



City of Carthage, Missouri  
**BUDGET WAYS & MEANS  
COMMITTEE**

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August 11, 2025 - 5:30 PM  
CITY HALL COUNCIL CHAMBERS

**AGENDA**

- 1. Call to Order**
- 2. Old Business**
  1. Approval of July 22, 2025 Minutes
- 3. Citizens Participation**  
(Citizens wishing to speak should notify Department Head or Committee Chair in advance)
- 4. New Business**
  1. Consider and Discuss Tax Levy for 2025
  2. Consider and Discuss Budget Amendment for FY 2025-2026 For Carry-Over Projects
  3. Consider and Discuss a Resolution Accepting a Grant From the K.D.& M.L Steadley Trust
  4. Consider and Discuss a Budget Adjustment Resolution for a Side-Arm Mower
  5. Consider and Discuss Council Bill for an Agreement for Water Storage with JMUC
  6. Consider and Discuss Resolution for Financing of Electric System Projects
  7. Consider and Discuss Changes to the Zoning Board of Adjustment Member Requirements
  8. Staff Reports
- 5. Adjournment**

**PERSONS WITH DISABILITIES WHO NEED SPECIAL ASSISTANCE CALL 417-237-7000 (VOICE) OR 1-800-735-2466 (TDD VIA RELAY MISSOURI) AT LEAST 24 HOURS PRIOR TO MEETING**



# City of Carthage, Missouri

## **BUDGET WAYS & MEANS COMMITTEE**

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July 22, 2025 - 5:00 PM  
CITY HALL COUNCIL CHAMBERS

### **MINUTES**

#### **1. Call to Order**

**MEMBERS PRESENT:** Alan Snow, Derek Peterson, Jana Schramm

**OTHER COUNCIL MEMBERS:** Kate Gilpin, Mayor Flanigan

**STAFF PRESENT:** City Clerk Miranda Deal

Chair Alan Snow called the meeting to order at 05:00 PM.

#### **2. Old Business**

1. Approval of June 24, 2025 Minutes

**ACTION:** Motion to accept/approve item 2.1. by Jana Schramm;  
Motion passed with a 3:0

**AYES:** Alan Snow, Derek Peterson, Jana Schramm

#### **3. Citizens Participation**

(Citizens wishing to speak should notify Department Head or Committee Chair in advance)

#### **4. New Business**

1. Consider and discuss taxi grant agreement

Ms. Deal explained that this is the yearly agreement that has to be approved and sent to MoDOT to apply for and accept the grant money to help fund the taxi operations.

**ACTION:** Motion to accept/approve item 4.1 and forward to Council  
by Derek Peterson;  
Motion passed with a 3:0

**AYES:** Alan Snow, Derek Peterson, Jana Schramm

2. Consider and discuss budget adjustment resolution for Fiscal Year 2024-2025

Ms. Deal explained that the resolution included some end of fiscal year transfers between the use tax and public facilities bond fund for the I-49 project that went over budget, and the recording of the lease purchase for the fire truck and the transfer of half of the fire sales tax to the general fund.

**ACTION:** Motion to accept/approve item 4.2 and forward to Council by Jana Schramm;  
Motion passed with a 3:0

**AYES:** Alan Snow, Derek Peterson, Jana Schramm

3. Consider and discuss budget amendment for Fiscal Year 2024-2025  
Ms. Deal explained that the amendment includes the supplemental adjustments that were included in the resolution that was just approved, an emergency purchase for the taxi air conditioning, and some previously approved budget adjustment resolutions that had not yet been included in a council bill amendment. She also stated that at the August meeting, there would be another amendment for carryover projects for the new fiscal year.

**ACTION:** Motion to accept/approve item 4.3 and forward to Council by Derek Peterson;  
Motion passed with a 3:0

**AYES:** Alan Snow, Derek Peterson, Jana Schramm

4. Consider and discuss changes to the City Code for the Powers Museum Board, Police Personnel Administration Board, and Tree Board  
Mr. Snow explained why these changes were at the budget committee and not any other committee. All of the committees are all newly elected Council Members and the Budget Committee has the most senior Council members. The Mayor wanted to make some changes related to the residency of board members and wanted to extend it to include living within 5 miles of the city limits to help open up the boards to more people. The Powers Museum Board is no longer needed so it is being removed, the Police Personnel Administration Board and the Tree Board have been adjusted to expand the living areas. Mr. Snow also mentioned that these would be on the August Council agendas.

**ACTION:** Motion to accept/approve item 4.4 and forward to Council by Jana Schramm;  
Motion passed with a 3:0

**AYES:** Alan Snow, Derek Peterson, Jana Schramm

5. Consider and discuss changes to the Personnel Policy Manual to amend section 702 (05) - Personnel Board Established  
Mr. Snow explained that this change is within the Personnel Manual and not the City Code, but it adjusts the Personnel Board to allow members to also live within 5 miles of the city limits. This will also go to Council in August.

**ACTION:** Motion to accept/approve item 4.5 and forward to Council by Derek Peterson;  
Motion passed with a 3:0

**AYES:** Alan Snow, Derek Peterson, Jana Schramm

6. Staff Reports

**5. Adjournment**

**ACTION:** Motion to adjourn at 5:14 PM by Derek Peterson  
Motion passed with a 3:0

**AYES:** Alan Snow, Derek Peterson, Jana Schramm

COUNCIL BILL NO. \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE LEVYING GENERAL TAXES UPON REAL PROPERTY LOCATED WITHIN THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI FOR THE YEAR 2025, FOR GENERAL REVENUE PURPOSES AND OTHER PURPOSES, AND FIXING THE RATES THEREOF.**

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI** as follows:

**SECTION I:** That a tax be and the same is hereby levied for the year 2025, upon all real property which is subject to taxation for municipal purposes under the statutes of the State of Missouri, within the corporate limits of the City of Carthage, Jasper County, Missouri as follows:

First, for General Revenue purposes, 0.3072 cents per One Hundred Dollars assessed valuation.

Second, for the purpose of maintaining the Public Library for the City of Carthage, 0.1534 cents per One Hundred Dollars assessed valuation.

Third, for the purpose of maintaining Public Parks and Recreation within the City of Carthage, 0.1325 cents per One Hundred Dollars assessed valuation.

Fourth, for the purpose of maintaining the Public Health of the City of Carthage, 0.0698 cents per One Hundred Dollars assessed valuation.

**SECTION II:** This Ordinance shall take effect and be in force from and after its passage and approval.

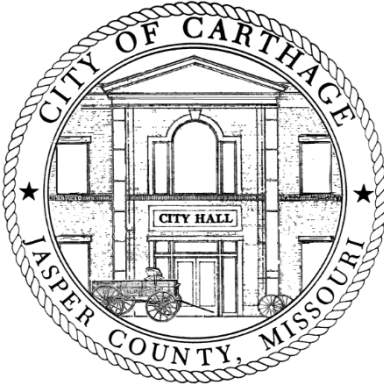
**PASSED AND APPROVED THIS \_\_\_\_\_, DAY OF \_\_\_\_\_, 2025.**

\_\_\_\_\_  
**David B. Flanigan, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Miranda Deal, City Clerk**

(Sponsored by the Budget Ways & Means Committee)



# The City of Carthage

America's Maple Leaf City

326 Grant St., Carthage, MO 64836 (417) 237-7000 FAX (417) 237-7002

## NOTICE OF PUBLIC HEARING

A Public Hearing will be held at 6:30 P.M., Tuesday, August 26, 2025 in the City Hall, Council Chambers, 326 Grant Street Carthage, Missouri at which time Citizens may be heard on the property tax rates proposed to be set by the City of Carthage.

<u>Assessed Valuations</u>	<u>Current Year 2025</u>	<u>Prior Year 2024</u>	
Real Estate – Residential	108,229,660	94,924,100	
Real Estate – Agriculture	499,980	497,080	
Real Estate – Commercial	60,958,890	55,337,090	
<u>Local/State Assessed RR/Utilities</u>	<u>Current Year 2025</u>	<u>Prior Year 2024</u>	
Local Valuations	1,861,920	1,852,720	
State Valuations	1,021,926	266,798	
<b>ASSESSED TOTALS</b>	<b>172,572,376</b>	<b>152,877,788</b>	
<u>Funds</u>	<u>Prior Year Levy</u>	<u>Proposed Levy</u>	<u>Property Tax 2025</u>
General Revenue Fund	0.3335	0.3072	\$530,142
Public Health Fund	0.0758	0.0698	\$120,455
Park & Recreation Fund	0.1439	0.1325	\$228,658
Library Fund	0.1665	0.1534	\$264,726
<b>FUND TOTALS</b>	<b>0.7197</b>	<b>0.6629</b>	<b>\$1,143,981</b>

\*This rate is subject to change due to the receipt of subsequent information or upon notice from the State Auditor's Office. A copy of the City of Carthage Annual Budget for Fiscal Year 2025-2026 is available for public inspection at City Hall, 326 Grant Street Carthage, Missouri or on the City of Carthage website [www.carthagemo.gov](http://www.carthagemo.gov).

Traci Cox  
City Administrator  
City of Carthage

POSTED: 08/05/2025 Carthage City Hall, Carthage Public Library, Carthage Police Department, Carthage Fire Department, Carthage Website at [www.carthagemo.gov](http://www.carthagemo.gov) Carthage Memorial Hall and Carthage Public Works Department

Jasper County Courthouse  
302 S. Main \* Room 102  
Carthage, MO 64836  
Office: 417-358-0416  
Fax: 417-358-0415

# Jasper County Clerk

*Charlie Davis*

Jasper County Courts Building  
633 S. Pearl Ave. Room 198  
Joplin, MO 64801  
Office: 417-625-4307  
Fax: 417-625-4308

NOTICE OF 2025 07/24/25  
AGGREGATE ASSESSED VALUATION FOR POLITICAL SUBDIVISIONS OTHER THAN SCHOOLS

As required by SECTION 137.245.3, I, CHARLIE DAVIS  
County Clerk of Jasper County, State of Missouri, do hereby  
certify that the following is the aggregate assessed valuation of  
CAR CITY a political subdivision in Jasper County, for the year 2025  
as shown on the assessment lists, plus railroad and utility  
valuations as reported by the State Tax Commission.

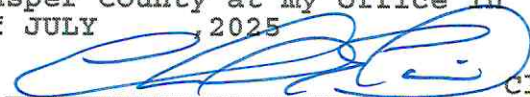
Real Estate Valuations:			
Residential	108,229,660		
Agricultural	499,980		
Commercial	60,958,890		
		TOTAL .....	\$ 169,688,530
Local RR/Utility Valuations:			
Residential	0		
Agricultural	0		
Commercial	1,861,920		
		TOTAL .....	\$ 1,861,920
		TOTAL REAL .....	\$ 171,550,450
Personal Property Valuations:			
Personal Property	66,753,519		
Local RR/Utility	4,050		
		TOTAL .....	\$ 66,757,569
State Assessed Railroad & Utility Valuations:			
Real Estate	1,021,926		
Personal Property	231,254		
		TOTAL .....	\$ 1,253,180

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TOTAL CURRENT VALUATIONS .....	\$ 239,561,199
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NEW CONSTRUCTION.....	\$ 1,789,960
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This information is transmitted to assist you in complying with Section 67.110, RSMo, which requires that notice be given and public hearings held before tax rates are set.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the County Commission of Jasper County at my office in Carthage this 24th day of JULY, 2025

 Clerk



**REQUEST FOR COUNCIL BILL**

I request a council bill be drafted to accomplish the following:

Amending the 2025 - 2026 Annual Operating and Capital Budgets for the City of Carthage.

