Southwest Missouri Council of Governments
Jen Henggeler – Corps of Engineers, Kansas City District
Jeremy Parsons – City of Ozark
Jessica Veach – CDM Smith
Jim Triplett – Grand Lake Watershed Alliance foundation
Joe Kelley – City of Mt. Vernon
Jordon Wilson – US Geological Survey
Kevin Barns – Greene County
Mathew Kirsch – MO Department of Natural Resources
Michael Weller – MO Department of Natural Resources
Mike Pessina – City Utilities of Springfield
Mike Ray – City of Branson
Roddy Rogers – City Utilities of Springfield
Sarah Stewart – CDM Smith
Skip Schaller – City of Monett

Approval of Minutes from Previous Meeting:

Mr. Schaller asked for any corrections or additions to the minutes from August 19, 2020, and none were received.

ACTION: Roddy Rogers moved, seconded by Doug Colvin, that the minutes from August 19, 2020, be approved. The motion carried, with all voting “aye”.

Standing Committee Reports:

President:

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

Executive:

Mr. Schaller reviewed the proposed executive committee and officers for 2021:

2020	2021
<i>Executive Committee/Officers*</i>	<i>Executive Committee/Officers</i>
President – Chuck Bryant	President – Matt Barnhart
Past President – Skip Schaller	Past President – Chuck Bryant
Vice President – Matt Barnhart	Vice President – Doug Colvin
Treasurer – Mike Ray	Treasurer – Skip Schaller
Secretary – Doug Colvin	Secretary – Jeremy Parsons
<i>At Large</i>	<i>At Large</i>
Technical Chair – Roddy Rogers	Technical Chair – Roddy Rogers
Legislative Chair – David Hertzberg	Legislative Chair – David Hertzberg

**The 2020 officers have served the maximum two-year terms.*

ACTION: Mike Ray moved, seconded by Doug Colvin, that the proposed slate of executive committee members and officers for 2021 be approved. The motion carried, with all voting “aye”.

Mr. Schaller reported that the executive committee had approved in October a letter to Colonel William Hannan, Jr., Commander of the KC District Corps of Engineers. The letter was a request from SWMO Water that the reallocation study for Stockton Lake continue to move forward despite a request from hydropower interests that it be paused. Ms. Melgren explained that the current Stockton Lake reallocation study is triggering a longstanding disagreement between Southwestern Power Administration and the Corps of Engineers about how hydropower credits are calculated.

Mr. Schaller reported that the executive committee approved joining the National Water Supply Alliance. He noted that the board had discussed at previous board meetings.

Mr. Schaller reported that the executive committee had approved discontinuing the membership in Interstate Council on Water Policy (ICWP), as had been previously discussed by the board.

Financial:

Treasurer Mike Ray reported that as of October 30, 2020, the balance in checking was \$22,726.59, and the balance in the Prime Advantage account was \$393,183.36. Total assets of Tri-State Coalition were \$415,909.95.

ACTION: Doug Colvin moved, seconded by Roddy Rogers, that the financials through October 30, 2020, be approved. The motion carried with all voting "aye".

Communications:

Ms. Melgren briefly reviewed the SWMO Water website.

Membership:

Ms. Melgren reported that membership will likely remain the same for 2021, although Stockton is in doubt. They have a new mayor, Roger Hamby, who is not familiar with SWMO Water. Ms. Melgren said she has talked with Mayor Hamby about presenting to the Stockton board of aldermen, and he is open to scheduling that presentation once he receives an invoice for 2021 membership dues.

Ms. Melgren noted that membership notices would be distributed at the end of November.

The board agreed to maintain the same rate structure as was used in 2020. Dues for members who are not water providers will be \$500. Dues for water providers will be calculated as half of the DNR primacy fee per water connection. For those members of Tri-State Water who are also water providing members of the SWMO Joint Municipal Water Utility Commission, twenty percent of their Tri-State dues will be subtracted from their Tri-State membership and applied as dues for the SWMO Joint Municipal Water Utility Commission. In this way, twenty percent of the total dues amount is transferred to membership in SWMO Joint Municipal Water Utility Commission.

