

**310th MEETING OF THE
STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY**

**Hawthorn Bank, Hawthorn Room
3600 Amazonas Drive
Jefferson City, Missouri**

**January 22, 2014
10:00 a.m.**

Amended Agenda

1. Call to Order
2. Approval of Minutes
 - Approval of Minutes from the 309th Meeting of the Authority Held October 24, 2013, in Jefferson City, Missouri
3. State Revolving Fund Program
 - A. Review of 2013A SRF Refunding
 - B. Consideration and Approval of a Resolution Authorizing the State Environmental Improvement and Energy Resources Authority to Consent to the City of Springfield, Missouri's Issuance of its Series 2014 Bonds
 - C. Other
4. Energy Efficiency Leveraged Loan Program
 - A. Consideration and Approval of a Resolution Authorizing the State Environmental Improvement and Energy Resources Authority to Redeem All of the Energy Efficiency Master Trust Revenue Bonds Series 2004 Maturing in the Years 2015 and Thereafter; and Approving Certain Documents and Authorizing the Authority to Take Certain Other Actions in Connection with the Redemption of Said Bonds
 - B. Other
5. Missouri Market Development Program
 - A. Program Update
 - B. Consideration and Approval of the Funding Recommendation for the Bluebird Composting, LLC, Project and Authorizing the Director or Her Designee to Enter Into an Agreement on Behalf of the Authority
 - C. Authorization for the Director or her Designee to Negotiate and Enter Into an Agreement on Behalf of the Authority with Bridging the Gap and Take Other Actions Necessary to Re-establish the Midwest Materials Exchange
 - D. Other
6. Brownfields Revolving Loan Fund
 - A. Program Update

- B. Consideration and Approval of the Funding Recommendation for the Habitat for Humanity of Springfield, Missouri, Inc., Project and Authorizing the Director or Her Designee to Enter Into an Agreement on Behalf of the Authority
 - C. Update on the Remains, Inc., Project
 - D. Other
7. FY14 Budget Revisions
8. Presentation of Fiscal Year 2013 Authority Audit
9. Clean Water Fee Study
- A. Authorization for the Director or her Designee to Negotiate and Enter Into an Agreement on Behalf of the Authority with the School of Government at the University of North Carolina at Chapel Hill for a Clean Water Fee Study
 - B. Other
10. Other Business
- A. Opportunity for Public Comment (Limit of Four Minutes per Individual)
 - B. 2014 Meeting Dates
 - C. Other
11. Closed Meeting Pursuant to Section 610.021(1), (3) and (11) RSMo. (as needed)
12. Adjournment of Closed Meeting and Return to Open Meeting
13. Adjournment of Open Meeting

The Authority may vote to close a portion of the meeting in conjunction with the discussion of litigation matters (including possible legal actions, causes of action, any confidential or privileged communications with its attorneys and the negotiation of items of a contract), real estate matters, personnel matters (including the hiring, firing, disciplining or promoting of personnel), or specification for competitive bidding pursuant to Section 610.021 (1), (3) or (11) RSMo.

Members to be Present:

Andy Dalton, Chair
Ryan Doyle, Vice-Chair
LaRee DeFreece, Secretary
Deron Cherry, Treasurer

Staff to be Present:

Joe Boland, Deputy Director
Kristin Allan Tipton, Development Director
Marcus Rowe, Administration and Project Mgr.
Genny Eichelberger, Office Support Assistant

Legal Counsel to be Present:

Beverly A. Marcin
David Brown
Lewis, Rice & Fingersh, L.C.

State Environmental Improvement and Energy Resources Authority
310th Board Meeting
January 22, 2014

Agenda Item #3A
STATE REVOLVING FUND 2013A REFUNDING

Issue:

The 2013A State Revolving Fund Bond refinancing closed on November 26, 2013. A summary will be provided by staff and the senior managing underwriter.

Action Needed:

For informational purposes only.

Staff Recommendation:

None.

Staff Contact:

Joe Boland

Background:

On November 26, 2013, the Authority closed on \$101,535,000 of Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Fund Programs). At the October 24, 2013, Board meeting you approved the issuance resolution for this transaction. At that time, the estimated par amount to be refunded was \$107,000,000 for a present value savings of \$6.8 million. However, movements in the markets worked in our favor. The final par amount was \$101,535,000 with a present value savings of \$7.5 million.

JB:ge

Attachment

State Environmental Improvement and Energy Resources Authority
310th Board Meeting
January 22, 2014

Agenda Item #3B
STATE REVOLVING FUND
CONSENT TO CITY OF SPRINGFIELD TO ISSUE ADDITIONAL BONDS

Issue:

The City of Springfield is requesting consent from the Authority to issue up to \$45,000,000 in additional special obligation bonds in 2014.

Action Needed:

Consideration and approval of the attached resolution providing consent from the Authority allowing the City of Springfield to issue not to exceed \$45,000,000 in principal amount of Special Obligation Bonds.

Staff Recommendation:

Staff recommends approving the resolution contingent upon a determination by Authority staff, DNR and Lamont Financial that adequate revenues are available to pay for these bonds in addition to the existing Authority State Revolving Fund (SRF) bonds.

Staff Contact:

Joe Boland

Background:

The City of Springfield has participated in multiple SRF leveraged and direct loan financings. In each of those transactions the city has issued Special Obligation Bonds annual appropriation debt (rather than revenue or general obligation bonds), as authorized in the Authority's Annual Appropriation Backed Debt Policy. Language in the loan documents as well as the City's ordinances prohibits the City from issuing any additional Special Obligation Bonds without the prior written consent of the Authority and the Department of Natural Resources.

The City is preparing to issue approximately \$45,000,000 of additional Special Obligation Bonds in March, 2014, to further the upgrade of their wastewater system. The City has approached both the Authority and DNR to request consent from both agencies as required. This is a non-SRF financing. At the time this briefing was drafted, Authority staff and counsel, DNR, Lamont Financial and bond counsel are reviewing draft documents as well as the City's financials to determine there are adequate cash flows to provide coverage of the existing loans. We expect to present a final resolution for your consideration and approval at the January 22 meeting.

