

Safe Drinking Water Commission

October 6, 2016

Echo Bluff State Park

Eminence, MO

Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Public Drinking Water Branch

October 6, 2016
Agenda Item #1

Call to Order

Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Public Drinking Water Branch

October 6, 2016
Agenda Item #2

Approval of the July 12, 2016, Open Session Minutes

Issue:

Commission to review the Open Session minutes from the July 12, 2016, Safe Drinking Water Commission meeting.

Recommended Action:

The Commission will amend, if necessary, and approve minutes of the July 12, 2016, Safe Drinking Water Commission meeting.

List of Attachments:

- July 12, 2016 Open Session Minutes

DRAFT MINUTES

SAFE DRINKING WATER COMMISSION

**Water Protection Program
Public Drinking Water Branch
Bennett Springs Conference Room
1730 East Elm St.
Jefferson City, Missouri 65101**

**July 12, 2016
10:00 a.m.**

Commissioners Present:

Ms. Elizabeth Grove, Chair
Ms. Susan Hazelwood, Vice-Chair
Ms. Charli Jo Ledgerwood
Mr. Rodger Owens
Mr. Curt Skouby – via conference call
Mr. Scott Bockenkamp - via conference call
Mr. Bruce Manning – via conference call

Commissioner Absent:

Ms. Susan Armstrong

Staff Present:

Mr. David Lamb, WPP/PDWB
Ms. Andrea Collier, MGS/WRC
Mr. Eric Medlock, WPP/PDWB
Mr. Brandon Bach, WPP/PDWB
Ms. Darlene Helmig, WPP/PDWB
Mr. Maher Jaafari, WPP/PDWB
Mr. Eric Crawford, WPP/FAC
Ms. Sheri Fry, WPP/PDWB
Ms. Erin Lepper, WPP/PDWB
Mr. John Madras, DEQ/WPP

Ms. Jessica Becklenberg, WPP/PDWB
Mr. Todd Sampsell, DO
Mr. Elliott Usher, AGO
Ms. Darleen Groner, WPP/FAC
Mr. Lance Dorsey, WPP/PDWB
Mr. Brenda Bardwell, WPP/FMS
Mr. Jeff Starr, WPP/FAC
Ms. Danielle West, WPP/PDWB
Mr. Tom Adams, WPP/PDWB
Ms. Misty Lange, WPP/PDWB

Call to Order and Introductions

The meeting was called to order at 10:09am.

The commissioners, department staff and public were asked to introduce themselves. Introductions were made by all in attendance.

Approval of the April 6, 2016, open session minutes

Commissioner Hazelwood made a motion to approve the minutes as corrected. Page 1 and Page 2 were revised to reflect the correct spelling of Commissioner Bockenkamp's name. Commissioner Owens seconded the motion. Motion Carried.

Drinking Water State Revolving Fund Intended Use Plan Fiscal Year 2016 Comprehensive List and Fundable Projects List Revisions

Darleen Groner, P.E., Financial Assistance Center

Darleen Groner presented recommendations from the department to the Commission on changes to the Fiscal Year 2016 Comprehensive List and Fundable Projects List Drinking Water State Revolving Fund as follows:

- Approve the increased project amount for the Village of Sunrise Beach's Phase I project on the Very Small Community 20% Reserve Fundable List from \$1,153,790 to \$1,179,494, the revised funding allocation is \$314,151 in loan and \$865,343 in grant funds.
- Approve moving the Village of Sunrise Beach's Phase II project from the Fundable Contingency List to the Very Small Community 20% Reserve Fundable List for \$473,700 in loan only. The project meets the readiness to proceed criteria.
- Remove Jefferson County PWSD #2's project from the General Community 65% Reserve Fundable List. The system requested to withdraw from the program.

Commissioner Owens made the motion to approve the changes to the Drinking Water State Revolving Fund Intended Use Plan Fiscal Year 2016 Comprehensive List and Fundable Projects List Revisions as presented. Commissioner Ledgerwood seconded the motion. Motion Carried.

Backflow Prevention

Brandon Bach, Public Drinking Water Branch

Brandon Bach gave the commission background information from the April 6, 2016 Commission meeting that was attended by Mr. Summers and Mr. Hamilton of ASSE. They requested the commission consider two rule changes to Chapter 11 of the Safe Drinking Water Rules. Mr. Bach discussed current regulations and compared the approved devices from both ASSE and USC. He also discussed the devices used by other members of the Ten States Standards. The Branch has no issues in amending the regulations to allow devices approved by ASSE. But at this time, cannot take action on certified back flow repairers since that would require changes through legislation.

Mr. Lamb informed the commission that no action was required at this time. Commissioner Bockenkamp wanted to be sure the department is going to look into the rule making procedure on the device. Mr. Lamb clarified that the department would look into the rule making process and get back with the commission at a later date.

No action taken by the Commission, information only.

State Water Plan Update

Andrea D. Collier, P.E., Water Resource Center

Ms. Andrea Collier presented an update on the state water plan. She stated that the department has entered into a cost share agreement with the Corps of Engineers. The current agreement with the Corps of Engineers totals \$747,600 and that is a 50/50 cost share agreement. The Corps of Engineers will have an additional \$100,000 to add to the current agreement, which the department will match and bring the total to \$947,600 for the plan. The budget for the plan for FY17 is \$1.2 million. In addition, the Water Resources Center will have an additional \$300,000 to add, making a total \$1.5 million of state funds going towards the project. Once the contract is in place, it is hoped the plan will be in in a 24 month period. It is hoped to be done by September 2018.

Ms. Collier also updated the Commission on the affect HB 1717 would have on the Water Resource Center by means of the Multiple Purpose Water Resource Fund. It was a previous existing statutory authority financial assistance tool. After the changes made through HB 1717, the financial assistance tool has now been set up as a new grant program for regionalized or wholesale water systems. These will be for larger projects such as reservoirs and large regional transmission mains. The feedback from the stakeholder meetings is being used for future rulemaking.

No action taken by the Commission, information only.

Legislation/Regulatory Update

Sheri Fry, Public Drinking Water Branch

Ms. Sheri Fry presented an update to the Commission on HB 1717 and how it affects the Public Drinking Water Branch. The bill requires water systems to provide notification at least 90 days prior to any changes in fluoridation are made. Commissioner Grove questioned what the term “changes” is defined as. Mr. Lamb stated staff would discuss with legal counsel and management and provide further information at the next Commission meeting.

The five year rule review began for the Department of Natural Resources on July 1. There is a 60 day comment period that public can make comments.

John Madras gave the commission information about the rule review cycle.

No action taken by the Commission, information only.

1st Quarter Stage 2 Disinfectants/Disinfection By-Products

Eric Medlock, Public Drinking Water Branch

Mr. Eric Medlock, Chemical Monitoring Coordinator for the Monitoring Section, gave a presentation to the Commission on Stage 2 Disinfectants/Disinfection Byproduct and Consecutive systems. This presentation was a continuation from the April 6, 2016 Commission

meeting. Chair Grove requested an update on 1st Quarter MCL violations. Mr. Medlock presented that information along with the operational evaluation level formula. The presentation included a comparison of 1st Quarter MCL vs operational evaluations level triggers for water systems. The Branch is working on guidance for water systems for the operational evaluations level report.

Phil Walsack of MPUA asked some questions related to the presentation. Which were responded to by Mr. Medlock.

No action taken by the Commission, information only.

Annual Compliance Report

Misty Lange, Public Drinking Water Branch

The commission was presented an overview of the annual compliance report. This report is due to the Environmental Protection Agency by July 1 and covers the previous year. The report contains information about various violation data for public water systems throughout the State of Missouri.

Mr. Phil Walsack of MPUA asked if the department produces hard copies of the report. Misty Lange stated that the report is posted online for the public, but the department does not print hard copies of the report.

No action taken by the Commission, information only.

Attorney General Office Legal Update

Elliott Usher, Attorney General's Office

Mr. Usher advised the Commission that the Attorney General's Office has certified the department's Primacy revision application for the Groundwater rule.

No action taken by the Commission, information only.

Branch Chief's Updates

David J. Lamb, Public Drinking Water Branch

Mr. Lamb informed the commission of staff changes within the Public Drinking Water Branch. He noted that Erin Lepper has accepted a position within the Division of Environmental Quality as the Regional Office Coordinator and that Danielle West started with the Branch in April as an Environmental Specialist in the Compliance and Enforcement Section. He also advised the commission that the Branch was not able to renew the 1,000 hour appointments of Terry Timmons and Anita Arney and that the Engineering and Permits Section filled a vacant position with a new engineer by the name of Sara Wasinger.

Mr. Lamb gave the commission an update on some national issues that have occurred since the last meeting. He advised the commission that EPA has issued a new health advisory for two chemicals, PFOA and PFOS. He noted that there are no systems in the state that have known issues with these containments, but let the Commission know of a project to be conducted with Missouri S&T to do some additional assessment of systems. He then discussed ongoing issues with the lead and copper rule and advised the Commission of recent efforts taken to follow up on EPA concerns. He also noted that the EPA is looking at revising the lead and copper rule in the near future. Mr. Lamb then covered some systems that have had compliance issues and identified how the department is working with those systems. This included discussion of an arsenic violation in Hornersville, some recent higher detections of atrazine at a couple of systems, and a potential harmful algal bloom in Archie, MO.

No action taken by the Commission, information only.

Other Business

No one approached the commission with other business.

Public Comment and Correspondence

Phil Walsack of MPUA asked Erin Lepper about the 2016 TMF survey. Ms. Lepper stated the surveys were sent out in March of 2016. The department has about a 32 percent response rate so far. The survey has been sent out in even years since 2012, making this the third survey to go out. Staff hope to compile all the data received by water systems by fall of 2016.

Commissioner Grove complimented staff for providing the PowerPoint presentations to the commissioners prior to the meeting for their review; she greatly appreciated their efforts.

Future Meetings

October 6 meeting will be in Echo Bluff State Park.

2016 tentative meeting dates and locations:

December 7 or 13, 2016 – Elm Street Conference Center

2017 tentative meeting dates and locations:

January 18, 2017 – Lewis and Clark State Office Building

April 12, 2017 – Lewis and Clark State Office Building

July 19, 2017 – Lewis and Clark State Office Building

October 18, 2017 – Lewis and Clark State Office Building

Commissioner agreed to set the above 2017 dates.

Adjournment

Commissioner Hazelwood made the motion to adjourn the meeting. Commissioner Owens seconded the motion. Motion carried.

Meeting adjourned at 11:21 am.

Abbreviations and Acronyms Used in These Minutes

AGO	Attorney General's Office
DAS	Division of Administrative Support
DEQ	Division of Environmental Quality
DNR	Department of Natural Resources
DO	Director's Office
EPA	Environmental Protection Agency
FAC	Financial Assistance Center
FMS	Fiscal Management Section
FY	Fiscal Year
HB	House Bill
MPUA	Missouri Public Utility Alliance
PDWB	Public Drinking Water Branch
PFOA	Perfluorooctanoic acid
PFOS	Perfluorooctanesulfonic acid
PWSD	Public Water Supply District
WPP	Water Protection Program

Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Financial Assistance Center

October 6, 2016
Agenda Item #3

Fiscal Year 2017 Drinking Water State Revolving Fund Intended Use Plan

Issue:

Proposed adoption of the Fiscal Year 2017 Drinking Water State Revolving Fund Intended Use Plan.

Background:

The Draft Fiscal Year 2017 Drinking Water State Revolving Fund Intended Use Plan (IUP) was placed on public notice August 5, 2016. A public hearing was held on September 7, 2016 and the comment period closed the same day.

Comments were received by e-mail from the U.S. Environmental Protection Agency (EPA). A copy of the comments and the staff responses are attached.

One change was made to the Drinking Water State Revolving Fund (SRF) Intended Use Plan (IUP) as a result of the EPA comments. The federal capitalization grants section was expanded to include information regarding the dispersal of funds (page 31).

The IUP has a new look and format this year to make it more reader friendly, as well as highlight SRF benefits and projects. A few highlights of the new format include:

- Financial information since the inception of the program and for the prior fiscal year are included in the charts and narrative on pages 2 and 3.
- Two recent projects are featured in the SRF success stories on pages 4 and 7 (Belton and Monett).
- A full page color map of Drinking Water SRF open projects throughout the state is included on page 8.
- Appendix One provides instructions for applying for assistance (page 12).
- Appendix Two contains the Project Lists and Financial Tables (page 14)
 - The Sources and Distribution of Funds Table (page 15) includes:
 - Allocation of federal 2016 capitalization grant in the amount of \$16,781,000
 - Grant funds allocated to FY 17 IUP projects of approximately \$6 million.
 - Loan funds available for FY 17 of approximately \$67 million.

- Projects that have been or are anticipated to enter into binding financial agreements by October 2016.
 - Projects Lists (pages 16-19)
- Appendix Three provides information on SRF program administration and the Set-Asides (page 22).
- Appendix Four contains information on other state-funded grant and loan programs such as Engineering Report Services Grants and Small Borrower Loans (page 30).
- Information on a variety of EPA Requirements and Assurances are contained in Appendix Five (page 31).

One change has been made to the project lists in the final Intended Use Plan since the public notice. The Knox County PWS #1 project was removed from the Planning List (page 19).

The Sources and Uses of Funds table revisions include (page 15):

- The Loan Repayment Fund (Balance in Fund 0602 as of December 31, 2015) was adjusted to reflect the actual end of year fund balance.
- The Balance of Fund 0649 as of December 31, 2015 was adjusted to reflect the actual end of year fund balance.

The changes above increase the available fund balance from \$40,253,394 to \$40,287,148. (page 18)

Recommended Action:

Staff recommends the adoption of the Fiscal Year 2017 Drinking Water State Revolving Fund Intended Use Plan for the loan program.

Suggested Motion:

“I move that the Safe Drinking Water Commission approve the Fiscal Year 2017 Drinking Water State Revolving Fund Intended Use Plan for the loan program as presented today with an effective date of October 6, 2016”

Attachments:

- FY 2017 Drinking Water State Revolving Fund Intended Use Plan
- Comments from the U.S. Environmental Protection Agency and Staff Response to Comments

Presented by:

Darleen Groner, Financial Assistance Center

Drinking Water State Revolving Fund Loan Program and Set-Aside Programs Intended Use Plan for Fiscal Year 2017



Proposed Oct. 6, 2016



Director's Letter

Being passionate about the outdoors is a must for anyone who has the honor of working for the Missouri Department of Natural Resources. Whether I'm hiking an Ozark trail, biking the Katy Trail or paddling the Missouri River, I reflect on the beauty of our state's natural resources.

The Department of Natural Resources is charged with the important mission of protecting human health and the environment, including our air, land and water resources.

In Missouri, we take a holistic approach to protecting human health and water quality. Working with citizen stakeholder groups, streamlining our permitting process and providing financial and technical assistance to communities are just some of the tools we use to manage our watersheds.

Our Drinking Water State Revolving Fund Intended Use Plan and Priority List provides an in-depth look at how we provide financial assistance through low-interest loans to municipalities, counties and public water districts for drinking water infrastructure projects. Our State Revolving Fund program offers a financing strategy that provides loans at 30 percent of the market interest rate. Funding recipients realize public health benefits. In addition, the program helps stimulate local economies.

Since 1996, the Drinking Water State Revolving Fund has committed approximately \$342 million in below-market rate loans and \$38 million in grants to meet Missouri's drinking water infrastructure needs, saving 172 Missouri cities, counties, water districts and others approximately \$145 million through interest savings and grants.

During fiscal year 2017, Missouri expects to have \$72 million available for new Drinking Water SRF projects. Applying for a Drinking Water State Revolving Fund loan doesn't need to be overwhelming. Our staff is happy to lead you through the process.

If you'd like to learn more about how we can help you and your community, please contact the department's Financial Assistance Center at 573-751-1192 or fac@dnr.mo.gov.

Sara Parker Pauley
Director, Missouri Department of Natural Resources





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Cover photo shows Monett's 1-million-gallon concrete clearwell under construction, with the interior baffle wall already poured and visible. A clearwell is a large storage tank that holds treated drinking water before it is distributed to consumers; the baffle wall controls the flow of water.

Photo above is an interior view of Monett's treatment building.

Both photos, as well as the photo on page 7, were taken by Fred Schlegel, P.E., Department of Natural Resources, Southwest Regional Office. Photo on page 4 was taken by Don Tyler, City of Belton.

Drinking Water State Revolving Fund helps Missouri communities

Many public water systems, particularly small ones, have difficulty obtaining affordable financing for necessary infrastructure improvements. In response, Congress established the Drinking Water State Revolving Fund as part of the Safe Drinking Water Act Amendments of 1996. Federal appropriations for the program are used primarily to fund low-interest loans to public drinking water systems for high priority infrastructure projects.

The Missouri Department of Natural Resources, in cooperation with the U.S. Environmental Protection Agency, conducted an assessment of Missouri's public water systems 20-year capital infrastructure needs. The assessment estimated that \$8.5 billion was needed to address Missouri's drinking water infrastructure needs through 2031.

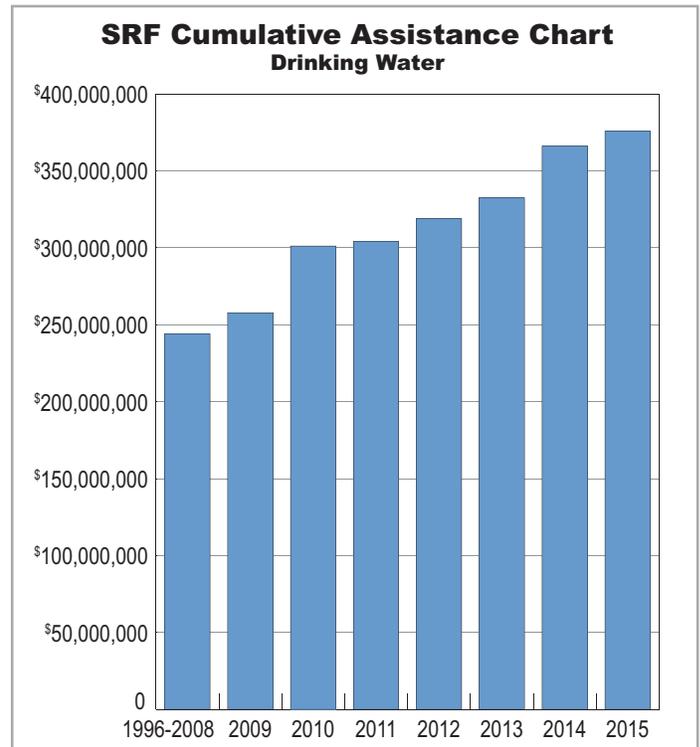
An estimated **\$8.5 billion** is needed to address Missouri's drinking water infrastructure needs **through 2031**.

Missouri communities and public drinking water supplies have benefited from the federal and state capitalized, low-interest Drinking Water SRF loan program. Projects may be new construction or the improvement or renovation of existing facilities. In addition to providing substantial savings to communities across Missouri, Drinking Water State Revolving Fund loans help to protect human health and improve the quality and quantity of drinking water. The program also boosts the economic viability of our communities. The projects funded are designed to ensure clean, safe drinking water for our citizens, rehabilitate decaying systems and ensure the long-term sustainability of existing and proposed water systems.

In addition, projects that consolidate or interconnect regional water systems to reduce public health risks or to make more efficient use of source water capacity and treatment processes also score highly on the funding list.

Approximately **\$380 million** has been obligated through the Drinking Water SRF **since 1996**. Communities and public water supply districts have benefited from **172 separate loans and grants**.

Missouri's Drinking Water State Revolving Fund "revolves" because loan repayments and investment earnings are continually recycled to fund new projects. In addition to the revolving nature of the fund, the ongoing commitment of federal funds and a financing strategy that provides loans at 30 percent of the market interest rate form the foundation of this successful program.