Date:

/s/ Traci Cox  
Signature

This request was referred to the **Budget Ways & Means Committee** for their recommendation.

Date:

\_\_\_\_\_  
Mayor

The **Budget Ways & Means Committee** has voted in favor of / against sponsoring the above council bill.

Date: \_\_\_\_\_

/s/  
Committee Chairperson

The attached council bill has been prepared in accordance with the above request and is ready to be included on the agenda of the next council meeting. I have sent copies to the various departments listed below.

Date:

\_\_\_\_\_  
City Attorney

Street \_\_\_\_\_ CWEP \_\_\_\_\_  
Police \_\_\_\_\_ Parks  
Fire \_\_\_\_\_ City Admin.  
Eng.

**AN ORDINANCE AMENDING THE ANNUAL OPERATING AND CAPITAL BUDGET OF THE CITY OF CARTHAGE FOR FISCAL YEAR 2025 – 2026 FOR SPECIFIED FUNDS (GENERAL FUND, USE TAX FUND, AND PUBLIC FACILITIES BOND FUND) FOR CARRYOVER PROJECTS.**

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI** as follows:

**SECTION I:** The City of Carthage's 2025 - 2026 Annual Operating and Capital Budget for the **General Fund**, is hereby amended to reflect supplemental appropriations from the unallocated and unappropriated Fund Balance, for:

- a.) the **Central Municipal Activities**, is hereby amended to reflect a supplemental appropriation of an amount not to exceed \$20,548 to the Economic Development line item for a billboard; and
- b.) the **Public Works Department**, is hereby amended to reflect a supplemental appropriation of an amount not to exceed \$87,771.14 to the Capital Outlay line item for a Traffic Signal on Garrison and HH; and
- c.) the **Capital Projects**, is hereby amended to reflect a supplemental appropriation of an amount not to exceed \$15,950 to the Capital Projects line item for Disc Golf Renovations; and

**SECTION II:** The City of Carthage's 2025 - 2026 Annual Operating and Capital Budget for the **Use Tax Fund**, is hereby amended to reflect supplemental appropriations from the unallocated and unappropriated fund balance, for:

- a.) an amount not to exceed \$41,075.00 to the Parks Capital Outlay line item for Memorial Hall Curtains \$16,075.00 and Kellogg Lake Fountain \$25,000.00; and

**SECTION III:** The City of Carthage's 2025 - 2026 Annual Operating and Capital Budget for the **Public Facilities Bond Fund**, is hereby amended to reflect supplemental appropriations from the unallocated and unappropriated fund balance, for:

- a) an amount not to exceed \$326,448.14 to the Capital Projects line item for the Downtown Streetscaping Project; and

**SECTION V:** This ordinance shall take effect and be in force from and after its passage and approval

**PASSED AND APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2025.**

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**David B. Flanigan, Mayor**

**ATTEST:**

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**Miranda Deal, City Clerk**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY OF CARTHAGE, MISSOURI, AUTHORIZING THE MAYOR TO ACCEPT A GRANT FROM THE STEADLEY TRUST IN THE AMOUNT OF \$25,000.00, FOR RODEO ARENA IMPROVEMENTS**

**WHEREAS**, it is important for the City of Carthage to maintain its parks and improve community facilities; and

**WHEREAS**, the Steadley Trust has issued a grant to the City of Carthage to be used in conjunction with the Carthage Saddle Club, for improvements to the Rodeo Arena;

**WHEREAS**, the City of Carthage is required to accept the grant and agree to the terms and conditions set forth by the Steadley Trust in order to receive the funds; and

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI**, the Mayor is authorized to accept a grant for \$25,000.00, from the Steadley Trust to be used in conjunction with the Carthage Saddle Club for improvements to the Rodeo Arena, in the City of Carthage Missouri.

**PASSED AND APPROVED THIS \_\_\_ DAY OF \_\_\_\_\_, 2025.**

\_\_\_\_\_  
**David B. Flanigan, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Miranda Deal, City Clerk**

**Sponsored by: Budget Ways and Means**

**K. D. & M. L. Steadley Trust, Bank of America, N.A., Trustee, 1 year Grant**

**GRANT TERMS AND CONDITIONS**

On **July 14, 2025**, the Trustee for the **K. D. & M. L. Steadley Trust** (Grantor) granted to **City of Carthage** (Grantee) the amount of **\$25,000.00**.

This 1-year grant was made in support of the following: **Rodeo Arena Improvements**.

**Project start date:** 7/28/2025      **Project end date:** 7/28/2026

**The Grantee agrees and consents to the following conditions of the grant:**

- Grantee represents, covenants, and warrants that it **does not discriminate** against any individual or entity on the basis of race, religion, color, sex, sexual orientation, gender identity, age, national origin, ancestry, citizenship, veteran, disability status, or espouse hate.
- Grantee has provided Grantor with verification of the Grantee's public charity status under Sections 501(c)(3) and 509(a)(1) or 509(a)(2) of the Internal Revenue Code of 1986, as amended (the "Code"), and agrees to **notify the Grantor of any change in the Grantee's status**.
- Grantee will **use the grant exclusively for the purposes and objectives specified** in the accompanying cover letter and in the proposal submitted to the K. D. & M. L. Steadley Trust, and Grantee acknowledges no goods or services or benefits have been or will be provided by Grantee to Grantor.
- Grantee **shall not use any portion of the funds granted herein to carry on lobbying** or otherwise to attempt to influence specific legislation, either by direct or grassroots lobbying, nor to carry on directly or indirectly a voter registration drive, nor to make grants to individuals on a non-objective basis, nor to use the funds for any non-charitable purpose.
- **Grantee shall not, under any circumstance, transfer, assign or encumber any portion of the grant.** The Grantee agrees that the grant funds will not be expended, transferred, or used for any purpose or in any fashion that is prohibited by an applicable law of the United States or of any domestic or foreign jurisdiction, including without limitation, applicable laws proscribing the support of terrorism or terrorist organizations.
- Grantee agrees that in **all media, such as printed materials, social media, annual reports and any press releases or articles publicizing this grant**, the Grantor shall be recognized in the following manner: "K. D. & M. L. Steadley Trust, Bank of America, N.A., Trustee." In instances where a press release is developed for distribution to media outlets, the Grantee agrees to timely forward a draft to Private Bank Philanthropic Solutions for prior approval.

- Please be advised that due to an anticipated upgrade to our online grant application system this summer, grant reports will not be required in 2025 and grant report forms will not be published to your online grant account. If the foundation manager requires a grant report, they will reach out via email to let you know.
- In the event that **Grantee does not expend all grant funds** and the interest earned thereon, Grantee shall notify Grantor. It shall be within Grantor's sole discretion whether to direct Grantee to retain or return such funds. Should Grantor require the return of the unexpended funds and interest earned thereon, Grantee shall timely return such funds to Grantor.

**The grantee organization's deposit, negotiation, or endorsement of the check (arriving under separate cover) constitutes its agreement to the Grant Terms and Conditions set forth above.**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING A BUDGET ADJUSTMENT TO THE GENERAL REVENUE FUND FOR FISCAL YEAR 2025-2026 FOR A LINE ITEM ADJUSTMENT TO CAPITAL OUTLAY IN THE STREET DEPARTMENT FOR PURCHASE OF A USED 6330 JOHN DEERE SIDE-ARM TRACTOR (VIN 1L06330HPCH742927) USING FUNDS ORIGINALLY OBLIGATED FOR CONSTRUCTION OF A STORAGE BARN.**

**WHEREAS**, the City adopted a budget and appropriated funds for fiscal year 2025-2026; and

**WHEREAS**, unanticipated expenditures are expected to exceed the original adopted budget in the General Revenue Fund and budgetary changes are necessary within this fund to provide increased appropriation levels; and

**WHEREAS**, the City may increase the current year adopted budget through supplemental appropriations; and

**WHEREAS**, the Budget Ways & Means Committee met and discussed additional appropriations at their meeting on August 11, 2025; and

**WHEREAS**, the City Council met and discussed additional appropriations at their August 12, 2025 meeting; and

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI, THE MAYOR CONCURRING HEREIN, AS FOLLOWS:**

That the City hereby approves the implementation of a line item adjustment to the Capital Outlay line item in the Street Department General Revenue Fund for \$25,000 for purchase of a used 6330 John Deere Side-Arm Tractor (VIN 1L06330HPCH742529) using funds originally obligated for construction of a storage barn.

**PASSED AND APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2025.**

\_\_\_\_\_  
**David B. Flanigan, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Miranda Deal City Clerk**

**Sponsored by: Budget Committee**

COUNCIL BILL NO. \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AUTHORIZING THE CITY OF CARTHAGE, MISSOURI, TO ENTER INTO A SUBAGREEMENT WITH THE SOUTHWEST MISSOURI JOINT MUNICIPAL WATER UTILITY COMMISSION REGARDING REALLOCATED WATER STORAGE SPACE IN STOCKTON LAKE.**

**WHEREAS**, The Southwest Missouri Joint Municipal Water Utility Commission (“JMUC”) is a Joint Municipal Utility Commission formed under the Joint Municipal Utility Commission Act, Revised Statutes of Missouri Section 393.700 *et seq.*; and

**WHEREAS**, the City of Carthage, via Carthage Water & Electric Plant (“CWEP”), is a member of JMUC; and

**WHEREAS**, JMUC was created to develop water supply projects for Southwest Missouri to meet projected future needs for CWEP and other members; and

**WHEREAS**, to this end, JMUC has been working with the U.S. Army Corps of Engineers (“Corps”) for many years to secure a “storage contract” authorizing JMUC and/or its members to use storage in that project for water supply purposes; and

**WHEREAS**, JMUC has reason to believe that the Corps will enter into a storage contract for the reallocated water storage space in Stockton Lake in the near future (“Storage Contract”), in a form substantially similar to the draft included herein; and

**WHEREAS**, JMUC anticipates the Storage Contract will grant JMUC a permanent right to utilize 90,790 acre-feet of storage space in Stockton Lake to store water for municipal and industrial water supply, which is expected to provide a safe yield of approximately 38 million gallons per day (“mgd”); and

**WHEREAS**, JMUC further anticipates the Storage Contract will obligate JMUC to make annual “first cost” payments to the Corps of approximately \$2 million per year; occasional additional payments for “repair, rehabilitation, and maintenance costs,” which will be incurred as needed; and additional annual payments to cover “operations and maintenance costs” at Stockton Lake; and

**WHEREAS**, before executing any contract with the Corps, JMUC must have subagreements in place with participating members to pay these costs; and

**WHEREAS**, JMUC anticipates entering into “pass-through” subcontracts with its members, which will suballocate a portion of JMUC’s storage space to each member in exchange for an agreement to pay a proportional share of JMUC’s costs (the “Water Storage Subcontract”); and

**WHEREAS**, JMUC anticipates the pass-through subcontracts will be substantially similar to the template contract included herein (the “Template Subcontract”) (i.e. capped at 10% over the dollar amounts shown in Article 3, paragraphs (a)(1)(a)(1) and (2) but could be lower); and

**WHEREAS**, time is of the essence in formally executing subagreements once the pass-through contracts have been reviewed and approved by the Corps.

