

**TRI-STATE WATER RESOURCE COALITION
BOARD OF DIRECTORS MEETING
WEDNESDAY, NOVEMBER 14, 2012 – 9:00 A.M.
JOPLIN CITY HALL, COUNCIL CHAMBERS**

Welcome:

President Roddy Rogers called the meeting to order. He asked those present to introduce themselves. The following were present:

Matt Barnhart – Missouri American Water
Brian Bingle – City of Nixa, Missouri
Lynn Calton – City of Lamar, Missouri
David Hertzberg – City of Joplin, Missouri
Melinda Piper – CPWSD #1, Lamar, Missouri
Pete Rauch – City of Monett, Missouri
Michael Ray – City of Branson, Missouri
Roddy Rogers – Springfield City Utilities, Springfield, Missouri
Hal VanDaGriff – Empire District Electric
Bob Williams – Carthage Water/Electric, Carthage, Missouri
Fred Schlegel – Missouri Department of Natural Resources
Don Lucietta – Senator Roy Blunt’s office
Harold McCoy – Allgeier, Martin & Associates
Bob Nichols – Webb City, Missouri
Gail Melgren – Tri-State Water Resource Coalition
Susan Champlin - City of Joplin, Missouri

Approval of Minutes from September 19, 2012:

Mr. Rogers asked for any corrections or additions to the minutes from September 19, 2012, and none were received. He asked for a motion to approve those minutes as written.

Hal VanDaGriff moved, seconded by Matt Barnhart, that the minutes from September 19, 2012 be approved as written. The motion carried, with all voting “aye”.

President’s Report:

Mr. Rogers welcomed participants to the meeting and referred to the standing committees for additional reports.

Standing Committee Reports:

Executive:

Mr. Rogers stated there was no new Executive Committee report.

Financial:

Mr. VanDaGriff reported that the current bank balance is \$267,074.93. Ms. Melgren stated that bank reconciliations for September and October are included in the agenda packet.

Technical:

Mr. Rauch commented that last week's water conference was excellent with good attendance. He asked Ms. Melgren to update the board members on water study activities.

Ms. Melgren described ongoing water studies as involving the development of tools for water management for the long term. She reported the current study is almost complete. It investigates water demand in the region and is a collaborative effort of the Corps of Engineers' Kansas City and Little Rock districts, along with Tri-State water and Missouri DNR. A follow-up study regarding water supply in the region will begin after completion of the demand study, with the same group of sponsors. The completion date for the regional water supply study is anticipated to be fall of 2013. Ms. Melgren discussed plans for a gap analysis study in 2014. Tri-State will likely need to contribute funds for this phase of water study, with the estimated cost being \$600,000.

Mr. Rogers asked if the \$600,000 expenditure would be the total cost or just Tri-State's share, and Ms. Melgren replied that her understanding is the \$600,000 would be the total cost.

Mr. Rauch expressed confidence that the Coalition would be in shape financially to manage the study cost.

Mr. Rogers asked about future steps once the gap analysis is complete. Ms. Melgren stated that the water studies are required for a reallocation of water from Corps lakes to provide drinking water to regional communities. Mr. Rogers expressed the need for all the studies to be in place so a re-allocation can become possible. Ms. Melgren stated that the Kansas City and Little Rock districts have synergized their resources and are working together, which improves the process.

Mr. Rauch stated that Joe Richards from the U.S. Geological Survey in Rolla gave a brief overview at the water conference of the proposal to study the Ozark Aquifer. USGS/Rolla has requested funding for a study of the entire Ozark Aquifer. Mr. Richards reported that if the study wasn't funded this year there would be multiple opportunities for funding in the future.

Communications:

Mr. Hertzberg stated that Matt Barnhart has agreed to serve as communications chairman during 2013. Ms. Melgren suggested that review and revision of the communication plan and tools would be a good goal for 2013.

Membership:

Ms. Piper had nothing new to report. Ms. Melgren stated that membership dues for 2013 are being invoiced. She recommended reviewing the membership goals for 2013.

