

**TRI-STATE WATER RESOURCE COALITION
BOARD OF DIRECTORS MEETING
WEDNESDAY, March 20, 2013 – 9:00 A.M.
CITY HALL, THIRD FLOOR (PUBLIC WORKS)
CONFERENCE ROOM**

Welcome:

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

Brian Bingle – City of Nixa, Missouri
Matt Barnhart – Missouri American Water
David Hertzberg – City of Joplin, Missouri
Pete Rauch – City of Monett, Missouri
Roddy Rogers – Springfield City Utilities, Springfield, Missouri
Hal VanDaGriff – Empire District Electric
Steve Walensky – City of Cassville, Missouri
Bob Williams – Carthage Water/Electric, Carthage, Missouri
Fred Schlegel – Missouri Department of Natural Resources (MDNR)
Ryan Mueller – Missouri Department of Natural Resources (MDNR)
Scott Gard – U.S. Army Corps of Engineers, Kansas City District
Chad Dulaney – U.S. Army Corps of Engineers, Little Rock District
Kyle Slagle – Empire District Electric
Dick Scott – Olsson Associates
Paul Crabtree - Liberal, Missouri
Tom Pittman – City of Carthage, Missouri
Milton Dickensheet – City of Nixa, Missouri
Gail Melgren – Executive Director, Tri-State Water Resource Coalition
Susan Champlin - City of Joplin, Missouri

Approval of Minutes from January 16, 2013:

Mr. Hertzberg asked for any corrections or additions to the minutes from January 16, 2013, and none were received. He asked for a motion to approve those minutes as written.

Hal VanDaGriff moved, seconded by Roddy Rogers, that the minutes from January 16, 2013 be approved as written. The motion carried, with all voting “aye”.

President’s Report:

Mr. Hertzberg reported that Tri-State Water Coalition will meet with Southwestern Power Administration on September 19th in Tulsa. Ms. Melgren stated that their liaison to Washington, DC, will be there.

Standing Committee Reports:

Executive:

Mr. Hertzberg stated that the Technical Committee will meet following the Board of Directors meeting.

Financial:

Mr. VanDaGriff reported that Public Water Supply District No. #1 has withdrawn their membership, and there is still a question regarding Webb City's membership. The current bank balance is \$379,516.00.

Technical:

Fred Schlegel, from Missouri DNR, gave a report on water resources in southwest Missouri.

The public drinking water branch has recently requested and received information regarding capacity problems for public water systems if extremely dry weather extends into 2013.

Mr. Mueller, from Missouri DNR, added to the report, stating that the slide showing the range of fluctuation illustrates the dynamic nature of ground water levels in Southwest Missouri. Readings are taken every 30 minutes for the 164 wells in the network, with MDNR having short-term and long-term multi-year trends of ground water level change. Of that entire network of 164 wells, record lows were set on 75 wells last summer.

Mr. Mueller stated that while enacting conservation measures, some of the smaller systems were looking for loss in their system to repair. Mo DNR has the capability to perform leak detection, with one or two units being available to help communities detect and correct leaks in their systems.

Mr. Schlegel stated that the Missouri Rural Water Association has been assisting water systems to focus on locations where they suspect leakage, and helping them to pinpoint those places and to repair them. They visited over 80 systems during the past year and have had a great success in locating leaks and getting them repaired.

Mr. Rogers stated that Springfield doesn't use a lot of ground water, but his surface water reservoirs are at a little less than 99 percent full right now, a big improvement. They had been pumping from Lake Stockton for the past 10 or 12 months continuously up until the past few weeks. They would still been in the critical stages if not for the water from Stockton .

Mr. Chad Dulaney, from the Corps of Engineers/Little Rock District, and Mr. Scott Gard, from the Corps of Engineers/Kansas City District, gave an update to the board about the Phase I, and Phase II water resource studies being conducted by their offices along with CDM and Tri-State Water Coalition. Having completed the water demand portion of the study, and developed a regional forecast for water demand throughout the 16-county region in Southwest Missouri, the second phase is moving forward with data collection.

The Corps will use the information they currently have available and may seek some input from Tri-State's members especially for the ground water portion of the study.

Mr. Dulaney stated that once data has been collected, the gap analysis portion of the study will be made. At that point, the Corps will have sufficient information to determine the gaps between supply and demand.

