

James River Nutrient Trading Program
Grant #: G22-WQM-04
Stakeholder Meeting
Lake Springfield Boathouse, Thursday March 28, 2024

Meeting Summary

The meeting was opened by Brent Stock at 10:09 AM. Attendees were provided with copies of the agenda and PowerPoint presentations.

Brent introduced the James River Basin Partnership (JRBP) and its goals/missions. This initiative is funded by a "604(b)" grant awarded by Missouri DNR to the Southwest Regional Council of Governments (SMCOG). JRBP is a subgrantee. The grant calls for creation of a stakeholder committee to discuss formation of a nutrient trading framework and determine the role of a third-party organization. JRBP has been mentioned as the appropriate 3rd party organization. MDNR staff attended the meeting.

Self-introductions were made by the attendees. A copy of the sign-in sheet is attached.

Brent introduced the presentations by Loring Bullard and Tim Smith. He noted that Loring is the author of the James River Watershed Management Plan that was produced in conjunction with SMCOG through a DNR grant.

Loring gave an overview of the James River basin, including land use, hydrology, location and types of Publicly Owned Treatment Works (POTWs) and history and listings of water quality impairments in the watershed. The focal point for water quality measurement is the James River at Galena. There is nearly 1,000 square miles in the drainage basin above that point. The oldest stream gage on the James River, in operation since 1921, is located at Galena. The five highest recorded floods at this point have all occurred since 1993, with four of those in the last 15 years.

Tim Smith then presented an overview of the total nitrogen (TN) trading framework and briefly reviewed the history of the James River Total Maximum Daily Load (TMDL). Phase 3 of the TMDL is focused on reduction of total nitrogen. DNR has established a goal to achieve a concentration of 1.5 milligrams per liter (mg/l) of TN at Galena from all sources, point and non-point. Concentrations of TN at Galena currently vary from 2-3 mg/l.

Tim reviewed the regulatory limits for total annual mass loading of TN in pounds for each of the 12 POTWs that discharge more than 100,000 gallons per day of wastewater. These are the facilities that are included in the regulatory framework. These facilities contribute 99.4% of TN from point sources. Tim also reviewed options that each community has for achieving its TN limits, and the timetable for reaching those limits. Tim emphasized that communities must select one of 3 options within 5 years (2028): installation of technology (treatment plant and system improvements), purchase of TN credits, or a hybrid approach of both technology and purchase of TN credits.

The proposed total nitrogen permitting framework establishes a limit of TN annual mass loading that the 12 POTWs must meet collectively, either by achieving the allocated loading at each facility's discharge point or through a combination with purchase of TN credits. Tim reviewed an example of purchase and

sale of TN credits, and how TN credits can be generated through nonpoint source (NPS) pollution reduction projects.

Tim noted that there are a number of details to be worked out for TN trading: how TN reduction is measured and documented for NPS projects, trading ratios for TN credits from NPS projects, etc. DNR staff noted that they are working on clarifications to questions such as these. Errin Kemper noted that the city of Springfield plans to contract with the Ozarks Environment and Water Resources Institute (OEWR) at MSU to monitor and measure performance of NPS projects. This data will be valuable for all the communities in the trading zone.

Tim noted that trading can occur between individual communities or managed collectively. This is where the role of an independent 3rd party becomes important. In this possible scenario, the 3rd party would convene an annual meeting during the “true-up” period (January 1 – March 31 each year) to discuss need and availability of credits and to determine a common price for credits. These are details that need to be discussed by the Technical Committee and reported to the Stakeholder Committee.

Tim noted the importance of the 5-year optimization period that ends in 2028. During this period communities have the opportunity to achieve as much TN reduction as possible within the limits of their facilities and budgets. DNR staff noted that technical assistance will be made available during this period.

The next step is to meet with the Technical Committee to discuss and work out details for the trading process. The communities present indicated that they are interested in remaining involved during this period. Tim noted that according to the milestones established in the grant, we must wrap up this phase of work by late summer.

Staff from the city of Ozark noted that they have been making significant progress with the Elk Valley plant and offered to share their data and experience with the other communities. It was noted that the Technical Committee can provide a valuable forum for sharing information such as this.

The city of Ozark offered to host the first meeting of the Technical Committee. It was agreed to schedule this meeting in early May. Tim will be in contact with city of Ozark staff to determine a date and time for the meeting and will send a notice to the stakeholders.

Tim requested that each community send their current data for total flow, discharge concentration and annual mass loading. He would like to compile this information for the Technical Committee meeting.

It was noted that we have not received responses from Clever, Crane, Rogersville and Sparta. DNR staff noted that they had been contacted by the representative for Clever and Crane. DNR staff will contact these communities. Mike Kromrey thanked all the operators for their efforts to keep our rivers clean, and voiced his support for joint efforts to protect watershed. Mike also voiced his support for JRBP being the third-party. This falls in line with long-standing collaborative efforts to work to protect water quality.

Brent mentioned JRBP programs, especially the septic pump-out rebate program, and other JRBP initiatives, and invited attendees to reach out to JRBP for other partnerships.

The meeting adjourned at 11:15 AM.