

**322nd MEETING OF THE
STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY
EIERA Office
425 Madison Street, Second Floor
Jefferson City, Missouri
October 22, 2015
1:30 p.m.**

1. Call to Order

2. Approval of Minutes

Approval of Minutes from the 321st Meeting of the Authority held September 8, 2015, in Jefferson City, Missouri

3. State Revolving Fund Program

A. Update

B. Resolution Authorizing the State Environmental Improvement and Energy Resources Authority to Issue and Sell Not to Exceed \$150,000,000 Principal Amount of Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) and Approving Other Documents and Authorizing the Authority to Take Certain Other Actions in Connection with the Issuance of Said Bonds

C. Other

4. Other Financings

5. Missouri Market Development Program

A. Program Update

B. Consideration of the Funding Recommendation for the Bryant Plastics, 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 Midwest Organics, Inc. Project and Authorizing the Director or Her Designee to Enter Into an Agreement on Behalf of the Authority

D. Consideration of the Funding Recommendation for the Missouri Organic Recycling, Inc., Project and Authorizing the Director or Her Designee to Enter Into an Agreement on Behalf of the Authority

E. Other

6. Brownfields Revolving Loan Fund

A. Program Update

B. Other

7. Review of Strategic Measures
8. Presentation of Fiscal Year 2015 Authority Audit
9. Other Business
 - A. Opportunity for Public Comment (Limit of Four Minutes per Individual)
 - B. Next Meeting Date
 - C. Other
10. Closed Meeting Pursuant to Section 610.021 (1), (3) and (11) RSMo. (as needed)
11. Adjournment of Closed Meeting and Return to Open Meeting
12. 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 LaRee DeFreece, Secretary Deron Cherry, Vice-Chair, Treasurer
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Staff to be Present:	Karen Massey, Director Joe Boland, Deputy Director Kristin Allan Tipton, Development Director Connie Patterson, Project Specialist Mary Vaughan, Administration and Project Manager Genny Eichelberger, Office Support Assistant
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Legal Counsel to be Present:	David Brown Lewis Rice LLC
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State Environmental Improvement and Energy Resources Authority
322nd Board Meeting
October 22, 2015

Agenda Item #3B
STATE REVOLVING FUND 2015B REFUNDING

Issue:

The financial markets continue to show favorable rates for our proposed refunding. Staff has been working with the finance team to refine the parameters of the refunding and to draft the necessary documents and schedules. We anticipate a bond closing in late November 2015.

Action Needed:

Consideration and approval of the attached resolution authorizing the Authority to issue and sell not to exceed \$150,000,000 in principal amount of refunding revenue bonds.

Staff Recommendation:

Staff recommends the approval of the resolution authorizing the issuance of not-to-exceed \$150,000,000 in EIERS SRF Refunding Revenue Bonds.

Staff Contact:

Joe Boland

Background:

At the September 8, 2015, Board meeting, you approved the selection of Jefferies LLC as the Book Running Senior Managing Underwriter for this transaction. Interest rates remain low making the refunding of certain EIERS SRF bonds very cost effective. In addition to the interest savings from the advance and current refundings, one of the objectives of this transaction was to simplify the overall program. This will involve cash defeasing some of the older series of bonds, transferring Guaranteed Investment Contracts (GICs) to the new series of bonds and possibly terminating other GICs. These extra steps will add to the complexity of the transaction; however, the result will be a more streamlined program under the cash-flow 2010 Master Trust Agreement.

Based on the latest numbers, the proposed par amount to be refunded is approximately \$113,000,000, creating a net present value savings of \$14,000,000. Relevant portions of the Preliminary Official Statement are also attached to provide additional information on this transaction.

JB:ge

Attachments

RES. 15-__

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

(STATE OF MISSOURI)

RESOLUTION AUTHORIZING THE STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY TO ISSUE AND SELL NOT TO EXCEED \$150,000,000 PRINCIPAL AMOUNT OF WATER POLLUTION CONTROL AND DRINKING WATER REFUNDING REVENUE BONDS (STATE REVOLVING FUNDS PROGRAMS); APPROVING THE FORM OF AND AUTHORIZING THE AUTHORITY TO ENTER INTO CERTAIN CONTRACTS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS; APPROVING AND AUTHORIZING AN OFFICIAL STATEMENT RELATING TO SAID BONDS; AND APPROVING CERTAIN OTHER DOCUMENTS AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE 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 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 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, collectively with the Clean Water SRF Program, the "SRF Programs") and has stated its intent to issue its bonds or notes to finance projects pursuant to the SRF Programs, said bonds or notes to be payable solely out of the revenues and receipts derived by the Authority in connection with such projects; and

