



REGIONALIZATION OF WATER SYSTEMS IN MISSOURI

PROJECT FINANCING TIPS & TRICKS

**FUNDING FOR THE FUTURE: WATER & WASTEWATER
INFRASTRUCTURE FINANCING WORKSHOP**

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BRIEF OVERVIEW OF REGIONALIZATION IN MISSOURI

- TYPES OF REGIONALIZATION STRUCTURES:
 - OWNER OF WATER SOURCE SELLS WATER TO ANOTHER WATER SYSTEM
EXAMPLE: CITY SELLS WATER TO WATER DISTRICT
 - WATER SYSTEMS ORGANIZE AND DEVELOP A REGIONAL SYSTEM OWNED BY THE SYSTEMS THEMSELVES
EXAMPLE: JOINT MUNICIPAL UTILITY COMMISSIONS (JMUCS)

DRIVERS OF REGIONALIZATION

- SOURCE WATER
 - ESPECIALLY TRUE IN NORTHERN MISSOURI WHERE GROUNDWATER SOURCES ARE LIMITED
- REGULATORY COMPLIANCE
- AGING INFRASTRUCTURE
- MANAGERIAL/STAFFING NEEDS

STRUCTURE OF REGIONAL WATER SYSTEMS

- BUY/SELL RELATIONSHIP BETWEEN OWNER OF SOURCE/TREATMENT AND PURCHASER
- NON-PROFIT ORGANIZATIONS
- JOINT MUNICIPAL UTILITY COMMISSIONS (JMUCS)
 - FORMED UNDER RSMO 393.700
 - CLARENCE CANNON WHOLESAL WATER COMMISSION WAS FIRST WATER JMUC IN MISSOURI

ADVANTAGES OF REGIONAL WATER SYSTEMS

- **ECONOMIES OF SCALE**
- **FREES UP LOCAL FUNDS AND BONDING CAPACITY FOR DISTRIBUTION IMPROVEMENTS AND OTHER NEEDED INFRASTRUCTURE**
- **REGULATORY COMPLIANCE MAY BECOME EASIER TO ACCOMPLISH**

DISADVANTAGES OF REGIONAL WATER SYSTEMS

- **SINGLE SOURCE OF SUPPLY – EMERGENCY PLANNING AND BACKUP PLANNING ARE CRITICAL**
- **COMPLIANCE ISSUES – IF REGIONAL SUPPLY IS OUT OF COMPLIANCE, THEN ALL RELATED SYSTEMS MAY BE OUT OF COMPLIANCE**

FINANCING PROJECTS – TIPS & TRICKS

- APPOINT SOMEONE WITH THE SYSTEM TO BE THE PERSON ON TOP OF EVERYTHING! DON'T ASSUME SOMEONE ELSE IS TAKING CARE OF STUFF!
- TALK WITH THE FUNDING AGENCY BEFORE SUBMITTING AN APPLICATION
- HIRE A GOOD ENGINEER – FOLLOW STATE STATUTES!
- GET BOND COUNSEL ON BOARD EARLY IN THE PROCESS
- GET FINANCIAL ADVISOR ON BOARD EARLY IN THE PROCESS

ONCE PROJECT IS FUNDED

- UNDERSTAND HOW FUNDS WILL BE DISBURSED
- UNDERSTAND REPORTING REQUIREMENTS
- UNDERSTAND BIDDING REQUIREMENTS
- GET TO KNOW YOUR PROJECT MANAGER AT THE FUNDING AGENCY!
- MAKE SURE PAPERWORK IS TURNED IN PROMPTLY AND CORRECTLY
- DON'T BE AFRAID TO ASK QUESTIONS!

WRAPPING UP A PROJECT

- ONCE CONSTRUCTION IS FINISHED, GET THE CLOSING PAPERWORK DONE IN A TIMELY FASHION!
- MAKE SURE YOU KNOW THE RETENTION REQUIREMENTS FOR FILES AND PAPERWORK ASSOCIATED WITH THE PROJECT.

QUESTIONS???

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