

**316th MEETING OF THE  
STATE ENVIRONMENTAL IMPROVEMENT  
AND ENERGY RESOURCES AUTHORITY  
EIERA Office  
425 Madison Street, Second Floor  
Jefferson City, Missouri  
November 20, 2014  
10:00 a.m.**

1. Call to Order
2. Approval of Minutes
  - Approval of Minutes from the 315th Meeting of the Authority Held September 3, 2014, in Jefferson City, Missouri
3. Presentation of Fiscal Year 2014 Authority Audit
4. State Revolving Fund Program
  - A. Update
  - B. Other
5. Other Financings
  - A. Henry County Water Company Series 2014
6. Project Updates
7. Brownfields Revolving Loan Fund
  - A. Program Update
  - B. Authorization to extend the Environmental Services Consultant Contract with Seagull Environmental Technologies, Inc.
  - C. Other
8. Missouri Market Development Program
  - A. Program Update
  - B. Consideration of the Funding Recommendation for the St. Louis Composting, Inc., Project and Authorizing the Director or Her Designee to Enter Into an Agreement on Behalf of the Authority
  - C. Consideration of the Funding Recommendation for the DMR Plastics, Inc., Project and Authorizing the Director or Her Designee to Enter Into an Agreement on Behalf of the Authority
  - D. Authorization for the Director or Her Designee to Negotiate and Enter into an Agreement with Bridging the Gap, Inc. for the Development of a Web Based Missouri Recycled Products Directory
  - E. Other

9. Review of Strategic Measures
10. Selection of Authority CPA
11. Other Business
  - A. Opportunity for Public Comment (Limit of Four Minutes per Individual)
  - B. Next Meeting Date
  - C. Other
12. Closed Meeting Pursuant to Section 610.021 (1), (3) and (11) RSMo. (as needed)
13. Adjournment of Closed Meeting and Return to Open Meeting
14. 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.

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Members to be Present:

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

Staff to be Present:

Karen Massey, Director  
Joe Boland, Deputy Director  
Kristin Allan Tipton, Development Director  
Connie Patterson, Project Specialist  
Genny Eichelberger, Office Support Assistant

Legal Counsel to be Present:

David Brown  
Lewis, Rice & Fingersh, L.C.

State Environmental Improvement and Energy Resources Authority  
316<sup>th</sup> Board Meeting  
November 20, 2014

**Agenda Item #5A**  
**HENRY COUNTY WATER COMPANY**  
**REFUNDING REVENUE BONDS SERIES 2014**  
**UPDATE**

**Issue:**

The Henry County Water Company closed on \$7,515,000 in Tax-Exempt Water Facility Refunding Revenue Bonds on October 30, 2014.

**Action Needed:**

None.

**Staff Recommendation:**

None.

**Staff Contact:**

Joe Boland, Deputy Director

**Background:**

The Henry County Water Company is a 501c(4) Not-for-Profit corporation that owns the water system serving Clinton, Missouri. It was organized in 1983 and is managed by a five-member board of directors. The system is operated by Alliance Water Resources through a contractual arrangement. The system currently serves approximately 4,500 customers.

In 1996, the Authority issued \$13,000,000 in Water Facility Refunding and Improvement Revenue bonds for the Henry County Water Company. The proceeds were used to partially refund a 1985 issue used to acquire the system and to pay for additional system improvements.

In 2004, the Henry County Water Company refunded the outstanding Series 1996 bonds by issuing \$11,815,000 through the Authority.

To realize further interest savings, the Henry County Water Company once again requested that the Authority sell private activity bonds to refund the outstanding balance of \$8,775,000 remaining in the 2004 Series. The estimated present value savings was approximately \$664,500. Pricing of the bonds occurred on October 13<sup>th</sup> and 14<sup>th</sup> which resulted in better savings than anticipated. Original net present value savings was estimated to be approximately \$664,000.

However, at the time of pricing, the actual net present value savings was slightly over \$1,000,000. The underwriters for this transaction were Edward D. Jones & Co. and Piper Jaffrey & Co.

JB:ge

**Agenda Item #7A**  
**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:**

Staff recently received a subgrant application from the Tower Grove Neighborhoods Community Development Corporation on a petroleum contaminated property from which tanks were previously removed. This application will be reviewed for funding consideration once final soil testing results are obtained so that we can know the full extent of contamination.