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CARTHAGE, JASPER COUNTY, MISSOURI, AS FOLLOWS:**

**Section 1. Approval of Water Storage Subcontract.** The Mayor of the City of Carthage is hereby authorized to enter into a Water Storage Subcontract with JMUC, in substantially the same form as the Template Subcontract submitted to and reviewed by the City Council of Carthage. The City Clerk is authorized to affix the City's seal thereto and attest said seal.

**Section 2. Further Authority.** The officers, agents and employees of the City are authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance, and to carry out, comply with and perform the duties of the City with respect to the Water Storage Subcontract.

**Section 3. Effective Date.** This Ordinance shall take effect and be in force from and after its passage and approval.

**PASSED AND APPROVED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2025.**

\_\_\_\_\_  
David B. Flanigan, Mayor

ATTEST:

\_\_\_\_\_  
Miranda Deal, City Clerk

WATER STORAGE AGREEMENT  
BETWEEN THE DEPARTMENT OF THE ARMY  
AND  
SOUTHWEST MISSOURI JOINT MUNICIPAL WATER UTILITY COMMISSION  
  
FOR  
REALLOCATED WATER STORAGE SPACE IN STOCKTON LAKE

THIS AGREEMENT, entered into this \_\_\_\_ day of \_\_\_\_\_, 2024, by and between THE DEPARTMENT OF THE ARMY (hereinafter called the "Government") represented by the District Engineer executing this agreement, and Southwest Missouri Joint Municipal Water Utility Commission (hereinafter called the "User"\*);

WITNESSETH THAT:

WHEREAS, the Flood Control Act of 1954 (Public Law 780, 83<sup>rd</sup> Congress), authorized the construction, operation, and maintenance of Stockton Lake on the Sac River, Missouri, (hereinafter called the "Project"); and

WHEREAS, the User desires to enter into an agreement with the Government for the use of storage for municipal and industrial water supply added to the Project by reallocation, and for payment of the cost thereof in accordance with the provisions of the Water Supply Act of 1958, as amended (43 U.S.C. 390b-f); and

WHEREAS, the User as shown in Exhibit "A", attached to and made a part of this agreement, is empowered to enter into an agreement with the Government and is vested with all necessary powers of accomplishment of the purposes of this agreement.

NOW, THEREFORE, the Government and the User agree as follows:

ARTICLE 1 - Water Storage Space.

a. Project Modification. The Government, subject to the directions of Federal law and any limitations imposed thereby, shall modify the allocation of storage space in the Project so as to include therein space for the storage of water by the User.

b. Rights of User.

(1). The User shall have the right to utilize an undivided 13.07 percent (estimated to contain 90,790 acre-feet after adjustment for sediment deposits) of the usable conservation storage space in the Project (see column (5) of Exhibit B-1) between elevations 830.0 feet and 868.9 feet above National Geodetic Vertical Datum (NGVD), which is estimated to contain 694,715 acre-feet after adjustment for sediment deposits. The User's storage space is to be used to impound water for present demand or need for municipal and industrial water supply. This storage space is to be used in two in two stages:

a. Stage 1 Storage. Commencing on the Execution Date, User shall have the right to utilize 45,395 acre-feet of storage within the above-mentioned elevations.

b. Stage 2 Storage. Upon (i) User's notification to the Government that it is ready to utilize additional storage or (ii) fifteen years after the Execution Date, whichever is earlier, User shall have the right to utilize an additional 45,395 acre-feet of storage within the above-mentioned elevations.

(2). The User shall have the right to withdraw water from the lake, or to request releases to be made by the Government through the outlet works of the Project, subject to the provisions of Article 1c and to the extent the aforesaid storage space will provide; and shall have the right to construct all such works, plants, pipelines, and appurtenances as may be necessary and convenient for the purpose of diversion or withdrawals, subject to the approval of the District Engineer as to design and location. The grant of an easement for right-of-way, across, in and upon land of the Government at the Project shall be by a separate instrument in a form satisfactory to the Secretary of the Army, under the authority of and in accordance with the provisions of 10 U.S.C. 2668 and such other authorities as may be necessary. Subject to the conditions of such easement, the User shall have the right to use so much of the Project land as may reasonably be required in the exercise of the rights and privileges granted under this agreement.

c. Rights Reserved. The Government reserves the right to control and use all storage in the Project in accordance with authorized Project purposes. The Government further reserves the right to take such measures as may be necessary in the operation of the Project to preserve life and/or property, including the right not to make downstream releases during such periods of time as are deemed necessary, in its sole discretion, to inspect, maintain, or repair the Project.

d. Quality or Availability of Water. The User recognizes that this agreement provides storage space for raw water only. The Government makes no representations with respect to the quality or availability of water and assumes no responsibility therefor, or for the treatment of the water.

e. Sedimentation Surveys.

(1). Sedimentation surveys will be made by the District Engineer during the term of this agreement at intervals not to exceed fifteen (15) years unless the District Engineer determines that such surveys are unnecessary. When, in the opinion of the District Engineer, the findings of such survey indicate any Project purpose will be affected by unanticipated sedimentation distribution, there shall be an equitable redistribution of the sediment reserve storage space among the purposes served by the Project including municipal and industrial water supply, recognizing that the Project will continue to be regulated to reduce flooding downstream from the dam. Adjusted pool elevations will be rounded to the nearest one-half foot. Such findings and the storage space allocated to municipal and industrial water supply shall be defined and described as an exhibit, which will be made a part of this agreement, and the water control manual will be modified accordingly.

(2). The Government assumes no responsibility for deviations from estimated rates of sedimentation, or the distribution thereof. Such deviations may cause unequal distribution of sediment reserve storage greater than estimated, and/or encroachment on the total storage at the Project.

f. Dependable Yield Mitigation Storage. In addition to the 90,790 acre-feet of water supply storage space acquired by the User, the User will pay for an additional 2,320 acre-feet of dependable yield mitigation storage.

ARTICLE 2 - Regulation of and Right to Use of Water. The regulation of the use of water withdrawn or released from the aforesaid storage space shall be the sole responsibility of the User. The User has the full responsibility to acquire in accordance with State laws and regulations, and, if necessary, to establish or defend, any and all water rights needed for utilization of the storage provided under this agreement. The Government shall not be responsible for diversions by others, nor will it become a party to any controversies involving the use of the storage space by the User except as such controversies may affect the operations of the Project by the Government.

ARTICLE 3 - Operation and Maintenance. The Government shall operate and maintain the Project and the User shall pay to the Government a share of the costs of such operation and maintenance as provided in Article 5c. The User shall be responsible for operation and maintenance of all installations and facilities which it may construct for the diversion or withdrawal of water, and shall bear all costs of construction, operation and maintenance of such installations and facilities.

ARTICLE 4 - Measurement of Withdrawals and Releases. The User agrees to furnish and install, without cost to the Government, suitable meters or measuring devices satisfactory to the District Engineer for the measurement of water which is withdrawn from the Project by any means other than through the Project outlet works. The User shall furnish to the Government monthly statements of all such withdrawals. Prior to the construction of any facilities for withdrawal of water from the Project, the User will obtain the District Engineer's approval of the design, location and installation of the facilities including the meters or measuring devices. Such devices shall be available for inspection by Government representatives at all reasonable times. Releases from the water supply storage space through the Project outlet works shall be made in accordance with written schedules furnished by the User and approved by the District Engineer and shall be subject to Article 1c. The measure of all such releases shall be by means of a rating curve of the outlet works, or by such other suitable means as may be agreed upon prior to use of the water supply storage space.

ARTICLE 5 - Payments. In consideration of the right to utilize the aforesaid storage space in the Project for municipal and industrial water supply purposes, the User shall pay the following sums to the Government:

a. Cost of Storage.

(1). The User shall repay to the Government, at the times as hereinafter specified, the amounts stated below which, as shown in Exhibit B-II attached to and made a part of this agreement, constitute the entire actual amount of the cost of storage allocated to the water storage right acquired by the User under this agreement. The amount of the cost is based on updated cost of storage. The costs shown in Exhibit B are for 93,110 acre-feet of storage space. Of this space 90,790 acre-feet are for the User and 2,320 acre-feet are for dependable yield mitigation storage. The interest rate to be used for purposes of computing interest on the unpaid balance will be the yield rate adjusted at five-year intervals as determined by the Secretary of the Treasury on the basis set forth in Section 932 of the 1986 Water Resources Development Act. For this agreement, the starting interest rate shall be that rate in effect at the time the agreement is approved. For FY24, such rate is 4.125 percent. Should the agreement not be signed in FY24, the amounts due herein will be adjusted to reflect the application of the appropriate rate.

(2). The cost allocated to the storage space indicated in Article 1b(1)a as being provided for the initial staged use of 45,395 acre-feet and 1,160 acre-feet for dependable yield mitigation is currently estimated at \$22,582,000 on the basis of the costs presented in Exhibit B-III. These costs shall be repaid within the life of the Project in not to exceed 30 years from the date this agreement is executed by the

Secretary of the Army or his duly authorized representative. The payments shall be in equal consecutive annual installments, adjusted at 5-year intervals as shown in Exhibit “C-I”. The first payment shall be due and payable within 30 days after the User is notified by the District Engineer that this agreement is executed. Annual installments thereafter will be due and payable on the anniversary date of the date of notification. Except for the first payment, which will be applied solely to the retirement of principal, all installments shall include accrued interest on the unpaid balance at the rate provided above. The last annual installment shall be adjusted upward or downward when due to assure repayment of all of the cost of storage allocated to the storage within 30 years from the above date.

