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MISSOURI CLEAN WATER COMMISSION

10 CSR 20-4.040  
STATE REVOLVING FUND  
GENERAL ASSISTANCE REGULATION AMENDMENT

PUBLIC HEARING

University Plaza Hotel  
333 John Q Hammons Parkway  
Springfield, Missouri  
September 2, 2009

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No exhibits were marked during the course of  
this hearing.

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MISSOURI CLEAN WATER COMMISSION

10 CSR 20-4.040  
STATE REVOLVING FUND  
GENERAL ASSISTANCE REGULATION AMENDMENT

PUBLIC HEARING

of the Missouri Clean Water Commission regarding the  
State Revolving Fund General Assistance Regulation  
Amendment, beginning at 9:00 a.m. on Wednesday,  
September 2, 2009, at the University Plaza Hotel,  
333 John Q Hammons Parkway, Springfield, Missouri,  
before KAREN S. ROGERS, Registered Professional  
Reporter, Certified Realtime Reporter, Certified  
Court Reporter, and Notary Public in and for the  
State of Missouri.

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A P P E A R A N C E S

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6 Commission Chair:

7 MR. RON HARDECKE

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9

10 Commission Members:

11 MR. WILLIAM EASLEY, JR.

12 MR. TODD PARNELL

13 MR. SAMUEL LEAKE

14 MR. JAN TUPPER

15 MR. FRANK SHORNEY

16 MR. SAMUEL HUNTER

17

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19 Director of Staff for Commission:

20 MS. LEANNE TIPPETT MOSBY

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A P P E A R A N C E S

(Continued)

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A P P E A R A N C E S

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Speakers:

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A P P E A R A N C E S

(Continued)

Court Reporter:

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## P R O C E E D I N G S

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(Proceedings began at 9:23

5

a.m. on Wednesday,

6

September 2, 2009, with

7

appearances as noted.)

8

CHAIRMAN HARDECKE: Okay. I want to

9

welcome you to the Clean Water Commission meeting,

10

and I thank you for your indulgence in us getting

11

started a few minutes late.

12

I want to -- the commission had a meeting

13

with our new water program director, Leanne Tippett

14

Mosby, and I want to introduce her to you now. We

15

did have unanimous approval of her confirmation and

16

look forward to working with her.

17

Dan Schuette is here. I would ask him if

18

he would like to make any comments regarding the new

19

appointment and direction of the program.

20

MR. SCHUETTE: Yes, Mr. Chairman. Thank

21

you.

22

Members of the commission. My name is Dan

23

Schuette. I'm the director of the Division of

24

Environmental Quality, and I want to thank you for

25

your consideration and eventual confirmation of

1 Leanne as the staff director of the Clean Water  
2 Commission.

3 I think I mentioned to you that we went  
4 through a pretty extensive process to fill all of  
5 our vacant program director positions. And I'm  
6 pleased that Leanne was interested in the job, first  
7 of all, and secondly, you know, that it was  
8 confirmed by you.

9 For the members -- for the people out in  
10 the -- in attendance here, Leanne has been with the  
11 department about 15 years. She has quite a bit of  
12 experience.

13 Both before she came to the agency and  
14 afterwards, she actually was an educated nurse and  
15 has practiced as a nurse, so she has a health  
16 background.

17 She's got an environmental degree. She's  
18 worked in quite a few positions in our department  
19 both from a technical side and from an  
20 administrative side.

21 From a political side she worked as a  
22 department liaison, working with the legislature in  
23 the past. She has also worked as a staff director  
24 for the Missouri Air Conservation Commission.

25 And so she has that ability to understand

1 the technical side and bring it to the public  
2 information areas the commissions is responsible  
3 for.

4 She'll do a great job for you. I  
5 appreciate your confirmation. Thank you very much.

6 CHAIRMAN HARDECKE: Thank you, Dan.

7 Let me begin by introducing the commission.  
8 On my far right is Bill Easley, commissioner from  
9 Cassville.

10 Next is Todd Parnell, commissioner from  
11 Springfield.

12 Next is Jan Tupper, commissioner from  
13 Joplin.

14 Frank Shorney, commissioner from Lee's  
15 Summit.

16 And Sam Hunter is the vice chair of the  
17 commission from Sikeston.

18 I'm Ron Hardecke, chairman, from  
19 Owensville.

20 On my left is Leanne Tippet Mosby, the new  
21 staff director for the commission and the water  
22 program.

23 And Jennifer Frazier, the legal counsel to  
24 the commission from the Attorney General's Office.

25 And Malinda Overhoff is the secretary of

1 the commission and the program.

2           And we thank each and every one of you for  
3 being here today and for being interested in the  
4 water quality issues of the state. And we'll --  
5 we've got a pretty lengthy agenda. We'll try and  
6 move through it quickly, so we can not keep you too  
7 long.

8           **Tab one is the public hearing**, and we'll  
9 begin with that.

10           The commission will begin public hearing on  
11 the proposed amendment 10 CSR 20-4.040, State  
12 Revolving Fund General Assistance Regulation.

13           The purpose of this public hearing is to  
14 provide the department opportunity to present  
15 testimony to provide both the department and the  
16 public the opportunity to comment on the proposed  
17 amendment.

18           This public hearing is not a forum for  
19 debate or resolution of issues.

20           The commission asks that those commenting  
21 limit their testimony to five minutes and not repeat  
22 comments that others have already made.

23           The commission will first hear testimony  
24 from the department. Following the department's  
25 testimony, the commission will give the public an

1 opportunity to comment.

2           We ask that all individuals present fill  
3 out an attendance card so our records are complete.  
4 If you wish to present verbal testimony, please  
5 indicate that on your attendance card.