Legislative/Regulatory:

Ms. Melgren reported that SWMO Water's request to participate in the DNR Multipurpose Fund has been approved and set up through MoBest. Funding awarded through the Multipurpose Fund will be used to help pay for next-step technical studies and attorney fees related to contract development. Ms. Melgren noted that SWMO Water has been included in DNR's development of the Multipurpose Fund over the past few years. She thanked Mr. Weller of DNR for his successful efforts over the past few years to create a long-term funding mechanism. She said the Multipurpose Fund is intended to provide the opportunity for regional water supply projects like SWMO Water to request/receive funds from the State of Missouri/DNR using longer-term project horizon planning. The DNR Multipurpose fund is intended to serve as a quasi-revolving fund for state regional water supply projects.

Ms. Melgren said no trip to Washington DC is scheduled at this time because DC offices are still not scheduling in-person meetings.

Ms. Melgren said the change in administrations will change the head of the Assistant Secretary of the Army (civil works) office from R.D. James to a new appointee of the Biden administration. She noted that other contacts within the Assistant Secretary of the Army's office will help with that transition.

Ms. Melgren reminded the board that Mr. Schaller, Mr. Rogers, and Mr. Hertzberg are serving as an ad hoc committee to scope and hire a federal lobbying firm to help shepherd the reallocation study for Stockton Lake through to completion. The committee will develop a scope of work and a list of firms of interest.

Ms. Melgren reported that Missouri Association of Municipal Utilities (MAMU) has taken a neutral position on SWMO Water's request for reallocated water storage at Stockton Lake. She said members of MAMU represent both hydropower and municipal water supply interests. Ms. Melgren reported recently having spoken with leadership of both MAMU and Missouri Public Utility Alliance (MPUA), neither of which will advocate for SWMO Water's reallocation request. Ms. Melgren noted that MAMU did not write a letter of support during the Corps public comment period during the summer of 2020.

Technical:

Mr. Rogers said the newly approved Multipurpose Funds from DNR will go toward next-step technical studies, including corridor studies, modeling, timing/staging/permitting, and engineering support. He reported that he and Ms. Melgren have discussed with KC District USACE and MO DNR the possibility of leveraging part of the recent Multipurpose Fund award through the Planning Assistance to States federal program. Mr. Schaller suggested scheduling a technical committee meeting in January to discuss in more detail.

Mr. Rogers noted that each community has the Rate Study information and should be working toward a decision about whether to purchase a portion of the potential reallocated water storage at Stockton Lake. Brad Gray discussed how that process is going in Willard and others shared information about their community's process.

Executive Director Report:

Ms. Melgren reported that the annual fall water conference was cancelled this year because of the Coronavirus pandemic.

Ms. Melgren thanked Mike Ray for his service as treasurer.

Ms. Melgren noted the Rate Study materials available are: full report, summary report, individual utility reports, and addendum with first half/second half costs for the reallocated water storage and O&M.

Ms. Melgren reported having spoken recently with Daryl Townsend of GRDA/Grand Lake. He said GRDA is still in the middle of a FERC study. Once that study is complete, GRDA will have the information needed to make decisions about water supply from Grand Lake.

Legal:

David Shorr, Lathrop GPM, SWMO Water counsel, reported that his team is working to draft a template member contract for purchase of water storage for those SWMO Water members who choose to participate in the purchase. He noted the template can be used as a starting point of conversation to define a final purchase agreement between the members. Ms. Melgren noted that the signed member contract will serve as collateral for the purchase contract between SWMO Water and USACE. Several board members discussed an interest in having individual members' water storage purchase being fungible.

New Business:

Report from the Southwest Missouri Joint Municipal Water Utility Commission (JMUC):

Mr. Rogers noted that the JMUC had not met since the last Tri-State Water meeting.