WHEREAS, the Authority has issued certain series of its bonds under the SRF Programs, which bonds are collectively referred to as the "Original Bonds" pursuant to Bond Indentures, as amended (each an "Original Indenture" and collectively the "Original Indentures"), between the Authority and UMB Bank,

N.A. and UMB Bank & Trust, N.A., as applicable, as original trustees or as successors and assigns (each an “Original Trustee” and collectively the “Original Trustees”); and

WHEREAS, the proceeds of the Original Bonds are being, or have been, applied to the costs of constructing certain wastewater treatment, sanitary sewerage and water pollution control facilities and drinking water facilities by the participants in the SRF Programs (each a “Participant”); and

WHEREAS, paragraphs f and j of Section 8.1 of each of the Original Indentures authorize the Authority and the Original Trustee to enter into indentures supplemental to the applicable Original Indenture without the consent of, or notice to, any of the holders of the applicable Original Bonds to provide for the refunding or advance refunding of any of the Original Bonds and to make any other change which, in the sole judgment of the Original Trustee, does not materially adversely affect the interests of the owners of any of the applicable Original Bonds outstanding; and

WHEREAS, Section 8.3 of each Original Indenture provides that before the Authority and the Original Trustee enter into a supplemental indenture there shall have been delivered to the Authority, the Original Trustee, the Department of Natural Resources (“DNR”) and the applicable Participants an opinion of Bond Counsel stating that such supplemental indenture is authorized or permitted by the applicable Original Indenture and the Act, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the Authority in accordance with its terms and will not adversely affect the exclusion of interest on the applicable Original Bonds from gross income for federal income tax purposes; and

WHEREAS, the Authority has determined to amend the Original Indentures, to issue a series of refunding bonds pursuant to the Act to be designated and in the maximum aggregate principal amount as provided in this Resolution (the “Bonds”) for the hereinafter described purposes, and to authorize certain documents; and

WHEREAS, the Authority further finds and determines that it is necessary and desirable in connection with the issuance and sale of the Bonds that the Authority enter into certain documents and approve certain other documents and take certain other actions in connection with the issuance 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 issuance of its refunding bonds under the Act to provide funds to refinance a portion of the costs of construction of the projects financed with the proceeds of the Original Bonds (the “Projects”) and to consolidate certain outstanding issues is in the public interest and within the power and authority vested in the Authority under the Act and will be in furtherance of the objectives and public purposes of the Act, in that the refinancing of the costs of the Projects will result in additional monies for the SRF Programs, and will provide for the public health, safety and welfare of the residents of the State of Missouri by promoting, developing and assisting in the construction of wastewater treatment, sanitary sewerage and water pollution control and drinking water facilities in the State of Missouri, and will simplify administration of the SRF Programs. The Authority hereby approves the Application Letter dated October 20, 2015, submitted by Jefferies LLC, as senior book running underwriter (the “Senior Underwriter”), for the issuance and sale of

the Bonds and declares the intent of the Authority to issue the Bonds pursuant to the Act and in accordance with the SRF Programs.

Section 2. Authorization of the Bonds. For the foregoing purposes, the Authority hereby authorizes the issuance and sale, pursuant to Section 260.050 of the Act, of its Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) in the aggregate principal amount not to exceed \$150,000,000. The Bonds shall be dated as of the date of delivery of the Bonds and shall be issued as fully registered Bonds, without coupons, in the denominations as are set forth in the hereinafter authorized Indenture. The Bonds shall be in one or more series, shall mature or be subject to mandatory sinking fund redemption on the dates no later than July 1, 2031 and shall bear interest at rates not to exceed 5.50% per annum, payable semiannually on each January 1 and July 1, as such series, maturities, principal amounts and interest rates shall be approved by the Chairman or Vice Chairman by the execution of the Purchase Contract hereinafter referred to between the Authority and the Underwriters (defined below). The Bonds shall be in such forms, shall have such terms and provisions, shall be issued, executed and delivered in such manner and subject to such provisions, covenants and agreements, and shall be equally and ratably secured both as to principal and interest by the Indenture. The Indenture provides a complete description of the pledged property and revenues constituting the Trust Estate, the nature and extent of the security for the Bonds, a statement of the terms and conditions on which the Bonds are to be issued and secured, the rights, duties, obligations and immunities of the Authority, the rights, duties, obligations and immunities of the Trustee, and the rights of the holders of the Bonds. Because of the characteristics of the Bonds, the principal amount thereof, the acceptability in the public bond market of similar issues, the prevailing market conditions and the advice of the Underwriters hereinafter referred to that a private sale will result in the most favorable interest rates on the Bonds, the Authority hereby finds that it is in the best interest of the Authority to sell the Bonds at a private sale pursuant to the Purchase Contract. The issuance of the Bonds is conditioned on achieving a minimum net present value savings from the Original Bonds of two percent (2%) in the aggregate, after payment of all costs of issuance relating to the Bonds.