Besides financial savings, loan recipients can realize significant public health benefits, which as a secondary benefit could help to stimulate local economies. Water and drinking water infrastructure are two basic building blocks of community development.

A portion of the federal funding for the Drinking Water State Revolving Fund is used for set-aside programs. The department uses the funding in the set-aside programs for activities such as small system technical assistance, capacity development, wellhead protection, operator certification and training, and technical, managerial and financial assistance to public water systems. Additional information on the set-aside programs is provided in Appendix 3 on page 22.

To date, we have received requests for **21 projects totaling \$61 million for fiscal year 2017.**

For a complete listing of fiscal year 2017 projects, see the List of Fiscal Year 2017 Applicants in Appendix 2.

Missouri's Drinking Water State Revolving Fund

The Missouri Department of Natural Resources administers the Drinking Water State Revolving Fund. As a condition of a federal agreement with the U.S. Environmental Protection Agency, the department must submit an annual plan for the use of federal funds awarded and a strategy for managing the program in accordance with the Safe Drinking Water Act. This Drinking Water SRF Intended Use Plan is the annual plan for fiscal year 2017.

This Fiscal Year **2017 Safe Drinking Water SRF Intended Use Plan** describes the proposed use of funds for financial assistance for drinking water infrastructure improvements from **Oct. 1, 2016, to Sept. 30, 2017.**

Operation and management of the Drinking Water SRF program is directed by state regulations 10 CSR 60-13.010 through 10 CSR 60-13.030: <http://s1.sos.mo.gov/cmsimages/adrules/csr/current/10csr/10c60-13.pdf>. SRF applications are valid for two plan cycles. Those projects not meeting program criteria within the allotted two-year cycle will have their allocated funds released and reallocated to other projects. Re-application to the program is possible at the end of the two-year cycle, but a project's position on a fundable, contingency

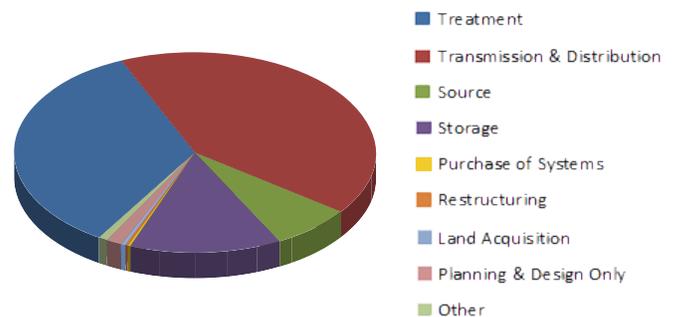
or planning list may change with each subsequent application.

The department continues to refine and evaluate the program to ensure it provides a stable source of funding for drinking water infrastructure projects well into the future. The department reserves the right to refinance, assign, pledge or leverage any loans originated through the Drinking Water SRF program.

This Intended Use Plan summarizes the development and management of the Drinking Water State Revolving Fund priority lists and assurances required by federal mandates. It also details the proposed distribution of Missouri's anticipated Drinking Water State Revolving Fund capitalization grants, state match funds, the repayments of previously awarded loans and the interest earnings from the repayment account deposits for fiscal year 2017.

Drinking Water SRF Assistance by Category

1996 through June 30, 2015



Treatment	\$130,300,000
Transmission & Distribution	\$156,600,000
Source	\$26,600,000
Storage	\$52,200,000
Purchase of Systems	\$300,000
Restructuring	\$400,000
Land Acquisition	\$1,200,000
Planning & Design Only	\$5,600,000
Other	\$2,500,000
Total	\$375,700,000

Want to save money and improve the quality of life in your community at the same time? Take advantage of our financing strategy that provides loans at 30 percent of the market interest rate. Call 573-751-1192 or e-mail fac@dnr.mo.gov today.



Belton outgrowing its water infrastructure

The city of Belton is growing fast, and its drinking water infrastructure needed improvements to keep up with the pace. The city buys its water from Kansas City, and currently serves a population of approximately 25,486. Recent growth trends indicate the population of Belton will increase by more than 4,000 by 2035.

To keep up with the projected growth, the city had to plan for the future. After researching alternative sources of drinking water, the city concluded the most practical solution would be to upgrade its connection to Kansas City to provide a more efficient transfer of water.

This project also included constructing a new 3-million-gallon elevated water storage tank and additional water lines and upgrading the nearly 50-year-old pump station. These projects were divided into two phases and cost approximately \$10 million to complete.

In 2013, Belton applied to the Missouri Department of Natural Resources and was approved for two low-interest loans from the Missouri Drinking Water State Revolving Fund for the full amount of each project.

Securing this low-interest loan will save Belton public water supply customers more than \$4 million over the life of the loan and ensure the city will continue to have a reliable source of safe drinking water for decades to come.

During the 2015 reporting period, the Missouri Drinking Water State Revolving Fund:

- Received one federal capitalization grant totaling almost \$18 million
- Awarded seven direct loans totaling almost \$8 million
- Awarded five grants totaling approximately \$4 million
- Saved Missouri communities and citizens an estimated \$2.8 million in interest

Types of projects eligible for funding

Missouri's Drinking Water State Revolving Fund has helped communities build or improve public drinking water systems. Eligible projects include infrastructure improvements that facilitate compliance with national primary drinking water regulations or otherwise significantly advance the public health protection objectives of the Safe Drinking Water Act.

Drinking water projects may include the following:

- Treatment plants
- Transmission and distribution mains
- Supply sources (i.e. wells, interconnections and surface water intakes)
- Storage facilities
- Water security projects

Certain water projects are ineligible for assistance, including the following:

- Construction or rehabilitation of dams
- Construction or rehabilitation of most water reservoirs
- Projects needed primarily for fire protection
- Projects needed primarily to serve future population growth

How much money is available in fiscal year 2017?

During fiscal year 2017, Missouri expects to have \$72 million available for new Drinking Water SRF projects. This includes carry-over monies from previous years, loan repayments, interest earnings on investments of Drinking Water SRF resources and federal capitalization grants and state match. Project lists are in Appendix 2 on page 14 and information on the targeted funding is in Appendix 5 on page 31.

Who is eligible for funding?

The application process is open to all community public water systems and not-for-profit, non-community public water systems that are not owned by the federal government. Projects may be new construction or the improvement or renovation of existing facilities.

Loan Terms

- The Drinking Water SRF offers a fixed-rate loan with a maximum term of 20 years.
- Interest rates are generally only 30 percent of the AAA municipal market rate.
- Annual fee of 1/2 percent of outstanding loan balance for administration costs.
- Short-term loans of one to three years are also available.
- Loan proceeds are to be expended within 36 months of the loan closing.

Applying for State Revolving Fund assistance

The Missouri Department of Natural Resources solicits applications for the State Revolving Fund program each year:

- An eligible entity can submit an application at any time to the department. Applications received postmarked by Feb. 15 each year will receive priority consideration for funding in the next fiscal year's Intended Use Plan.
- The application form is available at <http://dnr.mo.gov/env/wpp/srf/drinkingwater-project-assistance.htm>.
- A complete facility plan and a voted bond or other debt instrument are required for Drinking Water SRF loan consideration. For more information, see the Readiness-to-Proceed Fact Sheet at <http://dnr.mo.gov/pubs/pub2361.htm>. (A debt instrument includes general obligation and revenue bonds.)
- Potential applicants are encouraged to contact the Financial Assistance Center prior to submitting an application.

Additional information is available in Appendix 1 on page 12.

Our partners

The success of Missouri's Drinking Water SRF program is enhanced by its partnerships formed to deliver the program:

- The Environmental Improvement and Energy Resources Authority issues bonds, manages related tax issues and monitors post-issuance compliance, while the Department of Natural Resources handles program prioritization, project management, permitting, environmental review and EPA compliance. The Missouri Safe Drinking Water Commission, the department and EIERA work together to maximize the amount of construction that can be supported by the Drinking Water SRF.
- The Missouri Water and Wastewater Review Committee reviews applications for projects requesting state or federal funds to finance water or wastewater system improvements. MWWRC agencies include the Missouri Department of Economic Development Community Development Block Grant Program, the Missouri Department of Natural Resources and the U.S. Department of Agriculture, Rural Development

Missouri's Drinking Water State Revolving Fund Program Goals

Each year, the Missouri Department of Natural Resources evaluates the operations and the financial structures of the Drinking Water State Revolving Fund to gauge program effectiveness and to improve program services and investment returns. We develop both long-term and short-term goals to continually improve the program:

Long-term goals

- Protect public health by ensuring that all Missouri citizens will have water that is safe to drink.
- Provide below-market rate financial assistance while assuring the perpetual nature of the program.
- Encourage systems to choose projects with the most cost-effective solutions.
- Ensure the long-term sustainability of water systems and encourage projects to consolidate or interconnect in a regional manner that would reduce public health risks or make more efficient use of source water capacity and treatment processes.

- Protect source water for drinking water systems.
- Promote coordination efforts both within and outside the Department of Natural Resources for the purpose of expediting the funding of projects.
- Implement a strategy through the department's Capacity Development Program to improve the technical, managerial and financial capacity of Missouri's public water systems. Additional information is available at <http://dnr.mo.gov/env/wpp/pub/CDstrategy.htm>.

Short-term goals

- Secure source of state match for federal capitalization grants.
- Maximize the use and impact of available loan funds for eligible projects in accordance with the priorities and procedures described in this plan, using sound financial management.
- Continue to assist water systems in meeting Safe Drinking Water Act requirements.
- Develop and begin implementation of a marketing and communications plan to increase awareness of SRF funding.
- Have the Drinking Water SRF priority point criteria and readiness-to-proceed criteria updated and approved by the Missouri Safe Drinking Water Commission at least 60 days prior to the initial application receipt deadline (Feb. 15, 2017).

What are the terms of the financial assistance we provide?

The Drinking Water State Revolving Fund offers a fixed-rate loan with a maximum term of 20 years. Short-term loans of one to three years are also available. Loan proceeds are to be expended within 36 months of the loan closing.

In accordance with state regulation 10 CSR 60-13.020, the interest rate is based on The Bond Buyer 25-Revenue Bond Index, which provides an estimate of the yield on a 30-year revenue bond offered under current market conditions. The rate is comparable to a AAA-rated municipal market rate.

The Missouri Department of Natural Resources charges an annual fee of 1/2 percent of the outstanding loan balance. The fee is used to administer the Drinking Water SRF program and to fund other water quality activities in accordance with federal regulations.

Monett: Planning for the future



Monett, located 50 miles southwest of Springfield, is meeting its increasing water demands head-on. The Monett public water supply serves a population of about 8,800, but has annual water sales of more than 1 billion gallons, with local industry accounting for about 70 percent of usage.

The population of Monett is expected to increase by more than 6 percent over the next 20 years. Combine that with increasing industry and declining groundwater aquifers and the city could see the potential for not being able to meet the rising demands using its current infrastructure.

Water within the city of Monett is supplied by 11 deep bedrock wells, with nearly half the water coming from its two largest producing wells. Without treatment, these two wells would periodically produce cloudy water, resulting in one or both being taken off-line.

To continue meeting customers' water demands, the city added a treatment plant to ensure the two primary wells produced safe water at all times. This also allowed the city to use another well that was previously unavailable because it lacked treatment. Other aspects of the city's long-term vision included connecting the Monett airport well to the rest of the city water system, adding a booster pump station and upgrading water lines.

The total cost of the improvements to Monett's public water system was \$13 million. The city asked the Department of Natural Resources for funding through the Missouri State Revolving Fund. It qualified for a \$2 million grant and \$11 million low-interest loan, saving Monett water customers more than \$5 million in interest over a conventional loan.

Drinking Water SRF helps Missouri communities

Funding Totals

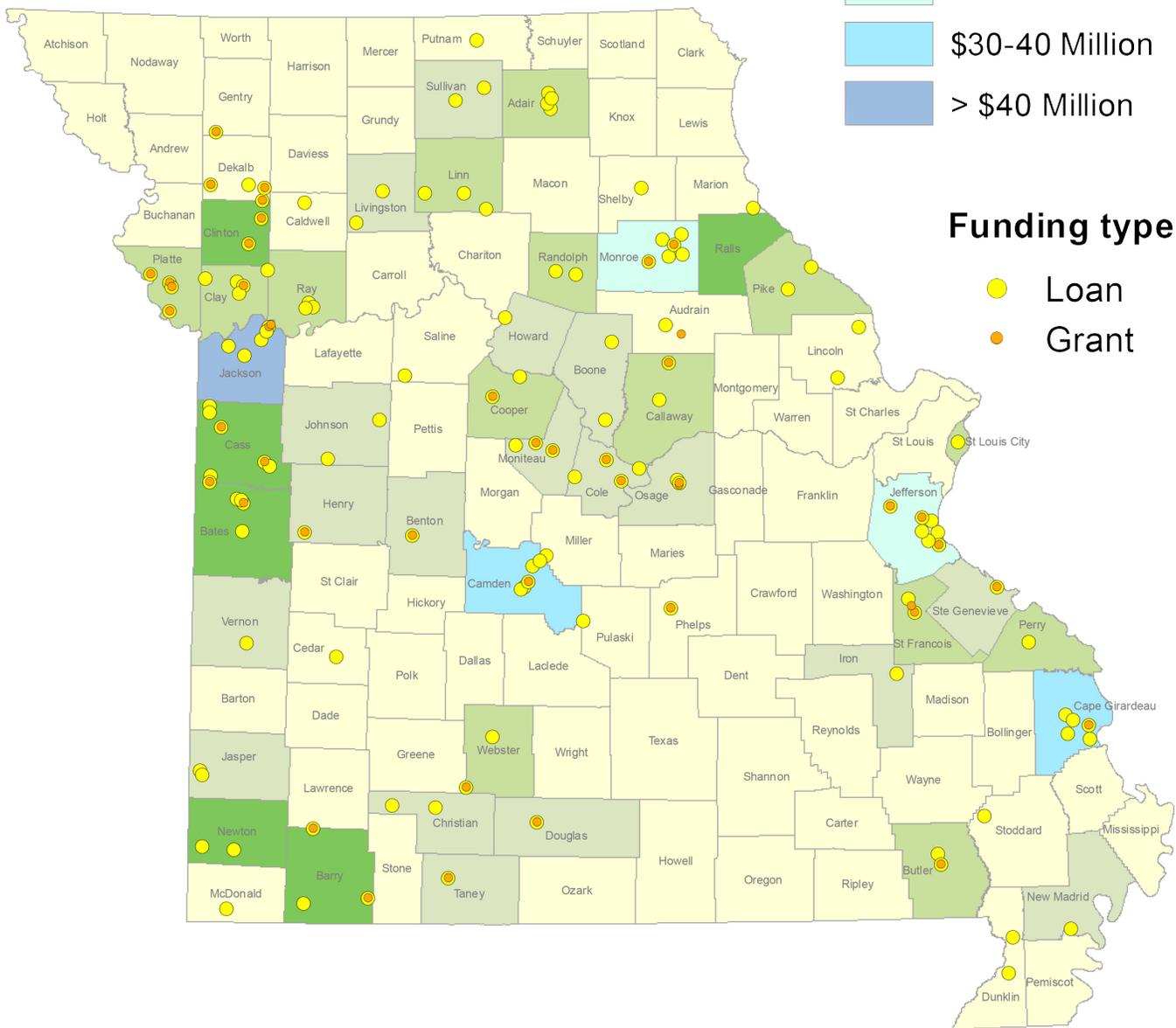
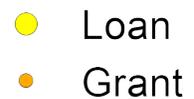
Drinking Water Loans	\$342 Million
Drinking Water Grants	\$38 Million
Total	\$380 Million

Estimated Total Savings - \$145 Million

Funding Totals by County



Funding type



Specifically, what pieces of my project can be funded?

Eligible expenses and allowable construction costs are described in state regulations that direct operation and management of Missouri's Drinking Water SRF program. Examples include engineering costs for planning, design and construction as well as costs to construct or rehabilitate collection and treatment structures and systems. A detailed list is available in 10 CSR 60-13.020 (Classification of Costs) at <http://s1.sos.mo.gov/cmsimages/adrules/csr/current/10csr/10c60-13.pdf>.

How do we distribute Drinking Water State Revolving Funds?

Missouri law requires the funds be allocated as shown below:

- 20 percent to very small community systems serving fewer than 3,300 people
- 15 percent to small systems serving 3,301 to 9,999 people
- 65 percent to general communities (not restricted by population served)

Any uncommitted funds from a specific group may be distributed to fund projects in other groups that are ready to proceed. Additional information is Appendix 2 on page 14.

The maximum amount for a loan from any single Intended Use Plan will not exceed 30 percent of available loan funds or \$10 million, whichever is less, unless approved by the Missouri Safe Drinking Water Commission.

Additional Subsidization

The department may provide additional subsidization to recipients in the form of grant funds. The maximum grant amount per project is \$2 million. Grant funds are allocated first to recipients meeting the definition of a disadvantaged community. Any grant funds remaining after consideration of disadvantaged communities are allocated as described in Appendix 3 on page 22. Additional subsidization funding is limited each year and must comply with congressional appropriations. The amount of grant funds available is described in Appendix 5 on page 31.

Project Priority List: Ranking drinking water projects

Proposed drinking water projects receive points based on how they protect public health, comply with the Safe Drinking Water Act and household affordability. The most serious problems are given the highest priority. A complete list and points awarded for each criterion are located in the Priority Points Criteria Fact Sheet at <http://dnr.mo.gov/pubs/pub2362.htm>

Projects being funded in fiscal year 2017

The list of projects being funded in fiscal year 2017 is ranked by priority in Appendix 2 on page 14 and at <http://dnr.mo.gov/env/wpp/srf/drinkingwater-assistance.htm>.

Funding process

The department will review the proposed project based on Drinking Water State Revolving Fund eligibility requirements. Each project undergoes an application and technical review. If the proposed project is an eligible project, it will be added to the Drinking Water State Revolving Fund Project Priority List, which includes the following:

- **Fundable projects** have a complete facility plan and a voted bond or other debt instrument in place. (A debt instrument includes general obligation and revenue bonds.) These projects are scheduled for financial assistance during the current fiscal year, and funds are available to be allocated to the project.
- **Fundable Contingency projects** meet the readiness-to-proceed criteria and have a complete facility plan with acceptable debt instrument bonds in place, but sufficient SRF funding is unavailable. These projects may receive assistance if funds become available during the fiscal year.
- **Planning projects** have submitted an application but may not have submitted a facility plan or do not have a voted bond or authorization to incur debt. The department anticipates these projects may be eligible to receive financial assistance and works with these communities to advance the projects to meet the readiness-to-proceed criteria.

The Missouri Department of Natural Resources monitors project compliance and administers financial assistance for funded projects. This includes quarterly construction inspections, processing pay requests and reviewing change orders for funding eligibility.

Modifications to Project Priority List

After the Missouri Safe Drinking Water Commission adopts the Drinking Water SRF priority lists, it may modify the lists or redistribute the available funds in accordance with 10 CSR 60-13.020:

- **Inadequate allocations:** If federal Drinking Water SRF allocations are less than the allocations anticipated, or if previous allocations are reduced, it may be necessary to reduce allocations to projects on the priority list.
- **Unanticipated or uncommitted funds:** The availability of unanticipated or uncommitted funds can result in a project moving from the contingency list to the fundable list. Additionally, the amount of funds allocated to projects on the fundable lists may increase or projects that have already received assistance may receive increased assistance.
- **Bypass:** A project on the fundable priority list not making progress in satisfying requirements for Drinking Water SRF assistance may be removed from the fundable priority list. The project is then placed on the fundable contingency or planning priority list as decided by the commission.
- **Project removal:** Projects may be removed from the priority list at the request of the applicant or a finding by the Department of Natural Resources that the project is ineligible for Drinking Water SRF assistance.

Before taking action to modify the Project Priority List, the department notifies those projects directly affected.