JB:ge

Attachment

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

(STATE OF MISSOURI)

RESOLUTION AUTHORIZING THE STATE ENVIRONMENTAL
IMPROVEMENT AND ENERGY RESOURCES AUTHORITY TO CONSENT
TO THE CITY OF SPRINGFIELD, MISSOURI’S ISSUANCE OF ITS SERIES
2014 BONDS

WHEREAS, the State Environmental Improvement and Energy Resources Authority, a body corporate and politic and a governmental instrumentality of the State of Missouri (the “Authority”) is authorized and empowered pursuant to the provisions of Sections 260.005 to 260.125, inclusive, and Appendix B(1), Revised Statutes of Missouri, as amended (the “Act”), to finance, acquire, construct and equip projects (as defined in the Act) for the purpose of preventing or reducing pollution or the disposal of solid waste or sewage and to provide for the furnishing of water facilities, to issue revenue bonds for the purpose of paying costs of such projects, and to refund its outstanding revenue bonds in whole or in part; and

WHEREAS, by resolutions adopted by the Authority on February 23, 1988, September 22, 1998 and July 31, 2009 (the “Program Resolutions”), the Authority has approved the development and implementation of the Missouri Leveraged State Water Pollution Control Revolving Fund Program (the “Clean Water SRF Program”) and the Missouri Leveraged State Drinking Water Revolving Fund Program (the “Drinking Water SRF Program”) and has stated its intent to issue its bonds to finance projects pursuant to the Clean Water SRF Program and the Drinking Water SRF Program, said bonds to be payable solely out of the revenues and receipts derived by the Authority in connection with such projects; and

WHEREAS, the City of Springfield, Missouri (the “City”) has participated in the Clean Water SRF Program, and has issued its Special Obligation Bonds (State Revolving Fund Programs) Series 2002A, Special Obligation Bonds (State Revolving Fund Programs) Series 2005A, Special Obligation Bonds (State Revolving Fund Programs) Series 2007A and Special Obligation Bonds (State of Missouri – Direct Loan Program – ARRA), Series 2010 (the “Prior Bonds”) in connection therewith; and

WHEREAS, the City desires to issue not to exceed \$45,000,000 of its Special Obligation Bonds (Sewer System Improvements Project), Series 2014 (the “Series 2014 Bonds”); and

WHEREAS, each City ordinance authorizing each series of Prior Bonds prohibits the City from issuing the Series 2014 Bonds without the prior written consent of the Authority and the Missouri Department of Natural Resources (“DNR”); and

WHEREAS, the Authority has determined to consent to the City’s issuance of the 2014 Bonds subject to the City obtaining the requisite consent of DNR and any other applicable entities.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY OF THE STATE OF MISSOURI, AS FOLLOWS:

Section 1. Consent. The Authority hereby consents to the City's issuance of its Series 2014 Bonds subject to the City obtaining the requisite consent of DNR and any other applicable entities.

Section 2. Further Authority. The Authority shall, and the members, officers, directors, agents and employees of the Authority are hereby authorized and directed to, take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 3. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the Authority.

ADOPTED this 22nd day of January, 2014.

Chairman of the Authority

(Seal)
ATTEST:

Secretary of the Authority

State Environmental Improvement and Energy Resources Authority
310th Board Meeting
January 22, 2014

Agenda Item #4A
Redemption of EIERA Energy Efficiency Leveraged Loan Program Bonds, Series 2004

Issue:

The Division of Energy could realize significant savings by calling certain Energy Efficiency Leveraged Loan Program (EELLP) Bonds issued by the Authority. Energy has funds available to do so and wishes to move forward with the redemption.

Action Needed:

Consideration and approval of a resolution authorizing the redemption of the Series 2004 Bonds and other actions necessary in connection with the redemption.

Staff Recommendation:

Staff recommends that the attached Resolution be approved allowing the bonds to be redeemed.

Staff Contact:

Karen Massey

Background:

Since 1989, the Division of Energy, previously a division of the Department of Natural Resources recently moved to the Department of Economic Development, has administered a revolving loan fund for energy efficiency measures in Missouri school and local government facilities. In 2001, the Authority was asked to develop a leveraged program that would increase the amount of funds available to loan through the program for a period of time. Three series of bonds were issued between 2002 and 2006 providing almost \$33.5 Million in construction funds for energy efficiency projects. By 2006, the program was almost fully leveraged and had limited capacity to support additional bond transactions. Additionally, the Division found administering a bond funded program to be more resource intensive than anticipated and not well suited for their needs. As a result, the bond funded program was discontinued.

The outstanding Series 2004 EELLP bonds will be callable on March 15, 2014. The EIERA originally issued \$13.76 Million EELLP bonds in 2004, of which \$2.795 Million will be outstanding and callable on March 15 (\$610,000 of Series 2004 Bonds will also mature on March 15, 2014 as scheduled). By redeeming these bonds, the Division of Energy will save approximately \$184,000 in interest over the next five years, a present value savings of more than 4.5%. Energy has the funds on hand to redeem the bonds and wants to pursue this savings opportunity.

Staff and Authority Counsel have been working with the Bond Trustee (Bank of New York Mellon Trust Company), the original Program Bond Counsel (Hardwick Law Firm) and our Financial Advisor (Lamont Financial Services) to analyze this opportunity and put together the necessary documents. Attached you will find the Resolution authorizing the Trustee to give notice of the redemption to bondholders and other interested parties, that funds provided by the Division of Energy be used to redeem the bonds and that other actions be carried out in accordance with the terms of the Bond Indenture. Should you approve this Resolution, applicable notices will be issued on or before February 13, 2014.

Staff, General Counsel and Bond Counsel will be available at the meeting to answer your questions.

Thank you.

KM:ge

Attachment

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY(STATE OF MISSOURI)

RESOLUTION AUTHORIZING THE STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY TO REDEEM ALL OF THE ENERGY EFFICIENCY MASTER TRUST REVENUE BONDS SERIES 2004 MATURING IN THE YEARS 2015 AND THEREAFTER; AND APPROVING CERTAIN DOCUMENTS AND AUTHORIZING THE AUTHORITY TO TAKE CERTAIN OTHER ACTIONS IN CONNECTION WITH THE REDEMPTION OF SAID BONDS.

WHEREAS, the State Environmental Improvement and Energy Resources Authority, a body corporate and politic and a governmental instrumentality of the State of Missouri (the "Authority"), is authorized and empowered pursuant to the provisions of Section 260.005 to 260.125, inclusive, Revised Statutes of Missouri, as amended and Appendix B(1) thereto (the "Act"), to finance, acquire, construct and equip certain projects (as defined in the Act) for the purpose of preventing or reducing pollution and disposal of solid waste or sewage and to provide for the furnishing of water facilities and resource recovery facilities and to provide for the development of energy resources of the State, to provide for energy conservation and to provide for energy efficiency projects and increased energy efficiency in the State, and to further such programs the Authority is authorized to acquire and construct, and finance projects and to issue bonds and notes and make loans to pay the cost thereof; and

WHEREAS, the Authority, in cooperation with the Missouri Division of Energy (the "Division of Energy") (formerly a division of the Missouri Department of Natural Resources ("DNR") and currently a division of the Missouri Department of Economic Development), developed a Missouri Energy Efficiency Leveraged Loan Program (the "Energy Leveraged Loan Program") to provide funds to city and county governments, public school districts and other eligible entities to be applied toward energy efficient capital improvements in facilities or buildings owned and operated by such entities; and

WHEREAS, in furtherance of the objectives of the Energy Leveraged Loan Program, the Authority issued its Energy Efficiency Master Trust Revenue Bonds, Series 2004, in the original principal amount of \$13,760,000 (the "Bonds") pursuant to the Bond Indenture dated as of October 1, 2004 (the "Indenture") between the Authority and The Bank of New York Mellon Trust Company, N.A., successor to BNY Trust Company of Missouri, as Bond Trustee (the "Trustee") (i) finance or refinance loans made by DNR from amounts in the Energy Set-Aside Fund, the proceeds of which were used by eligible public school districts and local governmental entities, to finance the costs of construction of the design, acquisition, installation and implementation of energy conservation projects, authorized under Sections 640.651 to 640.686 of the Revised Statutes of Missouri, as amended, and (ii) pay the costs associated with the issuance of the Bonds; and