Section 3. Limited Obligations. The Bonds shall be limited obligations of the Authority payable solely out of the payments, revenues and receipts to be derived by the Authority pursuant to the herein referred to Supplemental Indentures and from certain other moneys pledged under the Indenture, and such payments, revenues and receipts shall be pledged and assigned to the Trustee as security for the payment of the Bonds as provided in the Indenture. The Bonds do not constitute or create an indebtedness, liability or moral obligation of any Participant, the State, any political subdivision thereof, the United States of America or any agency thereof, the United States Environmental Protection Agency ("EPA"), DNR, the Clean Water Commission or the Safe Drinking Water Commission. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds nor is the State of Missouri or any political subdivision thereof liable on the Bonds. No covenant, stipulation, obligation or agreement contained herein or in the Bonds shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future trustee, officer, member, director, employee or agent of the Authority in his or her individual capacity.

Section 4. Authorization of Authority Documents. The Authority is hereby authorized to enter into the following documents (the "Authority Documents"), in substantially the forms presented and reviewed by the Authority at this meeting (copies of which documents shall be filed with the records of the Authority), with such final terms and such changes therein as shall be approved by the officers of the Authority executing such documents, such officers' signatures thereon being conclusive evidence of their approval thereof:

(a) Bond Indenture (the “Indenture”) dated as of the first day of the month in which the Bonds are issued or such other date as approved by the officers of the Authority executing the document (the “Document Date”), between the Authority and UMB Bank, N.A., as trustee (the “Trustee”);

(b) Purchase Contract to be dated the date of its execution and delivery (the “Purchase Contract”), between the Authority and the Senior Underwriter and the other underwriters named therein (collectively the “Underwriters”);

(c) One or more Escrow Deposit Agreements dated as of the Document Date (collectively, the “Escrow Agreements”) between the Authority and UMB Bank, N.A. as Escrow Agent;

(d) Tax Compliance Agreement dated as of the Document Date, among the Authority, the Trustee and UMB Bank, N.A., as master trustee; and

(e) Supplemental Indentures dated as of the Document Date, with respect to the Original Indentures for which Original Bonds are refunded by the Bonds (in the form of the model supplemental indenture, with appropriate series by series modifications, each a “Supplemental Indenture” and collectively, the “Supplemental Indentures”), between the Authority and the applicable Original Trustees.

Section 5. Authorization of Letter of Instructions and Investment Agreement. The Chairman or Vice Chairman is hereby authorized and directed to execute letters of instructions or certificates (i) requesting and authorizing the Trustee to authenticate and deliver the Bonds to the Underwriters, (ii) ordering and directing the Trustee as to the deposit of the proceeds of the Bonds, (iii) directing the Trustee as to the application of the proceeds of the Bonds, and (iv) setting forth how proceeds deposited in certain funds and accounts shall be invested and, in connection with said investments, authorizing the purchase of certain securities in accordance with the terms of the Indenture. Certain fees and expenses to be paid out of the proceeds of the Bonds shall not exceed 1.5% of the aggregate principal amount of the Bonds. The Trustee is authorized to invest the Funds and Accounts established under the Indenture in accordance with the written directions of the Chairman, the Vice Chairman, the Director or the Deputy Director.

