

**TRI-STATE WATER RESOURCE COALITION
BOARD OF DIRECTORS MEETING
WEDNESDAY, JULY 15, 2009 – 9:00 A.M.
BASEMENT CONFERENCE ROOM – JOPLIN, CITY HALL**

Welcome & Introduction:

Chairman Bob Nichols called the meeting to order and welcomed those present for attending. The following were present:

Lynn Calton – City of Lamar, Missouri
Bob Williams – City of Carthage, Missouri
Jan Blasé – City of Neosho, Missouri
Steve Garrett – City of Webb City, Missouri
Hal VanDaGriff – Verona, Missouri, representing Empire District Electric
Gary Pearman – Blue Ribbon Real Estate, Neosho, Missouri
Jan Tupper – Joplin, Missouri
Pete Rauch – City of Monett, Missouri
David Hertzberg – City of Joplin (arrived at 9:30 a.m.)
Susan Champlin - City of Joplin

Approval of Minutes of June 17, 2009 and April 15, 2009:

Mr. Nichols asked for comments or corrections to the minutes of the meetings of June 17, 2009 and April 15, 2009.

Gary Pearman moved, seconded by Jan Tupper, that the minutes of the meetings of June 17, 2009 and April 15, 2009 be approved as written. The motion passed, with all voting “aye”.

Approval of Memorandum of Understanding – MSU:

Mr. Nichols discussed the upcoming conference in at the Doubletree Hotel in Springfield on September 17-18, 2009. The name of the conference is “Shaping Our Water Future” and will provide a forum for discussion of pressing water issues including water quality, water supply/availability, and efficient use of water (conservation) in southwest Missouri, northwest Arkansas, northeast Oklahoma, and southeast Kansas.

Mr. Nichols discussed the memorandum of understanding which is currently being negotiated between the coalition and MSU.

Approval of Doubletree Hotel Contract:

Mr. VanDaGriff asked if the hotel contract just covers the meeting place, or if it also covers a block of rooms. Mr. Nichols replied that the contract covers just the meeting place and meals.

Consideration of Adopting a Dues Structure:

Mr. VanDaGriff met with Roddy Rogers, Matt Barnhart, and Harold McCoy to compile a dues structure for the cost of operating a business.

Mr. VanDaGriff submitted a report that includes costs estimates for four proposed salary ranges with annual operating expenses. At this time he would like the board members to agree on a salary range and a job description for an executive director. The dues committee discussed salary ranges and developed cost estimates for 20 members, 25 members, 30 members, or 40 members splitting these costs by the number of members involved.

Mr. VanDaGriff explained that the dues committee looked at annual salaries of \$100,000; \$100,000; \$75,000; \$60,000; and \$45,000. The office expenses include printing, copying, equipment, travel, meals, and renting or owning an office space. The expenses also include legal fees, accounting fees, engineering fees, along with utilities such as internet services, electric, gas, water/sewer and telephone. Benefit levels are also involved with the various salary ranges, such as insurance and other benefits.

Mr. VanDaGriff discussed the second page of his report that outlines the proposed new dues structure. The first column lists all the current members as of November, 2008 when dues totaling \$139,035.25 were received. The proposal for the new membership dues is based upon the same structure as the primacy fees through the Missouri Department of Natural Resources (DNR) for metered services. The report includes figures at 100 percent, 75 percent, and 50 percent. The dues committee looked at other means of being fair to everybody involved if the coalition plans to operate a full-time business.

Mr. Rauch thought that nothing but the 100 percent funding level will fund the minimum costs for a business operation, with the minimum costs of \$245,000 for expenses. The 100 percent funding level will raise \$301,000, with the 75 percent level raising \$228,000, which does not meet the minimum requirements.

Mr. Nichols has visited with Springfield City Utilities, who would not be agreeable to paying annual dues of \$100,000. Mr. VanDaGriff stated that Roddy Rogers thought Springfield would be comfortable with the 75 percent funding level.

Mr. Blasé stated that if the engineering and legal expenses are controlled, funding for an annual salary of \$75,000 should be more than adequate. He assumed that a benefits package would be included in this figure.

Mr. Rauch asked if the figures include the benefit package. Mr. Blasé thought the benefits would have to be included in that number, which would reduce the salary range.