The next section of the Phase II study will address a reservoir overview, including an existing conditions portion which specifically addresses Table Rock Lake and Stockton Lane. This will set a baseline for a potential feasibility study. Phase II will also include an infrastructure summary, looking at the treatment capacities of the public systems, with MDNR providing census and other data.

Mr. Dulaney will have some statistics compiled for Tri-State's next Board of Directors meeting in May. The conclusions of the study will be developed after that. Completion of Phase II is anticipated to be September, 2013. Mr. Dulaney anticipates completing a full draft report in August.

Mr. Hertzberg thanked Mr. Dulaney and Mr. Scott for their endeavors in conducting these studies. Mr. Dulaney stated that this provides a unique opportunity to work with multiple districts, with this truly being a team effort.

Mr. Hertzberg asked about Phase III of the study. Mr. Dulaney gave an overview – it will assess demand, supply, and possible gaps between the two, which may need to be filled within a certain time. The Corps will assess a portfolio of possible solutions and will be looking at the feasibility of those solutions in detail in Phase III. The Corps does not make decisions about solutions, but offers data and analysis. Phase III includes the environmental assessment, or depending on circumstances, an environmental impact statement (EIS) may be required. Phase III may take longer to complete if an EIS is required, with the cost of the study doubling.

Mr. Rogers asked when Phase III will be completed, and Mr. Dulaney replied that it takes from two to three years to conduct the feasibility process. He anticipates beginning Phase III as soon as Phase II is completed.

Mr. Rogers asked if the feasibility study will be the last phase of the water resource studies, and Mr. Dulaney replied yes. Mr. Rogers asked if Phase III will take a minimum of four to five years to complete, and Mr. Dulaney replied a minimum of two years, with a maximum of five years.

Mr. Mueller stated that the feasibility phase will determine the best alternative for supplying water to the area; user costs analyses to evaluate the offset of other beneficial uses, including flood control and hydropower operations, and the cost of storage in the reservoir. An updated master plan for Table Rock Lake is currently in progress. The updated shore line management plan is planned in the future. Phase III includes a relevant environmental study or EIS, along with the project funding strategy and implementation plan.

Mr. Rauch asked about the projected cost for Phase III, and Mr. Dulaney replied between \$600,000 and \$700,000. The cost will increase to \$1.5 to \$2.0 million if an EIS is required. Phase III will take two to three years to complete. Tri-State's contributed funds can be paid over three years at approximately \$200,000 each year.

Mr. Mueller discussed the White River Blue Ways designation that includes Table Rock Lake. The Blue Ways designation gives priority to projects in the basin. He suggested the Tri-State delegation mention the White River Blue Ways to folks in D.C.

Mr. Mueller noted a lot of movement in the State of Missouri on two new reservoir projects in northern Missouri. One is a 2,200 acre lake in Sullivan County with a 7.0 million gallon per day water supply. The other is the Little Otter Creek Reservoir project being planned in Caldwell County. They have acquired almost 100 percent of their land and are currently proceeding through their 404 Permit process. They have done an EIS and are doing a supplement to show other alternatives to the reservoir. These two projects have received political support.

Mr. Mueller commented that people in Missouri are thinking about water supply due to the drought. He noted that the week of April 16th is the week of the Interstate Council on Water Policy (ICWP) Washington Round Table in D.C.. Water managers from across the country attend this conference, with representatives of some of the highest levels of federal government agencies including Steve Stockton, Director of Civil Works for the Corps of Engineers. He suggested the Tri-State delegation consider registering for the conference. Ms. Melgren noted that the Tri-State D.C. delegation is already scheduled to meet with Mr. Stockton and several other Corps staff.

Mr. Hertzberg asked about funding for water resource studies. Mr. Dulaney explained it's a Congressional issue related to declines in general investigations funding. In the past, 100 percent federal funding has been used, but with the shrinking federal budget the amount of discretionary funding to conduct studies has decreased. Congress gave the Corps of Engineers the expanded authority to accept contributed funds in order to expand revenue sources and move forward.

Mr. Rauch asked for some type of assurance that if this turns into an EIS, Tri-State will have some assistance. Tri-State can cover the \$600,000 for the study but not the additional cost for the EIS.