Where the money comes from

Missouri applies to the U.S. Environmental Protection Agency annually for capitalization grants to fund its Drinking Water State Revolving Fund program. To increase available funds, the state leverages its EPA capitalization grants in the municipal bond market. These funds are combined with the required state match and interest earnings and then made available to Missouri communities in the form of low-interest loans. As the loans are repaid, the money is reused (revolved) by the State Revolving Fund to provide for future projects.

Project lists are in Appendix 2 on page 14, and information on the targeted funding is in Appendix 5 on page 31.

Program commitments and state assurances

The Missouri Department of Natural Resources makes a number of program commitments and state assurances related to managing the Drinking Water SRF. See Appendix 5 on page 31 for a list of these commitments and assurances.

Federal appropriations to the Drinking Water SRF program primarily fund high-priority infrastructure projects. However, the Safe Drinking Water Act also allows states to set aside up to 31 percent for authorized projects that support public drinking water program activities. See Appendix 3 on page 22 for details on Missouri's set-asides.

Other state grant and loan programs are available

Pending sufficient state revenue sources, engineering report services grants, small borrower loans and rural water grants may also be available. Additional information is available in Appendix 4 on page 30.

Engineering Report Services Grants:

Engineering Report Services grants are funded through the department's Public Drinking Water Branch and are periodically made available to help community drinking water systems obtain an engineering report. The engineering report is to act as a first step toward implementing changes that will help the system achieve and maintain technical, managerial and financial capacity, including compliance with National Primary Drinking Water Regulations and the Missouri public drinking water regulations. The engineering studies include data collection, analysis and water system sustainability planning. The reports are valuable tools to help ensure continued delivery of adequate reliable and safe drinking water to customers in an efficient and cost-effective manner. These grants are offered periodically.

Small Borrower Loans:

Small Borrower Loans are available only to communities or public water districts of fewer than 1,000 population or service area. Applications for small borrower loans are prioritized based on immediacy of need.

Rural Water Grants:

Public water supply districts and communities with a population of fewer than 10,000 may be eligible for rural water grants. There are no funds available for Rural Water Grants in fiscal year 2017.

Additional information on engineering report services grants, small borrower loans and rural water grants is available in Appendix 4 on page 30 or online:

- Engineering Report Services Grants - <http://dnr.mo.gov/env/wpp/pdwb/eng-report-svcs.htm>
- Small Borrower Direct Loans - <http://dnr.mo.gov/env/wpp/srf/drinkingwater-loans.htm#smborrower>
- Rural Water Grants - <http://dnr.mo.gov/env/wpp/srf/drinkingwater-grants.htm>

To apply for these other state loans and grants, please contact the department's Financial Assistance Center at 573-751-1192 or fac@dnr.mo.gov.

Appendix One: SRF

Application Process and Requirements

How to complete a Drinking Water SRF application

The application form, instructions and guidance documents are available at <http://dnr.mo.gov/env/wpp/srf/drinkingwater-assistance.htm>.

1. Potential applicants are encouraged to contact the Missouri Department of Natural Resources prior to submitting an application <http://dnr.mo.gov/forms/780-1845-f.pdf>.
2. Complete a Facilities Plan Submittal Checklist <http://dnr.mo.gov/forms/780-2091-f.pdf>.

Additional guidance documents will be helpful:

- Drinking Water State Revolving Fund Readiness to Proceed and Distribution of Funds Criteria Fact Sheet <http://dnr.mo.gov/pubs/pub2361.htm>
- Drinking Water State Revolving Loan Fund Priority Points Criteria Fact Sheet <http://dnr.mo.gov/pubs/pub2362.htm>

Facility plans without the Facility Plan Submittal Checklist are not complete. Incomplete facility plans will delay proposed projects and, ultimately, project funding.

Drinking Water SRF applicants are strongly encouraged to retain the services of a registered municipal financial advisor. The U.S. Securities Exchange Commission rules provide a clear definition of individuals who are considered municipal advisors. It also provides guidance as to the scope of services and activities they provide, and, most importantly, it requires municipal advisors, including those acting as financial advisors, to be registered with the Securities Exchange Commission. Additional information is available at <https://www.sec.gov/municipal>.

Applicants are also required to submit letters of approval from their state legislators when they submit their due diligence information. Find your Missouri representative and senator at <http://www.senate.mo.gov/legislookup/Default.aspx>.

Description of assistance

For projects listed in this plan, the Drinking Water SRF assistance is in the form of loans with a target interest rate of 30 percent of AAA municipal market rate and an annual fee of 1/2 percent on the outstanding loan balance. Short-term loans are for a one- to three-year period. Long-term loans currently are fixed-rate loans that do not exceed 20 years. Additional subsidization in the form of grants may be provided in accordance with current federal appropriations if available.

Carry-over projects

Unfunded projects that filed an original application by Feb. 15, 2015, were automatically carried into the fiscal year 2017 Intended Use Plan unless the Missouri Safe Drinking Water Commission bypassed or removed the project, or the proposed loan recipient has requested to be removed.

Feb. 15 is the annual submittal deadline for applications to participate in the programs during any fiscal year. However, applications will be accepted and processed at any time.

State regulation 10 CSR 60-13.020 establishes that applications are valid for two plan cycles. Those projects not meeting program criteria within the allotted two-year cycle will have their allocated funds released and reallocated to other projects. Reapplication to the program is possible at the end of the two-year cycle, but a project's position on a fundable, contingency or planning list may change with each subsequent application. Projects carried over from the 2016 Intended Use Plan retain the points they received under the criteria in effect at the time they initially applied. Carry-over projects in the fiscal year 2017 Intended Use Plan are not eligible to compete in the fiscal year 2018 Intended Use Plan unless reapplication is made by Feb. 15, 2017.

Potential applicants are strongly encouraged to contact the department prior to submitting an application; call 573-751-1192 or email fac@dnr.mo.gov.

Funding List

Fundable Projects Lists identify those projects the Missouri Safe Drinking Water Commission intends to fund during a given fiscal year. An entity seeking to have a project placed on one of the fundable lists must have submitted a substantially complete facility plan and information indicating the public entity has an appropriate debt instrument in place. A debt instrument includes, but is not limited to, general obligation bonds and revenue bonds.

The Fundable Projects List is composed of three separate lists: very small community; small community; and general community.

Coordination

Except for projects funded solely through the Drinking Water SRF, all applicants anticipating the use of other state or federal funds must complete a Missouri Water and Wastewater Review Committee project proposal. You can find information on both the application and the process at https://ded.mo.gov/upload/mwwrc_proposal.pdf and <http://dnr.mo.gov/env/wpp/docs/mwwrc-submission-process.pdf>. The applicant should contact the committee for a complete project proposal package. The Missouri Water and Wastewater Review Committee members represent the following agencies:

Denise Derks

Missouri Department of Economic Development, Community Development Block Grant Program
301 W. High Street, P.O. Box 118, Jefferson City, MO 65102
Telephone: 573-751-3600

Darleen Groner

Missouri Department of Natural Resources, Financial Assistance Center
1101 Riverside Dr., P.O. Box 176, Jefferson City, MO 65102
Telephone: 573-751-1192

Trudy Ziegelhofer

U.S. Dept. of Agriculture, Rural Development
601 Business Loop 70 West, Parkade Center, Suite 235, Columbia, MO 65203
Telephone: 573-876-0995

Appendix Two:

Project Lists and Financial Tables

Sources and Uses of Funds

The Drinking Water SRF program expects to have approximately \$72 million available for financing during this fiscal year. The estimate includes carry-over monies from previous years, repayments, interest earnings on investments of Drinking Water SRF resources, federal capitalization grants and state match.

Funds are allocated to projects that are on a Fundable List as approved by the Safe Drinking Water Commission. The amount of funds made available through this Intended Use Plan may be revised at any time due to changing economic conditions.

The estimated sources and anticipated uses of funds can be found in the following table. The amounts reflected are as of Dec. 31, 2015.

**Sources and Distribution of Funds
Capitalization Grants and Loan Repayments
(As of Dec. 31, 2015)**

Estimated Sources			
FFY 2013 DW SRF Capitalization Grant (federal portion only)		\$	11,231,130
FFY 2014 DW SRF Capitalization Grant (federal portion only)		\$	16,285,296
FFY 2015 DW SRF Capitalization Grant (federal portion only)		\$	17,738,000
FFY 2016 DW SRF Capitalization Grant (federal portion only, not yet awarded)		\$	16,781,000
Estimated Proceeds from Bond Refinancing (1/1/16 - 9/30/18)		\$	2,337,977
Loan Repayment Fund (Balance in Fund 0602 as of 12/31/15)		\$	52,048,887
Balance of Fund 0649 as of 12/31/15		\$	82,299
Estimated DWSRF portion of Fund 0602 Investment Interest (1/1/16 - 9/30/18)		\$	376,952
Estimated DWSRF portion of Fund 0649 Investment Interest (1/1/16 - 9/30/18)		\$	1,635
Reserve Release (1/1/16 - 9/30/18)		\$	19,673,664
Direct Loans - Principal and Interest Repayments (1/1/16 - 9/30/18)		\$	19,848,156
State Match Subsidy Fund (1/1/16 - 9/30/18)		\$	1,880,261
State Match - FY 2015 Capitalization Grant - From SRF Admin Fees *		\$	3,547,600
State Match - FY 2016 Capitalization Grant - From SRF Admin Fees *		\$	3,356,200
Total Estimated Sources			\$ 165,189,057
Estimated Uses			
Binding Loan Commitments (Balance of Reserve Payable Report 12/31/15)		\$	-
Binding Grant and Loan Commitments (Balance of Project Payable Report 12/31/15)		\$	30,759,260
Grant Funds Committed from FFY 2013 Cap Grant	\$ 1,953,536		
Grant Funds Committed from FFY 2014 Cap Grant	\$ 3,828,073		
Grant Funds Committed from FFY 2015 Cap Grant	\$ 3,547,600		
Grant Funds Committed from FFY 2016 Cap Grant	\$ 3,356,200		
Grant Commitments 1/1/16 - 9/30/16 (Details below)	\$ (6,599,110)		
Grant Funds Allocated to FY 17 DWSRF IUP Projects		\$	6,086,299
Funds Committed to FFY 2013 DW Set-Aside Uses		\$	-
Funds Committed to FFY 2014 DW Set-Aside Uses		\$	3,965,346
Funds Committed to FFY 2015 DW Set-Aside Uses		\$	5,498,780
Funds Committed to FFY 2016 DW Set-Aside Uses		\$	5,202,110
2010B Pledge Commitments (1/1/16 - 9/30/18)		\$	3,217,738
2015A Pledge Commitments (1/1/16 - 9/30/18)		\$	2,013,231
Loan Commitments 1/1/16 - 9/30/16 (Details below)		\$	41,627,369
Loan Funds Available for FY 17 DWSRF IUP Projects		\$	66,818,924
Total Estimated Uses			\$ 165,189,057

* The source of the state match for this grant is a transfer into the fund from SRF Admin Fees. Match funds will be deposited and disbursed through the loan program.

Loan and Grant Commitments Before FY 17 IUP Approval	Loan	Grant	Total
Tri-County Water Authority - Funded 1/25/16	\$ 33,432,000	\$ -	\$ 33,432,000
Reeds Spring	\$ 311,500	\$ 934,500	\$ 1,246,000
Birch Tree	\$ 618,775	\$ 1,856,325	\$ 2,475,100
Sunrise Beach - Phase I	\$ 314,151	\$ 865,343	\$ 1,179,494
Sparta	\$ 1,920,762	\$ 1,920,761	\$ 3,841,523
Lathrop (Line Replacement)	\$ 1,022,181	\$ 1,022,181	\$ 2,044,362
Fredericktown Water Systems - Funded 8/18/16	\$ 2,977,000	\$ -	\$ 2,977,000
Poplar Bluff (UV, Backup Supply and Distribution) - Funded 8/22/16	\$ 1,031,000	\$ -	\$ 1,031,000
Total Commitments Before FY 17 IUP Approval	\$ 41,627,369	\$ 6,599,110	\$ 48,226,479

Project Lists

The list of fiscal year 2017 applicants appears below. The project lists follow the list of applicants.

It is important to note:

- The fundable project lists may change significantly between the draft Intended Use Plan placed on public notice and the final version approved by the Safe Drinking Water Commission.
- The inclusion of a project on the fundable list is not a guarantee of funding. Other factors, such as timely progress toward funding, compliance with program requirements and funding availability, may impact project funding.

For more information on the Drinking Water SRF Program, contact the department's Financial Assistance Center at 573-751-1192 or fac@dnr.mo.gov.

Comprehensive List

Note: * Carried over from the last Intended Use Plan X Fundable in the last Intended Use Plan

		Priority Points	Applicant	DWSRF #	Population Served	Loan Request
*	X	104	Dexter	DW291320-01	7,545	\$ 10,100,000
		85	Madison County PWSD #1	DW291364-01	1,959	\$ 3,706,796
		85	Memphis	DW291363-01	1,931	\$ 2,325,740
		71	Bismarck	DW291087-02	1,546	\$ 1,880,532
		71	Pierce City	DW291345-01	1,268	\$ 4,715,363
*	X	68	Marshfield	DW291148-02	6,633	\$ 3,899,100
*		67	Buchanan County PWSD #1 (Interconnection and Distribution)	DW291339-02	2,400	\$ 3,380,000
*	X	65	Campbell	DW291333-01	1,992	\$ 2,592,613
	X	65	Missouri City	DW291351-01	267	\$ 1,142,352
*	X	60	Harrisonville	DW291356-01	9,743	\$ 8,548,938
		60	Bowling Green (Treatment and Distribution)	DW291167-04	5,334	\$ 2,254,000
*	X	56	Osage County PWSD #1	DW291361-01	1,200	\$ 2,000,000
	X	55	Sunrise Beach - Phase 2	DW291219-03	431	\$ 473,700
		51	Cassville	DW291300-02	3,266	\$ 5,679,720
*	X	50	Scotland Co. Consolidated PWSD #1	DW291357-01	2,668	\$ 2,170,931
*	X	45	Clarksville	DW291358-01	480	\$ 268,300
*	X	44	Saline County PWSD #1	DW291359-01	591	\$ 1,049,055
*	X	38	Jackson Co. PWSD #13	DW291336-01	5,400	\$ 3,000,000
*		34	Cass County PWSD #5	DW291360-01	2,670	\$ 341,445
	X	34	Brashear	DW291347-01	273	\$ 806,840
*	X	32	Osage County PWSD #3	DW291216-02	1,400	\$ 633,710
Total Comprehensive List Projects						\$ 60,969,135

Allocation Of Available Loan Funds

Missouri law requires that twenty percent and fifteen percent of available funds shall be made available to water systems serving populations of 3,300 or less (designated as very small communities) and water systems serving populations of 3,301 to 9,999 (designated as small communities respectively). The remaining sixty five percent (designated for general community) is not restricted by population served.

It is important to note:

- * The fundable project lists may change significantly between the draft Intended Use Plan placed on public notice and the final version approved by the Safe Drinking Water Commission.
- * The inclusion of a project on the fundable list is not a guarantee of funding. Other factors, such as timely progress toward funding, compliance with program requirements and funding availability, may impact project funding.
- * If a system is utilizing a Contract For Engineering Services: Design and Development for Community Water Systems Grant from the Department, their SRF project was reduced by a like amount.

Distribution of Available Funds

	Loan	Grant
Very Small Community	\$ 13,363,785	\$ 6,086,299
Small Community	\$ 10,022,839	\$ -
General Community	\$ 43,432,300	\$ -
Total Available Funds	\$ 66,818,924	\$ 6,086,299

Financial Summary of the Fundable Projects Lists

	Loans				Grants			
	Very Small Community	Small Community	General Community	Total	Very Small Community	Small Community	General Community	Total
Allocation	\$ 13,363,785	\$ 10,022,839	\$ 43,432,300	\$ 66,818,924	\$ 6,086,299	\$ -	\$ -	\$ 6,086,299
Total Projects (1)	\$ (11,083,738)	\$ (15,448,038)	\$ -	\$ (26,531,776)	\$ (6,086,299)	\$ -	\$ -	\$ (6,086,299)
Balance Before Transfers	\$ 2,280,047	\$ (5,425,199)	\$ 43,432,300	\$ 40,287,148	\$ -	\$ -	\$ -	\$ -
Transfers	\$ (2,280,047)	\$ 2,280,047	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ 3,145,152	\$ (3,145,152)	\$ -	\$ -	\$ -	\$ -	\$ -
Total Transfers	\$ (2,280,047)	\$ 5,425,199	\$ (3,145,152)	\$ -	\$ -	\$ -	\$ -	\$ -
Balance Available (2)	\$ -	\$ -	\$ 40,287,148	\$ 40,287,148	\$ -	\$ -	\$ -	\$ -
Amount Forward to Project Tables (3)	\$ 11,083,738	\$ 15,448,038	\$ 40,287,148	\$ 66,818,924	\$ 6,086,299	\$ -	\$ -	\$ 6,086,299

(1) From the Project Lists on the subsequent pages.

(2) Balance may be shifted to other categories to fund projects that are ready to proceed.

(3) Amount equals the Allocation + Total Transfers.

Carryover	Fund. Last IUP	Disadvantaged	Priority Points	Applicant	DWSRF #	Pop.	Description / Needs	Problem Code	Amount Requested	Loan	Grant	Financing Schedule FY - Quarter
<i>Note: An explanation of the abbreviations and codes appears at the end of the project lists.</i>												
Very Small Community 20% Reserve Fundable List (Systems that serve a population of 3,300 or fewer)												
Amount Available										\$ 11,083,738	\$ 6,086,299	
		D	85	Madison County PWSD #1	DW291364-01	1,959	Dis, Well, Stor	3	\$ 3,706,796	\$ 1,706,796	\$ 2,000,000	17-4
		D	85	Memphis	DW291363-01	1,931	Dis, Stor, TP	3	\$ 2,325,740	\$ 969,540	\$ 1,356,200	17-4
*	X	D	65	Campbell	DW291333-01	1,992	Dis	3	\$ 2,592,613	\$ 648,153	\$ 1,944,460	17-2
	X	D	55	Sunrise Beach - Phase 2	DW291219-03	431	Dis	3	\$ 473,700	\$ 473,700	\$ -	17-1
*	X	D	45	Clarksville	DW291358-01	480	Well	3	\$ 268,300	\$ 67,075	\$ 201,225	17-2
	X		65	Missouri City	DW291351-01	267	Dis	3	\$ 1,142,352	\$ 1,142,352	\$ -	17-3
*	X		56	Osage County PWSD #1	DW291361-01	1,200	Dis, Stor	3	\$ 2,000,000	\$ 1,415,586	\$ 584,414	17-3
*	X		50	Scotland Co. Consolidated PWSD #1	DW291357-01	2,668	Dis	3	\$ 2,170,931	\$ 2,170,931	\$ -	17-3
*	X		44	Saline County PWSD #1	DW291359-01	591	Dis, Stor	3	\$ 1,049,055	\$ 1,049,055	\$ -	17-3
	X		34	Brashear	DW291347-01	273	Stor	3	\$ 806,840	\$ 806,840	\$ -	17-4
*	X		32	Osage County PWSD #3	DW291216-02	1,400	Dis, Stor	3	\$ 633,710	\$ 633,710	\$ -	17-3
Very Small Community Total Fundable Projects										\$ 17,170,037	\$ 11,083,738	\$ 6,086,299
Balance										\$ -	\$ -	
Small Community 15% Reserve Fundable List (Systems that serve a population of 3,301 to 9,999)												
Amount Available										\$ 15,448,038	\$ -	
*	X		68	Marshfield	DW291148-02	6,633	TP, Stor	3	\$ 3,899,100	\$ 3,899,100	\$ -	17-3
*	X		60	Harrisonville	DW291356-01	9,743	TP	3	\$ 8,548,938	\$ 8,548,938	\$ -	17-1
*	X		38	Jackson Co. PWSD #13	DW291336-01	5,400	Dis	3	\$ 3,000,000	\$ 3,000,000	\$ -	17-2
Small Community Total Fundable Projects										\$ 15,448,038	\$ 15,448,038	\$ -
Balance										\$ -	\$ -	
General Community 65% Reserve Fundable List (Not restricted by population served)												
Amount Available										\$ 40,287,148	\$ -	
General Community Total Fundable Projects										\$ -	\$ -	\$ -
Balance										\$ 40,287,148	\$ -	

Carryover	Fund. Last IUP	Disadvantaged	Priority Points	Applicant	DWSRF #	Pop.	Description / Needs	Problem Code	Amount Requested	Loan	Grant	Financing Schedule FY - Quarter
Fundable Contingency List (Note: Information will be added to the shaded columns when the project moves to a fundable list)												
Total Fundable Contingency Projects									\$ -			
Planning List (Note: Information will be added to the shaded columns when the project moves to a fundable list)												
*			104	Dexter	DW291320-01	7,545	Well, TP, Stor, Dis	3	\$ 10,100,000			
			71	Bismarck	DW291087-02	1,546	Dis, Stor, Well	3	\$ 1,880,532			
			71	Pierce City	DW291345-01	1,268	Dis, Stor	3	\$ 4,715,363			
*			67	Buchanan County PWSD #1 (Interconnection and Distribution)	DW291339-02	2,400	Dis	3	\$ 3,380,000			
			60	Bowling Green (Treatment and Distribution)	DW291167-04	5,334	TP, Dis	3	\$ 2,254,000			
			51	Cassville	DW291300-02	3,266	TP, Dis, Stor	3	\$ 5,679,720			
*			34	Cass County PWSD #5	DW291360-01	2,670	Dis	3	\$ 341,445			
Total Planning List Projects									\$ 28,351,060			

* - Carried over from the last Intended Use Plan	TP - Treatment	1 - Compliance
X - Fundable in the last Intended Use Plan	Stor - Storage	2 - Public Health
D - Disadvantaged	Dis - Distribution	3 - Future Regulatory Violation Expected
	Rehab - Rehabilitation	

Distribution of Loan Administration Fees

The fees charged by the Missouri Drinking Water SRF program are not included as principal in loans. Dependent upon the source of the loan, as well as the timing of the receipt of the administration fee, the administration fee is considered to be program income. The administration fees collected are considered

- program income earned during the capitalization grant period;
- program income earned after the capitalization grant period; or
- non-program income.

