Welcome:

New president Matt Barnhart called the meeting to order. He thanked Mr. Hertzberg for his service as president for the past two years.

The following were present:

David Hertzberg – City of Joplin, Missouri
John Bartosh – Jasper County Commission
Kyle Slagle – Empire District Electric Company
Roddy Rogers – Springfield City Utilities, Springfield, Missouri
Bob Williams – Carthage Water & Electric, Carthage, Missouri
Brian Bingle – City of Nixa, Missouri
Lynn Calton – City of Lamar, Missouri
Skip Schaller – City of Monett, Missouri
Gene Stanton – City of Mt. Vernon, Missouri
Steve Walensky – City of Cassville, Missouri
Mike Ray – City of Branson, Missouri
Harold McCoy – Allgeier, Martin & Associates
Jason Choate – Carthage Water & Electric, Carthage, Missouri
Tom Pittman - Carthage Water & Electric, Carthage, Missouri
Paul Crabtree – Southwest Missouri Irrigation Association
Dick Scott – Olsson & Associates
Steve McIntosh - Missouri Department of Natural Resources Water Resources Center
Erin Lepper – Missouri Department of Natural Resources Water Resources Center
Fred Schlegel – Missouri Department of Natural Resources, Springfield, Missouri
Matt Hough – Congressman Billy Long’s Office
Steve McIntosh – Senator Roy Blunt’s Office
Jim Whitford – Jasper County land owner
Mike Beezhold – CDM Smith
Bob Nichols – Freese & Nichols
Gail Melgren – Executive Director, Tri-State Water Resource Coalition
Susan Champlin – City of Joplin, Missouri

Approval of Minutes from November 19, 2014:

Mr. Barnhart asked for any corrections or additions to the minutes from November 19, 2014, and none were received. He asked for a motion to accept the minutes as written.

Bob Williams moved, seconded by Roddy Rogers, that the minutes from November 19, 2014 be approved. The motion carried, with all voting “aye”.

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Standing Committee Reports:

President:

Mr. Barnhart’s goals for 2015 are the same goals Tri-State has had for several years. He wants to continue working with the Missouri Department of Natural Resources (MDNR) and the U.S. Army Corps of Engineers to complete Phase 3 of the Southwest Missouri Water Resource Study. He discussed the progress that has been made and plans to participate much more in Tri-State this year.

Mr. Barnhart reviewed the officers for 2015:
- Matt Barnhart, President
- David Hertzberg, Past-President
- Lynn Calton, Vice-President
- Skip Schaller, Secretary
- Brian Bingle, Treasurer
- Roddy Rogers, Technical Committee Chair
- Bob Williams, JMUC Committee Chair

The committees and chairs for 2015 are:
- Communications – Steve Walensky, Chair
- Finance – Brian Bingle, Chair
- JMUC – Bob Williams, Chair
- Legislative – David Hertzberg, Chair
- Membership – Gene Stanton, Chair
- Technical Committee – Roddy Rogers, Chair

Technical Committee members include:
- Matt Barnhart
- Lynn Calton
- Paul Crabtree
- Milt Dickensheet
- David Hertzberg
- Steve Meyer
- Mike Ray/Loretta Bishop
- Skip Schaller
- Kyle Slagle
- Gene Stanton
- Steve Walensky
- Bob Williams/Tom Pittman/Jason Choate
- Kevin Barnes

The Board of Directors’ meeting dates for 2015 were included in the agenda packet and posted on Tri-State’s website. They are: 3/18, 5/20, 7/15, 9/16, 11/18.

Today’s Board of Directors’ meeting will be followed by a technical committee meeting. A SW/MJ/MWUC meeting will follow in the afternoon. Tri-State will continue meeting on a bi-monthly basis, with the technical committee scheduled to meet after each board meeting.

President:
Mr. Barnhart reported that Skip Schaller, Roddy Rogers, Matt Barnhart, and Gail Melgren plan to visit with the Corps of Engineers in Kansas City on January 29.