A question was raised about the items labeled as “rent” or “own”, and Mr. VanDaGriff replied that these figures are for renting or purchasing office space. Mr. Hertzberg asked if the coalition would either be renting or purchasing office space, but not both. Mr. VanDaGriff replied that if the coalition chooses to rent space, the \$30,000 figure for purchasing space could be eliminated.

Mr. Nichols did not believe the coalition could hire someone with the necessary qualifications for less than \$60,000.

A question was raised if the executive director would be a full-time position and what the coalition is expecting regarding a time commitment on the position. Mr. Williams and Mr. Nichols assumed it would be a full-time position.

Mr. Tupper expressed concern about not being able to hire someone with all the necessary qualifications. He explained that the coalition would be looking outside this area to hire someone with water resource experience. He expressed the need to start slowly in this endeavor.

Review and Adopt Executive Director Position Description:

Mr. Nichols explained that Mr. Blasé must leave for another commitment and asked for discussion regarding the job description for the executive director. Mr. Blasé expressed the need to have an applicant pool that will apply for the position, so once the salary, the benefit packing, and the working conditions are determined, the coalition can begin interviewing. The job description outlines the percentage of work the director is expected to do. Copies of the job description were distributed to the board members for their review.

Mr. Williams stated that there are people who have retired and have gone back to work. He thought the coalition may be able to find someone who is semi-retired, in that the job may not require initially 40 hours a week of time spent. He agreed with Mr. Tupper's comment to start slow.

Mr. Nichols agreed with starting slow and then fitting the budget to the amount that the coalition can raise. Mr. Blasé explained that his human resources department has volunteered to review the job description and work with a committee to go through a selection process.

Mr. VanDaGriff agreed with starting at the lower end of the scale, to see what the executive director can drive, and build up a little. He explained the \$30,000 figure for ownership of property can be removed, with 75 percent of the proposed due structure being \$228,000 would allow for a little growth.

Mr. Hertzberg expressed concern about how the City of Joplin's and Missouri American Water's due structures were to be set up. Mr. Nichols expressed concern of losing some coalition members with the increased due structure. He did not believe it was necessary to hire a full-time director in the beginning. He explained that the coalition is currently leasing space in his office building for \$1,200 annually. He discussed the possibility of leasing space for a reasonable rate in the Joplin Innovative Center.

Mr. Blasé thought the City of Neosho would be agreeable to the dues structure. Mr. Pearman thought that the coalition collected dues from the City of Neosho and also from Newton County and asked if that would no longer be done.

Mr. Hertzberg explained that the first collection of dues was to fund the initial study by Black & Veatch, with the second collection of dues funding the Freese & Nichols study. Mr. Nichols explained that the coalition received sufficient funding to conduct the studies and did not harass people to join the coalition after that.

Mr. Hertzberg explained that a standard letter was mailed in October, 2007 to obtain additional funding for the second study. He has been involved in several coalitions such as the I-49

Coalition, with the collection of dues to obtain the funding an administrative office to work with the coalition.

Mr. Williams mentioned that many organizations like the chambers of commerce spend all their times raising money to just support themselves. He does not want the coalition to price themselves out of business, but at the same time, the coalition must get funding in to be able to sustain themselves somewhat.

Mr. VanDaGriff explained that the City of Joplin has always been in a unique situation with the coalition, in that the City of Joplin agreed to meet the same level of participation as Missouri American Water (MoAM). He asked if the City of Joplin will be agreeable to something at the 50 percent level.

Mr. Hertzberg explained that the City of Joplin was one of the first beginners with MoAM and the coalition, and Joplin participated at the rate of 50 cents per person, while MoAM was also participating at their utility hookup levels. It is unique in that the Joplin residents were paying twice through MoAM and the City of Joplin, while most communities who operate their own water service were paying only once.

Mr. Hertzberg anticipates the same level of participation for the City of Joplin if the coalition continues on the 50 percent proposal. He explained that the City Council will look at the other coalition members and their level of participation per citizen they are providing in comparison to the City of Joplin. He did not believe the City of Joplin would have any concerns as long as the coalition is looking at the same level but may have some concerns if the level is increased.

Mr. VanDaGriff moved, seconded by Mr. Rauch, that the Tri-State Water Resource Coalition adopt the dues structure at the 50 percent level of the equivalent of the Missouri Department of Natural Resources' primacy fee.

Mr. Rauch asked Mr. VanDaGriff if he wished to include the salary range in that same motion, and he replied that he did not. Mr. Rauch asked if proposed due structure will become annual dues, and Mr. VanDaGriff replied that the dues will be collected annually.