Source And Distribution Of Funds			
Loan Administration Fees¹			
As of Dec. 31, 2015			
Income	Program Income Earned During Grant Period	Program Income Earned After Grant Period	Non-Program Income
Beginning Balance as of 07/01/15	\$ 4,423,452	\$ 5,130,212	\$ 787,350
FY 16 Income (thru 12/31/15)	\$ 8,204	\$ 461,980	\$ 59,194
FY 16 Interest Earnings (thru 12/31/15)	\$ 10,932	\$ 13,627	\$ 2,072
Subtotal	\$ 4,442,588	\$ 5,605,819	\$ 848,616
Expenditures Thru 12/31/15			
FY 16 Program Administration	\$ -	\$ -	\$ -
FY 16 PSD Expenditures	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -
Income Less Expenditures	\$ 4,442,588	\$ 5,605,819	\$ 848,616
Projected Income			
FY 16 Income (01/01/16 - 06/30/16)	\$ 49,739	\$ 245,703	\$ 70,471
FY 16 Interest Income (01/01/16 - 06/30/16)	\$ 17,124	\$ 8,089	\$ 3,392
FY 16 Transfer to FFY 2015 Capitalization Grant Match (01/01/16 - 06/30/16) ²	\$ -	\$ (3,547,600)	\$ -
FY 17 Income (07/01/16 - 06/30/17)	\$ 127,776	\$ 657,451	\$ 219,380
FY 17 Interest Income (07/01/16 - 06/30/17)	\$ 37,943	\$ -	\$ -
FY 17 Transfer to FFY 2016 Capitalization Grant Match (07/01/16 - 06/30/17) ²	\$ (244,879)	\$ (2,019,462)	\$ (1,091,859)
Subtotal	\$ (12,297)	\$ (4,655,819)	\$ (798,616)
Projected Expenditures			
FY 16 Program Administration	\$ -	\$ -	\$ -
FY 16 State Parks Drinking Water Infrastructure	\$ -	\$ (900,000)	\$ -
FY 16 Technical Assistance Grants	\$ -	\$ (25,000)	\$ (25,000)
FY 17 Program Administration	\$ -	\$ -	\$ -
FY 17 Technical Assistance Grants	\$ -	\$ (25,000)	\$ (25,000)
Subtotal	\$ -	\$ (950,000)	\$ (50,000)
Total Actual and Projected	\$ 4,430,291	\$ -	\$ -

¹ The distribution of loan administration fees to various department activities is subject to change throughout the fiscal year. Actual fund uses will be shown in detail in the fiscal year 2017 Drinking Water State Revolving Fund Annual Report. FY 17 projected expenditures may include amounts carried over from prior fiscal years.

² Admin Fees are being used as a source of match for the FFY 2015 and 2016 Capitalization Grants. An ongoing source or sources of match funding have been requested through the state budget process.

During the grant period is defined as the time between the effective date of the grant award and the ending date of the award reflected in the final grant financial report.

Administration fees charged by the program are deposited into an account outside of the Drinking Water SRF Fund. In accordance with federal regulations, fees charged by the program may be used for program administration or other purposes in accordance with 40 CFR 31.25 (g)(2) and (3) and federal capitalization grant requirements.

The department is using loan administration fees as match for the 2015 and 2016 federal capitalization grants. As each grant becomes available, loan administration fees held outside the revolving loan fund will be transferred into the Drinking Water SRF fund for disbursement through the loan program.

The fees are being used as a source of match. An ongoing source or sources of match funding have been requested through the state budget process.

Appendix Three:

SRF Program Administration

The Missouri Department of Natural Resources' Water Protection Program is the delegated authority for the administration of federal funds made available to the state under the provisions of the Safe Drinking Water Act by the U.S. Environmental Protection Agency. The funds are for financing a variety of eligible projects and are to be used in perpetuity for low-interest loans made from the Drinking Water State Revolving Fund.

This Intended Use Plan describes the proposed use of funds reserved for financial assistance for drinking water infrastructure improvements during fiscal year 2017 (Oct. 1, 2016, to Sept. 30, 2017). This Intended Use Plan shall remain effective until Sept. 30, 2017, or until such time as the fiscal year 2018 Intended Use Plan becomes effective.

Solicitation of Loan Applications for This Intended Use Plan

The application process is open to all community public water systems and not-for-profit, non-community public water systems that are not owned by the federal government.

The Missouri Safe Drinking Water Regulations require the department to have the application package for loans available to the public at least 60 days prior to the deadline for receipt of applications. The application package consists of the application form, priority point criteria and readiness-to-proceed criteria.

The department seeks public comment and holds a public meeting on the priority point criteria and readiness-to-proceed criteria. The priority point criteria describe the criteria the department uses to prioritize loan applications. The readiness-to-proceed criteria describe the minimum criteria that an applicant must meet to be eligible to be placed on the fundable list.

Both criteria are in the 2016 Intended Use Plan, which was approved by the Safe Drinking Water Commission on Nov. 12, 2015. The department made the application package available to the public with an initial application receipt deadline of Feb. 15, 2016, and issued a notice informing the public of the availability of loan applications. It also notified city water systems, water districts and engineering firms in Missouri.

After reviewing applications for eligibility and financial requirements, the department used the priority point criteria and readiness-to-proceed criteria to assign priority points and to determine if the applicant met the readiness-to-proceed criteria. Applications received by the initial deadline that substantially met the readiness-to-proceed criteria received priority for funding over those received after the deadline.

Solicitation of Loan Applications for Fiscal Year 2018

In fiscal year 2017, the department will solicit loan applications for loan funds available in fiscal year 2018. The process that will be used for solicitation and review of the applications will follow the same process and procedures described in this plan.

The loan application package, which includes the application form and instructions, priority point criteria and readiness-to-proceed criteria, is available online at <http://dnr.mo.gov/env/wpp/srf/drinkingwater-project-assistance.htm> or by contacting the department's Financial Assistance Center at 573-751-1192 or fac@dnr.mo.gov.

The initial application receipt deadline for fiscal year 2018 applications is **Feb. 15, 2017**. Applications received by that date that meet readiness-to-proceed criteria will receive priority for funding over those received after that date.

Carryover projects in the fiscal year 2017 Intended Use Plan are not eligible to compete for fiscal year 2018 funding unless reapplication is made by Feb. 15, 2017.

Additional Subsidization

As funding is available, projects for a disadvantaged community may be funded through a combination of 75 percent grant and 25 percent loan with a maximum grant of \$2 million per applicant. Any grant funds remaining after disadvantaged communities allocations are allocated to projects with a maximum grant of \$2 million, not to exceed 50 percent of the project cost, per applicant in accordance with the criteria described below.

Per 10 CSR 60-13.020, a disadvantaged community is any community with a population of 3,300 or fewer based on the most recent decennial census, whose average user rates for 5,000 gallons will be at or above 2 percent of the recipient median household income, and the recipient median household income is at or below 75 percent of the state average as determined by the most recent decennial census.

The intent of the program is to target, as much as possible, the additional subsidized monies to communities that could not otherwise afford an SRF loan. To meet this goal, the use of grant funds will be committed to projects using the following criteria, listed in order of priority:

- Projects serving disadvantaged communities on any fundable list based on priority ranking in the order of highest ranking to the lowest ranking;
- Refinancing projects are not eligible for grant funding unless the community is disadvantaged;
- Projects on the Very Small Community 20 percent Reserve Fundable List based on priority ranking;
- Projects on the Small Community 15 percent Reserve Fundable List based on priority ranking; and
- Projects on the General Community 65 percent Reserve Fundable List based on priority ranking.

Assistance to Small Communities

Missouri law requires that at least 35 percent of the monies credited to the Drinking Water SRF program shall be made available to eligible water systems serving fewer than 10,000 people. This is a higher percentage than the 15 percent minimum federal requirement for these water systems. Of the 35 percent, 20 percent is for systems serving 3,300 or fewer people, and 15 percent is for systems serving from 3,301 to 9,999 people.

To demonstrate this commitment, the fundable list contained in Appendix 2 has three parts: the very small community 20 percent reserve, the small community 15 percent reserve and the general community 65 percent reserve. The general community 65 percent reserve is not restricted to systems of a certain population.

Priority System

The department prioritizes loan applications using the priority point criteria in effect at the time the application is received. So, projects carried over from the 2016 Intended Use Plan retain the points they received under the criteria in effect at the time they initially applied.

The department assigns priority points based on the overall project. The Fiscal Year 2017 Project Lists in Appendix 2 list all the new and carry-over loan projects from highest to lowest priority. The priority point criteria and readiness-to-proceed criteria are available online at <http://dnr.mo.gov/env/wpp/srf/drinkingwater-assistance.htm>.

Cash Flow Model

Missouri uses the cash flow model for the Drinking Water SRF.

The Cash Flow Model diagram on page 25 illustrates the SRF flow of funds. Construction loan repayments must begin within one year after the first operational contract is substantially completed; that is, the facilities are

placed into operation. The loan repayment schedules will generally consist of semi-annual interest payments, and semi-annual or annual principal payments. The trustee bank holds the periodic participant repayments in separate recipient accounts outside the Drinking Water SRF. Interest earnings on these recipient accounts are credited to the communities' debt service account, which reduces the amount of interest to be paid by the communities.

The department receives federal Capitalization Grants from the Environmental Protection Agency. There is a 20 percent state match required to receive the grants. The funds are deposited into the State Revolving Fund (A) and used in accordance with applicable federal and state program requirements. State match funds are disbursed prior to using Capitalization Grant funds.

Under the cash flow model loan program, the department purchases the debt obligations of the participants directly. As construction progresses, funds are released from the Drinking Water SRF (A) to the recipient (B) through the trustee bank (C) so the construction costs can be paid. Recipients of a grant receive the grant funds directly from the Drinking Water SRF program. Upon completion of the project, the loans are adjusted to reflect the final loan amount.

Loan recipients send their loan principal and interest payments to the trustee bank (C). At such time as the Drinking Water SRF program needs to replenish the repayment fund, the EIARA (D) exercises its authority to sell bonds, and the direct loans are pledged to retire the EIARA debt. The proceeds of this sale are deposited into the Drinking Water SRF repayment account. The principal and interest payments on the EIARA bonds are secured through the pledge of the direct loan principal and interest payments from previous Drinking Water SRF program participants. Any surplus principal and interest that is not needed for the EIARA debt service is deposited into the repayment account.

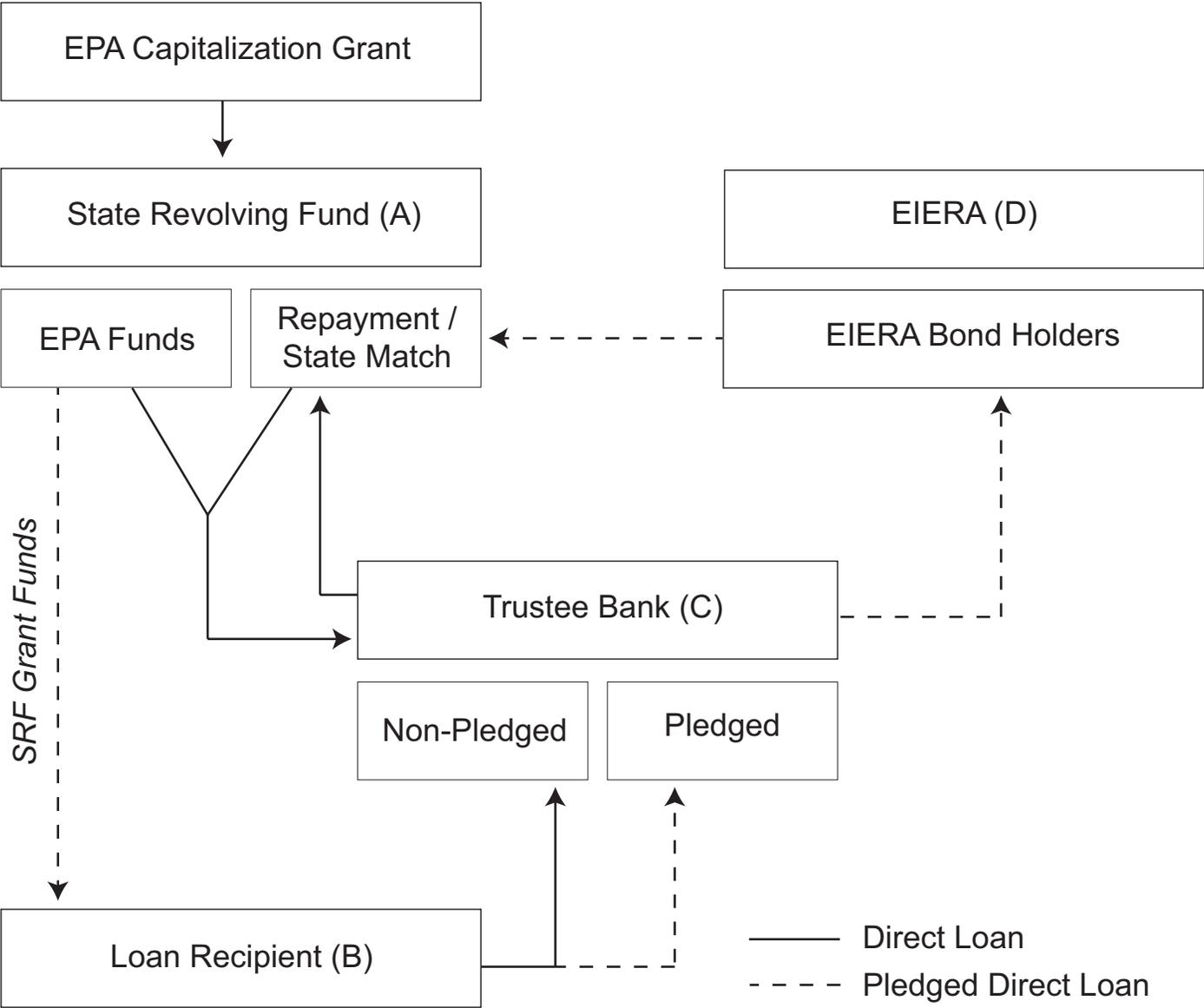
Cross-collateralization of funds

The U.S. Departments of Veterans Affairs and Housing and Urban Development, and the Independent Agencies Appropriations Act 1998 (Public Law 105-65), authorized limited cross-collateralization between the Drinking Water State Revolving Fund and the Clean Water State Revolving Fund. Cross-collateralization allows states to use Clean Water SRF funds as security for bonds issued to finance Drinking Water SRF projects and vice versa. The cross-collateralization of the two funds may enhance the lending capacity of one or both SRFs. State statute 644.122 RSMO provides the state's legal authority to implement cross-collateralization.

Transfer of Funds from the Drinking Water SRF to the Clean Water SRF

Section 302 of the Safe Drinking Water Act Amendments of 1996 authorized the transfer of funds between the Drinking Water State Revolving Fund and the Clean Water State Revolving Fund. The rules governing the transfer of funds limit the dollar amount a state can transfer to no more than 33 percent of a Drinking Water SRF capitalization grant. As funding is available and as needs arise, the Department can transfer loan funds with the approval of the Missouri Safe Drinking Water Commission, the Missouri Clean Water Commission and EPA. Transfers between the two funds may enhance the lending capacity of one or both state revolving funds. State statute 644.122 RSMO provides Missouri's legal authority to implement this transfer of funds. No transfers are planned for fiscal year 2017.

Drinking Water SRF Cash Flow Model



A listing of current and recent transfers is below:

Fiscal Year	Clean Water SRF	Drinking Water SRF
2013	\$10,000,000	(\$10,000,000)
2013*	\$18,500,000	(\$18,500,000)
2015	(\$5,000,000)	\$5,000,000
2016	(\$5,000,000)	\$5,000,000

*Federal capitalization grant portion.

The department, with prior approval from the Missouri Safe Drinking Water Commission, the Missouri Clean Water Commission and EPA as appropriate, reserves the right to make additional transfers in the future.

Assistance for Disaster Relief

The department may provide financial assistance to projects that address direct or indirect damage to a drinking water system in a declared disaster area. Funding is available under the Drinking Water SRF loan and Drinking Water State Direct Loan Program for disaster-related projects. The department may provide these projects with advanced authority to construct in accordance with 10 CSR 60-13.030(4). These projects may be given preferential priority ranking when determining the use of uncommitted Drinking Water SRF loan funds.

Allocation of Drinking Water Capitalization Grant

This section summarizes previously awarded federal capitalization grants and the anticipated award of the 2016 grant.

The Safe Drinking Water Act Amendments of 1996 authorize funding for the Drinking Water SRF, and Congress appropriates this funding annually. Each state and U.S. territory is eligible for a portion of this funding. The act authorizes EPA to use a portion of the funding for health effects studies, small system technical assistance, monitoring of unregulated contaminants and operator certification reimbursement grants. EPA allots the remaining funds appropriated for the Drinking Water SRF to each state based on the state's proportional share of total eligible needs reported for the most recent drinking water infrastructure needs survey, which is conducted every four years.

Capitalization Grant Allocation for Missouri's Drinking Water SRF Program

Federal capitalization grants will be used to fund loans, grants and authorized set-aside activities for federal fiscal year 2016. A summary of the percentage reserved from each capitalization grant appears below.

The department reserves up to 31 percent of the grants for authorized set-aside activities. If the department does not use the full 31 percent for set-aside activities, the difference will be used for financing infrastructure projects.