**Executive:**

Mr. Barnhart reported that the executive committee has not met since the last Board of Directors’ meeting. They are scheduled to meet in February to discuss revisions to the bylaws.

**Financial:**

Mr. Bingle stated that the financial summary for November and December of 2014 is in the agenda packet.

Mr. Bingle reported that Tri-State has received notices about a failure to pay 941 Federal payroll taxes; however, Tri-State did not have any employees during the time periods listed on the notices. Mr. Bingle has asked BKD to investigate. Mr. Bingle noted that BKD continues to handle most of the finances for Tri-State, for example, payroll, taxes, and monthly reports.

Since Arvest Bank charges $5.00 for each electronic transfer to another bank, Tri-State has chosen to make payroll and health care stipend transfers as direct deposits.

The cost for the executive director’s health care premium with Coventry-Mercy increased from $423.00 in 2014 to $495.00 for 2015.

Tri-State’s balance was $392,919.12 as of December 31, 2014.

Tri-State has received membership dues in the amount of $92,000 for 2015.

Ms. Melgren made a request to purchase a new printer from Staples for $119.99. Mr. Barnhart entertained a motion for approval of that expenditure.

**Matt Barnhart moved, seconded by Brian Bingle, that the purchase of a printer for Ms. Melgren be approved. The motion carried, with all voting “aye”.

Mr. Williams suggested giving Ms. Melgren the ability to replace existing equipment without having a board vote each time. He suggested setting an amount that she is authorized to spend without consulting the Board of Directors. He recommended $1,500 to $2,000 for replacement of existing equipment.

**Lynn Calton moved, seconded by Gene Stanton, that the executive director be allowed to replace existing equipment at a maximum amount of $2,000. The motion carried, with all voting “aye”.

Mr. Barnhart asked for board approval of the finances.

**Roddy Rogers moved, seconded by David Hertzberg, that the financial reports for November and December of 2014 be approved. The motion carried, with all voting “aye”.

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**Technical:**

The Phase 3 agreement has been signed by the Corps of Engineers and MDNR. The broader Project Management Plan being facilitated by CDM Smith should be completed by the technical committee immediately following this meeting.

Mr. Rogers discussed the scope of work in Phase 3. The first part of the report will look at existing facilities and discuss environmental assessments. It will address immediate, long-term, and intermediate reallocation requirements. It also will cover what new infrastructure will be needed to bring water into Tri-State’s footprint, along with the cost of storage reallocation. The Kansas City Corps of Engineers are conducting a reallocation study at a cost of $250,000, with the Phase 3 level funding being $300,000.

Skip Schaller, David Hertzberg, Gail Melgren, and Roddy Rogers recently met with Becky Baltz, Southwest District engineer for MoDOT, and Mike Hodge, district utility engineer with MoDOT, to discuss Tri-State’s mission and the possibility of constructing transmission lines over several routes. Mr. Schaller reported a downside to using interstate highways. Although MoDOT maintains the interstate highways, those routes are governed by the Federal Highway Administration. If a line is constructed within interstate right-of-way, and additional right-of-way is needed to widen the roadway, Tri-State must move its transmission line if it needs to be moved. Mr. Schaller discussed the possibility of running transmission lines along other routes that contain sufficient right-of-way. Ms. Melgren commented that MoDOT appeared open to discussing options with Tri-State regarding the region’s water needs and possible future infrastructure.

Mr. Schaller stated that six-foot utility easements normally exist along a highway, with a water transmission line being something different than MoDOT normally does.

Mr. Bingle stated that easements are an assignment of use and not a right of ownership. Mr. Williams commented that right-of-way acquisitions would need to be handled through the JMUC.

**Communications:**

Mr. Walensky reported that the communications update is included in the agenda packet.

Ms. Melgren stated that current handouts, presentations and web pages have been reviewed and revised.

Ms. Melgren reported that 2015 would be a year to also reach out to public water supply districts, additional regional water stakeholders who might be interested in Tri-State Coalition membership, and areas around Stockton Lake and Table Rock Lake.