Section 6. Authorization of Preliminary Official Statement and Official Statement. The form and provisions of the Preliminary Official Statement relating to the sale of the Bonds, in the form presented at this meeting, is hereby approved, and the Authority authorizes the use of the Preliminary Official Statement and the information therein in connection with the offering and sale of the Bonds by the Underwriters in accordance with applicable legal requirements. The Authority hereby authorizes and directs the Underwriters to prepare and distribute a final Official Statement in connection with the offering and sale of the Bonds, said Official Statement to be substantially in the form of the Preliminary Official Statement with such changes therein as shall be necessary to complete the Preliminary Official Statement and as shall otherwise be deemed by the Underwriters to be necessary and as shall be authorized by the Chairman or the Vice Chairman, such approval to be conclusively evidenced by the delivery of the Bonds.

Section 7. Execution of Bonds and Documents. The Chairman or the Vice Chairman is hereby authorized and directed to execute the Bonds, manually or by facsimile signature, and to deliver the Bonds to the Trustee for authentication for and on behalf of and as the act and deed of the Authority in the manner provided in the Indenture. The Chairman or the Vice Chairman is hereby authorized and directed to execute

and deliver the Authority Documents for and on behalf of and as the act and deed of the Authority. The Secretary or the Assistant Secretary is hereby authorized and directed to attest, manually or by facsimile signature, to the Bonds and the Authority Documents, and to such other documents, certificates and instruments, including any document with respect to the pledge of the Authority's interest in certain reserve investments securing Original Bonds and net participant payments to the Trustee or to the Master Trustee under the Master Trust Agreement dated as of November 1, 2010, as amended between the Authority and the Master Trustee, and any amendment or supplement to the Master Pledge Agreement dated as of November 1, 2010 between the Authority and DNR, or the Amended and Restated Master Trust Agreement dated March 1, 2004, as amended, between the Authority and UMB Bank, N.A., as master trustee, as may be necessary or desirable in connection with the issuance of the Bonds, and further, as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 8. Investment Contracts. The Chairman or the Vice Chairman is hereby authorized and directed to consent to or otherwise facilitate any transfers, assignments or modifications of Investment Agreements (within the meanings of such terms in the Original Indentures) entered into in connection with the issuance of certain of the Original Bonds as may be deemed to be advisable to carry out and comply with the intent of this Resolution.

Section 9. 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, including applications for the registration of the Bonds under state securities laws, and to carry out, comply with and perform the duties of the Authority with respect to the Bonds and the Authority Documents.

[remainder of page left intentionally blank]

Section 9. 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 October, 2015.

Chairman of the Authority

(Seal)

ATTEST:

Secretary of the Authority

NEW ISSUE
Book-Entry Only

RATINGS: Moody's: ____
Fitch: ____
See "RATINGS" herein

In the opinion of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), (1) the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, except as described in this Official Statement, and is not an item of tax preference for the purposes of the federal alternative minimum tax imposed on individuals and corporations, (2) the interest on the Bonds is exempt from income taxation by the State of Missouri and (3) the Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. See "TAX MATTERS" herein and the form of opinion of Bond Counsel attached hereto as Appendix E.



\$ _____
State Environmental Improvement and Energy Resources Authority
(State of Missouri)
Water Pollution Control and Drinking Water Refunding Revenue Bonds
(State Revolving Funds Programs)
Series 2015B

Dated: Date of Delivery

Due: January 1 and July 1, as shown on inside cover

The State Environmental Improvement and Energy Resources Authority (the "Authority") is issuing its Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2015B (the "Bonds") pursuant to a Bond Indenture dated as of November 1, 2015 (the "Indenture") between the Authority and UMB Bank, N.A., St. Louis, Missouri, as trustee and bond registrar (the "Trustee"). The Authority has issued certain series of bonds (the "Original Bonds"), the proceeds of which were loaned by the Authority to Missouri governmental entities and nonprofit corporations (the "Participants") in connection with the financing of wastewater treatment and sanitary sewerage facilities and drinking water facilities. Net proceeds of the Bonds and other available funds will be used to refund or defease portions of the Original Bonds and to pay issuance costs, as described herein. Terms not otherwise defined on this cover page have the meanings set forth herein.

The Bonds are issuable only as fully registered bonds, without coupons, and when issued will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. See "DESCRIPTION OF THE BONDS – Book-Entry System" herein. Principal of and redemption premium, if any, on the Bonds is payable to the registered owners of the Bonds at the maturity or redemption date thereof upon the surrender thereof at the principal payment office of the Trustee. Interest on the Bonds is payable semiannually on each January 1 and July 1, commencing on July 1, 2016.