Federal Fiscal Year	Loans and Grants	Set-Asides
2013	69%	31%
2014	69%	31%
2015	69%	31%
2016	69%	31%

Drinking Water SRF Set-Asides

Federal appropriations for the Drinking Water SRF program are used primarily to fund low-interest loans to public drinking water systems for high priority infrastructure projects. However, the Safe Drinking Water Act allows states to reserve up to 31 percent of the federal capitalization grant to fund authorized activities that support public drinking water program activities. This is referred to as the set-asides.

Activities supported by the set-asides include supplemental funding to support the state primacy program, capacity development, wellhead protection, operator certification and technical, managerial and financial capacity assistance to public water systems. Set-aside activities are implemented and managed by the department's Public Drinking Water Branch.

This section of the Intended Use Plan indicates how the department intends to use the set-asides that will be available from the federal fiscal year 2016 capitalization grant.

A. Distribution of Set-Aside Funds

The Department of Natural Resources intends to reserve 31 percent of the federal fiscal year 2016 capitalization grant for set-asides and will deposit those funds in a separate account. Table 1 shows the intended distribution of these set-asides.

The department reserves the right to reserve the unused set-asides authority from the federal fiscal year 2016 capitalization grant for future set-aside expenditures.

Table 1. Distribution of Set-Aside Funds

Set-Aside Activities	Percent Capitalization Grant	Amount
Drinking Water SRF Administration and Technical Assistance	4 percent	\$671,240
Small System Technical Assistance	2 percent	\$335,620
Public Water System Supervision	10 percent	\$1,678,100
Local Assistance and Other State Programs	15 percent	\$2,517,150
Total	31 percent	\$5,202,110

B. Description of Set-Aside Activities

1. DRINKING WATER SRF ADMINISTRATION AND TECHNICAL ASSISTANCE

This set-aside provides funding to administer the programs established under section 1452 of the federal Safe Drinking Water Act and to provide technical assistance to public water systems. A state can reserve a maximum of 4 percent of the capitalization grant for these purposes.

The department is reserving the entire 4 percent available under this set-aside. It will use this funding for salaries and associated expenses of program personnel to administer the Drinking Water SRF loan program, including the following:

- Assistance to loan applicants and loan recipients;
- Project review and approval;
- Assistance with the needs survey, project prioritization, loan issuance, payment and accounting activities; and
- Tracking repayments and project inspections.

In addition, the Department of Natural Resources will use the set-aside for equipment and training staff.

The department may also use a portion of this funding to contract for assistance to help loan applicants and potential applicants with rate setting and other similar hurdles related to meeting loan eligibility criteria.

It may also use this set-aside for technical assistance to public water systems in the form of Engineering Report Services Grants to community water systems.

If the department does not use the entire authorized amount, it will reserve the unused balance and use it for technical assistance to small systems the following year.

2. SMALL SYSTEMS TECHNICAL ASSISTANCE

This set-aside provides technical assistance to public water systems that serve 10,000 or fewer people. The department intends to continue using this set-aside to assist small public water systems in the following ways:

- Complying with existing and near-term federal Safe Drinking Water Act requirements;
- Obtaining Engineering Report Services Grants and facility plans; and
- Other technical assistance activities that will improve compliance with safe drinking water requirements.

The Department of Natural Resources will provide technical assistance using staff and contract services.

The department is taking the full 2 percent allowed for this set-aside. If it does not use the entire authorized amount, it will reserve the unused balance and use it for technical assistance to small systems the following year.

3. PUBLIC WATER SYSTEM SUPERVISION

This set-aside can be used for the following:

- Primacy program support;
- Administering or providing technical assistance through source water protection programs;
- Developing and implementing a capacity development strategy; and
- Operator certification.

The department has used and intends to continue using this set-aside for these authorized activities.

This set-aside requires a 1:1 state match that is in addition to the state match required to receive the federal capitalization grant. The department is meeting this additional match requirement through primacy fee funds.

Examples of the activities funded by this set-aside include:

- Primacy program activities, including program administration, inspections and sanitary surveys, rule development, primacy applications, compliance and enforcement, information and data management;
- Technical assistance;
- Contracts for database system updates and maintenance;
- Research into emerging contaminants;

- Contract lab support;
- Capacity development strategy development and implementation;
- Operator certification program administration;
- Source water protection plan review and approval; and
- Administration of grant programs for well plugging and source water protection measures.

The Department of Natural Resources intends to take the full 10 percent allowed for this set-aside. If the department does not use the entire authorized amount of this set-aside, it will reserve the unused balance and use it for eligible activities the following year.

4. LOCAL ASSISTANCE AND OTHER PROGRAMS AUTHORIZED BY SECTION 1452(K) OF THE SAFE DRINKING WATER ACT

The act allows states to set aside up to 15 percent of the capitalization grant for the following:

- Source water protection loans to acquire land or easements;
- Source water protection loans to implement local, voluntary source water protection programs;
- Assistance, including technical, managerial and financial assistance, to any public watersystem as part of a capacity development strategy; and
- Expenditures for the establishment and implementation of wellhead protection programs compliant with section 1428 of the act.

The department intends to use this set-aside to provide technical, managerial and financial assistance to public water systems as part of the capacity development strategy and for wellhead protection. It is setting aside 15 percent of the capitalization grant for these purposes. If the department does not use the entire authorized amount, it will reserve the unused balance and use it for eligible expenses the following year or transfer funds to the loan program.

The types of activities the department intends to fund with this set-aside include, but are not limited to, the following:

- Contracting for circuit riders to conduct leak detection surveys; provide compliance assistance, and technical, managerial and financial capacity assistance to water systems; and operator training;
- Grants to community water systems for implementation of source water protection measures and plan development;
- Grants to community water systems to plug abandoned drinking water wells that threaten aquifers;
- Performing studies to determine new technologies for the purpose of safely performing storage tank inspections.
- Contracting with the University of Missouri for maintaining public water system source water assessment and delineation information;
- Performing studies to assist small community water systems with disinfection by-product compliance issues;
- Education and outreach materials and training sessions on water system capacity development, source water protection or wellhead protection issues;
- Assistance to public water systems with development of regional solutions to solve capacity issues;
- Providing vouchers to community water systems to defray the costs associated with operator training and certification;
- Contracting for training of drinking water system board and city council members; and
- Other activities as appropriate to implement the capacity development strategy or promote wellhead protection.

Appendix Four:

Other state-funded grant and loan programs

Engineering Report Services Grants: Engineering Report Services grants are funded through the department's Public Drinking Water Branch and are periodically made available to help community drinking water systems obtain an engineering report. The engineering report is to act as a first step toward implementing changes that will help the system achieve and maintain technical, managerial and financial capacity, including compliance with National Primary Drinking Water Regulations and the Missouri public drinking water regulations. The engineering studies include data collection, analysis and water system sustainability planning. The reports are valuable tools to help ensure continued delivery of adequate reliable and safe drinking water to customers in an efficient and cost-effective manner. These grants are offered periodically.

Small Borrower Loans: Small Borrower Loans are available only to communities or public water districts of fewer than 1,000 population or service area. Qualifying communities or public water districts may be considered for a direct loan for drinking water system improvements for up to \$100,000 with a maximum 20-year repayment term. Applications for small borrower loans are prioritized based on immediacy of need.

Rural Water Grants: Public water supply districts and communities with a population of fewer than 10,000 may be eligible for rural water grants. These grants cover up to 50 percent of the eligible cost of a project that does not qualify for a loan from the Drinking Water State Revolving Fund Program. Grants are capped at \$500,000, and there are restrictions. There are no additional funds available for Rural Water Grants in fiscal year 2017.

Additional information on engineering report services grants, small borrower loans and rural water grants is available online:

- Engineering Report Services Grants - <http://dnr.mo.gov/env/wpp/pdwb/eng-report-svcs.htm>
- Small Borrower Direct Loans - <http://dnr.mo.gov/env/wpp/srf/drinkingwater-loans.htm#smborrower>
- Rural Water Grants - <http://dnr.mo.gov/env/wpp/srf/drinkingwater-grants.htm>

To apply for these other state loans and grants, please contact the department's Financial Assistance Center at 573-751-1192 or fac@dnr.mo.gov.

Appendix Five:

EPA Requirements and Assurances

The Missouri Department of Natural Resources makes a number of program commitments and state assurances related to managing the Drinking Water SRF. Each year, the department intends to comply with each of the terms and conditions in the capitalization grant.

Federal capitalization grants

The Department of Natural Resources receives federal capitalization grants from the Environmental Protection Agency. There is a 20 percent state match required to receive the grants. The funds are used in accordance with applicable federal and state program requirements. State match funds are disbursed prior to using capitalization grant funds.

Undrawn funds under federal capitalization grants are referred to as unliquidated obligations (ULO) by the EPA. The department intends to disperse funds available under the Drinking Water SRF loan program generally in the following order of priority: 1) state match funds, 2) federal capitalization grant funds and 3) recycled funds. The department intends to manage set-aside accounts to fully draw the set-aside within 24 months of issuance of a capitalization grant.

Additional subsidization

A portion of the capitalization grants since 2010 are to be used to provide additional subsidization. A summary of the amounts reserved from each capitalization grant appears below.

Federal Fiscal Year	Amount
2013	\$4,883,100
2014	\$3,828,073
2015	\$3,547,600
2016	\$3,356,200

Missouri safe drinking water regulations allow for additional subsidies in the form of principal forgiveness, negative interest loans, grants or any combination thereof per any federal act.

The federal fiscal year 2016 capitalization grant requires that 20 percent of the \$16,781,000 grant shall be used to provide additional subsidies. The department reserved \$3,356,200 of the grant for additional subsidies in the form of grants.

These grant funds will be committed to projects as they become fundable using the guidelines described in Appendix 3 on page 22.

For each capitalization grant, the department intends to continue to reserve any carry-over grant funds for projects the following fiscal year unless modified as described in this plan.

Public review and comment

The Intended Use Plan and priority list are reviewed and adopted through a public review and comment process.

Environmental review

The department has adopted regulation 10 CSR 60-13.030, which provides for a state environmental review in accordance with the National Environmental Policy Act for projects receiving Drinking Water SRF loans. Projects have a potential need for preparation of an environmental impact statement. A final decision regarding the need for an environmental impact statement will be made on each project during review of the facility plans. Most projects are determined to have no significant impact or can meet a categorical exclusion.

Federal cross-cutters, signage requirements and the Federal Funding Accountability and Transparency Act (FFATA)

The Missouri Safe Drinking Water Commission assures that all Drinking Water SRF requirements are met by the designated equivalency projects in prior intended use plans. This means that for each capitalization grant the department receives, it has to identify a group of projects that equals the amount of the grant and ensures those projects meet all required federal cross-cutters, signage requirements, and FFATA. Cross-cutters include environmental, social and economic federal laws, executive orders and policies that apply to projects receiving federal financial assistance. Examples of the cross-cutters include compliance with the Endangered Species Act, the Civil Rights Act, the Equal Employment Opportunity Order and the Uniform Relocation Act. Signage requirements will be established by the department and may include construction signage, posters, brochures, newsletters, bill insert, press releases or other acceptable media. FFATA requires reporting on executive compensation. All projects are susceptible to equivalency requirements. A final determination is made at the time of loan closing or other binding financial agreement execution.

Binding commitments

The department will enter into binding commitments for a minimum of 120 percent of each EPA grant payment into the Drinking Water SRF within one year of the receipt of each payment.

Expenditure of funds

The department will expend all funds in the Drinking Water SRF in an expeditious and timely manner.

Anticipated cash draw ratio (proportionality)

Missouri uses the cash flow model of the Drinking Water SRF. The federal capitalization grant is not used as security on the state match bonds. State match funds are deposited prior to using capitalization grant funds for Set-Aside expenditures. State match funds are disbursed prior to using capitalization grant funds for the loan program.

Additional Recipient Requirements

- **Single Audit Act Compliance**

Recipients of federal funds from any source(s) totaling more than \$750,000 are subject to the provisions of the federal Single Audit Act of 1984 and the Single Audit Act Amendments of 1996.

These requirements provide the federal government with assurances that the expenditures of federal funds are for their intended purposes and that the dispersal of those funds occurs in a timely manner. Final loan and grant documents will include specific information.

- **Missouri Labor Standards**

In accordance with Chapter 290 RSMo, projects receiving financial assistance for any construction project carried out in whole or in part with assistance made available by the Drinking Water SRF must comply with the requirements of the Missouri Department of Labor and Industrial Relations.

The Department of Natural Resources will not supply annual wage orders (wage determinations) for the projects. It is the responsibility of each recipient to obtain the correct wage orders and maintain compliance throughout the project. For additional information, contact the Missouri Department of Labor and Industrial Relations, Division of Labor Standards, Wage and Hour Section, 3315 W. Truman Boulevard, Room 205, P.O. Box 449, Jefferson City, MO 65102-0449; 573-751-3403, or laborstandards@labor.mo.gov.

- **Davis-Bacon Act**

All agreements to provide assistance for any construction project carried out in whole or in part with such assistance made available by the Drinking Water State Revolving Fund, shall comply with the requirements of section 1450(e) of the Safe Drinking Water Act (42 U.S.C.300j-9(e)) in all procurement contracts and sub-grants, and require that loan recipients, procurement contractors and sub-grantees include such a term and condition in subcontracts and other lower-tiered transactions. This requirement applies to all agreements to provide assistance under the authorities referenced herein, whether in the form of a loan, bond purchase, grant or any other vehicle to provide financing for a project, where such agreements are executed on or after Oct. 30, 2009.

Anyone employed on projects funded directly or in part by the federal government must be paid prevailing wages as determined by the Secretary of Labor. The U.S. Department of Labor has additional information, including an overview and compliance assistance resources, at <https://www.dol.gov/whd/govcontracts/dbra.htm>.

- **Procurement of Professional Services**

In accordance with Sections 8.285 through 8.291 and 327.181 RSMo, all Drinking Water SRF recipients shall negotiate contracts for architectural, engineering and land surveying services on the basis of demonstrated competence and qualifications for the type of services required and at fair and reasonable prices.

- **Signage**

The recipient agrees to comply with the SRF Signage Guidance, dated June 3, 2015, to enhance public awareness of EPA assistance agreements nationwide.

For more information, contact the Department of Natural Resources' Financial Assistance Center at 573-751-1192, fac@dnr.mo.gov or <http://dnr.mo.gov/env/wpp/srf/>.



Water Protection Program - Financial Assistance Center

PO Box 176 • Jefferson City, MO 65102-0176

573-751-1192 • fac@dnr.mo.gov • dnr.mo.gov

**Fiscal Year 2017 Drinking Water State Revolving Fund
Response to Comments
9/13/16**

Programmatic

1. **Comment:** U.S. Environmental Protection Agency (EPA). ULO. Recommend including a statement to address the state's approach for meeting the 2-year draw down goal for grant funds 2 years from award date per the 2014 *ULO Strategy*.

Response: The following text has been added to the final 2017 Drinking Water State Revolving Fund (DWSRF) Intended Use Plan (IUP) on Page 31:

“Undrawn funds under federal capitalization grants are referred to as unliquidated obligations (ULO) by the EPA. The department intends to disperse funds available under the Drinking SRF loan program generally in the following order of priority: 1) state match funds, 2) federal capitalization grant funds and 3) recycled funds. The department intends to manage set-aside accounts to fully draw the set-aside within twenty-four months of issuance of a capitalization grant.”

The department has fully drawn the 2013 DWSRF capitalization grant and expects to have fully drawn the 2014 grant in September 2016. This puts the department in compliance with the goals set out in EPA's 2014 *ULO Strategy*. Further, as of September 15, 2016 the department had disbursed 100% of the state match for the 2015 DWSRF capitalization grant and drawn approximately 25% of the 2015 grant. The department has demonstrated over the past two years that it has taken the necessary actions to address the ULO goals set by EPA.

2. **Comment:** U.S. Environmental Protection Agency (EPA). p.17-18 General Community Projects. Will the \$43,410,360 be assigned to projects in final IUP?

Response: As shown on page 17, \$3,156,966 has been transferred from the general community allocation to the small community allocation. This is because of the high demand in funding from small communities and currently there are no projects serving a population greater than 9,999 that meet the readiness-to-proceed criteria. The DWSRF loan program does have an unallocated balance of \$40,253,394 available for FY2017 (refer to page 18). Department staff will work with the applicants on the planning list (\$28,792,930) to try to advance those projects to a fundable list. In addition, the department intends to develop and begin implementation of a marketing and communications plan in FY2017 to increase awareness of SRF funding. An additional short-term goal has been added to the IUP on page 6 to reflect the marketing and communication plan.

Regarding the large available balance of loan funds and the relatively lower total dollar amount of projects on a fundable list the department offers the following observations:

- As of September 1, 2016, the department has entered into binding commitments totaling \$60,631,011 for the period from September 1, 2015 – September 1, 2016 which is a historic high for Missouri's DWSRF program;
- As shown on Page 15 of the IUP, the department reasonably expects to enter an additional \$10.7 million in binding commitments by the end of October 2016;

- The fundable list has 11 very small communities and three small communities on the fundable list;
- Over the past two years the department transferred a total of \$10 million back to DWSRF from Clean Water SRF as DWSRF demand has increased; and
- In calendar year 2015 the department began projecting sources of revenue an additional year past the current IUP period to better reflect the available cash flow of the SRF.

It is reasonable to expect that annual demand may lessen after a period of historically high funding. However, the department intends to take steps to let communities know that these low-interest loan funds are available.

3. **Comment:** U.S. Environmental Protection Agency (EPA). p.32 FFATA/Single Audit. Recommend including a statement to clarify that the projects selected for these are the same projects.

Response: The department does not agree with this statement. A project could be a Federal Funding Accountability and Transparency Act (FFATA) project (and equivalency) but yet not be a single audit act project. The department will seek clarification on this issue with EPA.

4. **Comment:** U.S. Environmental Protection Agency (EPA). p.35 Additional Subsidy/p.21-24 Project Lists. Will the required \$3,356,200 projects be identified in the final IUP? Will the additional projects (up to \$2M) also be identified in the final IUP?

Response: Per the sources and uses table on page 15, all \$12,685,409 (including the \$3,356,200) in additional subsidy available as of December 31, 2015, including the FY2016 cap grant allocation, is shown as allocated to projects as SRF grants. For project level allocation of additional subsidy, please refer to the Loan and Grant Commitment table at the bottom of page 15 and the Very Small Community 20% Reserve Fundable List on page 18. There is not an “up to \$2M” contemplated in the draft or final DWSRF IUP.

Financial

5. **Comment:** p.15 Sources and Distribution of Funds (S/U Table). We have questions about the Sources and Uses table and need a walk-through at a time that is mutually convenient.

Response: Department staff held a call with EPA staff on September 13, 2016. No changes were required as result of this call.

8/29/16 EPA Comments

Missouri 2017 Draft DWSRF IUP

Programmatic -

ULO. Recommend including a statement to address the state's approach for meeting the 2-year draw down goal for grant funds 2 years from award date per the 2014 *ULO Strategy*.

p.17-18 General Community Projects. Will the \$43,410,360 be assigned to projects in final IUP?

p.32 FFATA/Single Audit. Recommend including a statement to clarify that the projects selected for these are the same projects.

p.35 Additional Subsidy/p.21-24 Project Lists. Will the required \$3,356,200 projects be identified in the final IUP? Will the additional projects (up to \$2M) also be identified in the final IUP?

Financial –

p.15 Sources and Distribution of Funds (S/U Table). We have questions about the Sources and Uses table and need a walk-through at a time that is mutually convenient.

Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Financial Assistance Center

October 6, 2016
Agenda Item #4

Fiscal Year 2018 Missouri Drinking Water State Revolving Fund Priority Points Criteria

Background:

The Draft Fiscal Year 2018 Missouri Drinking Water State Revolving Fund Priority Points Criteria was placed on public notice August 5, 2016. A public hearing was held on September 7, 2016 and the comment period subsequently closed on the same day.