**Membership:**

Mr. Stanton understood the majority of Tri-State’s 2015 membership dues have been collected, with about $92,000 being collected. Ms. Melgren stated that Joplin, Webb City, and the City of Springfield have not paid at this time.
Mr. Stanton expressed the need to visit with counties and other entities that might not become members of Tri-State but would like to support Tri-State. Ms. Melgren stated she will make it a goal to visit every county commission in the Tri-State Coalition footprint within the next few months.

Ms. Melgren reported having received a letter of support from Bob Nichols, President of the Environmental Task Force of Jasper & Newton Counties. She suggested this letter might serve as a template for future letters of support which Tri-State could gather from various stakeholders across the region. These letters, in addition to the membership roster, can serve to communicate the support enjoyed by Tri-State Coalition. The board agreed that letters of support would serve a useful purpose, and would be a better way to go rather than creating an associate membership of some kind.

**Legislative/Regulatory:**

Mr. Hertzberg discussed plans to travel to Jefferson City on February 11, 2015. He also discussed plans to revisit Washington, DC, during April. Board members who would like to attend either trip were encouraged to contact Ms. Melgren. Ms. Melgren noted that she would like to know who will attend the DC trip as soon as possible.

Ms. Melgren discussed House Bill No. 213 which is currently in the Missouri House Utility Infrastructure Committee. It would dilute the efficacy of JMUC’s. This bill would interfere with the regional projects that benefit communities for electrical and water service. Ms. Melgren stated that Tri-State Coalition members will discuss this Bill with legislators when they make their February trip to update legislators about the Coalition’s progress.

**Ad Hoc Committee Reports:**

**JMUC:**

Mr. Williams reported that the SWMJMWUC met during December and is meeting again following this Tri-State meeting. The bylaws have been approved. Mr. Williams has been designated as interim chair and Mr. Rogers has been designated as interim vice-chair. A nominating committee will be formed at the January meeting to develop a slate of officers for 2015.

Mr. Williams has announced his retirement for April 3, 2015. His successor is Chuck Bryant.

Mr. Williams wondered if Tri-State needs to retain a standing committee for the SWMJMWUC now that the organization is fully functioning, with a joint contract and bylaws in place.

Ms. Melgren stated that the JMUC has been an ad hoc committee for Tri-State and could be discontinued. She suggested that the Tri-State board should continue to at least receive regular reports from the JMUC.

Mr. Steve McIntosh, Missouri Department of Natural Resources (MDNR), stated that the JMUC in northwest Missouri is not led by a member of the active JMUC. He discussed the possibility of Mr. Williams continuing as chairperson. Mr. Williams stated that according to the bylaws, the
executive committee is comprised of directors from each member, so anyone who is not currently an employee of a JMUC member cannot serve on the JMUC board of directors.

Mr. McIntosh (MDNR) stated that the three-member partnership in northwest Missouri is proceeding with their project. They are members of the JMUC but are not members of the active construction project.

Ms. Melgren commended Mr. Williams for having shepherded the SWMJMWUC into being, from development of the joint contract, to the writing of the bylaws, to the election of its first interim officers. Mr. Barnhart also thanked Mr. Williams for his efforts. She noted that Tri-State Water Resource Coalition and the Southwest Missouri Joint Municipal Water Utility Commission are separate and fully functioning organizations, each with their own board of directors.

**Executive Director Report:**

Ms. Melgren stated that although Tri-State and the SWMJMWUC are separate organizations, their missions and goals overlap considerably and they will continue to be sister organizations working toward the ultimate goal of providing additional long-term, affordable water supply for southwest Missouri. She continues to serve as executive director for both organizations and is tracking staff time and expenses separately for each.

Mr. Barnhart asked Ms. Melgren about a mechanism for funding the JMUC since the JMUC will be paying a portion of her salary. She replied that the JMUC will be discussing funding at their meeting later in the day, along with other key issues related to operations. First and foremost will be the issue of funding operations. Ms. Melgren said that other important considerations for the SWMJMWUC in its first few months will be related to the development of financial, legal, technical and administrative capacity.