Reports from Legislative or Agency Officials:

Kansas City District Corps of Engineers – Jennifer Henggeler, project manager for the Stockton Lake Water Supply Storage reallocation study, gave an update. Ms. Henggeler reported that the comments gathered during the public review in July/August are still under technical reviewed. She said the bulk of the comments have to do with environmental (downstream flows and wetlands), dam safety, and hydropower issues. She said Southwestern Power Administration (SWPA) provided comments about methodology and calculation of hydropower benefits forgone. Ms. Henggeler said she anticipates comments being addressed using the current model. She reported that SWPA sent a request, through Northwest Division of USACE to the Chief of Operations at USACE HQ, asking for an additional review of the methodology used for calculation of hydropower benefits forgone/hydropower credits for Stockton Lake storage being considered for reallocation. Ms. Henggeler noted that the methodology used for the current draft Stockton reallocation study was also used for the recently approved Greer's Ferry and Beaver Lake reallocations. She explained that this newer methodology is not what was used in the 1993 Stockton Lake reallocation approved for City Utility/ Springfield. To address SWPA questions about methodology, Ms. Henggeler said that USACE headquarters has taken the lead in developing a scope and contracting with an AE firm to do an outside review. She said that outside review will not be charged to the current Stockton Lake reallocation study budget, and that it should not slow down the current reallocation study. Rather, it will take place in parallel within the current reallocation study timeline. Ms. Henggeler said that if any miscalculations exist within the current draft reallocation report this AE review could correct. She noted that Southwestern Power Administration does not agree with the determination of the current draft Stockton reallocation study of "finding of no significant impacts" (FONSI). She said if the FONSI holds up, then the Stockton reallocation study will fall within the threshold of approval by the Assistant Secretary of the Army's (ASA) office. She said if that threshold were to change, the study would need congressional approval.

Mr. Shorr asked Ms. Henggeler if such a decision to change the threshold from ASA approval to congressional approval was an administratively changeable decision. Ms. Melgren will schedule a follow-up meeting to discuss the issue further.

Ms. Henggeler reported that an Agency Decision Milestone Meeting is scheduled to take place in December. She noted that the Stockton Lake reallocation study is currently being funded with contributed funds from SWMO Water. She said those funds will be sufficient to get through the Agency Decision Milestone Meeting. However, she said additional contributed funds from SWMO Water will be required to complete the study. She will provide an estimate to SWMO Water once the USACE team has reviewed and identified a path forward for all comments.

In regard 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 said again that USACE will be starting a Periodic Assessment of the Stockton dam rating in 2024 (these are completed by USACE every 10 years). She again said that SWMO Water could contribute approximately \$70,000 to start that evaluation without waiting until 2024. She said 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. Ms. Henggeler does not foresee dam safety as a hindrance to the study at this time, but still must confirm that no additional dam safety evaluation will be required before the Stockton study is finalized.

Ms. Henggeler showed a revised timeline of tasks moving forward.

MO DNR – Michael Weller reported that SWMO Water has been approved to participate in the MO/DNR Multipurpose Fund. That approval to participate is a requirement before specific requests for funds can be considered. Mr. Weller also reported that the first request for funds submitted by SWMO Water, for \$985K, has been approved. Mr. Weller noted that the fund currently contains \$3.7M, of which approximately \$2.2M is unallocated. He noted that Multipurpose funding comes through the State's General Revenue Fund. He said the budget situation is very fluid, especially because of the effects of coronavirus. He said the balance of the fund in the future is difficult to predict. He noted that DNR has requested \$8M for the fund for 2021, and that he would not be surprised to see that amount cut. He asked SWMO Water to provide a planning-level estimate of anticipated requests to the fund to 2025.

Presentations:

There were no presentations.

Adjournment:

Mike Ray 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 February 17, 2021.



Jeremy Parsons, Secretary