No comments were received.

Recommended Action:

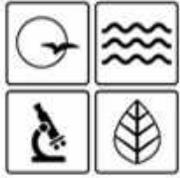
Staff recommends the adoption of the Fiscal Year 2018 Missouri Drinking Water State Revolving Fund Priority Points Criteria.

Suggested Motion:

“I move that the Safe Drinking Water Commission approve the Fiscal Year 2018 Missouri Drinking Water State Revolving Fund Priority Points Criteria as presented today.”

Presented by:

Darleen Groner, Financial Assistance Center



Missouri Department of Natural Resources

MISSOURI DRINKING WATER STATE REVOLVING FUND PRIORITY POINTS CRITERIA

Water Protection Program fact sheet

07/2016

Division of Environmental Quality Director: Leanne Tippet Mosby

PUB2362

General Information

The Missouri Department of Natural Resources must prepare annually a Drinking Water State Revolving Fund, or DWSRF, Intended Use Plan that includes lists of projects expected to qualify for financing within the fiscal year addressed by the plan. The priority point criteria are used to evaluate DWSRF loan applications to be addressed by the fiscal year 2017. The department must annually seek public comments on the priority point criteria proposed. The Missouri Safe Drinking Water Commission must approve the priority point criteria at least 60 days before the application deadline. A project must be listed in the plan to be eligible for funding and the projects are listed in priority order.

Projects are listed so that the most serious problems are given the highest priority. Consistent with the federal Safe Drinking Water Act, priorities are based primarily on protection of public health, compliance with the act and household affordability.

Assignment of Priority Points

Priority points shall be assigned only where the proposed project is intended to correct the problem associated with the points. For example, if the public water system has had persistent violations of a secondary maximum contaminant level, or MCL, but the proposed project does not address that problem, the points associated with persistent violations of a secondary MCL will not be assigned.

The sections on Distribution System Reliability (section III.B.) and Design Considerations (section III. F.) are limited to a maximum of 20 points each. This is done to ensure projects addressing MCL violations are not overwhelmed by projects addressing only design considerations or distribution system problems. The 25 points available for violations of acute risk contaminant MCLs are used as the baseline in developing the priority point criteria.

Projects will be ranked by the total number of points received. In the event of a tie, the projects receiving the highest number of points under Distribution System Reliability and Design Considerations (sections III.B. and III.F.) with the 20-point maximum limits lifted will receive the higher ranking. If the projects are still tied, the secondary tie-breaking criteria will be number of affordability points. The applicant with the highest affordability points will receive the higher ranking. If the projects are still tied, the third tier of tie-breaking criteria will be the number of people served. The system serving the larger number of people will receive the higher ranking.

Projects that involve the refinancing of existing debt will receive priority points only for affordability.

No priority points shall be assigned to a project intended to correct deficiencies resulting from inadequate operation and maintenance of the public water system.

Priority point assignment and listing in the plan does not guarantee all financial and project eligibility requirements have been met.

Priority Points

I. Safe Drinking Water Act Compliance

Only projects for existing eligible public water systems as defined in 10 CSR 60.13.020(1)(B) will be assigned points under this section. See the lists on pages 6 and 7, Safe Drinking Water Act Compliance Priority Points: Existing and Anticipated Regulations for further explanation of categories A through D below.

A. Acute Risk Contaminants (such as E coli, turbidity or nitrate). 25 points will be assigned if there have been persistent violations of MCLs or treatment performance criteria for acute risk contaminants within the past 36 calendar months.

B. Treatment Technique Requirements. 20 points will be assigned if there have been persistent violations of treatment technique requirements (for example, the Surface Water Treatment Rule, lead and copper, etc.).

C. Non-Acute Risk Contaminants

1. 25 points will be assigned if there have been persistent violations of any non-acute risk primary MCL within the past 36 calendar months.

2. 10 points will be assigned if there have been persistent violations of any secondary MCL within the past 36 calendar months.

D. Anticipated Federal Regulations. 10 points will be assigned if the proposed project will enable the public water system to comply with anticipated federal regulations identified on the attached list, Safe Drinking Water Act Compliance Priority Points: Existing and Anticipated Regulations.

E. Compliance. 15 points will be assigned if the proposed project will enable an eligible public water system to comply with an administrative order, a bilateral compliance agreement, or other enforceable document issued by the department.

II. Public Health

A. Waterborne Disease Outbreak. 25 points will be assigned if a waterborne disease outbreak declared by the Missouri Department of Health and Senior Services is attributable to an existing public water system and 51 percent or more of the cost of the proposed project addresses the problem(s) causing the waterborne disease outbreak.

B. Inadequate Water Supply

1. 10 points will be assigned if an existing public water system can document its inability to consistently maintain at least 35 pounds per square inch (psi) as a normal working pressure in the distribution system.

2. 10 points will be assigned if an existing public water system can document its inability to consistently maintain pressures of at least 20 psi at all service connections, including fire flow.

3. 20 points will be assigned if the private or noncommunity wells or sources in the proposed project service area are unable to consistently provide an adequate amount of potable water for general household purposes and 51 percent or more of the cost of the proposed project addresses this need. Private or noncommunity wells or sources contaminated by commercial, industrial or mining wastes will be considered in this category.

III. Public Water System Infrastructure Improvement Note: Only projects for existing eligible public water systems will be assigned points under this subsection.

A. System source reliability

1. 10 points will be assigned to a project that addresses a need for new backup well or a backup interconnection with another public water system.

2. 10 points will be assigned if the system has one or more improperly constructed wells.

B. Distribution system reliability. (Limited to a maximum of 20 points.)

Reminder: After points have been calculated for all eligible applicants, ties will be broken by calculating total points possible under this section and section 111.F., design considerations, without the 20-point limitations. The project receiving the higher score under these two sections without the 20-point limitations will be ranked above the project receiving the lower score.

1. 10 points will be assigned if the system has water loss that exceeds 10 percent of the drinking water produced by the system.
 2. 10 points will be assigned if the distribution system is anticipated to exceed design capacity or useful facility life within the next five years.
 3. 10 points will be assigned if the distribution system has faulty waterlines or substandard waterline materials.
 4. 5 points will be assigned if the public water system requires additional system isolation and flushing measures.
- 5 points will be assigned if the public water system requires looping of water waterlines.

C. Disinfection. 15 points will be assigned if a public water system is unable to maintain a disinfectant residual at all points in its distribution system.

D. 10 points will be assigned if a system has storage facilities in poor condition, not related to inadequate maintenance of the facilities.

E. Reliability of service. 10 points will be assigned if a system has water storage capacity that is less than one day's average use or lacks adequate standby power.

F. Design considerations. (Limited to a maximum of 20 points)

Reminder: After points have been calculated for all eligible applicants, ties will be broken by calculating total points possible under this section and section 111.B., system distribution reliability, without the 20- point limitations. The project receiving the higher score under these two sections without the 20-point limitations will be ranked above the project receiving the lower score.

1. 20 points will be assigned if the source or treatment facility is anticipated to exceed its useful life or if the demand is expected to exceed the design capacity within the next five years.
2. 20 points will be assigned if a system has suffered significant degradation of the quality of the raw water supply.
3. 20 points will be assigned if a system has suffered significant degradation of the quality of finished water in storage.
4. 10 points will be assigned if a system currently does not meet existing state requirements for the treatment or storage of waste residues generated by the water treatment plant.

G. 20 points will be assigned if the treatment facility(ies) for required disinfection or turbidity removal are severely deteriorated and beyond the facility useful life.

H. Vulnerability.

1. 10 points will be assigned to a water system whose source is vulnerable to natural disasters (such as flood or drought) or contamination.

2. 10 points will be assigned to a water system whose treatment plant is vulnerable to natural disasters (such as flood, earthquake, etc.) or contamination.

I. Wellhead and Source Water Protection. 10 points will be awarded to applicants who have a department approved wellhead or source water protection plan.

IV. Affordability Only community water system projects will be assigned points under this section.

A. Annual Median Household Income. The statewide annual median household income levels of the state must be determined from income data from the latest decennial census of the United States. The median household income data can be found at the following web address:

http://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml

1. A community water system will use the annual decennial median household income for the appropriate political subdivision or subdivisions encompassing its service area.

2. A nonmunicipal community water system will use the annual decennial median household income for the smallest political subdivision encompassing the nonmunicipal community water system.

B. Assignment of Points. (Limited to a maximum of 25 points)

1. 10 points will be assigned a project if the median household income of the applicant is less than 75 percent of the state median household income as reported in the most recent decennial census.

2. From 1 to 25 points will be assigned, determined by the ratio of their current monthly water bill for 5,000 gallons of water to the monthly median household income for the project area to be served (expressed in percent times 10) and rounded to the nearest whole number.

For example: Monthly water bill = \$20 Annual median household income = \$24,000
 Monthly median household income = $\$24,000/12 = \$2,000$ ($\$20/\$2,000$) x 100% = 1%
 $1 \times 10 = 10$ points

V. Additional Priority Point Categories

A. Natural disasters.

1. 10 points will be assigned if 51 percent or more of the proposed project cost is for repair or replacement of an existing public water system damaged or destroyed by a natural disaster. In order to be assigned these points, the project must be located in an area declared a federal or state natural disaster area, and a description of the public water system damaged or destroyed by the natural disaster must be submitted along with a statement that other state or federal disaster relief is not sufficient to meet the costs of the project.

2. 20 points will be assigned for systems affected by drought for projects that will result in interconnections with other systems or for upgrades to existing systems to address drought related problems.

3. 20 points will be assigned to address systems prone to flooding that will result in interconnections with other systems or for upgrades to existing systems to address flood related problems.

B. Consolidation.

1. 20 points will be assigned if the proposed project provides necessary infrastructure upgrades to a primary water system, allowing it to continue or expand service as a regional water supplier.

2. 20 points will be assigned for consolidation of public water systems, where at least one of the systems has demonstrated technical, managerial and financial capacity with respect to the National Primary Drinking Water Regulations. This would include newly formed regional water suppliers (generally water districts), which will allow small water systems within their boundaries to consolidate.

3. 10 points will be assigned for consolidation of public water systems where the proposed project will result in a regional management system responsible for the day-to-day operation of the water system, where the management system has the required technical, managerial and financial capacity to meet the National Primary Drinking Water Regulations. If the project meets the criteria for the points under item V.B.4., points under these criteria will not be awarded.

4. 20 points will be assigned if the proposed project will result in a new water distribution system or existing distribution system upgrade to meet the standards of a regional water supplier for the purpose of consolidation.

C. Security. 10 points will be assigned for eligible security measures. Eligible security measures include vulnerability assessments, emergency response plans, fencing, security cameras and lights, motion detectors, secure chemical and fuel storage, security hatches and access panels, cross-connection control, and supervisory control and data acquisition (SCADA).

D. Board Member or City Council Member Training. 10 points will be assigned if 50 percent of the governing body has received training related to the operation and management of the water utility.

E. Asset Management. 10 Points will be assigned if the system has completed an asset inventory, including the condition and age of assets, for all critical assets in their system and has incorporated replacement schedules into annual and capital improvement budgets.

SDWA Compliance Priority Points: Existing and Anticipated Regulations

Maximum Contaminant Levels (MCL) and Treatment Technique Requirements. Acute Risk Contaminants

10 CSR 60-4.022 (or Missouri State Revised Total Coliform Rule in effect at the time of application) Maximum Microbiological Contaminant Levels and Monitoring Requirements, subsections (7)(A) and (7)(B).

10 CSR 60-4.030 Maximum Inorganic Chemical Contaminant Levels, Action Levels, and Monitoring Requirements, paragraphs 13, 14, and 15 of subsection (1)(A).

10 CSR 60-4.050 Maximum Turbidity Contaminant Levels and Monitoring Requirements, subsections (3) (A) and (3)(B).

Treatment Technique Requirements

10 CSR 60-04.025 Ground Water Rule, section (4)

10 CSR 60-4.050 Maximum Turbidity Contaminant Levels and Monitoring Requirements, section (3).

10 CSR 60-4.052 Source Water Monitoring and Enhanced Treatment Requirements, sections (1) and (2) 10 CSR 60-4.055 Disinfection Requirements, subsection (1)(A), section (2), section (3), section (4), section (5) and section (6).

10 CSR 60-4.090 Maximum Contaminant Level and Monitoring Requirements for Disinfection By Products, subsections (1)(D) and (4)(D).

10 CSR 60-15.010 General Requirements (lead and copper), sections (4), (5) and (6). Non-Acute Primary MCL

10 CSR 60-4.030 Maximum Inorganic Chemical Contaminant Levels, Action Levels, and Monitoring Requirements, section (1).

10 CSR 60-4.040 Maximum Synthetic Organic Chemical Contaminant Levels and Monitoring Requirements, section (1).

10 CSR 60-4.060 Maximum Radionuclide Contaminant Levels and Monitoring Requirements, subsections (1)(A)-(D).

10 CSR 60-4.090 Maximum Contaminant Level and Monitoring Requirements for Disinfection By Products, subsections (1)(A)-(C).

10 CSR 60-4.100 Maximum Volatile Organic Chemical Contaminant Levels and Monitoring Requirements, section (2).

Secondary MCL

10 CSR 60-4.070 Secondary Contaminant Levels and Monitoring Requirements, section (1).

New and Anticipated Federal Regulations

Revised Total Coliform Rule: The Environmental Protection Agency's final Revised Total Coliform Rule was published in the Feb. 14, 2013 Federal Register. It goes into effect April 1, 2016. Points will be awarded for projects that will bring systems into compliance with this new rule.

Nothing in this document may be used to implement any enforcement action or levy any penalty unless promulgated by rule under chapter 536 or authorized by statute.

For more information

Missouri Department of Natural Resources
Water Protection Program
P.O. Box 176
Jefferson City, MO 65102-0176
800-361-4827 or 573-751-1300
<http://dnr.mo.gov/env/wpp>

Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Financial Assistance Center

October 6, 2016
Agenda Item #5

Drinking Water State Revolving Fund Update

Issue:

Drinking Water State Revolving Fund (DWSRF) Unliquidated Obligations Update.

Background:

From March 2013 through March 2014 the U.S. Environmental Protection Agency (EPA) Office of Inspector General (OIG) performed an audit to determine whether the EPA had been effective in identifying and de-obligating unneeded DWSRF assistance agreement funds, and preventing unwarranted accumulations of unliquidated obligations (ULO). The OIG issued Audit Report 14-P-0318 on July 16, 2014, which looked at the DWSRF ULO issue on a nationwide basis but highlighted five states during the review, one of which was Missouri.

On April 14, 2014, the EPA's Office of Water issued a memorandum regarding the DWSRF ULO Reduction Strategy which laid out a nationwide strategy for states to incorporate. This memorandum included two strategic objectives:

- 1) Full utilization of funds from previous DWSRF grants (FY 2013 and prior year's funds) by the end of September 2016; and
- 2) Complete draw down of funds from future years' grants within two years from the date of the grant award.

Since the issuance of the EPA ULO memorandum, the DWSRF ULO reduction has been a continued focus of the EPA, and the department has communicated regularly with the EPA regarding Missouri's efforts to meet the two strategic objectives.

Staff briefed the commission on October 1, 2014 on the OIG Report and the DWSRF ULO issue. A summary of the balances of the Missouri's DWSRF capitalization grant balances is attached. This agenda item is to update the commission on the department's success in complying with the two strategic objectives.

Recommended Action:

Information Only.

Attachments:

- DWSRF Annual Capitalization Balances Summary.

Presented by:

Eric Crawford, Financial Assistance Center

**Drinking Water State Revolving Fund
Annual Capitalization Balances Summary**

Federal Capitalization Grant Year	Balance as of 4/1/14 (or award date)	Required to draw by 9/30/16	Ending Balance or as of 9/19/16	Date of Zero Balance or as of 9/19/16
2010	\$ 34,596.46	Yes	\$ -	May 2014
2011	\$ 13,995,703.72	Yes	\$ -	November 2014
2012	\$ 17,051,219.87	Yes	\$ -	August 2015
2013	\$ 16,277,000.00	Yes	\$ -	April 2016
2014	\$17,850,000 (9/22/14)	Yes	\$ 2,009.21	9/19/16
2015	\$17,738,000 (9/28/15)	No	\$ 13,055,662.04	9/19/16

\$ 47,358,520.05

Outstanding Balance as 4/1/14

\$ 65,208,520.05

Total to be drawn by 9/30/16

\$ 69,888,848.80

Actual drawn by 9/19/16

Safe Drinking Water Commission

Department of Natural Resources
Missouri Geological Survey
Water Resources Center

October 6, 2016
Agenda Item #6

State Water Plan Update

Background:

Updates for the Commission on the State Water Plan.

Recommended Action:

Informational Only

List of Attachments:

- Missouri Water Plan Budget

Presented by:

Andrea Collier, Water Resources Center

Missouri Water Plan Budget

	State Funds			USACE PAS		TOTALS
	WRC Core	WRC In-kind	Other Appropriation	KC	Little Rock	
FY16	\$273,800	\$100,000	\$0	\$373,800	\$0	\$747,600
FY17	\$300,000	\$50,000	\$1,273,450*	\$200,000	\$100,000	\$2,523,450
				\$300,000	\$300,000	
FY18	\$300,000	ND	ND*	\$300,000	ND	\$600,000
						\$3,871,050

Blue highlight = estimated/planned but not confirmed

ND = Not determined

* = will continue this appropriation in FY18 if not all funds can be expended in FY17

Other Appropriation (as seen in above table) breakdown by fund				
Federal/ other	Safe Drinking Water Fund	Rural Water & Sewer Loan Fund	Water Pollution Permit Fee Fund	Total
\$175,000	\$366,150	\$366,150	\$366,150	\$1,273,450

Agriculture Water Demands - MU CAFNR	Soil & Water Conservation Program Research Fund
FY17	\$150,000
FY18	\$150,000

Blue highlight = estimated/planned but not confirmed

Request made to Soil and Water Districts Commission, but not voted on

Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Public Drinking Water Branch

October 6, 2016
Agenda Item #7

Community Services Pilot and Implementation Planning

Issue:

Update on the Community Services Pilot Program and the implementation planning.

Recommended Action:

Information only.