Ms. Melgren reported having been added to Missouri Public Utility Alliance’s email list to receive updates on legislative issues.

Ms. Melgren invited any board members who are interested to join her for a meeting with Nicky Fuller from Southwest Power Resources Association in February. Ms. Fuller is relatively new to her post as executive director and so the meeting will be to get acquainted. Mr. Williams suggested Ms. Melgren visit with Chuck Bryant, who is a member of the SPRR board of directors. Mr. Hertzberg stated that Lamar, Carthage, and Springfield City Utilities have both water and power interests.

Ms. Melgren noted her goal of visiting with the larger public water supply districts in the Tri-State footprint and said that Fred Schlegel (MDNR) has provided her with a list of all the public water supply districts in southwest Missouri.

Ms. Melgren reminded the board that the membership dues for 2014 for Tri-State had been incomplete when she resumed her duties as executive director in August, 2014. Having reconstructed what was paid and what should have been paid by each member, and sent out invoices, the dues collection is now almost complete. Only Webb City and Missouri American Water have not paid their 2014 dues.
Ms. Melgren reported having met with the city administrator for the City of Battlefield and subsequently having made a presentation to the Battlefield Board of Aldermen, who are interested in Tri-State’s mission. She has scheduled a meeting with Bill Malinen, Branson’s new City Administrator, to discuss Tri-State’s mission.

Ms. Melgren reported having submitted documents to the Missouri Secretary of State’s office to revise Tri-State’s articles of incorporation. Several minor changes were required, including removal of text referencing “501c3” and revisions to the physical address for the place of business, the listing of officers and directors, and the name of the registered agent.

Ms. Melgren reported that Ryan Mueller has left the MDNR to accept the position of executive director for the Interstate Council on Water Policy. They are an education, advocacy and networking group engaging water stakeholders from all 50 states as well as state and federal agency representatives. Ms. Melgren explained that Steve McIntosh would serve as interim director for MDNR’s Water Resource Center until a permanent director has been appointed.

Ms. Melgren discussed resuming community meetings at Stockton and Table Rock Lakes during 2015 to cultivate the stakeholders around those lakes in advance so they know Tri-State’s mission.

Ms. Melgren made a presentation at the Governor’s Conference on Natural Resources. She has received an invitation to speak at the MWWA conference on March 30.

Ms. Melgren discussed the regional water plans for the State of Texas and their mechanism for funding projects. A SWIFT fund is being developed by the State of Texas where they will place $2 million into a fund to leverage other funding. They are working to develop their water resource as a state in an example that Missouri might emulate in the future.

Ms. Melgren thanked the board members for her health care and workers compensation.

**New Business:**

There was no new business to discuss.

**Comments by Representatives of Federal and State Offices/Agencies:**

The representatives from Senator Blunt’s office had nothing new to report.

Matt Huff is replacing Jared Taylor at Congressman Long’s office. Mr. Taylor was elected to the Missouri House of Representatives. Mr. Huff will be working with water, labor, the Internal Revenue Service, and the Corps of Engineers.

Mr. Harold McCoy presented a report on Kansas water issues. Kansas has a water appropriation act, with 85 percent of the water in Kansas being used for irrigation. Ninety percent (90%) of the water is ground water, with 24 reservoirs. The main aquifer is the High Plains Aquifer which underlies eight states and supplies water to 27 percent of the irrigated crop land. That aquifer has a 25-year life.

Hays, Kansas, has taken steps to reduce their water usage. The McCarty Family Farm condensed their milk and reclaimed 39,000 gallons per day. First Water Ag is a computer-controlled system
for center pivots that can reduce water usage up to 35 percent. The water management districts are very successful and recommend planting crops that don’t need as much water.