The Bonds are limited obligations of the Authority payable solely from revenues and receipts derived by the Authority consisting of moneys transferred to the Trustee by the 2010 Master Trustee from amounts available under the 2010 Master Trust Agreement (the "Indenture Receipts") and certain amounts pledged pursuant to the 2004 Master Trust Agreement. The Bonds are 2010 Master Trust Bonds and are secured on a parity basis by the Pledged Participant Obligations and Pledged Net Participant Payments with all 2010 Master Trust Bonds. See "SECURITY AND SOURCES OF PAYMENT OF THE BONDS" and "SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS" herein.

The Bonds do not constitute or create an indebtedness, liability or moral obligation of the Participants, the State of Missouri (the "State") or any political subdivision thereof, the United States of America or any agency thereof, the Missouri Department of Natural Resources, the Missouri Clean Water Commission or the Missouri Safe Drinking Water Commission. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds nor is the State or any political subdivision thereof liable on the Bonds. The Authority has no taxing power.

The Bonds are subject to redemption prior to maturity as described under the section captioned "DESCRIPTION OF THE BONDS – Redemption; Notice of Redemption."

See the inside cover page for maturities, principal amounts, interest rates, prices, yields and CUSIP numbers

This cover page contains information for quick reference only. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds are offered when, as and if issued by the Authority and accepted by the Underwriters, subject to prior placement, withdrawal or modification of the offer without notice and subject to the approval of their validity by Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel, and subject to certain other conditions. Certain legal matters will be passed upon for the Authority by its General Counsel, Lewis Rice LLC, St. Louis, Missouri. Certain legal matters will be passed upon for the Underwriters by Thompson Coburn LLP, St. Louis, Missouri, and the Hardwick Law Firm LLC, Kansas City, Missouri. Columbia Capital Management, LLC, Overland Park, Kansas, serves as Financial Advisor to the Authority. It is expected that the Bonds will be available for delivery through the facilities of DTC in New York, New York on or about November __, 2015.

Jefferies

[Add Co-Managers]

The date of this Official Statement is November __, 2015.

* Preliminary, subject to change.

\$ _____
State Environmental Improvement and Energy
Resources Authority (State of Missouri)
Water Pollution Control and Drinking Water Refunding Revenue Bonds
(State Revolving Funds Programs)
Series 2015B

Maturity Schedule
Base CUSIP: 60636P¹

<u>Maturity</u>	<u>\$ Amount</u>	<u>Interest Rate</u> %	<u>Yield</u> %	<u>Price</u> %	<u>CUSIP Numbers</u> ¹
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* Preliminary, subject to change.

¹ CUSIP numbers shown above have been assigned by an organization not affiliated with the Authority. The Authority was not responsible for the selection of CUSIP numbers nor does it make any representation as to the correctness of such numbers on the Bonds or as indicated herein.

State Environmental Improvement and Energy Resources Authority

William "Andy" Dalton, Chairman
Deron L. Cherry, Vice Chairman, Treasurer and Assistant Secretary
LaRee DeFreece, Secretary
Karen L. Massey, Director

Department of Natural Resources

Sara Parker Pauley, Director
Leanne Tippet-Mosby, Director – Division of Environmental Quality
John Madras, Director – Water Protection Program
Eric Crawford, Director – Financial Assistance Center

Clean Water Commission

Ben A. "Todd" Parnell, Chair
Buddy Bennett, Vice Chair
John Cowherd, Commissioner
Samuel D. Leake, Commissioner
Ashley McCarty, Commissioner
Wallis Warren, Commissioner
Dennis Wood, Commissioner

Safe Drinking Water Commission

Elizabeth Grove, Chair
D. Scott Bockenkamp, Vice Chair
Susan McCray Armstrong, Commissioner
Susan E. Hazelwood, Commissioner
Charli Jo Ledgerwood, Commissioner
Bruce Manning, Commissioner
Rodger Owens, Commissioner
Curtis Skouby, Commissioner

Advisors and Consultants

Financial Advisor to the Authority

Columbia Capital Management, LLC
Overland Park, Kansas

Counsel to the Authority

Lewis Rice LLC
St. Louis, Missouri

Bond Counsel

Gilmore & Bell, P.C.
Kansas City, Missouri

Co-Underwriters' Counsel

Thompson Coburn LLP
St. Louis, Missouri

Hardwick Law Firm LLC
Kansas City, Missouri

REGARDING USE OF THIS OFFICIAL STATEMENT

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON THE EXEMPTION CONTAINED IN SECTION 3(a)(2) OF SUCH ACT. THE INDENTURE HAS NOT BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT.