WHEREAS, at the request of the Division of Energy pursuant to a letter dated January __, 2014 received by the Authority from the Division of Energy (the "Direction Letter"), the

Authority now desires to defease and exercise its option to redeem all of the Bonds maturing in the years 2015 and thereafter using funds to be provided by the Division of Energy; and

WHEREAS, the Authority finds and determines that it is necessary and desirable in connection with the redemption of the Bonds that the Authority enter into certain documents and approve certain other documents and take certain other actions in connection with the redemption of the Bonds as herein provided;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY OF THE STATE OF MISSOURI, AS FOLLOWS:

Section 1. Findings and Determinations. The Authority hereby finds and determines that the redemption of all of the outstanding Bonds maturing in the years 2015 and thereafter (the "Redeemed Bonds") is in the public interest and within the power and authority vested in the Authority under the Act and the Indenture.

Section 2. Authorization of Redemption of the Redeemed Bonds. In accordance with the terms of the Direction Letter, the Authority hereby authorizes the redemption of the Redeemed Bonds upon receipt of funds for such purpose from the Division of Energy, and further authorizes the Redeemed Bonds to be paid and discharged in accordance with the terms of the Indenture.

Section 3. Authorization of Documents. In connection with the redemption of the Redeemed Bonds, the Chairman, Vice Chairman or Director of the Authority is hereby authorized and directed to execute letters of instruction, certificates or other documents (i) requesting and authorizing the Trustee to provide notices with respect to the redemption of the Redeemed Bonds to the rating agencies currently providing ratings on the Bonds, to the Municipal Securities Rulemaking Board via its Electronic Municipal Market Access System, and to the holder of record of the Redeemed Bonds, (ii) directing the Trustee as to the deposit of funds to be provided by the Division of Energy for the redemption of the Redeemed Bonds, (iii) directing the Trustee as to the application of the funds to be provided by the Division of Energy for the redemption of the Redeemed Bonds, (iv) effectuating the timely termination of investment instruments held by the Trustee, and (v) providing for the discharge or termination of the Indenture and certain other documents entered into in connection with the issuance of the Bonds. The Secretary or Assistant Secretary is hereby authorized and directed to attest to such documents, certificates and instruments, as may be necessary to carry out and comply with the intent of this Resolution.

Section 4. Further Authority. The Authority shall, and the members, officers, directors, agents and employees of the Authority are hereby authorized and directed to, take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of the Authority with respect to the redemption of the Redeemed Bonds pursuant to the terms of the Indenture. All of the acts of the members, officers, agents, directors and employees of the Authority which are in conformity with the intent and purposes of

this Resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Section 5. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the Authority.

ADOPTED this 22nd day of January, 2014.

Chairman of the Authority

(Seal)

ATTEST:

Secretary of the Authority

State Environmental Improvement and Energy Resources Authority
310th Board Meeting
January 22, 2014

Agenda Item #5A
MISSOURI MARKET DEVELOPMENT PROGRAM UPDATE

Issue:

Update on the Missouri Market Development Program

Action Needed:

None.

Staff Recommendation:

None.

Staff Contact:

Kristin Tipton, Development Director

Background:

Some amount of staff time has been spent this past summer and fall working with EIERA attorneys to update the program's applicant documentation process, the financial assistance application itself, and to review all project document status. These efforts have not only improved our file content, but will enhance the legality of our program documents and security interest in the equipment we help to purchase.

The 2013 partnership with Bridging the Gap and RecycleMatch to offer a free access statewide materials exchange in Missouri has been a success on many levels. Clearly we are driving traffic to the site, with more than 21,000 clicks on material listings. The Midwest Materials Exchange has also facilitated a 209% increase in the Kansas City ByProduct Synergy initiative, with approximately 80 companies attending quarterly meetings where additional matches are made. However, the cost of licensing the custom website from RecycleMatch has increased and we believe the value of the materials currently listed on the exchange is not always a good match for potential users. I am working with staff at Bridging the Gap and a potential new partner on alternative material exchange formats and hope to present a concept to the board at the meeting.

The General Assembly Joint Interim Committee on Solid Waste has conducted two hearings since September. The focus of this committee is on the management of the state's solid waste management districts, but Ms. Massey has been asked to testify at both of the hearings.

KT:ge

State Environmental Improvement and Energy Resources Authority
310th Board Meeting
January 22, 2014

Agenda Item #5B
MISSOURI MARKET DEVELOPMENT PROGRAM
FUNDING RECOMMENDATION FOR BLUEBIRD COMPOSTING, LLC

Issue:

Bluebird Composting, LLC, located in Fulton, requested \$87,375 toward the purchase of equipment costing \$116,000 that would enable the company to expand its collection and processing of food waste and other organic materials.

Action Needed:

Consideration of the funding recommendations for the Bluebird Composting, LLC project and authorization of the director or her designee to enter into an agreement on behalf of the Authority.

Staff Recommendation:

Staff recommends awarding Bluebird Composting, LLC \$75,000, not to exceed 75% of the cost of the equipment.

Staff Contact:

Kristin Tipton, Development Director

Background:

Bluebird Composting, LLC, located in Fulton, requested \$87,375 toward the purchase of equipment costing \$116,000 that would enable the company to expand its collection and processing of food waste and other organic materials. Bluebird Composting was established in 2012 and with two employees is currently composting approximately one ton of food waste daily on a twenty-five acre site just outside of Fulton. The company founder is a life-long farmer with both academic and practical knowledge of composting and sustainable agriculture. Bluebird Composting is working with the Fulton State Hospital, Westminster and William Woods colleges and a Columbia elementary school, collecting materials from these sites on a daily basis. Bluebird Composting is working to grow its business to include additional schools and facilities within a fifty mile radius of its base. Bluebird Composting sells a premium compost product in both bulk and bags and some additional soil products from its Fulton location and through several area vendors. With this project, Bluebird Composting anticipates recovering 2,400 tons of material each year and creating two to three full time plus one to two part time employee positions.

The Missouri Market Development Program Steering Committee, which includes staff from the Missouri Department of Natural Resources, Missouri Department of Economic Development, and the Authority, unanimously recommends removing a box truck costing \$15,000 from the proposal's equipment list and awarding this project \$75,000, not to exceed 75% of the cost of the equipment. This is the highest amount for which the proposal is eligible.

For Fiscal Year 2014, the Missouri Market Development Program budget includes \$469,042 for direct financial assistance projects. At the time of this meeting, \$92,000 has been awarded to financial assistance projects in the current fiscal year.