(3). The cost allocated to the storage space indicated in Article 1(b)(1)b as being provided for the second staged use of 45,395 acre-feet and 1,160 acre-feet for dependable yield mitigation is currently estimated at \$22,582,000 on the basis of the costs presented in Exhibit B, subject to further appropriate cost indexing and interest rate adjustments in accordance with Article 5a(5). These costs shall be repaid within the life of the project in not to exceed 30 years from the date of the first annual payment for the initial stage 45,395 acre-feet of storage. The payments shall be in equal consecutive annual installments, adjusted at 5-year intervals. The first annual payment shall be due and payable within 30 days after the first use of the additional 45,395 acre-feet of storage or on the January 1st following the 15th anniversary of the execution of this agreement, whichever occurs first. Annual installments thereafter will be due and payable on the anniversary date of the first payment. Except for the first payment, which will be applied solely to the retirement of principal, all installments shall include accrued interest on the unpaid balance at the rate provided above. The last annual installment shall be adjusted upward or downward when due to assure repayment of all of the cost of storage allocated to the storage within 30 years from the due date of the first annual payment for the initial 45,395 acre-feet.

(4). An estimated schedule of annual payments for the initial 46,555 acre-feet reallocation water supply costs is attached as Exhibit “C” of this contract.

(5). Subsequent to approval of the Secretary of the Army, and prior to the first payment on the initial 46,555 acre-feet of storage space and the second increment of 46,555 acre-feet of storage space by the User, Exhibit “B-II” will be adjusted to reflect application of the Civil Works Construction Cost Index System and fiscal year interest rate.

b. Repair, Rehabilitation, and Replacement (RR&R) Costs. The User will be required to pay a share of the cost of joint-use RR&R of Project features. Payment of these costs shall be made either incrementally during construction or in lump sum (including interest during construction) upon completion of construction. Upon initiation of payment for the first 46,555 acre-foot increment of storage, as described in articles 5a and 6, the User shall pay 3.245 percent of RR&R costs. The User shall pay 6.49 percent of such costs upon initiation of payment for the second 46,555 acre-feet of storage as described in Article 5a.

c. Annual Operation and Maintenance (O&M) Expense.

(1). The User will be required to pay a share of the annual experienced joint-use O&M expense of the Project. Upon initiation of payment for the first 46,555 acre-foot increment of storage, as described in Articles 5a and 6, the User shall pay 3.245 percent of O&M costs. The User shall pay 6.49 percent of such costs upon initiation of payment for the second 46,555 acre-feet of storage as described in Article 5a.

(2). Payments for O&M expense are due and payable in advance on the date for payment of the

first cost of storage as set forth in Article 5a(2) and shall be based on O&M expense for the Project in the Government fiscal year most recently ended. The amount of each annual payment will be the actual experienced O&M expense (allocated joint use) for the preceding fiscal year or an estimate thereof when actual expense information is not available.

d. Prepayment. The User shall have the right at any time to prepay the indebtedness under this Article in whole or in part, with accrued interest thereon to the date of such prepayment.

e. Delinquent Payments. Any delinquent payment owed by the User shall be charged interest at the Current Value of Funds Rate as determined by the Secretary of the Treasury that is applicable on the date that the payment became delinquent, with such penalty charge and administrative fee as may be required by Federal law or regulation. This provision shall not be construed as giving the User a choice of either making payments when due or paying interest, nor shall it be construed as waiving any other rights of the Government, at law or in equity, which might result from any default by the User.

ARTICLE 6 - Duration of Agreement. This agreement shall become effective when signed by the Secretary of the Army or his duly authorized representative and shall continue in full force and effect for the life of the Project.

ARTICLE 7 - Permanent Rights to Storage. Upon completion of payments by the User, as provided in Article 5a herein, the User shall have a permanent right, under the provisions of the Act of 16 October 1963 (Public Law 88-140, 43 U.S.C. 390e), to the use of the water supply storage space in the Project as provided in Article 1, subject to the following:

a. The User shall continue payment of annual operation and maintenance costs allocated to water supply.

b. The User shall bear the costs allocated to water supply of any necessary reconstruction, rehabilitation, or replacement of Project features which may be required to continue satisfactory operation of the Project. The District Engineer will establish such costs and repayment arrangements shall be in writing in accordance with the terms and conditions set forth in Article 5b for reconstruction, rehabilitation, and replacement costs, and be made a part of this agreement.

c. Upon completion of payments by the User as provided in Article 5a, the District Engineer shall redetermine the storage space for municipal and industrial water supply in accordance with the provisions of Article 1e. Such redetermination of reservoir storage capacity may be further adjusted from time to time as the result of sedimentation resurveys to reflect actual rates of sedimentation and the exhibit revised to show the revised storage space allocated to municipal and industrial water supply.

d. The permanent rights of the User under this agreement shall be continued so long as the Government continues to operate the Project. In the event the Government no longer operates the Project, such rights may be continued subject to the execution of a separate agreement or additional supplemental agreement providing for:

(1). Continued operation by the User of such part of the facility as is necessary for utilization of the water supply storage space allocated to it;

(2). Terms which will protect the public interest; and,

(3). Effective absolvment of the Government by the User from all liability in connection with such continued operation.

ARTICLE 8 - Release of Claims. The User shall hold and save the Government, including its officers, agents and employees harmless from liability of any nature or kind for or on account of any claim for damages which may be filed or asserted as a result of the storage in the Project, or withdrawal or release of water from the Project, made or ordered by the User or as a result of the construction, operation, or maintenance of the water supply facilities and appurtenances thereto owned and operated by the User except for damages due to the fault or negligence of the Government or its contractors.

ARTICLE 9 - Transfers and Assignments.

a. The User shall not transfer or assign this agreement nor any rights acquired thereunder, nor suballot said water supply storage space or any part thereof, nor grant any interest, privilege or license whatsoever in connection with this agreement, without the approval of the Secretary of the Army, or his duly authorized representative provided that, unless contrary to the public interest, this restriction shall not be construed to apply to any water that may be obtained from the water supply storage space by the User and furnished to any third party or parties, nor any method of allocation thereof.

b. Regarding approval of assignments, references to restriction of assignments shall not apply to any transfer or assignment to the United States Department of Agriculture, Rural Economic Community Development (RECD), formerly Farmers Home Administration, or its successor agency, or nominee, given in connection with the pledging of this water storage agreement as security for any loans or arising out of the foreclosure or liquidation of said loans. The User will notify the Corps in writing 15 days prior to applying for a RECD loan. A copy of the final loan instrument will be furnished to the Corps for their record.

ARTICLE 10 - Officials Not to Benefit. No member of or delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this agreement, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this agreement if made with a corporation for its general benefit.

ARTICLE 11 - Covenant Against Contingent Fees. The User warrants that no person or selling agency has been employed or retained to solicit or secure this agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the User for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this agreement without liability or in its discretion to add to the price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

ARTICLE 12 - Environmental Quality. During any construction, operation, and maintenance by User of any facilities, specific actions will be taken to control environmental pollution which could result from such activity and to comply with applicable Federal, State, and local laws and regulations concerning environmental pollution. Particular attention should be given to:

a. Reduction of air pollution by control of burning, minimization of dust, containment of chemical vapors, and control of engine exhaust gases, and of smoke from temporary heaters;

- b. Reduction of water pollution by control of sanitary facilities, storage of fuels and other contaminants, and control of turbidity and siltation from erosion;
- c. Minimization of noise levels;
- d. On-site and off-site disposal of waste and spoil; and,
- e. Prevention of landscape defacement and damage.

#### ARTICLE 13 - Federal and State Laws.

a. Compliance. In acting under its rights and obligations hereunder, the User agrees to comply with all applicable Federal and State laws and regulations, including but not limited to: 40 U.S.C. 3141-3148 and 40 U.S.C. 3701-3708 (revising, codifying and enacting without substantive change the provisions of the Davis-Bacon Act (formerly 40 U.S.C. 276a et seq.), the Contract Work Hours and Safety Standards Act (formerly 40 U.S.C. 327 et seq.), the Copeland Anti-Kickback Act (formerly 40 U.S.C. 276c)), and the applicable provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, as amended (42 U.S.C. 4601-4655).

b. Civil Rights Act. The User furnishes, as part of this agreement, an assurance (Exhibit D) that it will comply with Title VI of the Civil Rights Act of 1964 (78 Stat. 241, 42 U.S.C. 2000d, et seq.) and Department of Defense Directive 5500.11 issued pursuant thereto and published in Part 195 of Title 32, Code of Federal Regulations.

c. Regulatory Program. Any discharges of water or pollutants into a navigable stream or tributary thereof resulting from the User's facilities and operations undertaken under this agreement shall be performed only in accordance with applicable Federal, State, and local laws and regulations.

d. Lobbying Activities. The User furnishes, as part of this agreement, a certification (Exhibit E and if applicable, Standard Form-LLL "Disclosure of Lobbying Activities") that it will comply with Title 31 U.S.C. Section 1352 of the limitation on use of appropriated funds to influence certain Federal contracting and financial transactions (Public Law 101-121, October 23, 1989) and Federal Acquisition Regulation 52.203-12 issued pursuant thereto.

#### ARTICLE 14 - Definitions.

a. First cost of storage. This is the cost assigned to the Users right to the storage space in the project. In this Agreement, the first cost of storage was developed by the updated cost of storage method and is summarized in Exhibit B-II.

b. Interest Payments.

(1). Interest on the unpaid balance. When the Project cost is amortized, this is the interest on the unpaid balance (see Exhibit C). When payments are made in "lump sum," there is no amortization schedule and therefore, no "interest on the unpaid balance."

c. Specific costs. The costs of Project features normally serving only one particular Project purpose.

d. Joint-use costs. The costs of features used for any two or more Project purposes.

e. Annual operation and maintenance (O&M) expense. Annual expenses funded under the O&M, General account. These expenses include the day-to-day costs to operate and maintain the Project as well as O&M costs which are not capitalized.

f. Repair, rehabilitation and replacement (RR&R) costs. Costs funded in part under the Operation and Maintenance, General, or Construction, General accounts but not associated with first cost of storage. Such expenditures are for costly, infrequent work and are intended to ensure continued satisfactory operation of the Project. For the purposes of this agreement the term "reconstruction" used in Article 8 "Permanent Rights to Storage" shall be included in this definition of repair, rehabilitation and replacement; repayment of those costs shall be the same as described in Article 5b.

g. Fiscal Year. Refers to the Government's fiscal year. This year begins on 1 October and ends on 30 September.

h. Life of the Project. This is the physical life of the Project.

i. District Engineer. Refers to the District Engineer of the Kansas City District of the United States Army Corps of Engineers, or his/her successor or designee.

j. Dependable Yield Mitigation Storage. The use of the reallocated space for water supply storage diminishes the dependable yield of water to prior water supply users. To compensate for that loss, additional conservation storage, above and beyond the storage required by the new user, is provided and made available to the prior users. The new user pays for this space. The reallocated storage mitigation space becomes part of the total storage space jointly shared by all the water supply users.

IN WITNESS WHEREOF, the parties have executed this agreement as of the day and year first above written.