Mr. Mueller noted that the State of Missouri has provided funding on similar studies and has contributed approximately \$400,000 to studies in Southwest Missouri over the last three years. The MDNR has identified priority spots in Missouri through their water planning process. They have several active coalitions across the state who are partnering with them and helping to drive the decisions, with MDNR trying to provide technical and funding support.

Communications:

Mr. Barnhart showed a revised two-page hand-out for use by Tri-State delegates who travel to Washington D.C.

Membership:

Mr. Rogers stated that Consolidated Public Water Supply District #1 did not renew their membership in Tri-State and Melinda Piper has resigned from her position on Tri-State's Board of Directors.

Mr. Rogers noted that Webb City has not paid their membership dues at this time. Ms. Melgren noted that Carl Francis is Tri-State's new connection in Webb City and he has not attended meetings of late.

Ms. Melgren noted that the only other organization that hasn't paid membership dues for 2013 is the Springfield Chamber of Commerce. She does expect them to pay.

Ms. Melgren stated that \$133,771 has been collected in membership dues for 2013. Tri-State switched to a more equitable system for Joplin and Missouri American Water which decreased revenues, but Ms. Melgren believes Tri-State is still doing well on revenues.

Legislative/Regulatory:

Mr. Bingle had nothing new to report at this time.

Ms. Melgren included in the board members' agenda packet a tentative agenda for the visit to Washington, DC. Meetings are scheduled with Senator McCaskill, Senator Blunt, Senator Boozeman, Congressman Long, Congresswoman Hartzler, and about 10 people from the Corps of Engineers headquarters.

Ms. Melgren commended the staff from the Kansas City and Little Rock Corps of Engineers districts, for giving background information to federal level officials through their district offices. Mr. Scott would like to see planning assistance to states strictly for water supply.

Mr. Mueller stated that a water planners' conference day is scheduled for the first day of the ICWP meeting in D.C. which overlaps the Tri-State Water trip. They will be highlighting several of these PAS projects and their benefit to water supply development. Mr. Hertzberg asked Mr. Mueller if he will be in Washington, DC that week and he replied yes. He chairs the Interstate Council on Water Policy, and he will direct questions following presentations by the federal agency officials.

Ms. Melgren noted a time slot on Wednesday, April 17, that the Tri-State delegation may be interested in attending the ICWP conference.

Mr. Hertzberg asked about meeting with the Department of Interior. Mr. Dulaney did not think that was necessary at this point. They are involved with the Blue Ways. Ms. Melgren commented that the Southwest Power Administration is part of the Department of Interior.

Ad Hoc Committee Reports:

JMUC:

Mr. Williams explained that the JMUC bylaws have been reviewed except for the last few pages. A meeting has been scheduled for March 28, 2013, to complete this review. The bylaws will be completed for Tri-State's next board meeting in May.

Executive Director Report:

Ms. Melgren thanked Mr. Williams for continuing to work with the JMUC group to write the bylaws. She also thanked Mr. Hertzberg for leading Tri-State at this time.

Ms. Melgren stated that Missouri State University continues to partner productively with Tri-State to hold the November water conference. Tri-State received \$4,225.70 from Missouri State University for its half of the net profit from the November, 2012, water conference. Ms. Melgren noted that both Kansas and Oklahoma hold governors' conferences on water and suggested sponsoring a state-wide governor's conference on water as a possibility. The planning committee for next fall's water conference will meet next week, with several Tri-State board members participating in the conference planning. The conference dates for this fall are November 14-15, 2013.

Ms. Melgren stated that the ICWP annual round table meeting represents an interesting national level look at water resource planning. She may ask to participate in that meeting at a later date. Mr. Mueller explained that the round table is the annual meeting in Washington, DC, but there will be a fall conference in Denver this year.

Ms. Melgren visited with Oklahoma stakeholders recently in Oklahoma City. The situation there regarding Grand Lake remains about the same. The state continues to have some major issues related to water, including ground pollution which is a legacy from mining, tribal litigation, and concerns about setting legal precedence about exporting water out of state. Ms. Melgren reported that the Grand Lake area is the fastest growing area in Oklahoma. Ms. Melgren stated that Oklahoma has replaced their moratorium on water exports with a requirement that two-thirds of both their legislative houses would have to approve.