KT:ge

State Environmental Improvement and Energy Resources Authority
310th Board Meeting
January 22, 2014

Agenda Item #5C
MISSOURI MARKET DEVELOPMENT PROGRAM
CONSIDERATION OF THE MIDWEST MATERIALS EXCHANGE PROJECT

Issue:

Bridging the Gap is requesting to enter into a partnership agreement with the EIERA to effectuate a proposal by PlanetReuse that will continue the Midwest Materials Exchange, which expired at the end of 2013, and expand its ability to facilitate materials reuse.

Action Needed:

Consideration of the Bridging the Gap proposal and authorization for the director or her designee to enter into an agreement on behalf of the Authority.

Staff recommendation:

Staff recommends that the Board authorize the Director or her designee to enter into the partnership agreement.

Staff Contact:

Kristin Tipton, Development Director

Background:

The 2013 partnership with Bridging the Gap and RecycleMatch to offer a free access statewide materials exchange in Missouri has been a success on many levels. Clearly we are driving traffic to the site, with more than 21,000 clicks on material listings. The Midwest Materials Exchange has also facilitated a 209% increase in the Kansas City ByProduct Synergy initiative, with approximately 80 companies attending quarterly meetings where additional matches are made. However, the cost of licensing the custom website from RecycleMatch has increased and we believe the value of the materials currently listed on the exchange is not always a good match for potential users.

After researching several possible alternatives, staff met with Bridging the Gap and Planet Reuse, LLC to develop a concept by which the Midwest Materials Exchange could be migrated to the PlanetReuse online platform. PlanetReuse is a Kansas City based company that works regionally and nationally to provide materials brokering and consulting services, primarily for construction and demolition materials. The addition of industrial byproducts and recyclable commodities to the range of services on its popular website suggests many opportunities for facilitating the use of these materials.

Among other enhancements to the exchange, the PlanetReuse platform would enable social media integration to include Twitter and Facebook and the ability for Midwest Materials Exchange users to access the site via mobile Apps from iTunes or Google. PlanetReuse is also willing to work with the EIERA and Bridging the Gap to offer "working sessions" similar to those developed by Bridging the Gap for the Kansas City ByProduct Synergy project, or other events, statewide. The EIERA logo would be added as a "partner" to the footer across all PlanetReuse web pages and would be included in a marketing campaign to announce the new feature.

Under the new agreement, Bridging the Gap will continue to provide overall database administration and work with the EIERA and PlanetReuse to implement new strategies to promote the use of materials once considered to be waste. The total cost of this agreement would be \$17,500 for 2014. Of this amount, the cost of migrating the Midwest Materials Exchange database to the PlanetReuse site and upgrading the services offered will be \$15,000. Staff also believe it would be useful to print some small promotional items with Midwest Material Exchange information to be distributed at conferences and speaking engagements at a cost of no more than \$2,500. For Fiscal Year 2014, the Missouri Market Development Program budget includes \$25,000 for Business Initiatives. This would be the source of funds for this partnership agreement.

The attachments include detailed information about what the partnership will provide.

KT:ge

Attachments



Board of Directors

Bob Berkebile
BNIM Architects

Melicent Boysen
Initiatives Worldwide

Bill Craig, Chair
Lakemary Center

Steve DiGiacinto
Hallmark Cards, Inc

Doug Dietrich
Burns & McDonnell

Amy Hargroves
Sprint

Tom Jacobs
Mid-America Regional Council

James Joerke
Johnson County, Kansas

Kay Johnson, Vice-Chair
Attorney

Willow Lundgren
Planet ReStore

Roland Maliwat
Kansas City Power & Light

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Founded 1992

Printed on recycled paper.

January 16, 2014

Kristin Allan Tipton
EIERA
PO Box 744
Jefferson City, MO 65102

Dear Kristin,

Bridging The Gap has appreciated the opportunity to work with the EIERA to offer a free access statewide materials exchange in 2012 and 2013. The Midwest Materials Exchange has helped BTG grow the Kansas City By-Product Synergy program to a level at which we now have approximately 80 regional businesses attending quarterly meetings and developing additional material matches. With more than 21,000 clicks on materials listings in the past year, the Midwest Materials Exchange is drawing traffic and creating additional opportunities to increase the use of recovered materials in our state.

In order to continue the Midwest Materials Exchange in 2014 and to expand its range of services, Bridging The Gap would like to enter into a partnership agreement with the EIERA to effectuate the PlanetReuse, LLC proposal on which all of us have collaborated. In this new agreement, BTG will work with the EIERA and PlanetReuse to implement new strategies to promote the use of materials once considered to be waste. The total cost of this agreement would be \$17,500.

The cost of migrating the Midwest Materials Exchange database to the PlanetReuse site and upgrading the services offered will be \$15,000 for 2014. BTG also suggests printing a business-card sized "handout" with Midwest Material Exchange information to be distributed at conferences and speaking engagements at a cost of no more than \$2,500.

Thank you for considering the continuation of our partnership.
Sincerely,

Noelle Morris
Programs Director



January 13, 2014

EIERA
ATTN: Kristin Allan Tipton
425 Madison Street, 2nd Floor
Jefferson City, MO 65101

RE: EIERA/Bridging the Gap's Midwest Material Exchange Proposal

Thank you for the opportunity to present our proposal. We are excited about the opportunity to work with the Environmental Improvement and Energy Resources Authority (EIERA) and Bridging the Gap (BTG).

PlanetReuse (PR) is a Kansas City, Missouri-based company that is a facilitator and champion of material reuse. Over the past six years we have worked locally, regionally and nationally to provide material brokering and consulting services.

Our new online marketplace and mobile app aim to make material exchange more accessible to buyers and sellers of reclaimed, surplus and used materials. Sellers use the PR Seller App for smartphones to post materials to the national PlanetReuse Marketplace (PRM). Sellers can also use the app to post items to their own website and social media quickly and easily.

While we have strong, established relationships with organizations and businesses that are actively engaged in the reuse and reclaimed industry full-time, we are excited to further enable the reuse economy through a partnership with EIERA.

Waste presents a promising and challenging market opportunity. Solid Waste Management Districts (SWMD), Missouri Recycling Association (MORA), recycling businesses and other state agencies are all entities that will benefit from an easy-to-use marketplace designed just for them. By expanding the network of relationships online, EIERA will be instrumental in guiding the acceptance and growth of the marketplace for maximum environmental impact. We also look forward to the opportunity to introduce our many friends in the fast growing reuse industry to the services and assistance of EIERA.