THE DEPARTMENT OF THE ARMY

SOUTHWEST MISSOURI JOINT MUNICIPAL  
WATER UTILITY COMMISSION

\_\_\_\_\_  
Travis J. Rayfield  
Colonel, U.S. Army  
District Commander

\_\_\_\_\_  
Roddy Rogers  
Executive Director

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

**EXHIBIT A: CERTIFICATION**

I, Lewis Jones, Attorney for Southwest Missouri Joint Municipal Water Utility Commission, have reviewed the foregoing agreement executed by the Executive Director, and as principal legal officer of/for Southwest Missouri Joint Municipal Water Utility Commission certify that the Executive Director is legally and financially capable of entering into the contractual obligations contained in the foregoing agreement and that, upon acceptance by the Department of the Army, it will be legally enforceable.

Given under my hand, this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

\_\_\_\_\_

Attorney for Southwest Missouri Joint

Municipal Water Utility Commission

**EXHIBIT B: COST COMPUTATIONS**

I - LAKE STORAGE

Feature  (1)	Elevation (feet, NGCD)  (2)		Usable Storage (acre-feet) <u>1/</u>  (3)	Percent of	
				Usable Storage <u>2/</u>  (4)	Conservation Storage <u>3/</u>  (5)
Flood Control	868.9	893.9	740,674	51.60%	
Conservation	830.0	868.9	694,715	48.40%	100%
Water Supply			143,110	9.97%	20.60%
User			90,790	6.33%	13.07%
DYMS to support City Utilities			2,320	0.16%	0.33%
Other Water Supply Users (City Utilities)			50,000	3.48%	7.20%
Other Conservation Purposes Hydropower	830.0	868.9	551,605	38.43%	79.40%
Total Usable Storage			740,674	51.60%	

Notes:

1/ Storage remaining after 100 years of sedimentation from the date the project is operational and does not include dead storage and/or storage set aside for hydropower head.

2/ Used to compute the Users cost (see Exhibits B-II and B-III).

3/ This percent is used to compute the Users storage space (see Article 1b(1)).

II COST TO BE REPAYED BY THE USER  
FOR THE REALLOCATED STORAGE SPACE

ER 1105-2-100 outlines that the nonfederal sponsor will pay for the cost of water supply storage. The cost of storage is established by calculating the highest of the benefits or revenue foregone, the replacement cost, or the updated cost of storage in the federal project. The nonfederal entity shall also be responsible for an appropriate share of the annual costs that include specific and joint-use OMRR&R costs. For the Stockton Lake Reallocation, the cost of storage is based on the updated FY2024 joint-use construction cost of \$696,244,800.00. The user’s cost of storage is determined by their proportion of usable storage. Usable storage is considered the storage volumes in both the multipurpose pool and the flood control pool, which are 740,674 and 694,715 AF, respectively. Annual OMRR&R costs are included. The OMRR&R costs represent the water supply user’s portion of the annual joint-use O&M or repair, rehabilitation, and replacement (RR&R) expenditures. Southwest Missouri Regional Water is responsible for 6.49% of the joint-use construction costs or \$45,164,000. In addition, the user would be responsible for 6.49% of the annual O&M and RR&R costs. The O&M costs were based on actual FY2023 joint-use expenditures of \$2,145,000, of which Southwest Missouri Regional Water would be responsible for \$140,000. Based on current information, there have not been significant RR&R costs incurred previously and none are projected for the near future. Table II describes the costs.

**EXHIBIT B: (Continued)**

**II – COST OF STORAGE**

<b>Parameter</b>		
Total storage required (acre-feet)	93,110	
Water supply yield (mgd)	39	
FY24 Water Supply Interest rate	4.125%	
Repayment period	30	
Flood control storage	740,674	
Multipurpose storage (830 feet to 868.9 feet NGVD 29)	694,715	
Inactive storage (Below 830 feet NGVD 29)	221,267	
Usable Storage	1,435,389	
Storage required as percent of useable storage		6.49%
	<b>Total costs</b>	<b>Costs as a Percent of Usable Storage (6.49%)</b>
Joint use project cost	\$696,244,800	\$45,164,000
Annualized user payment		\$2,546,577
Estimated Annual O&M (based on actual FY23 expenditures)	\$2,145,000	\$140,000
Estimated RR&R (based on actual FY23 expenditures)	\$0	\$0
Total annual repayment		\$2,686,577
*Estimate based on FY24 costs and FY24 Wtr Supply Interest Rate		

1. Update As-built Joint-Use Construction Cost to October 2023 price level
2. Joint-Use construction and O&M cost percentage applicable to this contract:  $93,110 / 1,435,389 = 0.064867433$  or 6.49 percent (3.245 for each 46,555 acre-feet of storage).
3. Joint-use construction costs allocated to water supply storage under this contract are:  $\$696,244,800 \times 0.064867433 = \$45,164,000$ . Initially, \$22,582,000 will be paid for the use of 46,555 acre-feet (  $0.032434 \times \$696,244,800$ ). The cost of the remaining 46,555 acre-feet will be 0.032434 percent of the joint-use construction costs updated to the fiscal year in which the remaining 46,555 acre-feet is called into use or to 15 years from the execution date of this agreement, whichever occurs first.

**EXHIBIT B: (Continued)**

**III - TOTAL ANNUAL COST TO USER  
FOR THE REALLOCATED WATER SUPPLY STORAGE**

<b>Item</b>	<b>Type of Use</b>	<b>Computation</b>	<b>Cost</b>
Interest and amortization	Total cost of storage space acquired by the User as determined in Exhibit B-II.	\$22,582,000 x 0.05638511 factor based on 30 payments, of which 29 payments are at interest rate of 4.125%.	\$1,273,288.56
Operation and maintenance <u>1/</u>	Joint-use actual for FY23	3.245% <u>2/</u> x \$2,145,000	\$69,605
Repair, rehabilitation and replacement <u>3/</u>	RR&R actual for FY23	3.245% <u>2/</u> x \$0.00	\$0.00

Notes:

1/ Payment due and payable on the date specified in Article 5(a)(2).

2/ Percent of Users share of the Usable storage space in the project (column (4) of exhibit B-I).

3/ Repair, rehabilitation and replacement costs are payable only when incurred as specified in Article 5(b).

## EXHIBIT C-I: AMORTIZATION SCHEDULE PRESENT DEMAND

TOTAL COST: \$22,582,000 \_\_\_\_\_  
 NUMBER OF PAYMENTS: 30  
 INTEREST RATE, PERCENT 2/ 4.125%

Annual Payment Number	Amount of Payment (\$)	Interest (\$)	Allocated Cost (\$)	Balance of Allocated Cost (\$)
1	\$1,273,288.56	\$-	\$1,273,288.56	\$21,308,711.44
2	\$1,273,288.56	\$878,984.35	\$394,304.22	\$20,914,407.22
3	\$1,273,288.56	\$862,719.30	\$410,569.26	\$20,503,837.96
4	\$1,273,288.56	\$845,783.32	\$427,505.25	\$20,076,332.71
5	\$1,273,288.56	\$828,148.72	\$445,139.84	\$19,631,192.87
6	\$1,273,288.56	\$809,786.71	\$463,501.86	\$19,167,691.02
7	\$1,273,288.56	\$790,667.25	\$482,621.31	\$18,685,069.71
8	\$1,273,288.56	\$770,759.13	\$502,529.44	\$18,182,540.28
9	\$1,273,288.56	\$750,029.79	\$523,258.78	\$17,659,281.50
10	\$1,273,288.56	\$728,445.36	\$544,843.20	\$17,114,438.30
11	\$1,273,288.56	\$705,970.58	\$567,317.98	\$16,547,120.32
12	\$1,273,288.56	\$682,568.71	\$590,719.85	\$15,956,400.47
13	\$1,273,288.56	\$658,201.52	\$615,087.04	\$15,341,313.43
14	\$1,273,288.56	\$632,829.18	\$640,459.38	\$14,700,854.04
15	\$1,273,288.56	\$606,410.23	\$666,878.33	\$14,033,975.71
16	\$1,273,288.56	\$578,901.50	\$694,387.06	\$13,339,588.65
17	\$1,273,288.56	\$550,258.03	\$723,030.53	\$12,616,558.12
18	\$1,273,288.56	\$520,433.02	\$752,855.54	\$11,863,702.58
19	\$1,273,288.56	\$489,377.73	\$783,910.83	\$11,079,791.74
20	\$1,273,288.56	\$457,041.41	\$816,247.15	\$10,263,544.59
21	\$1,273,288.56	\$423,371.21	\$849,917.35	\$9,413,627.24
22	\$1,273,288.56	\$388,312.12	\$884,976.44	\$8,528,650.81
23	\$1,273,288.56	\$351,806.85	\$921,481.72	\$7,607,169.09
24	\$1,273,288.56	\$313,795.72	\$959,492.84	\$6,647,676.25
25	\$1,273,288.56	\$274,216.65	\$999,071.92	\$5,648,604.34
26	\$1,273,288.56	\$233,004.93	\$1,040,283.63	\$4,608,320.70
27	\$1,273,288.56	\$190,093.23	\$1,083,195.33	\$3,525,125.37
28	\$1,273,288.56	\$145,411.42	\$1,127,877.14	\$2,397,248.23
29	\$1,273,288.56	\$98,886.49	\$1,174,402.07	\$1,222,846.16
30	\$1,273,288.56 <u>3/</u>	\$50,442.40	\$1,222,846.16	\$0.00

Notes:

1/ An amortization schedule is applicable to those projects which will be repaid over time in lieu of during construction.

2/ In accordance with Section 932 of the Water Resources Development Act of 1986, this interest rate will be adjusted at five year intervals throughout the repayment period. The rate is the yield rate as determined by the Secretary of the Treasury plus 1/8 %.

3/ The last payment will be adjusted upward or downward to assure all costs are repaid within 30 years of approval of the agreement.

## **EXHIBIT D: ASSURANCE OF COMPLIANCE**

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### **ASSURANCE OF COMPLIANCE WITH THE DEPARTMENT OF DEFENSE DIRECTIVE UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964, AS AMENDED; THE AGE DISCRIMINATION ACT OF 1975; AND THE REHABILITATION ACT OF 1973, AS AMENDED**

The party executing this assurance, being the applicant recipient of Federal financial assistance under the instrument to which this assurance is attached; HEREBY AGREES THAT, as a part of its obligations under the aforesaid instrument, it will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352), as amended (42 U.S.C. 2000d), and all requirements imposed by or pursuant to the Directive of the Department of Defense (32 CFR Part 195), issued as Department of Defense Directive 5500.11, pursuant to that title; The Age Discrimination Act of 1975 (42 U.S.C. 6102); the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), to the end that in accordance with the aforementioned Title, Directive and Acts, no person in the United States shall on the ground of race, color, age, sex, religion, handicap or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Applicant-Recipient receives Federal financial assistance from the Department of the Army and HEREBY GIVES ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

If any personal property or real property, or interest therein, or structure thereon is provided or improved with the aid of Federal financial assistance extended to the applicant-recipient by the Department of the Army, or if such assistance is in the form of personal property or real property, or interest therein or structure thereon, then this assurance shall obligate the applicant-recipient or in the case of any transfer of such property, any transferee, for the period during which the property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits, or for the period during which it retains ownership or possession of the property whichever is longer. In all other cases, this assurance shall obligate the applicant-recipient for the period during which the Federal financial assistance is extended to it by the Department of the Army. The Department of the Army representatives will be allowed to visit the recipient's facilities. They will inspect the facilities to ensure that there are no barriers to impede the handicap's accessibility in either programs or activities.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts or other Federal financial assistance extended after the date hereof to the applicant-recipient by the Department of the Army, including installment payments after such date on account of arrangements for Federal financial assistance which were approved before such date. The applicant-recipient recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the applicant-recipient, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the applicant.