Project updates are as follows:

- Remains, Inc. is making interest payments on its loan from the program. Removal of the underground storage tank and asbestos occurred with no surprises and soil testing for further work, which will now be delayed until spring, appears promising.
- MDNR approval and a new contractor quote are necessitated by revisions to the cleanup plan for the Wittenberg Warehouse, part of the former Porter Oil Site currently owned by the Land Reutilization Authority of the City of St. Louis.
- The contractor for the project at Ranken Technical College site submitted the Tier 1 Risk Assessment Report to MDNR and it is anticipated that a certificate of completion could be obtained in the next quarter.
- Lab analysis of samples pulled from long-term groundwater monitor wells at the former Alliance Medical Warehouse site in Russellville during the previous quarter have not yet

been returned, but it is anticipated that a certificate of completion could be earned in the next quarter.

- A public meeting was held for the Habitat for Humanity of Springfield, Missouri, Inc. site and MDNR notified the applicant that additional assessment would be required before a Remediation Action Plan can be approved. Habitat for Humanity will work with the City of Springfield to obtain assessment funds for this work in the next quarter.
- SMI/SNF Landlord, LLC continues to repay its loan from the program as scheduled.

KT:ge

State Environmental Improvement and Energy Resources Authority  
316<sup>th</sup> Board Meeting  
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**Agenda Item #7B**  
**MISSOURI BROWNFILEDS REVOLVING LOAN FUND**  
**AUTHORIZATION TO EXTEND THE ENVIRONMENTAL SERVICES CONSULTANT CONTRACT WITH**  
**SEAGULL ENVIRONMENTAL TECHNOLOGIES, INC.**

**Issue:**

The agreement with our environmental services provider, Seagull Environmental Technologies, Inc. is set to terminate on December 5, 2014, unless renewed by the Authority.

**Action Needed:**

Authorization to extend the environmental services consultant contract with Seagull Environmental Technologies, Inc.

**Staff Recommendation:**

Staff recommends extending the contract for an additional two years, as allowed in the existing agreement.

**Staff Contact:**

Kristin Tipton, Development Director

**Background:**

The contract with Seagull Environmental Technologies, Inc. for environmental services to the Authority is set to terminate on December 5, 2014 unless the Authority approves automatic renewal for one additional two-year term.

The agreement with Seagull Environmental began on December 5, 2013, and since that time the company has provided excellent service to the program when needed. Seagull Environmental has prepared Analysis of Brownfield Cleanup Alternative and Remediation Action Plan documents required for our projects when necessary and has provided input and assistance on various program issues.

Approval of the agreement extension will enable program work to continue uninterrupted.

KT:ge

State Environmental Improvement and Energy Resources Authority  
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**Agenda Item #8B**  
**MISSOURI MARKET DEVELOPMENT PROGRAM**  
**FUNDING RECOMMENDATION FOR ST. LOUIS COMPOSTING, INC.**

**Issue:**

St. Louis Composting, Inc. requested \$250,000 to purchase equipment costing \$440,000 that will enable the company to separate expired or recalled food from its packaging allowing them to compost the organic fraction and recycle the packaging.

**Action Needed:**

Consideration of the funding recommendation for the St. Louis Composting, Inc. project and authorization for the Director, or her designee, to enter into an agreement on behalf of the Authority.

**Staff Recommendation:**

Staff recommends funding this project in the amount of \$220,000, not to exceed 50% of the cost of the equipment.

**Staff Contact:**

Kristin Tipton, Development Director

**Background:**

St. Louis Composting, Inc. requested \$250,000 to purchase equipment costing \$440,000 that will enable the company to separate expired or recalled food from its packaging, allowing them to compost the organic fraction and recycle the packaging. The equipment, which uses relatively new technology currently not found in Missouri, will also separate disposable tableware from collected food service waste. St. Louis Composting was founded in 1992 and is now the largest compost producer in the greater St. Louis metro area, employing more than sixty people and receiving organic material from a number of sources, including the Missouri Botanical Garden, the St. Louis Zoo, and the St. Louis Cardinals. Although the company has been expanding, demand for its compost exceeds its ability to create more product.

According to the USEPA, one-third of all food produced in the United States is wasted. While composting can put that material to good use, much of the waste stream remains unrecovered due to packaging contamination that is difficult to remove and separate. The equipment St. Louis Composting proposes to purchase will allow for recovery of additional food waste streams and recyclable packaging. St. Louis Composting anticipates creating five

new full time employee positions and diverting an additional 6,500 tons from the waste stream annually with this project.

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, recommends funding this project in the amount of \$220,000, not to exceed 50% of the cost of the equipment. This is the highest amount for which the project is eligible under program's eligibility criteria. This funding recommendation was unanimous.