List of Attachments:

- Community Services PowerPoint Presentation

Presented by:

Hannah Humphrey, Division of Environmental Quality

Community Services Update

October 6, 2016

Safe Drinking Water Commission Meeting

Hannah Humphrey, Community Services Coordinator

Missouri Department of Natural Resources

Community Services

- Answering questions and providing one-on-one assistance on specific environmental issues
- Assisting small, financially and technically challenged communities with developing a plan to address current and future environmental infrastructure needs and access resources such as technical assistance, grants and loans, and training



*Denise Haberl, Community Services Coordinator
Kansas City Regional Office*

Community Services Pilot

Small Community Environmental Planning Assistance Pilot

- Designed to help small (under population 5,000) financially- and technically-challenged communities plan for water and wastewater infrastructure
- Pilot began with 30 towns in September 2015
 - Some declined to participate and others were simply not responsive
 - Completed the pilot with 28 communities

Community Services Pilot



*Paul Mueller, St. Louis Regional Office
with Elsberry city representatives*





Community Services Pilot



28 communities



52 connections to resource providers made

70 other media (air, solid waste, etc) recommendations offered



193 drinking water system recommendations offered

280 wastewater treatment system recommendations offered

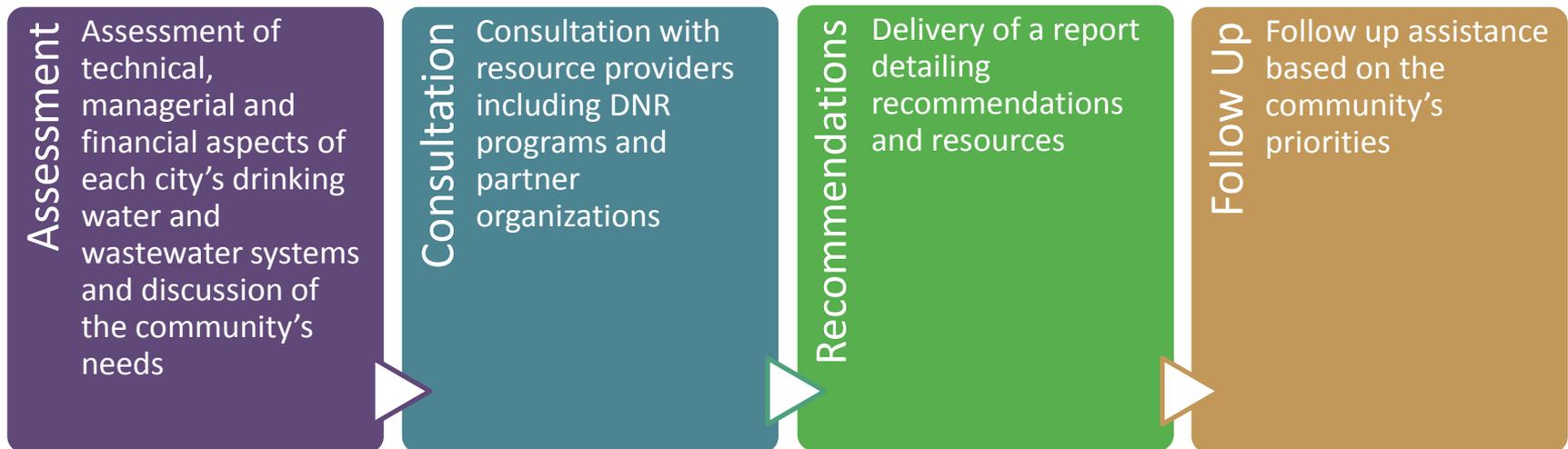


Partners in Community Assistance

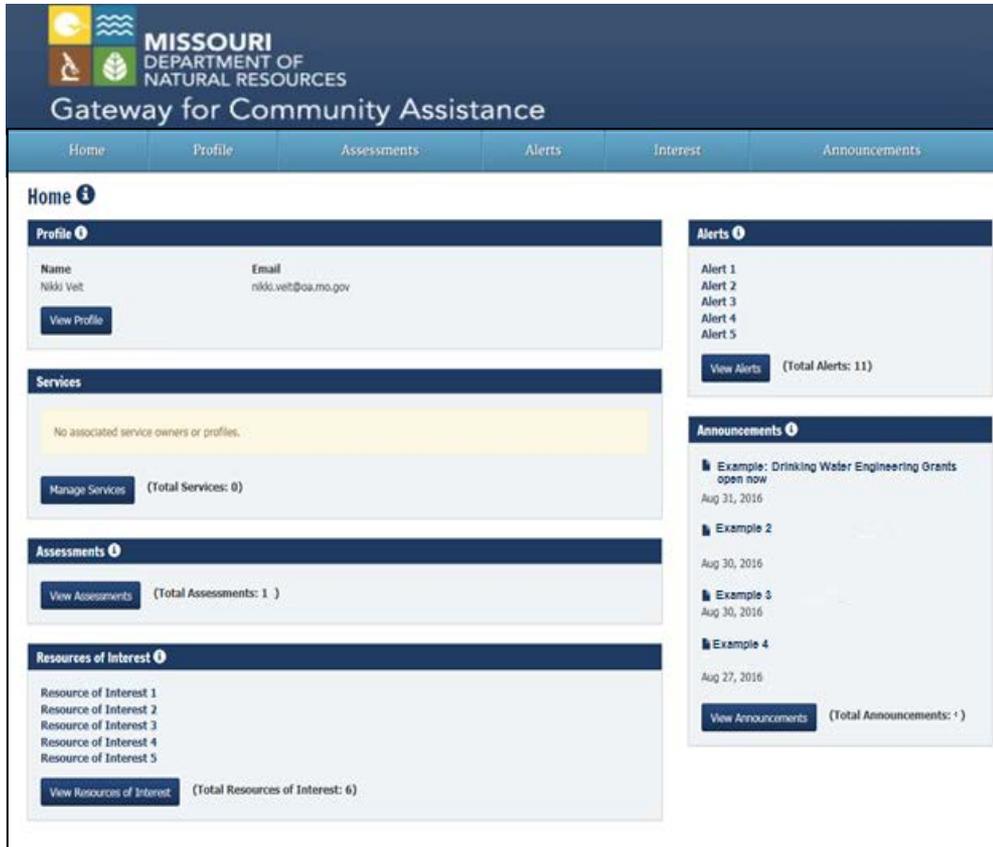


Community Services Process Improvement Event

- 4-Day Event with staff and partner participation
- Scope was to evaluate all steps in the Small Community Environmental Planning Assistance process used by each regional coordinator during the pilot to develop an optimized process for full scale implementation.



Gateway for Community Assistance



The screenshot shows the user interface of the Gateway for Community Assistance. At the top, there is a navigation bar with the Missouri Department of Natural Resources logo and the title "Gateway for Community Assistance". Below the navigation bar, there are several tabs: Home, Profile, Assessments, Alerts, Interest, and Announcements. The main content area is divided into several sections:

- Home:** A summary section with a "Home" title and a help icon.
- Profile:** A section showing user information: Name (Nikki Vet), Email (nikki.vet@dnr.mo.gov), and a "View Profile" button.
- Services:** A section showing "No associated service owners or profiles." and a "Manage Services" button (Total Services: 0).
- Assessments:** A section showing "View Assessments" button (Total Assessments: 1).
- Resources of Interest:** A section showing "View Resources of Interest" button (Total Resources of Interest: 6).
- Alerts:** A section showing a list of alerts (Alert 1 to Alert 5) and a "View Alerts" button (Total Alerts: 11).
- Announcements:** A section showing a list of announcements (Example 1 to Example 4) and a "View Announcements" button (Total Announcements: 1).



- Progress ongoing using agile development with input from local government users and assistance organizations
- Gateway will be Live online January 2017



Gateway for Community Assistance



Assessment Owner

Edit - Nathan's design test

Select the Service Owner and/or the Service to which this Assessment applies.

Service Owner: Service: None (Private or Eval)

Comment: test

496 characters remaining (500 maximum)

[Previous](#) [Next](#)



Assessment Question

Nathan's design test

1. Are your water sources metered? (e.g. wells, surface intake, connection(s) to seller(s))

Yes
 No

Response: **Critical**

Source water intake is not metered. A source meter is recommended to provide the system with a method to measure system losses due to leaks or theft. Alternatively, the system may utilize a replacement plan to ensure operational meters are in place.

[Previous](#) [Next](#) [Clear](#)

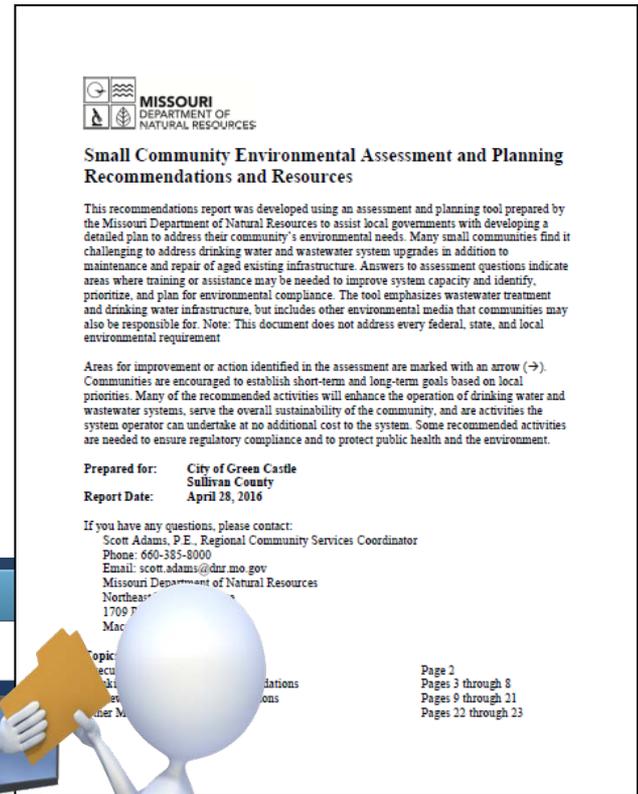


Assessment End

Nathan's design test

The end of the Assessment has been reached. Please select the next action using the buttons below or the menu items above.

[Previous](#) [View/Print](#)



Community Services Next Steps

- Follow up with pilot communities
- Help communities on demand
- Work through policy issues, develop training and communication plans
- Begin work using optimized process with new communities January 2017
- Budget request for 5 dedicated Community Services positions



Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Public Drinking Water Branch

October 6, 2016
Agenda Item #8

Fluoridation Update

Issue:

An overview will be provided of the Department of Natural Resources efforts to implement a new law requiring public water systems to notify their customers prior to adding or removing fluoride.

Recommended Action:

Information Only.

List of Attachments:

- Copy of Letter Sent to Public Water Systems
- Fluoridation Update PowerPoint Presentation

Presented by:

Todd Eichholz, Section Chief, Public Drinking Water Branch

Dear Public Water System:

The Department of Natural Resources' Public Drinking Water Branch is sending you this letter to inform you of recent legislation signed by the Governor that became effective on August 28, 2016.

HB1717 was passed during the 2016 legislative session and requires water systems that plan to adjust their fluoridation levels to meet certain notification requirements before modification. The new law requires the water system to notify its customers, the Department of Health and Senior Services and the Department of Natural Resources at least 90 days prior to a vote on the modification (addition or removal). The entire text of the bill can be found in Section 640.136.1 RSMo., or at <http://www.house.mo.gov/billtracking/bills161/billpdf/truly/HBI717T.PDF>.

Customer notification must be made via radio, television, newspaper, regular mail, electronic means, or any combination of methods to most effectively notify customers. If a water system fails to meet the notification requirements, it must return the fluoridation of its water to the previous level until proper notification is provided.

In an effort to assist water systems in complying with the new law, the Public Drinking Water Branch has developed a certification form to submit to the department certifying that the notification requirements have been met. The Certification of Fluoride Modification form is located on the department's webpage at <http://dnr.mo.gov/forms/#DrinkingWater>.

Additionally, as with any modification or alteration of a public water system, approval from the infrastructure Permits and Engineering Section is required. Inquiries should be directed to Maher Jaafari, Section Chief, at 573-751-5924.

Thank you for your attention to this matter. If you have any questions or need further assistance please feel free to contact the Public Drinking Water Branch at 573-751-4090.

Sincerely,

WATER PROTECTION PROGRAM





**MANUAL OF INSTRUCTION
FOR
WATER TREATMENT PLANT OPERATORS**



Fluoridation

The addition of fluoride chemicals to public water supplies to prevent dental carries in consumers is an established public health practice in this and many other countries. Very few health measures have induced so much heated discussion, active support and vociferous opposition as fluoridation. Not even the first use of chlorine as a sterilization agent in water early in the this (20th) century produced so much furor.

Manual of Instruction For Water Treatment Plant Operators circa **1960**



MISSOURI
DEPARTMENT OF
NATURAL RESOURCES

Missouri Revised Statutes

Chapter 640

Department of Natural Resources

Section 640.135

August 28, 2013

Fluoride rules prohibited.

640.135. The department of natural resources shall not promulgate any rule or regulation to require or prohibit the addition of fluoride to drinking water.

(L. 1978 S.B. 509 § 192.212)



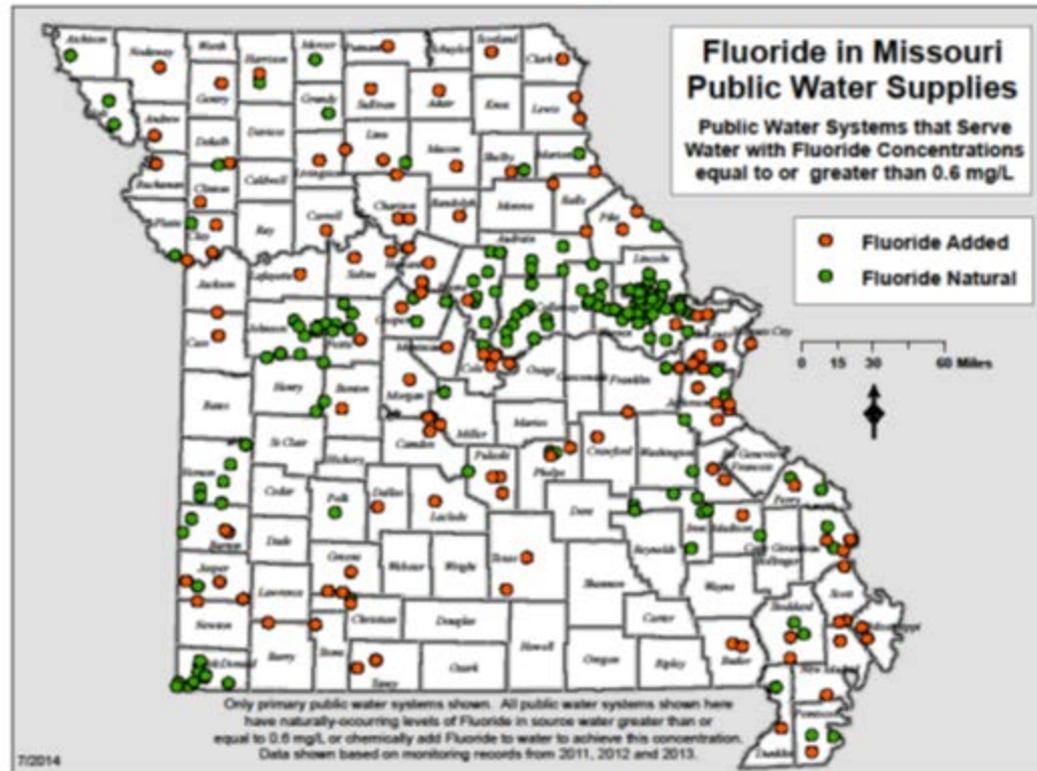
Monitoring Requirements



- Inorganic Contaminant (IOC) Sample collected at Entrance to Distribution System
 - Groundwater sources – Once every 3 Years
 - Surface water sources - Annually
-

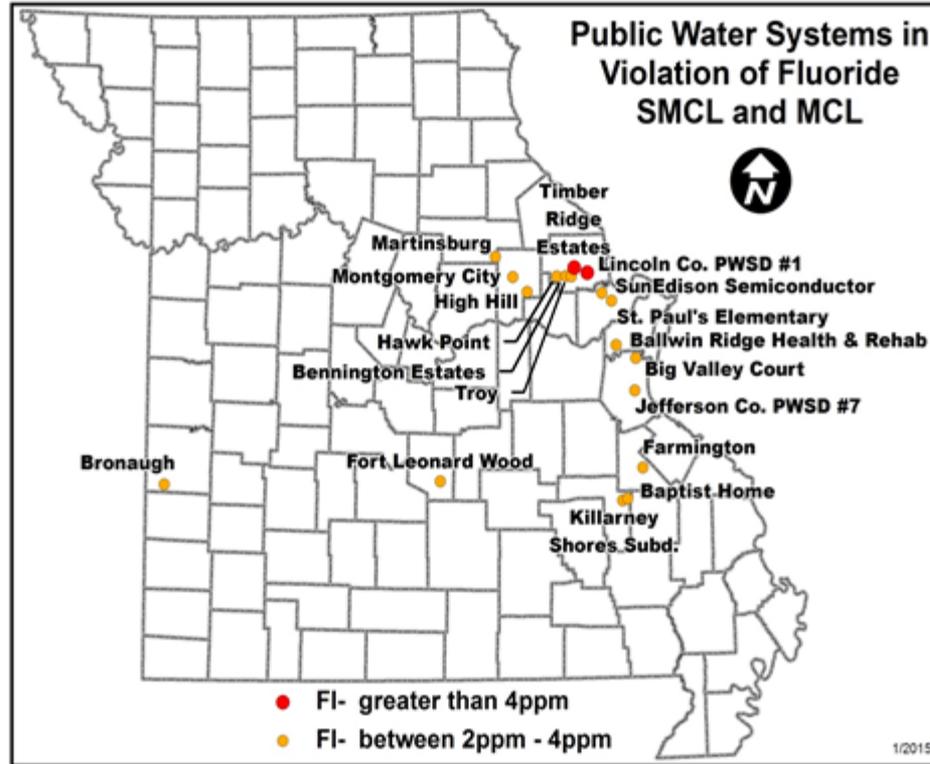


107 PWS Currently Add Fluoride





17 PWS
>2ppm



2 PWS
>4ppm



ESTIMATE TO INSTALL DRINKING WATER FLUORIDATION SYSTEM

Estimate does not include purchase of fluoride chemical stock

Newspaper reported the City of
Columbia purchases Fluoride at
the rate of \$47,000 per year

Estimated total \$7000

Testing equipment**, HACH colorimeter II for fluoride (w/SPADNS) \$600

*Price is based on more expensive combination scale and spill containment tray. Cheaper alternatives are available.

**If system is disinfecting, it may already possess a colorimeter capable of performing testing.

***Safety shower / eyewash station are required for additional \$600 if not already available



MISSOURI DEPARTMENT OF NATURAL RESOURCES

The information below represents the 2014 Fluoride results for your water system. The graph compares the monthly fluoride results taken and reported by the water system, the monthly submitted sample result reported by the Department of Natural Resources – Environmental Services Program Laboratory (DNR-ESP Lab) and the Center for Disease Control (CDC) recommended optimal fluoridation level of 0.7 milligrams per liter (mg/L).

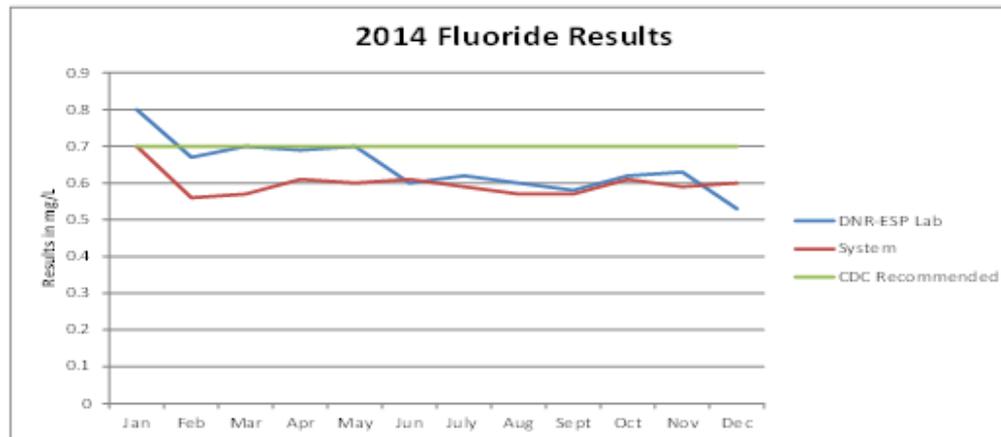
The DNR-ESP lab's results and the water system results should be consistent and are a valuable tool to make certain your testing equipment is reading correctly and properly calibrated. If the system and DNR-ESP lab results are not consistent, it may be necessary to recalibrate your testing equipment. If you would like assistance with this process, please contact your local regional office.

The CDC recommends the optimal level for community water fluoridation to be 0.7 mg/L. Your system's required daily log of fluoride levels in the distribution system is the best way to monitor if adjustments are needed to your chemical feeder. This report is for informational purposes only to help your system recognize if recalibration of test equipment or feed rates are necessary to achieve the optimal level of fluoride.