Date \_\_\_\_\_

\_\_\_\_\_ (Applicant-Recipient)

By \_\_\_\_\_

Title \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Applicant-Recipient's Mailing Address)

**EXHIBIT E: CERTIFICATION REGARDING LOBBYING**

STOCKTON LAKE WATER SUPPLY STORAGE REALLOCATION  
SOUTHWEST MISSOURI JOINT MUNICIPAL WATER UTILITY COMMISSION

1. The undersigned certifies, to the best of their knowledge and belief, that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with the water supply agreement for the SOUTHWEST MISSOURI JOINT MUNICIPAL WATER UTILITY COMMISSION, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities", in accordance with its instructions. This form is available at <http://contacts.gsa.gov/webforms.nsf>.

c. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

2. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31 U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

SOUTHWEST MISSOURI JOINT MUNICIPAL WATER  
UTILITY COMMISSION

BY \_\_\_\_\_

Preliminary Pass-Through Contract  
Based on May 5, 2025 Template  
To be amended prior to execution

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WATER STORAGE AGREEMENT  
BETWEEN THE SOUTHWEST MISSOURI JOINT MUNICIPAL WATER UTILITY COMMISSION  
AND  
THE CITY OF CARTHAGE, MISSOURI  
FOR  
THE USE OF WATER STORAGE SPACE IN STOCKTON LAKE

THIS AGREEMENT, entered into this \_\_\_\_ day of \_\_\_\_\_, 2025, by and between Southwest Missouri Joint Municipal Water Utility Commission (“JMUC”) and the City of Carthage, Missouri (“User”).

WITNESSETH THAT:

WHEREAS, JMUC is a Joint Municipal Utility Commission formed under the Joint Municipal Utility Commission Act, Revised Statutes of Missouri Section 393.700 *et seq.*;

WHEREAS, JMUC was created to develop water supply projects for Southwest Missouri to meet projected future needs;

WHEREAS, Stockton Lake (the “Project”) is a multipurpose reservoir owned and operated by the United States Army Corps of Engineers (the “Corps”);

WHEREAS, the Thomas R. Carper Water Resources Development Act of 2024, Pub. L. 118-272 (Jan. 4, 2025) authorized the United States Army Corps of Engineers to enter into a contract with JMUC to utilize 90,790 acre-feet of storage space in Stockton Lake to store water for municipal and industrial water supply;

WHEREAS, Public Law 118-272 provides for the contract to be bifurcated, with at least half of the 90,790 acre-feet to be taken and paid for in 2025 at the Updated Cost of Storage as of Fiscal Year 2010 [approximately \$300 per acre-foot], and any remainder to be available ten years after the contract date at the “Update Cost of Storage” during the fiscal year in which the contract is executed approximately [\$493] per acre-foot;

WHEREAS, by memorandum dated January 17, 2025, the Assistant Secretary of the Army (Civil Works) approved the reallocation of storage in Stockton Lake to meet JMUC’s water supply needs and bifurcated contract;

WHEREAS, on [\_\_ DATE \_\_], 2025 (the “Federal Contract Date”), JMUC entered into a contract with the United States (the “Federal Storage Contract”), a copy of which is attached as Exhibit A to this agreement;

WHEREAS, the Federal Storage Contract authorizes JMUC to utilize 90,790 acre-feet of storage space in the Project to store water for municipal and industrial water supply purposes;

Preliminary Pass-Through Contract  
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WHEREAS, the Federal Storage Contract obligates JMUC to pay the following to the Corps:

- (1) “First costs,” as required by Article 5.a;
- (2) “Repair, rehabilitation, and replacement costs” as required by Article 5.b;
- (3) “Operations and maintenance,” as required by Article 5.c; and
- (4) Any liabilities incurred under the “release of claims” in Article 8;

WHEREAS, User wishes to utilize a portion of the storage space contracted to JMUC under the terms set forth in this agreement; and

WHEREAS, a separate agreement (the “Delivery Agreement”) will be entered into between JMUC and User to document the terms under which water stored in Stockton Lake will be delivered to User;

NOW, THEREFORE, JMUC and User agree as follows:

ARTICLE 1. User’s Storage Space

- a. User’s Storage Space shall be **7,168** acre-feet.

ARTICLE 2. Water Storage Rights

a. User shall have the right to utilize water from the Project to the extent water is available in User’s Storage Space. The storage accounting system described in Exhibit B will be utilized to determine how much water is available in User’s Storage Space.

b. This contract is for storage space only. It does not include delivery of water from the Project to User, which will be addressed in a separate Delivery Agreement.

ARTICLE 3. Payments

a. In consideration for the water storage rights described in Articles 1 and 2, User shall pay to JMUC the following charges:

(1) *Unit Charge*. User shall pay the Unit Charge for each acre-foot in User’s Storage Space, which will be the sum of the charges defined in paragraphs (a) through (d) below:

a) *First Costs*. The Unit Charge will include the amount necessary to amortize the “First Cost” for User’s storage under the Federal Contract. Pub. L. 118-272 provides two options for this element of the Unit Charge, as described in subparagraphs (1) and (2) below. User has selected Option A.

Preliminary Pass-Through Contract  
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(1) *Option A*. Under Option A, the first cost is \$300 per year per acre-foot, which will be amortized over a thirty-year period at a variable interest specified in the Federal Contract. The first payment will be due 30 days after the Federal Contract Date.

(2) *Option B*. Under Option B, the first cost is [\$493] per acre-foot, which will be amortized over a thirty-year period at a variable interest specified in the Federal Contract. The first payment will be due on the tenth anniversary of the Federal Contract Date.

The First Cost may be prepaid at any time without penalty under either option.

b) *RR&R*. In the event repair, rehabilitation, or replacement costs are charged to JMUC under Article 5.b of the Federal Contract, the unit charge will be increased as necessary to cover this obligation.

c) *Administration fee*. The Unit Charge will include an additional fee equal to 25% of the First Cost specified in paragraph (a) above (whether Option A or B is selected) to cover operations and maintenance and other contingencies. This charge may be reduced in JMUC's sole discretion after a sufficient reserve has been established.

d) *Special assessments*. If the Unit Charge proves insufficient to cover JMUC's obligations under the Federal Contract, a special assessment may be added to the Unit Charge as necessary to cover those costs.

(2) *Carrying Cost for Uncontracted Storage Space*. Charges associated with Uncontracted Storage Space will be borne by users with contracts. User will pay a percentage of the Unit Charge for each acre-foot of Uncontracted Storage Space determined by dividing User's Storage Space by the total number of acre-feet of Contracted Storage Space. Any payments by User pursuant to this subparagraph will be credited to User's Investment Account as described in Article 5.

(3) *Step-up Payment for Uncovered Obligations*. If any user fails to remit payment to JMUC as required by subparagraphs (1) and (2) above, the resulting Uncovered Obligation will be paid by JMUC from its reserve to the extent funds are available. If sufficient reserves are not available, any remaining Uncovered Obligation will be borne by users. User will pay a percentage of the Uncovered Obligation equal to the number of acre-feet in User's Storage Space divided by the total number of acre-feet contracted to users who are able to fulfill their financial obligations to JMUC. Any payments by User pursuant to this subparagraph will be credited to User's Step-up Account as described in Article 5.

b. *Invoicing*. User's payments will be due annually on the anniversary of the Federal Contract Date.

Preliminary Pass-Through Contract  
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ARTICLE 4. Sedimentation

If at any time JMUC's Storage Space is reduced due to sedimentation as provided in Article 1.e of the Federal Storage Contract, User's Storage Space shall be reduced, and the Unit Charge described in Article 3 increased, proportionally.

ARTICLE 5. Uncontracted Storage Space

a. Any payments by User under Article 3.a(2) for Uncontracted Storage Space will be repaid to the User with interest when Uncontracted Storage Space is contracted to a new user. The accounting procedures described in Article 5.b through 5.d will be employed to determine the amount to be repaid by JMUC to User.

b. Each payment by User required under Article 3.a(2) will be credited to the User's Investment Account.

c. The User's Investment Account will collect interest at an annual rate equal to the greater of (a) 7% per annum; or (b) the interest rate specified by Article 5 of the Federal Storage Contract, plus 1%.

d. When Uncontracted Storage Space is contracted by JMUC to a new user:

(1) The contract between JMUC and the new user will be materially identical to this agreement, except for the amount stated in Article 1 and the Unit Charge identified in Article 3.a(1), which will be set by JMUC at a rate at least sufficient to provide the return on investment specified in Article 5.c.

(2) Within 30 days of receiving payment from a new user for any Uncontracted Storage Space placed under contract, JMUC will remit to User an amount equal to the balance of User's Investment Account divided by the Total Uncontracted Storage Space Investment Account for all users, multiplied by the cost of Uncontracted Storage contracted to the new user.

(3) Any payments to the User under Article 5.d(2) will be debited to the User's Investment Account.

ARTICLE 6. Step-up Payments

a. If any user fails to remit payment to JMUC in accordance with Article 3, and if the Contingency Fund is not sufficient to cover the resulting Uncovered Obligation to the Corps, a Step-up Payment will be required under Article 3.a.(3). Any such payments will be repaid to User with interest when and if JMUC secures payment from the user that failed to make the payment. The accounting procedures described in Article 6.b through 6.d will be employed to determine the amount to be repaid to User.

b. Each Step-up Payment under Article 3.a(3) will be credited to User's Step-up Account.

Preliminary Pass-Through Contract  
Based on May 5, 2025 Template  
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c. The User's Step-up Account will earn interest at the annual rate specified in Article 5.c.

d. When and if JMUC receives payment for any Unpaid Obligation for which User has made Step-Up Payments under Article 3.a(3), JMUC within 30 days shall remit to User an amount equal to the portion of the User's Step-up Account associated with such Unpaid Obligation. Any payments to the User under this subparagraph will be debited to the User's Step-up Account.

e. JMUC will advise all users of the potential need for a Step-up Payment as soon as possible after becoming aware that such payments might be required. Step-up Payments will be due to JMUC within 30 days of invoicing by JMUC.

f. When and if, due to the default of another user, any Storage Space for which Step-up Payments have been made under Article 3.a(3) is returned to the status of Uncontracted Storage Space under Article 7, the User's Investment Account will be credited with an amount equal to the portion of the User's Step-up Account associated with such storage.