Proposed Services:

PlanetReuse Marketplace (PRM) *powered by InvenQuery* will provide services to provide a platform for the continuation and growth of EIERA/BTG's Midwest Material Exchange (MME) while: 1) making it easier for Sellers to post items, 2) utilizing social media to help spread the word about listings, and 3) actively driving buyers and sellers to a common marketplace. To do so, we propose the following phased approach to allow the current PRM platform expansion to provide the desired services:

Phase 1 (within 48 hours of acceptance of proposal):

PRM will provide the following:

1. Midwest Material Exchange (MME) "exchange landing page" with logo, contact information, mission statement and other contact information (similar to the attached). EIERA and BTG logos will be added to the page. This exchange landing page can be used immediately to redirect currently disabled MME website URL. We will work with BTG contact to set this page up to assure "partnership" look and feel as requested.
2. Ability to post unlimited listings to PRM and MME exchange landing page by a single BTG administrator from both the mobile app and the PRM administrative console.
3. Social media integration to allow items to be created on the mobile application and to be posted directly to designated Twitter and Facebook pages (accounts for each based on each unique user device) for additional exposure for item listings.
4. Ability for BTG admin to create accounts for other MME users under the MME umbrella to allow login by others to post listings from the mobile application to the MME landing page.
5. Assistance to help replicate existing listings from MME's previous system, estimated to be 74 listings.
6. EIERA logo added as a "partner" to the footer across all PR web pages.
7. MME listings that contain "Contact Seller" button for Buyers to reach out directly to the Seller contact with carbon copy to the BTG administrator.
8. Marketing to announce new partnership with EIERA/BTG and the MME within the first 30 days of acceptance of proposal in the PR newsletter with over 14,000 local, regional and national contacts.
9. Form with button allowing EIERA/BTG/MME to send out a link to its newsletter distribution allowing users to enter pertinent information necessary for account set-up.
10. Ability to place a widget on other websites, such as www.bridgingthegap.org, to show the items in the MME marketplace. Items on the MME page will populate to the widget, posting and removing items in real-time. When a buyer selects an item, they will be brought to PRM for Contact Seller feature.

11. Initial kick-off meeting will be set up to review and discuss additional features and timing as lined out in Phase 2 below.

Phase 2 (within eight weeks of acceptance of proposal):

PRM will provide the following:

1. Sequence, "access code," and/or form coordination with BTG administrator for a fast and easy way to allow an *unlimited number of users* to sign up for an account "at no cost" as part of the MME.
 - a. Note: standard pricing for users of the seller app and marketplace is \$49/month, plus 4% of online sales (i.e. for every 100 MME users, this is a value of over \$4,900/month).
2. Ability for MME users to download PR Seller App from iTunes or Google Play to their smartphones, log in to an account created by BTG administrator and post listings.
3. Ability for advertisement space to be sold by EIERA and BTG on the PRM website with shared revenue opportunity. Ads will be located on MME webpage and on listings posted by MME users.
4. Ability for buyers coming to PRM site to select and purchase items through the website on items using "flat" shipping rates to the continental US only.
5. MME users will have access to their mobile application admin features including the ability to manage their store details and their listings.
6. PRM team will host and facilitate meetings to help scope out features described in Phase 2 to help document requirements.

Term:

February 1, 2014 through January 31, 2015.

Pricing:

For Services and Term stated above, we propose an annual fee of \$15,000. This amount is roughly 50% less than the standard, monthly pricing and will allow for services to be provided throughout the duration of the Agreement.

Additional Items and Meetings:

1. To help define additional features beyond Phase 1 and 2, we propose setting up meetings to gather facts, compile feedback and work through additional requirements. We know this will be a valuable component to the partnership to building out a substantial, vibrant and scalable exchange, but without a defined scope we are unable to include them in this initial proposal.

We foresee this being an active dialog throughout the Term and will set aside time on how best to propose this (with hourly rates, etc. as needed), to make our services everything that the EIERA would like them to become, while making sure to not overcommit to feature development.

2. We would also like to help in "working sessions" in various areas of the state and other activities/events/media where possible. With discussions along the way, depending on timing and costs, we can work up a proposal for components with costs associated with these and look forward to working as a partner in outreach and marketing endeavors.

We look forward to the opportunity to work with the EIERA and BTG in expanding our current services to create an amazing marketplace that will help the state of Missouri, and beyond, facilitate reuse and recycling and drastically increase landfill diversion.

Please let me know when we can set up the next call to run through next steps in more detail and putting together the Agreement to get things moving forward.

Sincerely,

A handwritten signature in black ink, appearing to read "Nathan Benjamin", with a long horizontal flourish extending to the right.

Nathan Benjamin
Founder + CEO

midwest material exchange



MME is an online marketplace for Missouri and its border states.

ADDRESS:
1427 W. 9th Street, Suite 203, Kansas City, Missouri 64101
WEBSITE:
<https://www.bridgingthegap.org>

PHONE:
(816) 563-1287
EMAIL:
neelle.morris@bridgingthegap.org

Search the Marketplace 

PRODUCT TYPE

Commercial (422)
Residential (17)

CATEGORY

 Appliances (16)
 Architectural (2)
 Bath (3)
 Building Materials (113)
 Doors (22)
 Flooring (37)
 Furniture (55)
 Heating & Cooling (19)
 Kitchen (3)
 Lighting & Ceiling Fans (24)
 Plumbing (16)
 Sustainable Products (16)
 Windows (9)
 Wood (177)



"Antique" Granite
Cobblestones



100 Year Old
Barn/Grainery



100 Year Old
Reclaimed
Redwood



120 year old Farm
House Assorted
Reclaimed
Building Materials



1906 Longleaf Pine
building reclaimed



1906 reclaimed
white oak



1920's St. Louis
antique brick



19th century
residential entry
doors



2 1/4" T&G Factory
Maple Flooring



2x2" and 2x4"
Ceiling Tile



24x36
office/classroom
buildings - cement
bathroom / 5-8
years old



3 1/2" Factory
Maple Flooring



State Environmental Improvement and Energy Resources Authority
310th Board Meeting
January 22, 2014

Agenda Item #6A
MISSOURI BROWNFIELDS REVOLVING LOAN FUND UPDATE

Issue:

Update on the Missouri Brownfields Revolving Loan Fund

Action Needed:

None.

Staff Recommendation:

None.

Staff Contact:

Kristin Tipton, Development Director

Background:

The MRBLF has received a subgrant application from Habitat for Humanity of Springfield, Missouri, Inc. and a funding recommendation will be presented at this meeting.

The last quarter of the calendar year has been a very active one for the program. Project updates are as follows:

- Remains, Inc. is making interest payments on its loan from the program and is in the process of selecting a contractor to perform the cleanup work at the former ACME Battery plant. The preparation of procurement documents for this project involved a significant amount of staff time.
- Cleanup work is complete at the former Carousel Building located in Eldon that is currently owned by the Lake of the Ozarks Council of Local Governments and a final report has been submitted to MDNR. Although additional unanticipated work was required by BVCP, this project was completed earlier than scheduled and at a price less than originally anticipated.
- A contractor has been selected for cleanup at the Wittenberg Warehouse, part of the former Porter Oil Site currently owned by the Land Reutilization Authority of the City of St. Louis.

- Samples pulled from long-term groundwater monitoring wells on the Ranken Technical College show continued positive attenuation positively and we are hopeful that cleanup can be considered complete at this site in the near future.
- Samples pulled from long-term groundwater monitoring wells at the Russellville site have also shown continued positive attenuation, but BVCP has requested one additional downstream well be placed. At this point, the contractor believes this can be accomplished within the project budget.
- SMI/SNF Landlord, LLC continues to repay its loan from the program as scheduled.
- A Certificate of Completion was finally received for project at the former prison site with the City of Chillicothe.