KT:ge

**Agenda Item #8C**  
**MISSOURI MARKET DEVELOPMENT PROGRAM**  
**FUNDING RECOMMENDATION FOR DMR PLASTICS, INC.**

**Issue:**

DMR Plastics, Inc. requested \$100,000 to purchase equipment costing \$170,000 that will enable the company to wash and dry previously unrecovered contaminated plastics so that they can be ground and sold for manufacturing feedstock.

**Action Needed:**

Consideration of the funding recommendation for the DMR Plastics, Inc. project and authorization for the Director, or her designee, to enter into an agreement on behalf of the Authority.

**Staff Recommendation:**

Staff recommends funding this project in the amount of \$100,000, not to exceed 66% of the cost of the equipment.

**Staff Contact:**

Kristin Tipton, Development Director

**Background:**

DMR Plastics, Inc. (located in Bolckow) requested \$100,000 to purchase equipment costing \$170,000 that will enable the company to wash and dry previously unrecovered contaminated plastics so that they can be ground and sold for manufacturing feedstock. The material to be recovered is primarily high density polyethylene and polypropylene packaging materials that are contaminated with dirt, food by-product and labels. These materials are typically landfilled as there are few processors in the state that have the capacity to clean them. DMR Plastics, a successful past program participant, is a family owned business that formed in 1998 to shred and grind plastic scrap and has steadily grown over the years. The company grinds materials for others and also procures and grinds their own material. The addition of a wash line will enable the company to meet a growing customer need as businesses continue to identify means by which to reduce production costs. DMR Plastics anticipates adding six new full time employees and diverting an additional 1,500 tons annually with this project.

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, recommends funding this project in the amount of \$100,000, not to exceed 66% of the cost of the equipment. This funding recommendation was unanimous.

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**Agenda Item #8D**

**AUTHORIZATION FO THE DIRECTOR OR HER DESIGNEE TO NEGOTIATE AND ENTER INTO AN AGREEMENT WITH BRIDING THE GAP, INC. FOR DEVELOPMENT OF A WEB BASED MISSOURI RECYCLED PRODUCTS DIRECTORY**

**Issue:**

The Missouri Market Development Program's Missouri Recycled Products Directory is difficult for staff to keep current and not easy for users to access or search. Staff has been considering alternatives for some time.

**Action Needed:**

Authorization for the Director, or her designee, to negotiate and enter into a one year agreement with Bridging the Gap, Inc. for a web based Missouri Recycled Products Directory in an amount not to exceed \$8,000.

**Staff Recommendation:**

Authorizing the Director, or her designee, to negotiate and enter into an agreement with Bridging the Gap, Inc. for the development of a web based Missouri Recycled Products Directory.

**Staff Contact:**

Kristin Tipton

**Background:**

For many years, the Missouri Market Development Program has produced a document based Missouri Recycled Products Directory in which recycled-content products made or distributed in Missouri are promoted. This directory has been produced as an annual printed piece, on CD, and currently available as a document on our web site. Because products enter and leave the market randomly, it has not been easy to keep the document current and the document based format is inconvenient for people interested in using it.

Our longtime partner in several projects to promote the use of recovered materials, Bridging the Gap has proposed to build, test and launch a web based version of the directory for us. This would allow vendors to upload product descriptions and pictures for posting (upon our review and approval), and provide ability for users to access and search the directory online and via mobile devices.

The cost of development and production of the website is \$7,500. Staff believes it makes sense to budget an additional \$500 for tweaks we might desire as the new directory is put in use. The agreement with Bridging the Gap would be for 1 year at an amount not to exceed \$8,000 for these services. Additional costs will be web hosting fees (approximately \$10/month) and domain name renewals (approximately \$30/year) which will be paid by the Authority directly and not as part of the Bridging the Gap agreement.

The cost of developing and maintaining the website would come from the Program's Business Initiatives budget category.

KT:ge

**Agenda Item #9**  
**STRATEGIC MEASURES UPDATE**

**Issue:**

We would like to update the Board on our strategic measures for first quarter FY15 as well as our Communications Plan and the EIERA Web site.

**Action Needed:**

None.

**Staff Recommendation:**

None.

**Staff Contact:**

Connie Patterson, Project Specialist

**Background:**

We recently compiled our strategic measures for first quarter FY15. A copy of the 9/30/14 Scorecard is attached for your convenience.

Tracking our outreach efforts revealed progress on several important measures worth highlighting:

Increase number of EIERA client referrals

- We reached 58 percent of our target.