Mr. Nichols asked for a vote, with the majority of the board members voting "aye".

Mr. VanDaGriff stated that the job description for the executive director will give the coalition members a good tool to interview from.

Set Salary Range for Executive Director Position:

Mr. Rauch explained that Mr. Williams discussed employing the executive director on a part-time basis and asked if this would be two days per week, three days per week, or a certain number of hours per month. Mr. Williams asked about negotiating the number of working days or hours with the applications with the salary of what the minimum requirement would be. He thought a range of 20 hours per week or 80 hours per month might be appropriate. Mr. Nichols thought that salary rate would be equivalent to \$60,000.

Mr. Tupper discussed the potential for new members and lining up speaking engagements. Mr. Nichols explained that the executive director will hopefully schedule many speaking engagements and solicit appropriate news releases. The executive director can also coordinate with Lynn Onstot on news releases. Mr. Rauch discussed being on good and friendly terms with the area state and federal legislators.

Mr. Williams explained that there are many other duties the executive director should be doing. He stated that many other organizations are counter-acting what the coalition does with regard to water allocations. He thought the coalition needs to be tracking everything that is happening, and someone needs to be conveying the message that public water supplies have a very high priority on allocating hydro electric. The coalition needs to be on top of every effort that is happening in a six or seven-state area. The message going to Congress is that you can't mess with hydro electric, even when it is a matter of public water supply for drinking water.

Mr. Nichols preferred entering this very slowly, to look for a candidate to work part-time at a \$60,000 salary range. Mr. Rauch asked if this salary includes benefits, and Mr. Nichols replied that it does not.

Mr. Blasé moved, seconded by Mr. VanDaGriff, that the Tri-State Water Resource Coalition search for a full-time person with some water resource background at the salary range of \$45,000 as dictated by the 50 percent funding level.

Mr. Blasé explained that if the executive director is going to be a part-time employee and will sit back to be directed by the board, that person is probably the wrong person for the position. The coalition needs someone who will be sold out, wanting to make a name for himself, and go carry this message where it needs to be carried, wherever it might be.

Mr. Nichols explained that the motion would read for the executive director to be a full-time employee who would receive an annual salary of \$45,000 plus benefits.

A question was raised as to if this salary range is compared to a part-time period. Mr. Williams expressed difficulty in hiring a full-time director for a salary of \$45,000. He did not believe the coalition could hire a college graduate or someone with several years of experience at \$45,000 for full-time employment. He would be open to a beginning annual salary of \$45,000 and seeing what applications are received. He would like to leave the salary range open to hire someone who has water resource experience that is retired or thinking about retiring but is willing to work a certain number of hours.

Mr. Nichols wished to consider the motion, which recommends a full-time executive director with an annual salary of \$45,000 plus benefits. If the coalition does not find any acceptable applicants, the issue can come back to the board of directors for any adjustments that are deemed appropriate.

Mr. VanDaGriff thought a motion had been made to go with the 50 percent funding level and to proceed slowly. He thought that the salary would be based on board approval for any future salary raises, so the \$45,000 annual salary would be a starting point. Mr. Nichols explained that the board of directors will interview the potential candidates.

Mr. Nichols asked for a vote, with the majority of the board members voting "aye".

Mr. Williams asked Mr. Nichols to explain the motion that was just passed. Mr. Nichols explained that the motion is to hire a full-time director at an annual salary of \$45,000.

Mr. Williams asked if these are the guidelines for the selection committee, in that the executive director must be someone willing to work a full work week for an annual salary of \$45,000 plus benefits, and Mr. Nichols replied that is correct.

Mr. Williams asked about advertising the position as stated in the motion, and Mr. Nichols replied that was correct. Mr. Williams did not believe the coalition would find the person that they want at that salary level.

Mr. Williams asked about advertising for the position, and Mr. Nichols explained that Mr. Blasé mentioned that his human resources department will assume the responsibility for advertising the position.

Consider forming a Legislative Committee:

Mr. Nichols explained that it is very obvious that the proposed reservoir on the James River will not happen. He stated that the only way to serve the eastern area is to pump water from Stockton Lake and Table Rock Lake. He is considering the formation of a legislative committee to address the water issues in the entire area. He suggested placing water controls on sprinkler systems and the installation of water-saving fixtures.