The information set forth herein has been obtained from the Authority and other sources which are deemed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Authority. The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

No dealer, broker, salesperson or any other person has been authorized by the Authority to give any information or make any representations, other than those contained in this Official Statement, in connection with the offering of the Bonds, and if given or made, such other information or representations must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any state in which it is unlawful for such person to make such offer, solicitation or sale. The information herein is subject to change without notice, and neither the delivery of this Official Statement nor the sale of any of the Bonds hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Authority, the Programs (as defined herein) or the other matters described herein since the date hereof.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "anticipate," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (i) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (ii) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL OR REGULATORY CIRCUMSTANCES, AND (iii) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS OR COMPETITORS, OR LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE.

UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE TO THE AUTHORITY ON THE DATE HEREOF, AND THE AUTHORITY ASSUMES NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN THE EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR, OTHER THAN AS INDICATED UNDER THE CAPTION "CONTINUING DISCLOSURE."

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OFFICIAL STATEMENT

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**State Environmental Improvement and Energy
Resources Authority (State of Missouri)
Water Pollution Control and Drinking Water Refunding Revenue Bonds
(State Revolving Funds Programs)
Series 2015B**

INTRODUCTION

The following introductory information is subject in all respects to more complete information contained elsewhere in this Official Statement. The order and placement of materials in this Official Statement, including the appendices hereto, are not to be deemed to be a determination of relevance, materiality or relative importance, and this Official Statement, including the cover page and appendices, should be considered in its entirety. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

The purpose of this Official Statement is to set forth certain information concerning (1) the State Environmental Improvement and Energy Resources Authority, a body corporate and politic and a governmental instrumentality of the State of Missouri (the **"Authority"**), (2) the \$ _____ principal amount of Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs), Series 2015B (the **"Bonds"**), to be issued by the Authority and (3) the source of repayment and security for the Bonds. See **"DESCRIPTION OF THE BONDS"** and **"SECURITY AND SOURCES OF PAYMENT OF THE BONDS"** herein.

Authorization of and Purpose of the Bonds

The Authority is authorized pursuant to Sections 260.005 through 260.125, and Appendix B(1), of the Revised Statutes of Missouri, as amended (the **"Act"**), and the resolution adopted by the Authority on October 21, 2015, to issue the Bonds under a Bond Indenture dated as of November 1, 2015 (the **"Indenture"**) by and between the Authority and UMB Bank, N.A., St. Louis, Missouri, as trustee and bond registrar (the **"Trustee"** and **"Bond Registrar"**). Capitalized terms used in this Official Statement and not otherwise defined herein shall have the meanings listed in **Appendix C** and **Appendix D** to this Official Statement. See **"THE AUTHORITY"** and **"DESCRIPTION OF THE BONDS"** herein.

The Authority has issued certain series of bonds (the **"Original Bonds"**), the proceeds of which were loaned by the Authority to Missouri governmental entities and nonprofit corporations (each a **"Participant"** and collectively, the **"Participants"**) in connection with the financing of wastewater treatment and sanitary sewerage facilities (each a **"Clean Water Participant"** and collectively, the **"Clean Water Participants"**) and drinking water facilities (each a **"Drinking Water Participant"** and collectively, the **"Drinking Water Participants"**). The loans are evidenced by bonds, promissory notes or other repayment obligations of the Participant (the **"Authority Bond Participant Obligations"**). The Authority previously issued three series of refunding bonds under the 2004 Master Trust Agreement (defined below) that refunded portions of the Original Bonds: The Series 2001B Refunding Bonds, the Series 2004A Refunding Bonds and the Series 2010A Refunding Bonds, which are collectively referred to herein as the **"2004 Master Trust Refunding Bonds."** The remainder of the principal and interest

* Preliminary, subject to change.

payments on Authority Bond Participant Obligations for series partially refunded by the 2004 Master Trust Refunding Bonds after payment of the debt service on the Original Bonds that remained outstanding after issuance of the 2004 Master Trust Refunding Bonds are included in the definition of **"Remaining Original Bonds"** as further discussed below under **"Security for the Bonds"** and **"SECURITY AND SOURCES OF PAYMENT OF THE BONDS."**