Partner interest in working with the EIERA

- We reached 50 percent of our target.

Number of contacts generating results

- We exceeded our target by 70 percent.

Diversification of revenue

- While we continue to strive to reach our target of less than 33 percent, we have seen improvement relative to FY14 and FY13. Our current 37 percent distribution is more equitably divided between SRF and Market Development revenues and, to a lesser extent, Brownfields revenues.

We also improved on two internal processes:

Timeliness of critical documents by deadline

- We met deadlines on critical documents 100 percent. Our FY15 target is 95 percent.

Reduced inefficient use of staff time

- One inefficiency was noted in first quarter FY15. Our FY15 target is 16.

Some of our "Progress" arrows now point downward at the end of first quarter FY15, reflecting a less than 25 percent advancement toward our annual target. We will continue to focus on those areas and anticipate those measures will improve as we move forward into FY15.

On a related note, our previous update for the Board indicated we moved two strategic plan measures under our Communications Plan to be addressed. These measures were building awareness of EIERA's value and expansion of the Web site.

We have begun to implement the Communications Plan and have taken the initial steps to generally identify and refine key contacts and strategies as we determine the best ways to build awareness of our value.

In addition, updating and expanding the EIERA Web site is a work in progress. We invite you to check out our new Board Members page - you all look fantastic! Thank you for your help in updating your information.

At the meeting, we will answer any questions you may have.

Thank you.

CP:ge

Attachment

Attachment "A"

EIERA Balanced Scorecard						
						9/30/2014
Top 8 KPI	↑ Performance Meets or Exceeds Target Expectations To Date					
Middle 9 KPI	↔ Performance Neutral To Date					
Bottom 8 KPI	↓ Performance Below Target Expectations To Date					
<b>Improve Client Results</b>						
	Measured	2014	YTD	Target	Rank	Progress
Client dollars saved	9/30/2014	\$74,262,041	\$6,409,716	\$50,000,000		↓
Total dollar amount of projects funded	9/30/2014	\$156,221,550	\$8,781,000	\$115,000,000		↓
Number of environmental impacts	9/30/2014	-	-	20		NA
<b>Improve Client Satisfaction</b>						
		Baseline	YTD	Target	Rank	Progress
Client satisfaction ratings improved	3/31/2015	-	-	-		NA
Increase number of EIERA client referrals	6/30/2015	33	19	> 33		↑
<b>Build Awareness of EIERA's Value</b>						
		2014	YTD	Target	Rank	Progress
Survey targeted groups	12/31/2014	-	-	-		NA
# web hits	9/30/2014	5,895	1,134	6,500		↓
# of applications for financing	9/30/2014	7	1	15		↓
<b>Create Sustainable Funding Model/Enhance Financial Strength</b>						
		2014	YTD	Target	Rank	Progress
Total Authority revenue increased	9/30/2014	\$653,953	90,964	\$800,000		↓
Diversification of revenues (<33%)	9/30/2014	54%	37%	< or = 33%		↓
Average cost of services	9/30/2014	\$ 71.42	\$ 64.59	< \$75		↑
<b>Financial Accountability Excellence</b>						
		Previous	YTD	Target	Rank	Progress
# of significant audit findings	12/31/2014	0	0	0		↑
<b>Enhance Partnerships and Relationships</b>						
		Baseline	YTD	Target	Rank	Progress
Partner Interest in working with the EIERA	6/30/2014	5	4	8		↑
<b>Continuous Quality Improvement</b>						
		Previous	YTD	Target	Rank	Progress
Timeliness of critical documents by deadline	9/30/2014	93%	100%	95%		↑
% of final critical documents with errors (< 5%)	9/30/2014	3%	2%	5%		↑
<b>Communications Practices improved</b>						
		Previous	YTD	Target	Rank	Progress
# contacts generating results	9/30/2014	12%	17%	10%		↑
Meeting materials on website by deadline	9/30/2014	100%	100%	95%		↑
<b>Increase Board involvement</b>						
		Baseline	YTD	Target	Rank	Progress
Survey on Board informed input	6/30/2015	-	-	50%		NA
Leads provided by Board which are pursued	9/30/2014	1	0	2		↓
<b>Increase Staff capacity</b>						
		Previous	YTD	Target	Rank	Progress
Reduce inefficient use of staff time	9/30/2014	32	1	16		↑
% of identified knowledge gaps addressed	6/30/2015	75%	0%	50%		NA
% of staff training plans implemented	6/30/2015	-	0%	50%		NA