Kansas wants to change the water allocations in their present reservoirs. They want to take water out of the Missouri River and pump it all the way to western Kansas at a cost of $18 billion, along with an annual operating cost of $1 billion. No financing is available for the project, with every downstream state being opposed to removing water.

Kansas is seeking interstate contracts for preservation of the aquifer. They are stressing regional systems on water supply. They will promote high-efficiency irrigation and less intensive crops. They are investigating the development of more reservoirs, but some officials say it would be cheaper to construct a treatment plant to treat bad ground water than to build a reservoir.

Mr. Bingle asked about anticipating more participation in Tri-State from southeast Kansas again. While Mr. McCoy was a member of Tri-State, he visited with officials from Pittsburg and prepared an analysis on a small reservoir north of Joplin and gave them a cost estimate. They said they could treat bad ground water cheaper than taking water from a reservoir.

Mr. Williams asked if Pittsburg assumes there will never be a shortage. Mr. McCoy replied they are willing to treat the bad ground water rather than participate in a reservoir. He thought Missouri could learn from Kansas about irrigation and work with the irrigators to improve their activities.

Mr. Calton asked Mr. Crabtree if the irrigators are taking an active role in addressing the ground water shortage. He replied that they understand if they don’t do something very quickly, they will soon be back to the great American desert since water levels are dropping.

Mr. Calton noticed a lot of new wells being drilled in Barton County and asked if there is any particular reason for drilling a lot of wells. Mr. Crabtree replied that was mainly because of high crop prices during the last several years. With high crop prices, irrigation pays off rather quickly. He thought the well drilling has leveled off, with the return to more normal prices on commodities having an effect on the well drilling.

Ms. Melgren stated that southeast Kansas, particularly Pittsburg, is not a member of Tri-State, but that doesn’t mean Tri-State couldn’t serve them with water. A project may be constructed through Tri-State, with the JMUC selling interstate water. The JMUC cannot legally have members from any states other than Missouri but are allowed to serve communities beyond the state borders.

Mr. Williams stated the JMUC can have project participants from other states but cannot serve on the governing board of the JMUC.

Mr. Mike Beezold, CDM Smith, provided Tri-State an update on the reallocation feasibility study. Their first task was to prepare the project management plan for southwest Missouri and the exploration for supply. They will discuss alternative alignments with the technical committee.

Mr. Beezold will discuss the screening of communities not represented in Tri-State that may want to participate. In March, he will present preliminary alignments and will have contacted some of the communities. Phase 1 of the study deals with water demands, with Phase 2 dealing with the supply availability. He is now looking at reallocation and the necessary infrastructure.
Mr. Steve McIntosh (MDNR) discussed plans for a new Missouri state water plan. Texas developed their infrastructure needs by region and asked regional committees to develop a wish list for water and wastewater infrastructure. Their SWIFT program has $800 million appropriated annually for that program. The program has an eight-year grace period. No mechanism is available in Missouri to do that.

Mr. McIntosh (MDNR) stated that California also approved $7 to $8 billion of appropriations to fund their state water plan. He stated that 20 percent of the SWIFT funding in Texas must be used for water conservation. He mentioned that Kansas accomplishes a lot with their state water plan since they have a water usage fund containing $20 to $30 million to construct projects.

Ms. Melgren is seeing a national trend with states becoming much more involved in water planning. They are creating committees and drawing in their political leadership to create these plans. They are breaking down their states by region and are assessing demand, supply, and potential need. They are linking it to economic development.

Mr. Bingle asked whether Missouri has the legislative ability to approve funding allocations, and Mr. McIntosh (MDNR) replied a statute was approved for the North Central Regional Wholesale Water Commission for a reservoir project in Sullivan County. The general assembly approved $4 million for land acquisition for the reservoir. Funding is also being sought for a Caldwell County reservoir project in north central Missouri.

**Adjournment:**

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

**Bob Williams moved, seconded by Steve Walensky, that the meeting be adjourned. The motion carried, with all voting “aye”.**

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Skip Schaller, Secretary