Portions of the Original Bonds [and portions of the Remaining Original Bonds] will be refunded or defeased with the net proceeds of the Bonds (the **"Refunded Bonds"**) and certain funds of the Authority and the Missouri Department of Natural Resources (**"DNR"**) will be used to cash defease portions of the Original Bonds [and portions of the Remaining Original Bonds] (the **"Cash Defeased Bonds"**) and collectively with the Refunded Bonds, the **"Called Bonds"**, as further described in **Appendix B** to this Official Statement. See **"THE REFUNDING PLAN"** and **"SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS"** herein.

State Revolving Funds Programs

Direct Loan Programs. In cooperation with the Clean Water Commission of the State of Missouri (the **"Clean Water Commission"**) and the Safe Drinking Water Commission of the State of Missouri (the **"Drinking Water Commission"**), DNR developed and implemented the State of Missouri Direct Loan Program to provide financial assistance to Missouri governmental entities to finance publicly owned wastewater treatment facilities (the **"Clean Water SRF Direct Loan Program"**) and to provide financial assistance to Missouri governmental entities and other eligible entities to finance publicly and privately owned drinking water treatment facilities (the **"Drinking Water SRF Direct Loan Program"**) and collectively with the Clean Water SRF Direct Loan Program, the **"SRF Direct Loan Programs"**).

Leveraged Loan Programs. The Federal Water Quality Act of 1987, which amended the Clean Water Act of 1972 (as amended, the **"Federal Clean Water Act"**), provides for the establishment of state loan programs, the funds of which are used to provide financial assistance to various instrumentalities of the state in connection with the construction of publicly owned systems for transportation, collection, storage, treatment, recycling and reclamation of municipal sewage and certain other water pollution control projects. By resolutions adopted in 1988, 1998 and 2009, the Authority agreed to cooperate with DNR to implement the program contemplated by the Federal Clean Water Act and issue its bonds in connection with the Missouri Leveraged State Water Pollution Control Revolving Fund Program (the **"Clean Water SRF Leveraged Program"**) and collectively with the Clean Water SRF Direct Loan Program, the **"Clean Water SRF Program"**). For further information on the Clean Water SRF Program, see **"STATE REVOLVING FUNDS PROGRAMS"** herein.

The Federal Safe Drinking Water Amendments of 1996, which amended the Safe Drinking Water Act (as amended, the **"Federal Drinking Water Act"**), provides for the establishment of state loan programs, the funds of which are used to provide financial assistance to various community water systems (including for-profit companies) and nonprofit non-community water systems in connection with the construction of drinking water projects. By resolutions adopted in 1998 and 2009, the Authority agreed to cooperate with DNR to implement the program contemplated by the Federal Drinking Water Act and issue its bonds in connection with the Missouri Leveraged State Drinking Water Revolving Fund Program (the **"Drinking Water SRF Leveraged Program"**) and collectively with the Drinking Water SRF Direct Loan Program, the **"Drinking Water SRF Program"**). The Clean Water SRF Program and the Drinking Water SRF Program are referred to herein collectively as the **"State Revolving Funds Programs"** or the **"Programs."** For further information on the Drinking Water SRF Program, see **"STATE REVOLVING FUNDS PROGRAMS"** herein. All bonds issued by the Authority under the Programs are referred to herein as **"Program Bonds."**

Program Bonds

Prior to November 2010, each series of Program Bonds (the **"2004 Master Trust Bonds"**) was issued under a separate indenture secured by the trust estate created under the applicable indentures executed in connection with each series of bonds (except for one series of bonds issued by the Authority in 1995 to finance a project for the City of Branson) and were further secured by the Amended and Restated Master Trust Agreement dated as of March 1, 2004, as amended by the First Amendment to Master Trust Agreement dated as of November 1, 2009, and the Second Amendment to Master Trust Agreement dated as of November 1, 2010 (collectively, the **"2004 Master Trust Agreement"**) between the Authority and UMB Bank, N.A., as master trustee (the **"2004 Master Trustee"**).