MO3010409 – MO American Jefferson City

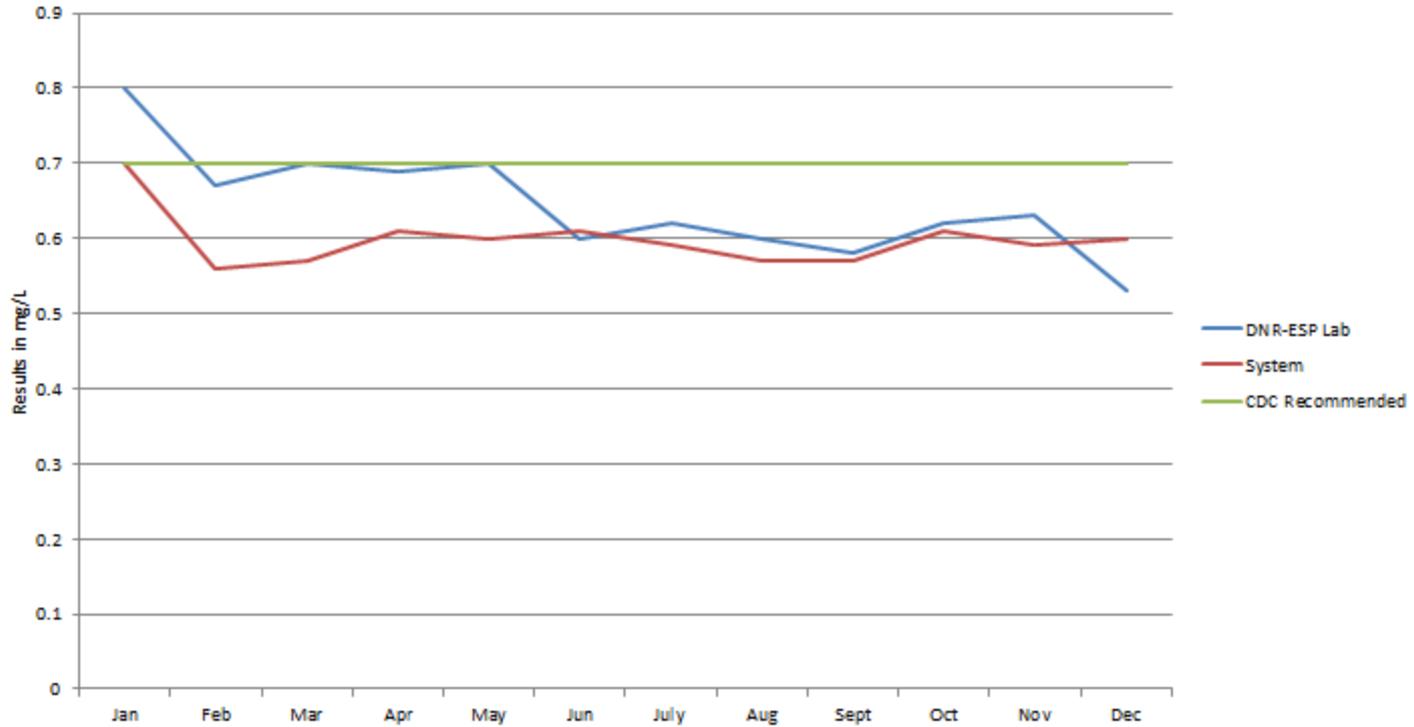
2014 Fluoride Results (in mg/L)

	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec
DNR-ESP Lab	0.8	0.67	0.7	0.69	0.7	0.6	0.62	0.6	0.58	0.62	0.63	0.53
System	0.7	0.56	0.57	0.61	0.6	0.61	0.59	0.57	0.57	0.61	0.59	0.6
CDC Recommended	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7





2014 Fluoride Results





MISSOURI
DEPARTMENT OF
NATURAL RESOURCES

Dear Public Water System:

The Department of Natural Resources' Public Drinking Water Branch is sending you this letter to inform you of recent legislation signed by the Governor that became effective on August 28, 2016.

HB1717 was passed during the 2016 legislative session and requires water systems that plan to adjust their fluoridation levels to meet certain notification requirements before modification. The new law requires the water system to notify its customers, the Department of Health and Senior Services and the Department of Natural Resources at least 90 days prior to a vote on the modification (addition or removal). The entire text of the bill can be found in Section 640.136.1 RSMo., or at <http://www.house.mo.gov/billtracking/bills161/billpdf/truly/HBI717T.PDF>.

Customer notification must be made via radio, television, newspaper, regular mail, electronic means, or any combination of methods to most effectively notify customers. If a water system fails to meet the notification requirements, it must return the fluoridation of its water to the previous level until proper notification is provided.

In an effort to assist water systems in complying with the new law, the Public Drinking Water Branch has developed a certification form to submit to the department certifying that the notification requirements have been met. The Certification of Fluoride Modification form is located on the department's webpage at <http://dnr.mo.gov/forms/#DrinkingWater>.

Additionally, as with any modification or alteration of a public water system, approval from the infrastructure Permits and Engineering Section is required. Inquiries should be directed to Maher Jaafari, Section Chief, at 573-751-5924.

Thank you for your attention to this matter. If you have any questions or need further assistance please feel free to contact the Public Drinking Water Branch at 573-751-4090.

Sincerely,

WATER PROTECTION PROGRAM



<http://dnr.mo.gov/forms/780-2685-f.pdf>



MISSOURI DEPARTMENT OF NATURAL RESOURCES
WATER PROTECTION PROGRAM
PUBLIC DRINKING WATER BRANCH
CERTIFICATION OF FLUORIDE MODIFICATION

FOR OFFICE USE ONLY

ENTERED BY

DATE

PUBLIC WATER SUPPLY NAME

PUBLIC WATER SUPPLY ID NUMBER

MO

House Bill 1717 (2016) of the Missouri General Assembly requires water systems to notify the Missouri Department of Health and Senior Services, the Missouri Department of Natural Resources and its water customers at least 90 days prior to adding or removing fluoridation.

FOR MDNR-PDWB OFFICE USE ONLY

DATE RECEIVED

1. Water System Modification: Adding Fluoridation Removing Fluoridation
Date of vote or decision: _____

2. Our water system provided the following notification, as required by House Bill 1717:

Department of Health and Senior Services: Date _____ Method _____
Oral Health Program: Phone: 573-751-6219 Email: info@health.mo.gov

Department of Natural Resources: Date _____ Method _____
PDWB Engineering Section: Phone 573-751-5924 Email: drinkingwater@dnr.mo.gov

Water Customers: Date _____
Please check all notification methods that apply.
 Notice on bill Radio Television Newspaper Mailing Email
 Other: (Describe notification method here)

CERTIFIED BY: _____

This public water system certifies notification was submitted to the Department of Health and Senior Services, the Department of Natural Resources and its water customers.

NAME

Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Public Drinking Water Branch

October 6, 2016
Agenda Item # 9

Operator Certification Overview

Background:

Drinking water operators provide a critical service to their neighbors and customers. The daily operational activities they perform serve to protect public health and maintain safe and reliable operations of water treatment and distribution facilities. An operator certification program ensures operators possess the knowledge, skill, and ability as well as attend ongoing training to maintain certification and stay current with new regulations and emerging technologies.

The Department of Natural Resources' Operator Certification Section provides for the training, examination and certification of drinking water treatment, drinking water distribution, wastewater treatment, and concentrated animal feeding (CAFO) operators. Certificates are issued, renewed, deactivated, suspended and revoked according to state regulations.

This presentation provides an overview of the program.

Recommended Action:

Informational only.

List of Attachments:

- Operator Certification Overview PowerPoint presentation.

Presented by:

Darlene Helmig, Section Chief, Public Drinking Water Branch



MISSOURI
DEPARTMENT OF
NATURAL RESOURCES

Operator Certification Overview

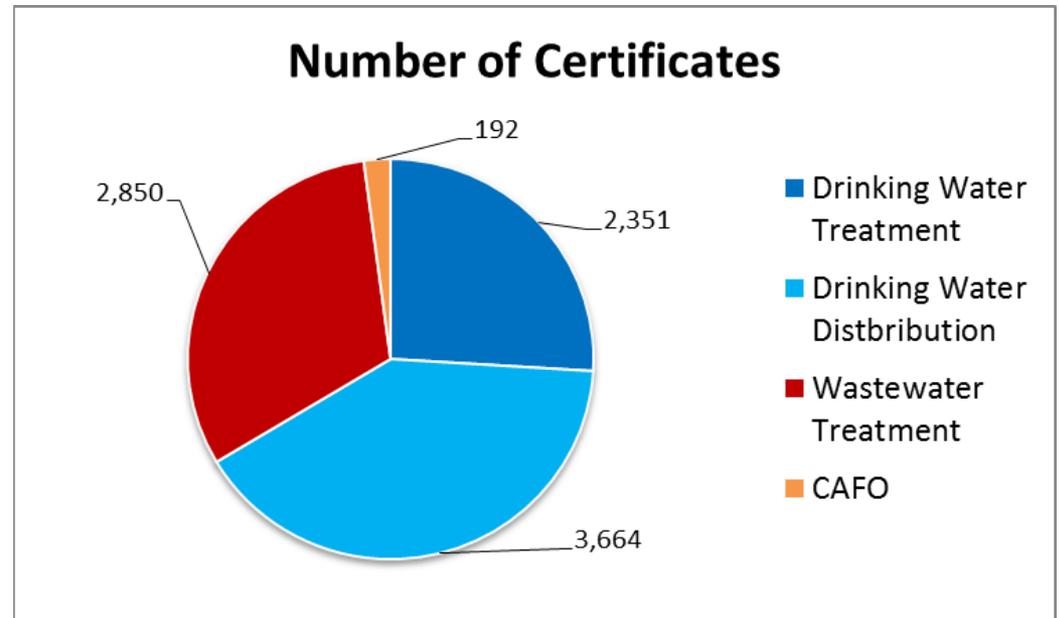
Darlene Helmig

Operator Certification...Why?

- Operators – Professional & Technical
 - Responsible for the day-to-day operational decisions
 - Maintain safe and reliable operators of water & wastewater systems
 - Professional certification to ensure knowledge, skill & ability

Types of Operator Certifications

- 10 CSR 60-14
(Drinking Water)
- 10 CSR 20-9
(Wastewater)
- 10 CSR 20-14
(CAFO)



Baseline Standards from EPA

1. Authorization
2. Classification of Systems, Facilities, and Operators
3. Operator Qualifications
4. Enforcement
5. Certification Renewal
6. Resources Needed to Implement the Program
7. Recertification
8. Stakeholder Involvement
9. Program Review

A Year at a Glance

- 817 examinees
 - DW 289
 - DS 528
- 460 new certificates issued
- 897 approved training courses with drinking water topics
- 1,451 renewed certificates

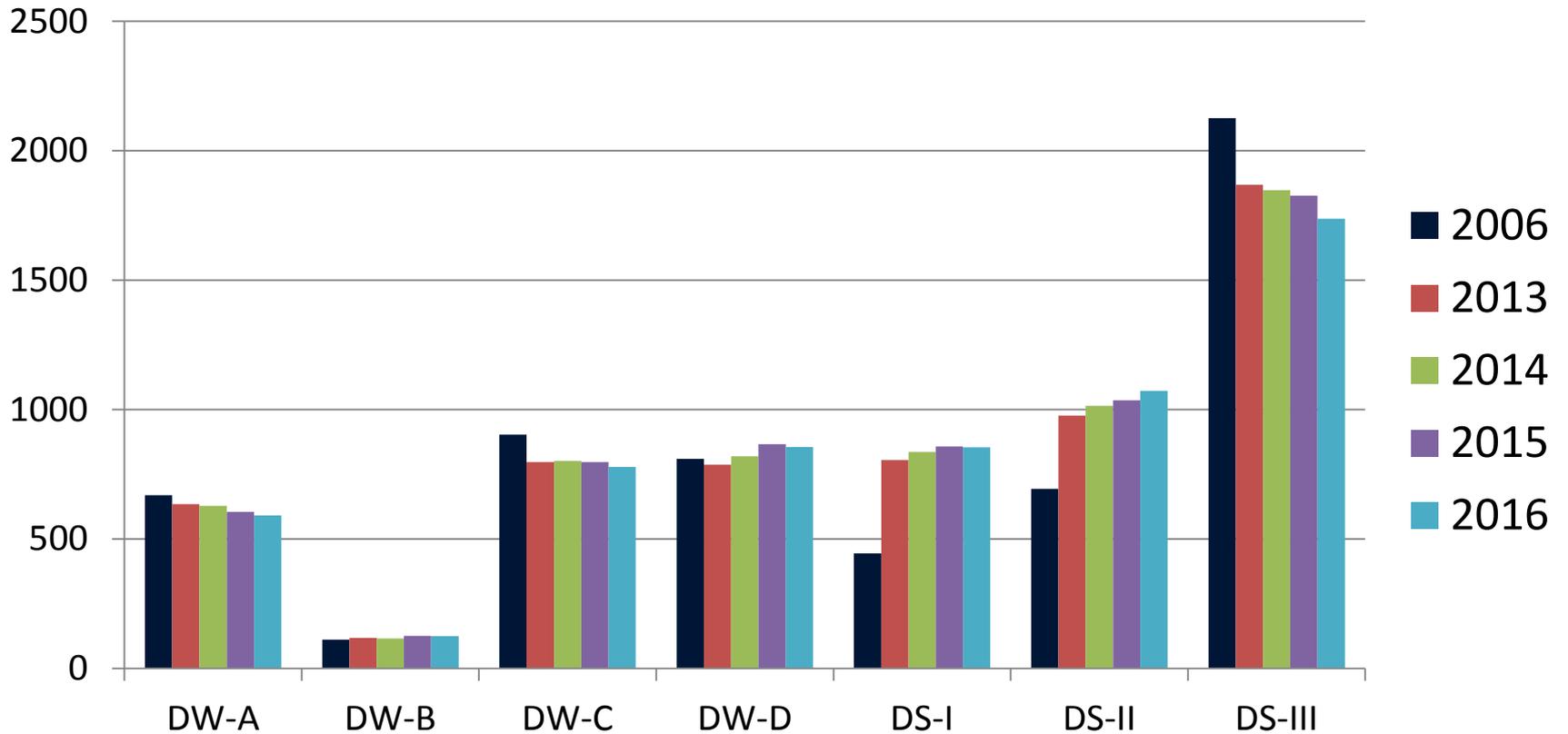
Classification of Systems and Operators

- 1,641 drinking water systems required to have a certified operator
- 6,015 active certificates held by 4,316 people

DW-A	592
DW-B	125
DW-C	779
DW-D	855
DS-I	854
DS-II	1,073
DS-III	1,737
Total	6,015



Certification Trends



Grandparented Certificates

- 2001 rule amendment
- restricted certificates for systems that had not previously been required to have a certified operator.
- No exam, but same renewal training requirements
- 1,225 were issued. 189 remain active.

Training Vouchers

- Issued annually to eligible systems
 - 3,300 population or less
 - C or NTNC
 - 1,441 (roughly 90%) of systems receive vouchers
- \$625 for DS systems
- \$950 for DW systems

OpCert Suspension or Revocation Action

- Fraud or deception in obtaining certification
- Gross negligence, malpractice or incompetence in operations
- Sabotage

...More Causes for Action

- Misleading or lying to a government official regarding the water system
- Sample tampering or selective sampling
- Falsifying records or reports
- Willfully violating regulations

Revocations in the Last Year

- Falsifying chlorine residual records for 5 or 6 years (Revocation effective 9/23/2015)
- Falsifying sample locations; house w/o water service (Revocation effective 9/29/2015)

- DW and DS contract operator (Revocation effective 4/19/2016)
 - 32 water systems; Owns 7 systems
 - Gross negligence, malpractice, incompetence
 - Public notice
 - Failure to collect routine samples
 - CCR
 - Lifted a BWO without safe samples
 - Using names of other operators w/o agreement



MISSOURI
DEPARTMENT OF
NATURAL RESOURCES

www.dnr.mo.gov/operator

 Missouri Department of
Natural Resources

Operator Certification Information System

[Operator Certification Web Page](#) | [Operator Search](#) | [Drinking Water System Search](#) | [Operator Login](#)

Welcome to the Operator Certification Database

NOTICE TO USERS This is a State of Missouri computer system and is the property of the same. It is for authorized use only. Users (authorized or unauthorized) have no explicit or implicit expectation of privacy. Any or all uses of this system and all files on this system may be intercepted, monitored, recorded, copied, audited, inspected, and disclosed to authorized State and law enforcement personnel, as well as authorized officials of other agencies. By using this system, the user consents to such interception, monitoring, recording, copying, auditing, inspection, and disclosure at the discretion of authorized personnel. Unauthorized or improper use of this system may result in administrative disciplinary action and civil and criminal penalties. By continuing to use this system you indicate your awareness of and consent to these terms and conditions of use. Do not continue to use this system if you do not agree to the conditions stated in this warning.



MISSOURI
DEPARTMENT OF
NATURAL RESOURCES

Questions?

Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Public Drinking Water Branch

October 6, 2016
Agenda Item #10

Fee Stakeholder Meeting Update

Issue:

In April, a presentation was made to the Commission regarding the status of the primacy fee and the changes that were made to the law that allow the department to work with stakeholders to perform a review of the existing fee structure and to make changes to that structure through the rulemaking process. At the October meeting, an update will be provided to inform the Commission of the department's plans in regard to fee stakeholder discussions.

Recommended Action:

Information only

Presented by:

David J. Lamb, Chief, Public Drinking Water Branch

Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Public Drinking Water Branch

October 6, 2016
Agenda Item #11

Legislation/Regulatory Update

Issue:

The department will provide a routine update to the commission on the status of legislation that affects the program and rules under development.

Recommended Action:

For Information Only

Presented by:

Sheri Fry, Planner, Public Drinking Water Branch

Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Public Drinking Water Branch

October 6, 2016
Agenda Item #12

Attorney General's Office Legal Update

Issue:

Routine update to the Commission from the Attorney General's Office.

Recommended Action:

Information only

Presented by:

Elliott Usher, Attorney General's Office

Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Public Drinking Water Branch

October 6, 2016
Agenda Item #13

Branch Chief's Update

Issue:

Routine update to the Commission regarding the activities of the Public Drinking Water Branch

Recommended Action:

Information only

Presented by:

David J. Lamb, Chief, Public Drinking Water Branch

Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Public Drinking Water Branch

October 6, 2016
Agenda Item #14

Other Business

Issue:

Routine agenda item provides the Commission the opportunity to discuss last minute or minor issues arising after the agenda has been finalized.

Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Public Drinking Water Branch

October 6, 2016
Agenda Item #15

Public Comment and Correspondence

Issue:

Routine agenda item provides an opportunity for the public to comment on any issues pertinent to the Commission's roles and responsibilities.

Safe Drinking Water Commission

Department of Natural Resources
Division of Environmental Quality
Water Protection Program
Public Drinking Water Branch

October 6, 2016
Agenda Item #16

Future Meetings

Information:

Meeting Dates

Date	Time	Location
Wednesday, December 7, 2016 or Tuesday, December 13, 2016	10:00 A.M.	Bennett Springs Conference Room 1730 East Elm Street Jefferson City, Missouri 65101
Wednesday, January 18, 2017	10:00 A.M.	Bennett Springs Conference Room 1730 East Elm Street Jefferson City, Missouri 65101
Wednesday, April 12, 2017	10:00 A.M.	LaCharrette Conference Room Lewis and Clark State Office Building 1101 Riverside Drive Jefferson City, Missouri 65101
Wednesday, July 19, 2017	10:00 A.M.	Bennett Springs Conference Room 1730 East Elm Street Jefferson City, Missouri 65101
Wednesday, October 18, 2017	10:00 A.M.	Bennett Springs Conference Room 1730 East Elm Street Jefferson City, Missouri 65101

Recommended Action:

Information only.