Legislative/Regulatory:

Mr. Bingle had nothing new to report. Ms. Melgren asked about funding for board members who might like to travel to Washington D.C. with the Tri-State Water delegation in the spring but whose organization cannot fund the travel expenses – would Tri-State Water pay for some board member travel costs? She estimated \$2,000 per person for travel expenses. Mr. Rauch and Mr. Rogers suggested, and the board concurred, that member organizations should be committed enough to send a delegate and pay expenses.

Ad Hoc Committee Reports:

JMUC:

Mr. Williams reported that the next step in development of the Southwest Missouri Joint Municipal Water Utility Commission is the writing of bylaws. He explained that originally the joint contract and the bylaws were considered concurrently. Then it was decided to focus on the contract first to allow resolution of questions about the relationship between municipal and for-profit suppliers, and define criteria for membership on the board of directors of the new JMUC. The joint contract was eventually written to allow for-profit suppliers as participants in projects but not as members of the board of directors of the JMUC due to Missouri statute restrictions defining tax exempt status, and the need to protect that status.

Ms. Melgren suggested the membership for the ad-hoc JMUC committee be revised along with all the other committees, and Mr. Williams agreed. Mr. Barnhart thought it would be inappropriate for him to serve on the ad-hoc committee. Mr. Williams noted that Mr. McCoy would no longer be involved with the JMUC as he is no longer a board member. Mr. Williams explained that the committee should be limited to municipals that have signed the joint contract and are members of the JMUC. (The director and alternate, specified by each member, will be the voting delegate on the JMUC.) Contract members may appoint representatives from their organization to serve on the bylaws committee. Mr. Bingle suggested Milt Dickensheet from the City of Nixa serve on this committee.

Mr. Williams stated that Mr. Rogers has indicated his desire to serve on the committee. Mr. Williams will serve as chairman, with Mr. Rogers, Mr. Stanton, and Mr. Calton serving as members on the committee, along with a representative from any other JMUC joint contract member.

Mr. Williams asked Ms. Melgren about sending the most recent version of the by-laws to the committee members, with a meeting being scheduled during the early part of 2013.

In additional business, Mr. Rogers asked if the membership changes to the Tri-State's by-laws were approved. Ms. Melgren replied that those changes were approved.

Mr. Rogers discussed extending the length of term for the position of treasurer. He said that in many organizations the treasurer is allowed to continue to serve for longer terms to allow for consistency of finances. Mr. VanDaGriff is willing to continue to serve as treasurer, but a change in the bylaws will be required to allow. Mr. Rogers had prepared an amendment to the by-laws which states that the newly elected officers, except the treasurer, shall serve a one-year term and

may be elected for one additional year. The treasurer will be evaluated by the board on an annual basis and may serve unlimited one-year terms contingent on annual board approval.

Mr. Rogers discussed the new slate of officers for 2013, with Mr. Hertzberg becoming the President, Mr. Barnhart becoming vice-president, and Mr. Calton agreeing to serve as secretary. Mr. VanDaGriff will continue serving as treasurer, contingent on approval of the bylaws provision allowing it. Mr. Rauch will continue as chair of the technical committee, and Mr. Williams will continue as chair of the JMUC committee.

Mr. Rogers stated that the by-laws require a 30-day notice to board members before any change to the bylaws can be approved. Having presented the by-laws revision for the position of treasurer at this, the November, meeting, the change will be voted upon during the January meeting. The slate of officers will also be approved at the January meeting.

Pete Rauch moved, seconded by Melinda Piper, that the slate of officers for 2013 be accepted for consideration for the next 30 days, to be voted upon in January. The motion carried, with all voting “aye”.

David Hertzberg moved, seconded by Brian Bingle, for consideration of an amendment to the by-laws that the treasurer will be evaluated on an annual basis and may serve unlimited one-year terms contingent upon annual board approval, to be voted upon in January. The motion carried, with all voting “aye”.

Executive Director Report:

Ms. Melgren reported the water conference was a success. Good attendance, speakers, sponsors, etc. Several Tri-State board members were able to attend, and she appreciated those who contributed time for planning the conference. Mr. Rogers and Mr. Rauch have assisted with planning the conference every year.