Mr. Mueller discussed the three state MOA written by Tri-State Water. He noted that it contains language similar to what is in place with the State of Arkansas which includes both quantity and quality. He said a second MOA, developed by the Grand River Dam Authority, deals only with water quality issues, primarily nutrient management in the watersheds. The quality only MOA was advanced to the state level, with Tri-State making a plea to include water quantity as part of the language within the MOA.

Mr. Mueller described having looked very closely at the Oklahoma state water plan, especially the Grand River basin, and he questions some of the growth numbers. He stated that Grand Lake is the third largest lake in Oklahoma, and said there has been no determination of yield or available water supply in Grand Lake. The determination for Table Rock Lake, in contrast, shows water supply, hydropower and other purposes, but Grand Lake does not yet have any purposes defined except hydropower. Mr. Mueller commented that the basin report for Grand Lake defines mostly municipal and industrial use, which is relatively small compared to the irrigation use in the western part of Oklahoma. Ms. Melgren explained that Grand Lake was built for hydropower, but the municipal portion of its use is catching up. GRDA is required to provide municipal supply, and they are currently discussing and defining how the municipal supply will fit in with hydropower power uses.

Mr. Mueller stated that Oklahoma Water Resource Board (OWRB), who prepared the water plan, limited their comments on Grand Lake since the authority comes through the Grand River Dam Authority. Ms. Melgren stated that Oklahoma has been divided into 20 to 25 regions, with Grand Lake being one area. She has a copy of the executive summary for the Oklahoma Comprehensive Water Plan, with each region having a separate report. In Oklahoma's public water supply planning guide, those regions are divided into smaller districts. Ms. Melgren stated that this is an example of what is happening in all the states, where water is becoming more and more of a

valued resource, with water planning taking place. They are working through policy steps and implications based on their data.

Ms. Melgren attended a multi-basin partnership meeting in Northwest Arkansas. They discussed the national Blue Ways system and the White River system.

Ms. Melgren is scheduled to visit with Bolivar's City Council about Tri-State Water Coalition. She is also scheduled to visit Cassville City Council to discuss the JMUC. Mr. Walensky discussed the benefit of continuing their membership and support for Tri-State Coalition.

Ms. Melgren has made some visits to Jefferson City and plans more visits in the future.

Ms. Melgren mentioned Beaver Water District and continued extra capacity in Beaver Lake, wondering if it was a good time to revisit the issue of Beaver Lake as a possible water source for Tri-State Water, as it has been some time since our two organizations talked about the possibility. She understood that population growth in Northwest Arkansas is leveling off and wondered if it was a good time to revisit conversations the Coalition has had in the past with Beaver Water District about buying excess water supply. Mr. Rauch stated that Northwest Arkansas provided for future growth by building excess capacity into Beaver Lake but with growth slowing, and the population leveling off due to the recent recession, there might be water available to Tri-State Water because of substantial production capacity that they're not using. Mr. Barnhart stated that previous calculations done by Missouri American had found the source as cost prohibitive for the Joplin area, with a projected 73 years of guaranteed service required from Beaver Lake to receive a pay-back.

Ms. Melgren discussed the upcoming Spring River Water Summit, with MDNR being one of the sponsors for the summit. Ms. Melgren plans to attend this summit and invited board members to consider attending.

Ms. Melgren visited with Representative Rieboldt in Jefferson City, who gave her a copy of the House of Representative's Interim Commission on Agricultural Innovation and Economic Recovery. He has taken an interest in the subject of water and lives in Neosho.

Ms. Melgren shared an article about Texas and New Mexico fighting over water - New Mexico is sinking wells in a way that is draining water before it gets to Texas - as an illustration of the competition for water which is increasing every year.

Comments by Representatives of Federal and State Offices/Agencies, Others:

Mr. Hertzberg asked for additional comments from the state and federal officials and agencies.

Mr. Crabtree reported that his irrigation lakes are less than half full. He just started receiving runoff within the last week.


New Business:

There was no new business to present at this time.

Adjourn:

Mr. Hertzberg asked for any additional business and none was received. He asked for a motion to adjourn the meeting.

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


Matt Barnhart, Vice-President