KT:ge

State Environmental Improvement and Energy Resources Authority
310th Board Meeting
January 22, 2014

Agenda Item #6B
MISSOURI BROWNFIELDS REVOLVING LOAN FUND
CONSIDERATION OF THE SPRINGFIELD HABITAT FOR HUMANITY PROJECT

Issue:

Habitat for Humanity of Springfield, Missouri, Inc., a Missouri non-profit corporation has submitted a hazardous substance application to the MBRLF, requesting \$30,000 to complete remediation at 1909 North Park Avenue in Springfield.

Action Needed:

Consideration of the funding recommendation for the Springfield Habitat for Humanity project and authorization for the director or her designee to enter into an agreement on behalf of the Authority.

Staff recommendation:

Staff recommends that the Board approve a subgrant of up to \$50,000 for this project.

Staff Contact:

Kristin Tipton, Development Director

Background:

Habitat for Humanity of Springfield, Missouri, Inc. submitted a subgrant application to the program requesting fund to remediate lead contaminated property on which the organization intends to build ten new homes.

The former 1909 North Park property owner was a commercial builder who acquired the property in 1974 for future development. Having been retired for many years, and a supporter of the Habitat organization, the property owner offered the property as a donation to Habitat. After completing due diligence, the property was accepted by the local Springfield affiliate.

The 2.55 acre property is not improved and records indicate that the property has been undeveloped since the late 1800's. The lead contamination is likely the result of off-site runoff from an adjacent railroad property. Utilities, including water, gas, electricity and sewer are available at the property and the local zoning board and City planners are favorable to rezoning the commercial property to residential once it is remediated. Springfield Habitat intends to develop the north side of the property for residential housing and the south side as a storm water retention basin.

This cleanup will remove a health risk that is easily accessible to surrounding residential neighborhoods and subcontracted construction jobs will be created during construction of the ten new homes.

Staff reviewed the application and found the applicant and site to meet all eligibility criteria for the program. Site and applicant eligibility have been confirmed by EPA.

The MBRLF Review Team, consisting of staff from MoDNR's Brownfield Voluntary Cleanup Program, the Department of Economic Development's Business and Community Services Program and the Authority, reviewed the application and unanimously recommends that the Board approve a subgrant of up to \$50,000 for this project.

KT:ge

State Environmental Improvement and Energy Resources Authority
310th Board Meeting
January 22, 2014

Agenda Item #6C
MISSOURI BROWNFIELDS REVOLVING LOAN FUND
REMAINS, INC. PROJECT

Issue:

Update on the project with Remains, Inc. to clean up the former ACME Battery Plant.

Action Needed:

None.

Staff Recommendation:

None.

Staff Contact:

Kristin Tipton, Development Director

Background:

Bids have been returned for the cleanup of the former ACME Battery Plant owned by Remains, Inc. and a contractor has been selected.

The EIERA awarded a \$350,000 loan to Remains, Inc. to clean the property. The bid price for the cleanup is approximately \$630,000. Several factors contribute to the difference in the contract price over the original estimate. These include more stringent cleanup standards; work required in the Remediation Action Plan not considered in the estimate; the age of the original estimate; and the presence of many "unknowns" with regard to site contamination.

In order to proceed with the cleanup, Remains, Inc. would like to increase their loan amount from the Authority to \$630,000. They have had extensive conversations with the selected contractor and are hopeful that the total cost will be less than this amount, but want to make sure they have access to the funds if needed.

Our current loan is secured with a second mortgage on the entire property parcel, with a current face value of \$500,000. A May 2012 appraisal on the property estimated a value of \$1,250,000 once the cleanup and redevelopment is complete. Remains Inc. is currently paying interest on loan draws and will continue to do so until eighty-four principal payments begin on April 1, 2015.

I have asked Remains, Inc. to provide updated financial information to us which we hope to have at the time of the meeting. We have also requested that a Remains, Inc. representative attend the meeting and they are attempting to adjust conflicting travel schedules to do so.

Staff, with assistance from our Financial Advisor, will review the Remains, Inc. updated financial information for credit worthiness and will explore what security measures might be needed prior to asking the board to increase the loan amount.

The former ACME Battery plant is notorious in Missouri for its extensive lead contamination, and also includes asbestos and an underground storage tank. Remains, Inc. has already cleaned half of the property, allowing them to base their textile recycling operation on a portion of the property. This cleanup would enable them to develop the rest of the parcel to expand their business operations.

KT:ge

State Environmental Improvement and Energy Resources Authority
310th Board Meeting
January 22, 2014

Agenda Item #7
FY14 Budget Revisions
Updated Material

Issue:

At the half-way point of Fiscal Year 2014, it is apparent that the budget needs to be revised in a few areas.

Action Needed:

Consideration and approval of a revised FY14 budget.

Staff Recommendation:

Staff recommends that the Board approve revisions to the FY14 budget.

Staff Contact:

Karen Massey

Background:

Attached you will find copies of the Authority's Fiscal Year 14 Budgets, our estimated December 30, 2013 actual revenues and expenses and revised budget proposals. Line items that have been changed are highlighted. Below is a summary of the proposed changes for each of our three budget areas.

Authority

The Issuance Fee Revenue line has been increased to reflect the 2013A Refunding revenues. At this time, we believe it is unlikely there will additional issuance revenue during the fiscal year.

Most of the expense items changed are due to our move. Increases in utility costs and office maintenance (janitorial services) are needed because we remained in our previous location one month longer than expected. Rent is decreasing because we originally put our security deposit in this expense category when it should have been in asset category not reflected on the budget. Moving costs are lower to reflect actual amounts expended.

We are also asking that the audit expense be increased to reflect the actual fees incurred and that the advertising budget be increased to accommodate an upcoming Request for Proposals.

Missouri Market Development Program

Changes to the MMDP budget are a result of increased legal fees and the amount of legal review required during the year. We simply underestimated the amount of attorney time we would need this year. With the new legal fee schedule and time needed, the amounts had to be increased substantially. To accommodate those increases, the Direct Financial Assistance line item was decreased.

Brownfields

No changes are needed.

KM:ge

Attachments

State Environmental Improvement and Energy Resources Authority
310th Board Meeting
January 22, 2014

Agenda Item #8
FY13 Audit Review

Issue:

The Fiscal Year 2013 audit is completed and our Auditor will present it at the meeting.

Action Needed:

None.

Staff Recommendation:

None.

Staff Contact:

Karen Massey

Background:

In mid-September the Authority's auditing firm, Williams Keepers LLC, was onsite to perform our annual audit. Both the auditors and our staff did a good job getting the audit work done in the midst of our move.

We received the final audit, which is enclosed, last month. I draw your attention to the Management's Discussion and Analysis, beginning on page 4, which re-caps the year's fiscal activities including our financial position compared to the previous year. The actual Financial Statements begin on page 11.