Mr. Williams explained that he operates a water system, and that the City of Carthage currently needs people to use water in order to have revenues. His well levels are currently normal since 2009 represents the third consecutive wet summer. He explained that when a two or three-year drought occurs, he will see those well levels decrease. If he implemented water conservation issues at this point, the streams will continue to flow toward Oklahoma. He stated that that water, whether we save it now or not, won't be there next year when the drought is here. He thought that the coalition needs to be pushing water conservation, but that there really isn't a shortage until a drought hits.

Mr. Nichols explained that it makes sense to use our resources efficiently, and it doesn't make sense to waste regardless of whatever resources you're discussing. He expressed the need to conserve all of our resources.

Mr. Rauch explained the need to encourage the installation of low-flow toilets, low-flow hydrants, low-flow sinks and faucet, and to convey the message that conserving is a good thing, and that it is typically something that we have not had to do in southwest Missouri because water is so plentiful. He explained that in Monett, 70 percent of the water that is pumped from the ground goes to industry. His industrial customers can make or break the city during a time of drought. Monett is just in the infancy of starting more water-efficient encouragement and has announced some long-term plans that will cause an annual rate increase for the next couple of years.

Mr. Pearman expressed the need to develop some type of program for the school-age children to encourage conservation. The children pick up ideas and sell them to their parents.

Mr. Hertzberg explained that MoAM has taken this approach, in that they have a conservation plan that sits on a shelf until the drought actually happens. They visit with a certain age group of grade-schoolers.

Mr. Williams is in favor of the installation of water conservation devices before the drought actually comes. He explained that the coalition much more data is available today than they started and understand the problem a lot better. He is in favor of conservation but stated that it's a hard sale.

Consideration Trip to Washington, DC:

Ms. Burks explained that the congressional delegation is very aware of the concern for the water needs of southwest Missouri. She stated that the Senate's markup of the subcommittee for energy and water for this year includes no new projects in the nation. There is over a \$60 billion dollar backlog of projects that the ranking member of the energy and water appropriations subcommittee felt needed to be cleared. If no new projects are funded at the Congressional level in the nature, there will likely be an inability for the Corps of Engineers in any district in the United States to fund new projects. This is a nation-wide issue in that Congress has repeatedly under-funded the Corps of Engineers for years.

Ms. Burks explained that Senator Bond's office has constantly tried to put this project forward and explain and discuss this project.

Mr. Rauch asked if the project doesn't receive recognition without Congressional sponsorship, and how to get these improvements on the "funded" list with the Corps of Engineers. Mr. Hertzberg understood that these issues are on our own nation-wide.

Ms. Burks explained that the colonels at each district of the Corps of Engineers change every two years, with the presidential administrations changing every four years; therefore, the district priorities can change every two years in the Corps of Engineers districts.

Mr. Rauch understood that any projects that move forward in the Corps of Engineers must have a Congressional sponsor. He understood that those monies for specific projects had to be earmarked, with those earmarks coming from Congress. He expressed concern that the coalition does not even have a specific project. The coalition has several reservoir sites, possible reallocations and pipelines, but no money will be expended until there is something specific to allocate money to.

Mr. Hertzberg explained that basically the coalition's two requests have been for studies for water allocation.

Mr. McIntosh mentioned the lack of public support from the users to move forward with a conservation program. He explained that this is the reason for having an executive director doing educational programs and developing that ground swell of public support for water conservation. He explained that if the constituents surrounding a particular lake do not want water pumped into other areas, the local congressmen will not support the reallocation issue. One congressman must have the support of the majority of the Congress to go along with his issue.

Mr. Williams explained that the Corps of Engineers for this area is allocated to six states, including Louisiana and Texas, and people in those areas will not care if southwest Missouri receives water.

Ms. Burks explained that the Corps of Engineers sets priorities like the Missouri Department of Transportation (MoDOT) in that they have a scoring process for all of their projects. Allocations do not score well with regard to priorities.

Mr. Hertzberg asked if the studies for allocation from Table Rock Lake and Stockton Lake will sit there until the coalition comes to the table with some funds. Mr. McIntosh replied that this is not necessarily correct, in that first the environmental impact studies need to be done. Ms. Burks explained that it would be difficult to go to a certain area like Table Rock Lake and inform them that a study they had on the list for three years should be bombed.

Old Business:

There was no old business to report at this time.

New Business:

There was no new business to report at this time.

Adjourn:

There being no further business to come before the Board of Directors, the meeting stood adjourned.

David Hertzberg, Secretary