

Missouri Multipurpose Water Resource Fund Proposed Implementation Plan (NCMRWC's Vision)

“Multipurpose Water Resource Program Renewable Water Program Fund” (Multipurpose Fund) (Sections 256.435-256.445, RSMo).

- In order to provide public water supply **storage, treatment, and water-related facilities** in both **urban** and **rural** areas of the state, there is hereby established a “Multipurpose Water Resources Program.”
- “The State may participate with a sponsor in the development, construction or renovation of a water resource project, if the sponsor has a **plan** which has been submitted to and approved by the director.”

State of Missouri Role

- Annual Allocation to the fund as requested by DNR
- Approve adjustments to legislation as recommended by DNR

Missouri DNR Oversight Role

- Maximize state’s return on investment
- Assist communities in providing clean, reliable, affordable drinking water
- Apply funding as grant and/or loan where it can be most effective
- Develop rules and procedures for administering funds
- Review and approve community’s business **plan** for accessing funds and verify implementation of **plan**.
- Enter into a contract with the local sponsor that meets state goals and local needs
- Advise State of Missouri regarding amount of annual allocations and revisions to rule

Local Water Supplier Role

- Document and communicate need for assistance
- Contract with DNR to access Multipurpose Funds for initial project and subsequent expansion projects
- Access federal funding sources to leverage state dollars
- Access favorable financing
- Develop a Multipurpose Fund project business **plan**
 - Include guiding principles to verify that plan remains consistent with goals
 - Include a long range plan for system financial sustainability and reinvestment in the fund.
 - Include a marketing plan



Possible Multipurpose Fund Project Business Plan Guiding Principles

- Create a marketing plan (including marketable water rates) to attract water distributors and customers
- Drive expansion towards regionalization, economies of scale and state of the art water treatment by providing cost effective solutions that do not compound debt.
- Provide an equitable distribution of the financial burden between state and local interests.
- Allow the distribution of financial burden to adjust as the local system grows and can take on a larger share of the burden
- Allow for a sunset of state financial support.
- Remain consistent with State law and DNR oversight and priorities
- Create a self-sustaining model that can also reinvest in the statewide fund.
- Leverage funds from Federal and other sources.
- Address the specific water resource needs of the local sponsor
- Invest in the future
- Provide a significant return on investment to the state over the life of the system.

Potential Local Beneficiary Projects

- North Central Missouri Regional Water Commission – East Locust Creek Reservoir, treatment plant and system expansion
- Caldwell County Commission – Little Otter Creek Reservoir project
- Little Otter Lake Wholesale Water Commission – new water treatment plant and transmission lines.
- Tri-State Water Coalition – Address future water needs for the 16 county region in southwest Missouri.
- Any other rural or urban public water supply storage, treatment or water-related projects that comply with the Multipurpose Fund rules and DNR priorities.

Benefits to Missouri

- Diversify state’s water resources funding portfolio with a **state controlled** pool of money
- Significant positive return on investment
- A self-supporting system
- Leveraging of other sources of funding
- A much needed solution to severe water resource issues
- Improved drinking water quality
- Reduced water rates
- Encourages local sponsors to engage in long term planning and robust business plans