Beginning on page 45 of the materials are the Single Audit Reports required of any federal grant recipient that spends \$500,000 or more in federal funds in a year (BRLF Grant) expended during the year. No deficiencies in internal controls were identified that would be considered a material weakness and no instances of non-compliance with grant requirements were identified.

The next to last section contains the Communication of Audit Results. There were no audit findings and only one adjustment noted. That adjustment was a change to how BRLF loan repayments are reflected on the financial statements. In previous years, repayments were not booked as receivables. The Auditor wanted that changed to more accurately reflect the Authority's financial position.

I am pleased with the Audit process and results. As always, I appreciate the learning opportunity the process affords. Please feel free to call prior to the meeting with any questions.

KM:ge

Attachment

State Environmental Improvement and Energy Resources Authority
310th Board Meeting
January 22, 2014

Agenda Item #9A
Clean Water Fee Study Agreement

Issue:

The Department of Natural Resources has asked the Authority enter into and manage a contract for a study of the Department's Clean Water Fees. The University of North Carolina (UNC) has been identified as an independent party with experience in providing similar services to other entities.

Action Needed:

Authorization of the director or her designee to negotiate and enter into an agreement with the School of Government of the University of North Carolina at Chapel Hill to perform a study of the Missouri clean water fee structure.

Staff recommendation:

Staff recommends that the Board hire the University of North Carolina to perform the study and authorize the director to negotiate and enter into an agreement similar to the attached document.

Staff Contact:

Karen Massey

Background:

As discussed at the last Authority meeting, recent legislation gave the Missouri Clean Water Commission the authority to establish clean water fees for permitting and other work performed by the MDNR. The process, which can be repeated every two years, allows MDNR to perform a comprehensive review of the of the fee structure and, with stakeholder agreement, provide a recommendation regarding the structure to the Clean Water Commission.

MDNR and certain stakeholders would like an independent, third party to conduct a study of the fee structure as part of the upcoming review cycle. MDNR asked the Authority to provide assistance in these efforts and at the last Authority meeting, the Board authorized staff to negotiate and enter into an MOU or similar document with DNR to provide this assistance.

The services we have agreed to provide MDNR include locating and contracting with a qualified consultant experienced in water fee issues to deliver an analysis of the department's water permit fee structure. In exchange for these services, MDNR will pay our staff time, overhead and out of pocket expenses, including the consultant fee related to the Clean

Water Fee Study activities. To meet their needs, DNR has asked that the study be complete near the end of the fiscal year, June 30, 2014.

The consultant needs to be qualified, experienced and able to deliver the study in an expedited timeframe. Further, they can have no association, relationship or other connection to either MDNR or those involved in the clean water fee structure or process that would diminish the consultant's ability to render impartial or objective assistance or advice. Through our relationships with other States' SRF professionals and EPA, authority staff identified a limited number of organizations that appeared to have the qualifications and experience desired. Of those, the University of North Carolina seems to best meet the project needs. They have performed similar rate studies for other entities. The staff to be assigned our project are housed in UNC's Environmental Finance Center and consistently receive excellent reviews by state and federal regulators and finance professionals who have been clients or are familiar with their work. We have identified no conflict that would impact their ability to provide impartial advice. A very important factor staff considered is UNC's status as a governmental entity. Missouri procurement law allows Agencies to enter into contracts for the provision of good or services with governmental entities without a competitive bid process. Staff does not believe that MDNR's schedule can be accommodated if these services are bid. Based upon these factors, Staff is comfortable recommending that the School of Government of the University of North Carolina at Chapel Hill be retained to conduct the Clean Water Fee Study.

Attached you will find a draft agreement setting forth the terms under which we would retain UNC for this project. We have drafted the agreement in consultation with MDNR, UNC and General Counsel. All are comfortable with its general content and we are finalizing language and other minor details.

The study will consist of a written report on the revenue requirements for the Clean water program, a description of the fee structures of other Missouri agencies and peer states, alternate cost allocation methods and two models. The first model is a basic revenue requirement model containing the reasonable costs of the programs and factors influencing those costs. The other model will show discrepancies between the existing fee structure and modeled revenue requirement needs to compare alternative cost allocation methods. The final element of the study will be an outline of a fee communication plan. We are in the process of refining the work plan to include a due date for each deliverable component as well as clarifying what information MDNR will provide the consultant. Those provisions will be inserted into the highlighted portion of Section 2. Additionally, you will notice two highlighted areas in Section 4.A relating to Compensation. We are firming up the cost of the services, but are not expected to exceed \$45,000. MDNR has been involved in these discussions and agrees that this is a reasonable price for the services provided.

Staff and General Counsel will be available at the meeting to answer your questions.

KM:ge

Attachment

Attachment "A"

Agreement Between
State Environmental Improvement and Energy Resources Authority
And
School of Government at the University of North Carolina at Chapel Hill

This Agreement ("Agreement") is made as of January 30, 2014, by and between the STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY, a body corporate and politic and governmental instrumentality of the State of Missouri (the "Authority") and the School of Government at the University of North Carolina at Chapel Hill ("Consultant").

WHEREAS, the Authority is authorized and empowered pursuant to the provisions of Sections 260.005 to 260.125, inclusive, Revised Statutes of Missouri, as amended and Appendix B(1) thereto, to provide for the conservation of the air, land and water resources of the state by the prevention or reduction of the pollution thereof and proper methods of disposal of solid waste or sewage and to provide for the furnishing of water facilities and resource recovery facilities and to provide for the development of the energy resources of the State of Missouri, to provide for energy conservation and to provide for energy efficiency projects and increased energy efficiency in the State, and to further such programs the authority is authorized to acquire and construct, and finance projects and to issue bonds and notes and make loans to pay the costs thereof; and

WHEREAS, the Authority is granted and may exercise all powers necessary or appropriate to carry out and effectuate its purposes, including but not limited to entering into contracts and agreements necessary or convenient for the purpose of its powers or to carry out its purposes and to employ managers and other employees and retain or contract with architects, engineers, accountants, financial consultants, attorneys and such other persons, firms or corporations who are necessary in its judgment to carry out its duties, and to fix compensation thereof; and

WHEREAS, the Authority has agreed to provide certain services to the Missouri Department of Natural Resources ("MDNR") relating to Clean Water Fees, including, but not limited to, providing the MDNR with a written report containing information regarding the revenue requirements of the Clean Water program, a comparison of other fee structures and allocation methods as well as other matters; and

WHEREAS, the Consultant, a governmental entity, has experience analyzing fees, charges, rates and services relating to clean and drinking water efforts; and

WHEREAS, the Authority and Consultant desire to enter into this Agreement for the provision of a Clean Water Fee Study.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

[Type text]