ARTICLE 7. Default

a. If at any time User fails to make a payment required by Article 3, User's obligation to JMUC shall bear interest at the rate specified in Article 5.c. Interest shall continue to accrue until all amounts due, including interest, are received by JMUC. If User's default cannot be remedied within twelve months, JMUC may elect to terminate User's contract, in which case User's right to utilize JMUC's Storage will terminate, and User's Storage Space will become Uncontracted Storage Space. This provision shall not be construed as giving the User a choice of either making payments when due or paying interest; nor shall it be construed as waiving any other rights of JMUC, at law or in equity, which might result from any default by User.

b. In the event this Agreement is terminated pursuant to Article 7.a, (i) User shall forfeit any right or equity in User's Storage Space and in the various accounts established pursuant to this Agreement, and JMUC shall have no obligation to make any payment to User for any reason; (ii) User shall continue to be responsible for the payments required by Article 3 unless and until User's Storage Space is contracted to another User. In addition, a non-defaulting Party shall have the right to seek remedies at law or in equity or damages for the breach of any term, condition, covenant, or obligation under this agreement.

c. Furthermore, and notwithstanding anything to the contrary in this agreement, the Parties acknowledge and agree that (i) a dispute over which a Governmental Authority has exclusive jurisdiction shall, in the first instance, be brought before and resolved by such Governmental Authority, and (ii) monetary damages may not be an adequate remedy at law for the failure of a Party to perform certain material obligations under this agreement, and under such circumstances, a non-defaulting Party shall have the right to seek a court order requiring specific performance by a defaulting Party of such obligations under this Agreement.

Preliminary Pass-Through Contract  
Based on May 5, 2025 Template  
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ARTICLE 8. Duration of Agreement

a. Unless terminated due to default by User or with the express written consent of JMUC, this agreement shall continue in full force and effect for so long as JMUC retains the right to utilize JMUC's Storage Space or for the maximum period allowed by law, whichever is shorter.

b. In the event this contract terminates under Article 8.a due to any legal limitation on the duration of this agreement, this agreement shall be renewable at User's option for so long as JMUC retains the right to utilize JMUC's Storage Space.

ARTICLE 9. User's Obligation

a. Each User shall establish, maintain and collect such rates, fees and charges for the water service of its water utility system so as to provide revenues at least sufficient to enable User to make all payments required to be made by it under this Agreement and any other agreements with respect to its water utility, and all other operating expenses of User's water system.

b. The obligations of each User to make payments under this Agreement shall be limited to the obligation to make payments from revenues of its water utility system and available water utility system reserves. All payments made by a User pursuant to this Agreement shall constitute operation and maintenance expense of its water utility system. No User shall be obligated to levy any taxes for the purpose of paying any amount due under this Agreement. No User may issue any evidence of indebtedness with a lien on water system revenues that is prior to the payment of operating and maintenance expenses.

c. No User shall sell, lease or otherwise dispose of all or substantially all of its water system except on ninety (90) days' prior written notice to JMUC (which notice shall be provided after obtaining required User voter approval for such disposition) and, in any event, shall not so sell, lease or otherwise dispose of the same unless the following conditions are met: (i) the User shall assign this Agreement and its rights and interest hereunder to the purchaser or lessee of the water system and such purchaser or lessee shall assume all obligations of the User under this Agreement; (ii) if and to the extent necessary to reflect such assignment and assumption, JMUC and such purchaser or lessee shall enter into an agreement supplemental to this Agreement to clarify the terms on which water and water rights are to be sold hereunder by JMUC to such purchaser or lessee; (iii) opinions shall be obtained from counsel for assignee and counsel for JMUC that the assignment is permitted under applicable law and is valid and binding on the parties; and (vi) the rates to be paid by the assignee have been approved by applicable regulatory authority(ies). No User may take any action the effect of which would be to prevent, hinder or delay JMUC from the timely fulfillment of its obligations under this Agreement.

d. Nothing herein shall limit any User's present or future right to issue bonds, notes or other evidences of indebtedness or incur lease obligations which are payable on a parity with operating expenses or payable from revenues after payment of operating expenses; provided, however, no User may issue bonds, notes or other evidences of indebtedness or incur lease obligations which

Preliminary Pass-Through Contract  
Based on May 5, 2025 Template  
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are payable from the revenues derived from its water system superior to the payment of the operating expenses of its water system

e. Each User shall cooperate with JMUC and keep accurate records and Accounts.

f. Notwithstanding any provision herein to the contrary, the City is obligated only to make the payments set forth herein as may lawfully be made from funds budgeted and appropriated for that purpose during the City's then current fiscal year.

ARTICLE 10. Transfers and Assignments

User shall not transfer or assign this agreement or any of its rights under this agreement without express written approval of JMUC, whose consent shall not be unreasonably withheld.

ARTICLE 11. Notice

a. Every notice or other communication required by this Agreement shall be provided in writing and shall be delivered either (1) by United States registered or certified mail, return receipt requested or (2) by nationally recognized overnight delivery service to the following:

For User:

[ ]

For JMUC:

Roddy Rogers  
Executive Director  
Southwest Missouri Joint Municipal Water Commission  
2241 E Powell, Springfield, Missouri 65804

b. A courtesy copy shall be delivered by electronic mail. Notice will only become effective upon receipt of the hard copy delivered in accordance with paragraph (a) above.

c. Any party may change its address for purposes of notice under this Agreement by giving formal written notice to the other parties to this Agreement.

ARTICLE 12. Miscellaneous

a. Choice of Law. This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Missouri.

b. Severability. In the event any provision of this Agreement is determined to be void or unenforceable, such determination shall not affect the remainder of this Agreement.

Preliminary Pass-Through Contract  
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c. Merger. This Agreement contains the entire understanding between the Parties and supersedes all previous negotiations and agreements.

ARTICLE 13. Definitions

a. “User’s Storage Space” means number of acre-feet allocated to User as specified in Article 1.

b. “JMUC’s Storage Space” means the number of acre-feet allocated to JMUC as specified in Article 1 of the Federal Storage Contract, subject to any adjustment for sedimentation in accordance with Article 4 of that contract.

c. “Contracted Storage Space” means the portion of JMUC’s Storage Space that has been contracted to individual users.

d. “Uncontracted Storage Space” means the portion of JMUC’s Storage Space that has not been contracted to individual users.

e. “Unit Charge” means the amount specified in Article 3.a(1).

f. “User’s Uncontracted Storage Investment” means the balance of User’s Uncontracted Storage Space Investment Account.

g. “Total Uncontracted Storage Investment” means the sum of all users’ Uncontracted Storage Investment Accounts.

h. “Storage Space” means physical space within the Project that is used to store water.

i. “Step-up Payment” any payment required by Article 3.a(3).

Preliminary Pass-Through Contract  
Based on May 5, 2025 Template  
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IN WITNESS WHEREOF, the parties have executed this agreement as of the day and year first above written.

THE CITY OF CARTHAGE, MISSOURI

SOUTHWEST MISSOURI JOINT MUNICIPAL  
WATER COMMISSION

By: \_\_\_\_\_

By: \_\_\_\_\_  
Roddy Rogers, Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Preliminary Pass-Through Contract  
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**EXHIBIT B: STORAGE AND WATER ACCOUNTING**

The Active Multipurpose Pool at Stockton Lake contains a total of 694,575 acre-feet of storage between 830 and 868.9 feet NGVD67. Because all water for all conservation purposes is held in this common pool, a system is needed to determine how much of the water held in the common pool is available to each user. “Storage accounting” is used for this purpose.

**1. Storage and Water Accounting Principles**

1.1 The Active Multipurpose Pool at Stockton Lake is divided into “storage accounts.” The size of each water supply storage account is equal to the volume of storage under contract. The remainder of the Active Multipurpose Pool is assigned to the federal account. The current allocation is shown in Table 1.1 below:

<b>Account holder</b>	<b>Account size (AF)</b>
Federal	549,825
City Utilities Springfield	52,320 <sup>1</sup>
JMUC	90,790
Total Active Multipurpose Storage all accounts	694,575

JMUC’s storage account will be subdivided into accounts held by its members. The same principles and formulas will be used by JMUC to manage its members accounts.

1.2 Inflows and outflows to the Active Multipurpose Pool will be tracked daily, and gains and losses will be assigned to individual storage accounts using the formulas set forth in part 2. The “account balance” for each user represents the volume of water available to that user.

1.3 The sum of all account balances will equal the total volume of water in the Active Multipurpose Pool. When the Active Multipurpose Pool is full (i.e., the pool is at or above the guide curve) all accounts are full.

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<sup>1</sup> City of Springfield’s storage account will increase from 50,000 acre-feet to 52,320 acre-feet as a result of the Dependable Yield Mitigation Storage (“DYMS”) provided by JMUC as a condition of the 2024 reallocation.

Preliminary Pass-Through Contract  
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1.4 Some gains and losses will be shared proportionally, while others will be credited or debited to specific accounts as described in paragraphs 1.5 and 1.6 below.

1.5 Losses from evaporation will be debited proportionally based on the size of the account. Losses due to discharges from the dam, including leakage, will be debited to the federal account.

1.6 Water supply withdrawals will be debited to the account responsible for the withdrawal.

1.7 Any “state allocated inflows” will be credited to specific accounts in accordance with State law. All other gains will be distributed proportionally based on the size of the account.

1.8 When the credits applied to an individual storage account would cause it to overflow (i.e., cause the account balance to exceed the account limit, or the size of the account), any excess inflow will be distributed *pro rata* to other storage accounts with space available to store the water (i.e., accounts that are less than full). In concept, full storage accounts “spill” water into storage accounts that are not full, until the entire Active Multipurpose Pool is full.

## 2. Storage Accounting Formulas

The storage accounting principles above are implemented through the following formulas:

2.1  $S_{u,t} = S_{u,t-1} + I_u - W_u + AI_u$  Where:

$S_{u,t}$  = Storage account balance for user “u” at end of period “t” [*Observed*]

$S_{u,t-1}$  = Storage Account balance for user “u” at end of period “t-1” [*Observed*]

$I_u$  = User’s share of Calculated Inflow (“CI”) [*Equation 2.2*]

$W_u$  = User’s water withdrawal [*Observed*]

$AI_u$  = Inflow allocated to User by State law [*Observed or Reported*]

2.2  $I_u = [V_u / V_t] * CI$  Where:

$I_u$  = User’s share of Adjusted Inflow

$V_u$  = Volume of storage space contracted to User [*Observed*]

$V_t$  = Total volume of Active Multipurpose Storage Space when the inflow occurs, as defined by Top of Multipurpose Rule Curve [*Observed*]

Preliminary Pass-Through Contract  
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CI = Calculated Inflow [Equation 2.3]

2.3  $CI = \Delta S + D + \sum W_u - \sum AI_u$  Where:

CI = Calculated Inflow

$\Delta S$  = Change in the total volume of water in storage between period “t” and period “t-1” [Observed.]