6           When you come forward to present testimony,  
7 please speak into the microphone and begin by  
8 identifying yourselves to the court reporter.

9           Following public -- following the public  
10 hearing today, the commission will review testimony  
11 presented and make appropriate modifications to the  
12 proposed amendment to 10 CSR 20-4.040, State  
13 Revolving Fund General Assistance Regulation.

14           The commission plans to take final action  
15 at the November 4th, 2009, meeting.

16           The court reporter will now swear in anyone  
17 wishing to testify at this public hearing before the  
18 Clean Water Commission today.

19           Will all those wishing to comment please  
20 stand.

21                           (The speakers were placed  
22                           under oath by the court  
23                           reporter.)

24           CHAIRMAN HARDECKE: Okay. Joe?

25                           \*   \*   \*   \*   \*



1 target interest rate. With this -- the amendments  
2 that -- or the changes we've made allows the  
3 commission to lower the interest rate even further  
4 for direct loans if the special circumstances exist.

5           It gives us more flexibility in defining a  
6 disadvantaged community. It's 3300 population or  
7 less. And there's 70 -- or their MHI would be 75  
8 percent of the statewide MHI, and their proposed  
9 user rate would have to be 2 percent of the  
10 recipient's median household income as well.

11           And one other change to the target interest  
12 rate, the biggest change is it does allow for  
13 additional subsidization consistent with the  
14 American Recovery and Re-Investment Act.

15           And specifically that means we can provide  
16 grants, principal forgiveness, or negative interest  
17 loans.

18           Another change that we made has to do with  
19 compliance with regulations. If a recipient is in  
20 compliance with DNR regulations, you know, that's  
21 our main goal.

22           But if a recipient is in significant  
23 noncompliance, we clarify that we are not obligated  
24 to provide funding in those circumstances. We just  
25 wanted to clarify that.

1           Another minor change is for systems they  
2 are proposing, alternatives that will not utilize a  
3 full-time operator, we're requiring them to consider  
4 passive or easier-to-operate treatment alternatives.  
5 And we also encourage energy and water conservation  
6 technologies.

7           We clarified our requirements for annual  
8 audits. We also added a provision that allows  
9 recipients to -- for low-income users, we added  
10 language that allows them to establish that  
11 low-income user rate with a provision that any  
12 shortfall would be passed on proportionately to the  
13 rest of those users of that system.

14           And of course, for the American Recovery  
15 and Re-Investment Act projects, we added a provision  
16 of meeting all the Buy American provisions of that  
17 Act.

18           Another minor change was we increased the  
19 small purchase definition from 25,000 to 100,000,  
20 which provides our recipients a little more  
21 flexibility when dealing with small purchases or  
22 things.

23           They will not have -- they can do three  
24 bids on it instead of going through a more formal,  
25 rigorous contracting process.

1           And finally we also removed the maximum  
2 eligible amount tables for engineering allowances.  
3 These were -- these numbers were out of date.

4           And it also -- we found that some consulting  
5 firms were using them as a price guide and didn't  
6 really allow for negotiation at the local level. So  
7 we just found it best to remove those just to  
8 clean things up a little bit.

9           That concludes my testimony, unless you  
10 have some specific questions.

11           CHAIRMAN HARDECKE: Does anyone have  
12 questions for Joe?

13                       (No response is heard.)

14           JOE BOLAND: Thank you.

15           CHAIRMAN HARDECKE: Phil?

16                       \*   \*   \*   \*   \*

17                       COMMENTS BY PHILIP WALSACK

18                       \*   \*   \*   \*   \*

19           PHILIP WALSACK: Morning, commissioners.  
20 My name is Phil Walsack, and I work for the Missouri  
21 Public Utility Alliance.

22           I'm the representative to municipal  
23 governments here in Missouri there's about 120 of  
24 them, and I represent about 100 -- excuse me, 1.1  
25 million people.

1           One of our comments about the priority  
2 ranking points in the state revolving loan fund list  
3 is an element of interest to us, and that is the use  
4 of innovative technologies. And inside that is this  
5 energy saving and energy efficient components of  
6 innovation.

7           We would like to see the department place  
8 more weight on innovative technologies in light of  
9 our upcoming and very nationally interested public  
10 about energy savings.

11           Right now the priority point for energy  
12 innovation is very low, and we'd like to see the  
13 department do a little more with that subject  
14 matter.

15           We'll be providing some written comments to  
16 the department about that and some suggestions for  
17 improved language.

18           But to put more emphasis on energy savings  
19 when you're building a new treatment plant would be  
20 a benefit to Missourians and show that the people  
21 who are on the state revolving loan fund list have  
22 really thought about energy savings.

23           Thank you very much.

24           CHAIRMAN HARDECKE: Thank you. That was  
25 the only card I have. Do the commissioners have any

1 comments or questions?

2 (No response is heard.)

3 CHAIRMAN HARDECKE: The commission will  
4 receive written testimony to the proposed amendment  
5 to 10 CSR 20-4.040, State Revolving Fund General  
6 Assistance Regulation, until 5:00 p.m. on September  
7 29th -- September 9th, 2009.

8 You may submit this written testimony to  
9 Mr. Douglas A. Garrett, Missouri DNR, Water  
10 Protection Program, PO Box 176, Jefferson City,  
11 Missouri, 65102, prior to that deadline.

12 On behalf of the commission, I thank  
13 everyone who has participated in this process. This  
14 hearing is now closed. Thank you.

15 (The public hearing was  
16 concluded at 9:40 a.m. on  
17 Wednesday, September 2,  
18 2009.)

19 (No exhibits were marked  
20 during the course of this  
21 hearing.)

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