1. ENGAGEMENT. The Authority hereby engages the Consultant as a consultant of and to the Authority and Consultant accepts such engagement retention of for the Term (as defined in Section 3) of this Agreement, upon the terms and conditions herein set forth.
2. DUTIES. During the Term of this Agreement, Consultant shall serve the Authority by providing analysis and review of the fee and cost structure of MDNR's clean water efforts resulting in a MDNR Clean Water Fee Study. The Study will include a written report on the revenue requirements for the Clean Water program, a basic revenue requirement model (an Excel model containing the reasonable costs of the program and factors influencing those costs), a description of fee structures of other Missouri agencies and peer states, alternative cost allocation methods, a simplified spreadsheet model (an Excel model showing discrepancies between the existing fee structure and modeled revenue requirement needs to compare alternative cost allocation methods) and a fee communication plan outline. <<<Add details on deliverables, timeframes and what MDNR will be responsible for providing here>>>>
3. TERM. The term of this agreement shall commence on the date stated above and terminate on November 1, 2014.
4. COMPENSATION.
 - A. Compensation for Services Rendered to the Authority. Consultant will receive payment of up to \$ ____ (40 or 45K) upon receipt of the deliverables in a form acceptable to the Authority. <<<<depending upon how specific deliverables pan out, we can break the compensation down by deliverable here>>>> This amount includes all applicable expenses and overhead allocations.
 - B. Substantiation and Payment of Program Compensation. Consultant will invoice the Authority for services provided under this Agreement. The Authority shall use its best efforts to pay Consultant for services performed pursuant to this Agreement within thirty days of receipt by the Authority of an invoice accompanied by substantiation of compensation satisfactory to the Authority.
5. PERSONNEL. Key personnel assigned by the Consultant include Jeff Hughes and Glenn Barnes. It is also contemplated that a graduate student research assistant will be assigned to the projects. Consultant may designate other key personnel to provide services upon approval of the Authority.
6. GENERAL COMPLIANCE WITH LAWS. The Consultant shall at all times comply with all federal, state and local laws, ordinances, rules and regulations that govern or may affect the performance of this Agreement or employees connected in any manner whatsoever with such performance.
7. COVENANT AGAINST CONTINGENT FEES. The Consultant hereby warrants that it has not employed or retained any person, partnership or corporation, other than a bona fide employee or agent working for Consultant, to solicit or secure this Agreement, and it has not paid or agreed to pay any person, partnership or corporation any fee or other consideration contingent upon the making of this Agreement. For the breach or violation of this Section, the Authority may elect to either terminate this Agreement without notice and without liability or recover the full amount of such prohibited fee or consideration or both.

[Type text]

8. TERMINATION. This Agreement may be terminated by the Authority immediately for cause shown and without cause by either party with thirty (30) days prior written notice of termination to the other party.
9. NONDISCRIMINATION IN EMPLOYMENT. Those provisions of Title VI of the Civil Rights Act of 1964 providing that no person in the United State shall, on the grounds of race, color, sex, religion or national origin, be excluded from participation in, be denied the benefits of, or otherwise subjected to discrimination under this Agreement, are hereby incorporated into this Agreement by reference.
10. EMPLOYMENT OF MISSOURI STATE EMPLOYEES. No person who during the performance of this Agreement is employed by or under contract with the State of Missouri or any department, commission, agency or branch thereof, whose duties as such employee or consultant include matters relating to or affecting the subject matter of this Agreement, shall while so employed by or under contract with the State, be employed by the Consultant and/or receive any compensation from the Consultant for any work or other purpose related in any way to the performance of this Agreement by Consultant.
11. EMPLOYMENT OF UNAUTHORIZED ALIENS PROHIBITED. Consultant acknowledges approval of this Agreement requires compliance with Section 285.530, Revised Statutes of Missouri regarding enrollment and participation in the federal work authorization program with respect to all persons performing services under this Agreement. Consultant represents and warrants that it is in compliance with Section 285.530, Revised Statutes of Missouri at the time of execution of this Agreement and has provided a sworn affidavit in the form attached as "Exhibit A" and supporting documentation affirming participation in a qualified work authorization program as evidence thereof.
12. REPORT OF CONFLICTS OF INTEREST. The Consultant shall promptly report to the Authority any proposed or existing relationship which might reasonably be construed as an organizational conflict of interest which would diminish such Consultant's capability to render impartial or objective assistance and advice. The Authority shall promptly make a determination where the proposed relationship would constitute an organizational conflict of interest. If determined by the Authority that an organizational conflict of interest exists and the consultant enters into the proposed contractual relationship, the Authority may, in its sole discretion, terminate this Agreement without further notice to Consultant.
13. LIABILITY. In the event of claims against either party by a third party arising out of the services under this agreement, the party whose actions gave rise to the claim shall be responsible for the defense of the claim and any ultimate liability therefore; provided, however, that neither party may waive the other's claims of sovereign immunity or similar defenses.
14. OWNERSHIP AND USE OF DATA AND DOCUMENTS. Any deliverables under this Agreement shall be the property of the Authority and the Consultant shall not distribute or reproduce for profit or allow others to profit therefrom. The Consultant may use, publish and distribute the results of such work for its own internal and noncommercial education, instruction and research purposes. Consultant may publish papers regarding the deliverables and information relating to the Agreement; provided, however, that the Authority is given thirty (30) days to review such papers prior to any publication thereof, to protect proprietary or confidential information. The

[Type text]

Authority must respond to the Consultant within thirty (30) days of receipt, otherwise the publication may occur.

15. RECORDS RETENTION. Consultant shall retain all records, documents and other matters relating to the services provided and compensation provided under the Agreement for a period of at least three years following the term of the Agreement set forth in Section 3 above.
16. ASSIGNMENT. This Agreement may not be assigned or transferred without the prior written consent of the authority and the consultant.
17. AMENDMENTS. Any subsequent alteration, amendment, change or addition to this Agreement shall be reduced to writing and duly executed by all parties hereto before the same shall become effective and binding.
18. CONTACTS.

Authority

Karen L. Massey
Director
PO Box 744
425 Madison, Second Floor
Jefferson City, MO 65102
(573)751-4919
Karen.massey@eiera.mo.gov

Consultant

Brad Volk
Associate Dean for Administration
Knapp-Sanders Building, CB# 3330
Chapel Hill, NC 27599-3330
(919)843-2553
vold@sog.unc.edu

19. EXECUTION IN COUNTERPARTS AND ELECTRONIC SIGNATURE. This Agreement may be executed in any number of counterparts, each of which shall be executed by the Authority and by the Consultant and all of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument. A manual signature on this Agreement, an image of which shall have been transmitted electronically, will constitute an original signature for all purposes. The delivery of copies of this Agreement, including executed signature pages, by electronic transmission will constitute effective deliver of this Agreement for all purposes.
20. SIGNATORY WARRANTY. Each party executing this Agreement warrants that he/she is authorized to do so on behalf of the party for whom he/she signs.

IN WITNESS WHEREOF, the Authority and Consultant have executed this Agreement as of the date first above written.

STATE ENVIRONMENTAL IMPROVE-
MENT AND ENERGY RESOURCES
AUTHORITY

By _____
Karen L. Massey

SCHOOL OF GOVERNMENT AT THE
UNIVERSITY OF NORTH CAROLINA,
CHAPEL HILL

By _____
for Michael R. Smith, Dean