D = Total discharge (powerhouse + leakage + spill + sluice) [Observed]

$\sum W_u$  = Sum of water supply withdrawals, all users [Observed]

$\sum AI_u$  = Sum of Allocated Inflows, all users [Observed]

The calculated inflow (“CI”) is the portion of the net inflow that is apportioned *pro rata*. This is calculated from the change in storage ( $\Delta S$ ), which is an observed value showing the net effect of all gains and losses to the Active Multipurpose Pool during the period (i.e., the day), including gains and losses from inflow, precipitation, evaporation, leakage, discharges from the dam, water supply withdrawals, and foreign water. This value is adjusted to remove the effects of any discharges from the Dam (“D”) as well as specific gains (“AI,” allocated inflows) and losses (“W,” water supply withdrawals) that need to be credited or debited to individual accounts, rather than being shared *pro rata*. See Principle 1.4.

### 3. Storage accounting procedures

The data needed to perform these calculations will be collected on a daily time step. The calculations will be performed weekly under normal circumstances, but more frequently during droughts. The Active Multipurpose Pool is drawn down as outflow exceeds inflow. The individual accounts are drawn down at different rates based on their storage. Users will be notified on a weekly basis of the available storage remaining, once their storage account balance drops below 30%.

WATER STORAGE AGREEMENT  
 BETWEEN THE SOUTHWEST MISSOURI JOINT MUNICIPAL WATER UTILITY  
 COMMISSION  
 AND  
 THE CITY OF CARTHAGE, MISSOURI  
 FOR  
 THE USE OF WATER STORAGE SPACE IN STOCKTON LAKE

**FAST FACTS**

<b>Firm yield</b>	<b>3 MGD</b>
<b>Storage volume</b>	<b>7,168 Acre-Feet</b>
<b>Principal</b>	<b>\$2,147,411</b>
<b>Term</b>	<b>Unless terminated, contract continues as long as JMUC has storage rights (permanent) or maximum period allowed by law, with option to renew</b>
<b>Estimated annual payment to JMUC</b>	<b>\$159,831</b> Based on 30-year amortization and variable interest rate adjusted every 5 years (currently 4.625%)

**Firm Yield:** “Firm yield” is the amount available at all times through the worst drought on record. Firm yield is estimated and not guaranteed. It is determined by hydrologic modeling based on historical records. The “storage volume” in the contract is the amount needed to produce the “firm yield” stated above.

The actual yield available to User under this contract should be higher than the estimated firm yield at all times except in a drought equal to or more severe than the drought of record. If a drought worse than the drought of record occurs, it is possible the actual yield available under the contract will be less than the firm yield stated above.

**Price:** Costs are passed through to User in proportion to storage space.

In addition to paying the federal government’s principal (called “first costs”), JMUC will also be required to pay an annual charge for operations and maintenance (O&M) and, potentially, occasional charges for any major repairs that may be required. User’s annual payment to JMUC includes a 25% premium (over the principal) to cover O&M while building a reserve to pay for any major repairs. In the unlikely event this reserve proves insufficient, a special assessment may be required to cover JMUC’s obligations to the Corps.

**Term:** Effectively permanent. By law, JMUC has a permanent right to utilize the storage space in Stockton Lake under contract so long as costs are paid and the project remains in operation. Unless terminated for non-payment, User’s rights extend for as long as JMUC maintains the right to use the storage space, or the maximum period allowed by law, whichever is shorter. If the contract terminates due to any legal limitation on its term applicable to User, the contract is renewable at User’s option.

2025.01

**A RESOLUTION OF THE CARTHAGE WATER AND ELECTRIC PLANT BOARD RECOMMENDING AND REQUESTING THAT THE CITY COUNCIL OF THE CITY OF CARTHAGE, MISSOURI, ENTER INTO A SUBAGREEMENT WITH THE SOUTHWEST MISSOURI JOINT MUNICIPAL WATER UTILITY COMMISSION REGARDING REALLOCATED WATER STORAGE SPACE IN STOCKTON LAKE.**

**WHEREAS**, The Southwest Missouri Joint Municipal Water Utility Commission (“JMUC”) is a Joint Municipal Utility Commission formed under the Joint Municipal Utility Commission Act, Revised Statutes of Missouri Section 393.700 *et seq.*; and

**WHEREAS**, Carthage Water & Electric Plant (“CWEP”), is a member of JMUC; and

**WHEREAS**, JMUC was created to develop water supply projects for Southwest Missouri to meet projected future needs for CWEP and other members; and

**WHEREAS**, to this end, JMUC has been working with the U.S. Army Corps of Engineers (“Corps”) for many years to secure a “storage contract” authorizing JMUC and/or its members to use storage in that project for water supply purposes; and

**WHEREAS**, JMUC has reason to believe that the Corps will enter into a storage contract for the reallocated water storage space in Stockton Lake in the near future (“Storage Contract”), in a form substantially similar to the draft included herein; and

**WHEREAS**, JMUC anticipates the Storage Contract will grant JMUC a permanent right to utilize 90,790 acre-feet of storage space in Stockton Lake to store water for municipal and industrial water supply, which is expected to provide a safe yield of approximately 38 million gallons per day (“mgd”); and

**WHEREAS**, JMUC further anticipates the Storage Contract will obligate JMUC to make annual “first cost” payments to the Corps of approximately \$2 million per year; occasional additional payments for “repair, rehabilitation, and maintenance costs,” which will be incurred as needed; and additional annual payments to cover “operations and maintenance costs” at Stockton Lake; and

**WHEREAS**, before executing any contract with the Corps, JMUC must have subagreements in place with participating members to pay these costs; and

**WHEREAS**, JMUC anticipates entering into “pass-through” subcontracts with its members, which will suballocate a portion of JMUC’s storage space to each member in exchange for an agreement to pay a proportional share of JMUC’s costs (the “Water Storage Subcontract”); and

**WHEREAS**, JMUC anticipates the pass-through subcontracts will be substantially similar to the template contract included herein (the “Template Subcontract”) (i.e. capped at 10% over the dollar amounts shown in Article 3, paragraphs (a)(1)(a)(1) and (2) but could be lower); and

**WHEREAS**, time is of the essence in formally executing subagreements once the pass-through contracts have been reviewed and approved by the Corps.


**NOW, THEREFORE, BE IT RESOLVED BY THE CARTHAGE WATER AND ELECTRIC PLANT BOARD, AS FOLLOWS:**


**Section 1. Approval of Water Storage Subcontract.** The Board hereby recommends and requests the Carthage City Council adopt an ordinance approving the Water Storage Subcontract with JMUC, in substantially the form as the Template Subcontract. The Board hereby covenants and agrees to perform any and all duties and obligations incurred by the City on behalf of Carthage Water and Electric Plant in and by the provisions of the Water Storage Subcontract.

**Section 2. Further Authority.** The Board President, Board Vice President, CWEP General Manager and other officers and representatives of CWEP are hereby authorized and directed to take such action as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of CWEP with respect to the Water Storage Subcontract.

**Section 3. Effective Date.** This resolution shall become effective upon its adoption by the Board.

Dated this 18 day of June, 2025.

  
\_\_\_\_\_  
President

ATTEST:  
  
\_\_\_\_\_  
Secretary

**A RESOLUTION DECLARING THE INTENT OF THE CITY OF  
CARTHAGE, MISSOURI, TO FINANCE THE COSTS OF  
PROJECTS FOR THE ELECTRIC SYSTEM.**

**WHEREAS**, the City of Carthage, Missouri (the “**City**”) is a constitutional charter city and political subdivision organized and existing under the laws of the state of Missouri, and owns the Carthage Water and Electric Plant (the “**Public Utility**”); and

**WHEREAS**, the Public Utility, pursuant to a resolution adopted by its board of directors, declared its desire to finance the costs of various replacements and upgrades to the electric system, including without limitation the acquisition, construction, installation, improvement, furnishing and equipping of a substation (the “**Project**”); and

**WHEREAS**, the City intends to finance the costs of the Project.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF  
CARTHAGE, MISSOURI, AS FOLLOWS:**

**Section 1.** The City Council hereby finds it necessary and declares the intent of the City to finance the costs of the Project. The City expects that expenditures will be made, by or on behalf of itself and the Public Utility, after the date of adoption of this Resolution in connection with the Project, and the City intends to reimburse itself, or, if applicable, the Public Utility, for such expenditures with proceeds of a tax-exempt financing. The maximum principal amount of the tax-exempt financing expected to be issued for the Project is \$25,000,000.

**Section 2.** The Mayor, the City Administrator and other officers and representatives of the City, officers and representatives of the Public Utility are hereby authorized and directed to take such other action as may be necessary to carry out the intent of this Resolution.

**Section 3.** This Resolution shall be in full force and effect from and after its passage and approval.

**PASSED AND APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2025.**

**CITY OF CARTHAGE, MISSOURI**

(SEAL)

\_\_\_\_\_  
David B. Flanigan, Mayor

ATTEST:

\_\_\_\_\_  
Miranda Deal, City Clerk

**A RESOLUTION OF THE CARTHAGE WATER & ELECTRIC PLANT BOARD RECOMMENDING AND REQUESTING THE CITY COUNCIL OF THE CITY OF CARTHAGE, MISSOURI, DECLARE ITS INTENT TO FINANCE THE COSTS OF PROJECTS FOR THE ELECTRIC SYSTEM.**

**WHEREAS**, the Carthage Water and Electric Plant (“CWEP”) Board of Directors hereby finds and determines that it is necessary and desirable at this time to recommend and request that the City Council of the City of Carthage, Missouri (the “City”) declare its intent to finance the costs of various replacements and upgrades to the electric system, including without limitation the acquisition, construction, installation, improvement, furnishing and equipping of a substation (the “Project”), with the financing to be payable from the legally available revenues of the City’s electric system to be appropriated on an annual basis and other legally available funds of the City.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CARTHAGE WATER AND ELECTRIC PLANT, AS FOLLOWS:**

**Section 1. Request and Recommendation to the City Council of Carthage, Missouri to Declare Intent.** The Board of CWEP hereby recommends and requests that the City Council of the City declare its intent to finance the costs of the Project, with such costs to be payable from the revenues from the City’s electric system to be appropriated on an annual basis and other legally available funds of the City. The officers of CWEP are hereby authorized and directed to file copies of this resolution with the City Clerk as evidence of such recommendation and request.

**Section 2. Reimbursement.** The Board of CWEP and the City have made or expect to make expenditures in connection with the Project. CWEP expects that expenditures will be made, by or on behalf of itself and the City, after the date of adoption of this Resolution in connection with the Project, and CWEP intends to reimburse itself, or, if applicable, the City, for such expenditures with proceeds of tax-exempt financing. The maximum principal amount of the tax-exempt financing expected to be issued for the Project is \$25,000,000.

**Section 3. Authority.** The President, Vice President and other officers and representatives of CWEP are hereby authorized and directed to take such action as may be necessary to carry out this resolution.

**Section 4. Effective Date.** This resolution shall become effective upon its adoption by the Board of CWEP.

Dated this 17 day of July, 2025.

  
\_\_\_\_\_  
President

ATTEST:  
  
  
\_\_\_\_\_  
Secretary