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MEMORANDUM OF UNDERSTANDING  
BETWEEN SOUTHWEST MISSOURI WATER  
AND  
THE CITY OF WILLARD, MISSOURI  
REGARDING  
REALLOCATED WATER STORAGE SPACE IN STOCKTON LAKE

THIS MEMORANDUM OF UNDERSTANDING (“MOU”), entered into this 28<sup>th</sup> day of July, 2025, by and between Southwest Missouri Joint Municipal Water Commission (“JMUC”) and City of Willard (“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, User has approved execution of a contract to become a member of JMUC;

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

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;

WHEREAS, JMUC has reason to believe that the Corps’ leadership will sign a Record of Decision authorizing a contract substantially similar to the draft attached as Exhibit A in the near future (the “Storage Contract”);

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

WHEREAS, JMUC further anticipates the Storage Contract will obligate JMUC to make annual payments to the Corps of approximately \$1.7 million; 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;

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

WHEREAS, JMUC anticipates entering into “pass-through” subcontracts with its members to suballocate a portion of JMUC’s storage space to the member in exchange for an agreement to pay a portion of JMUC’s costs;

WHEREAS, JMUC anticipates that the subcontracts will be substantially similar to the Template Contract attached to this MOU as Exhibit B (the "Subcontract");

WHEREAS, to finalize the Subcontracts and to advance its negotiations with the Corps, JMUC must have a strong sense of the amount of storage each of its members is prepared to take, even if the storage volumes that will be contracted to each member may change slightly at the margins;

WHEREAS, JMUC has requested that each of its members make a non-binding commitment to enter into subcontracts substantially similar to the Draft Subcontract for a specific volume of storage at a specific price; and

WHEREAS, while the requested commitment is explicitly non-binding, User understands that JMUC will rely on it for planning purposes and that any departure from it could jeopardize JMUC's ultimate ability to secure any contract with the Corps.

NOW, THEREFORE, this memorandum documents the following understanding:

1. On the terms specified in the Draft Subcontract, User anticipates contracting for 1,195 acre-feet of storage space, which amounts to 1.32 % of the total storage space available to JMUC and is expected to provide a safe yield of 0.5 million gallons per day on an average annual basis.

2. In exchange for the storage rights provided in Paragraph 1, User anticipates paying 1.32 % of JMUC's annual costs in addition to other costs specified by the Draft Subcontract, which are estimated to be approximately \$ 26,638 per year.

THE CITY OF WILLARD,  
MISSOURI

SOUTHWEST MISSOURI JOINT MUNICIPAL  
WATER COMMISSION

By: \_\_\_\_\_  
Troy Smith, Mayor

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

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

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