Mr. Rauch commented that the DNR was very well represented, with people from the regional and state levels. A variety of perspectives on water supply were presented at regional, state and international level. The recent drought was covered in some detail. Representatives from Senator Blunt, Senator McCaskill, and Congressman Long’s office were present, along with a variety of other state and regional elected officials. Mr. Rogers commended Ms. Melgren for her efforts in organizing and presenting the conference. Ms. Melgren reported the evaluations for the conference were very positive. She will present a financial report from the conference to the Board members at their January meeting. She estimated the attendance figure at 140. Mr. Nichols thought the conference was an excellent program.

Ms. Melgren stated that executive committee and standing committee structure is defined in the by-laws and strategic plan. The board was in agreement that the current committee structure works and should remain. She encouraged each chairperson to consider goals for their respective committee for 2013.

Ms. Melgren reported having attended the Missouri Public Utility Conference with a goal of learning more about the nexus of energy and water.

Ms. Melgren stated that Tri-State voted to join the Missouri Economic Development Council (MEDC), and she has attended a conference hosted by them. Many municipalities were represented, with everything they focus on being economic development. She plans to attend several of their conferences to see if these connections fit well with Tri-State's activities. Their footprint is exactly the same as Tri-State's footprint.

Ms. Melgren explained that Chuck Surface has passed away so a new representative from Webb City will be needed to serve on the Tri-State Board of Directors.

Ms. Melgren asked the board members for stakeholder support letters from their individual organizations regarding the Tablerock Lake Master Plan revision currently underway. She will send everyone a template for their use.

Ms. Melgren distributed an article about the Hetch-Hetchy Reservoir near San Francisco, California, as an example of water supply issues being dealt with in other parts of the country. The reservoir was built inside Yosemite National Park decades ago and has been a point of contention for many years, with some people lobbying to have it drained. The reservoir provides drinking water supplies for 2.3 million people and there is no alternative water source defined. Those advocating draining the reservoir lost a recent election by a considerable margin, but they had enough support to get the issue on the ballot. Mr. Rauch stated that this reservoir was built around 1910 and understood that it was controversial then.

Ms. Melgren will set goals for 2013 using the structure defined in the by-laws and strategic plan. She will continue to work with committee chairs and the executive committee to move issues forward.

Mr. Rogers asked about the timeframe for making a trip to Washington, D.C. Ms. Melgren asked the representatives of elected federal officials for some feedback as to what would be the best time to visit. Mr. Lucietta suggested going when Congress is in session, and to notify elected official's offices in advance to schedule a meeting. He noted that there are more economical lodgings away from Capitol Hill.

Comments by Representatives of Federal and State Offices/Agencies:

Don Lucietta from Senator Blunt's office complemented Ms. Melgren on the water conference. He stated that water is a huge topic. He noted the continued challenges along the Missouri River and the Mississippi River waterways. He explained that the drought is still on, so water will continue to be a big issue.

Mr. Williams asked Mr. Lucietta about tax-exempt financing – he had heard discussion of its possible elimination at a legislative conference that took place last March. He is hearing that elimination of tax-exempt financing is being listed in the fiscal cliff discussions in a serious manner and he asked Mr. Lucietta if he has received any feedback on that issue. Mr. Lucietta has not received anything specific on tax-exempt financing but anticipates a huge debate on the issue.

Mr. Williams stated that this would be an enormous cost issue and tax increase for the public since tax-exempt financing funds everything that municipalities, counties, and states do with tax-exempt

bonds, and when all of these levels of government start paying more to build projects, they will have to receive the funding from the public. He stated that this is just shifting the burden from the federal government to cities, counties, and states, and everyone needs to be aware of what's happening and what the impact of the shift will be.

Ms. Melgren discussed the North Central Missouri Water Commission, who sent a delegation to the water conference and made a presentation about their regional water project. She asked the board if members have an interest in sending a delegation up to visit.

Ms. Melgren anticipates one or more trips to Jefferson City next spring to engage in water education and advocacy, along with a trip to Washington D.C.

New Business:

Mr. Rogers asked for additional business, and none was received.

Adjourn:

Mr. Rogers asked for a motion to adjourn the meeting.

Hal VanDaGriff moved, seconded by Matt Barnhart, that the meeting be adjourned. The motion carried, with all voting "aye".


Matt Barnhart, Secretary