To better meet the needs of DNR and the Participants in the State Revolving Funds Programs resulting from the development of the SRF Direct Loan Programs, the Authority implemented a new master trust agreement, the Master Trust Agreement dated as of November 1, 2010, as amended by the First Amendment to Master Trust Agreement dated as of November 1, 2011 (collectively, the **"2010 Master Trust Agreement"**) between the Authority and UMB Bank, N.A., as Master Trustee (the **"2010 Master Trustee;"** collectively, the 2004 Master Trust Agreement and the 2010 Master Trust Agreement are referred to herein as the **"Master Trust Agreements"**). The 2010 Master Trust Agreement provides flexibility for the issuance of future Program Bonds secured by excess loan repayments, reserve funds, or a combination of both. Prior to the issuance of the Bonds, bonds issued by the Authority under the 2010 Master Trust Agreement are secured by excess loan repayments or portions thereof, as described herein.

The Authority has issued four prior series of bonds under the 2010 Master Trust Agreement: (1) \$65,920,000 Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2010B (the **"Series 2010B Bonds"**), (2) \$106,830,000 Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2011A (the **"Series 2011A Refunding Bonds"**), (3) \$101,535,000 Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2013A (the **"Series 2013A Refunding Bonds"**) and (4) \$29,935,000 Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Program) Series 2015A (the **"Series 2015A Bonds"**). The Bonds will be the fifth series of Program Bonds to be issued under the 2010 Master Trust Agreement. All Program Bonds, or portions thereof, secured by the 2010 Master Trust Agreement are referred to herein as **"2010 Master Trust Bonds."** The Bonds are 2010 Master Trust Bonds, secured on a parity basis with the Leveraged Portion of the Series 2010B Bonds, the Series 2011A Refunding Bonds and the Series 2013A Refunding and all other future 2010 Master Trust Bonds.

Bonds issued under the 2010 Master Trust Agreement may include a **"State Match Portion"** and a **"Leveraged Portion"** if so designated in the bond indenture pursuant to which such bonds are issued. The State Match portion of such series of bonds is not secured by the principal component of the Pledged Participant Obligations (defined herein) or the principal component of the Pledged Net Participant Payments (defined herein) and are not included within the meaning of Master Trust Bonds under the 2010 Master Trust Agreement. The Leveraged Portion of such series of bonds may be secured by the principal component of the Pledged Participant Obligations and the principal component of the Pledged Net Participant Payments if so designated in the applicable bond indenture, and if so designated, are included within the meaning of Master Trust Bonds under the 2010 Master Trust Agreement.

The Series 2010B Bonds consisted of a **"State Match Portion"** and a **"Leveraged Portion."** The State Match Portion represents the amount of State matching funds contributed by the State under the Federal Clean Water Act and the Federal Drinking Water Act in an amount at least equal to the applicable percentage of the amount of federal funds payable pursuant to the applicable federal capitalization grants

to the State for the Clean Water SRF Program and the Drinking Water SRF Program. The Authority designated the Series 2015A Bonds as **"State Match Portion"** only.

The State Match Portion of the Series 2010B Bonds and the Series 2015A Bonds are secured on a parity basis, and will be secured on a parity basis with the State Match Portions of future series of Program Bonds secured under the 2010 Master Trust Agreement, by the interest component of the Pledged Participant Obligations and the interest component of the Pledged Net Participant Payments, and on a priority basis with respect to the Leveraged Portion of each prior series and future series of Program Bonds secured by the 2010 Master Trust Agreement. The State Match Portion of the Series 2010B Bonds and the Series 2015B Bonds are not secured by the principal component of the Pledged Participant Obligations or the principal component of the Pledged Net Participant Payments and, therefore, neither the State Match Portion of the Series 2010B Bonds or the Series 2015A Bonds are 2010 Master Trust Bonds.

The Leveraged Portion of the Series 2010B Bonds, the Series 2011A Refunding Bonds, the Series 2013A Refunding Bonds and the Bonds are secured, on a subordinate basis to the State Match Portion of the Series 2010B Bonds and the Series 2015A Bonds, by the principal component of the Pledged Participant Obligations and the principal component of the Pledged Net Participant Payments and certain amounts pledged under the 2004 Master Trust Agreement, as described below, and are included in the definition of 2010 Master Trust Bonds. See **"SECURITY AND SOURCES OF PAYMENT OF THE BONDS"** and **"SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS"** herein.

Security for the Bonds

Limited Obligations. The Bonds are limited obligations of the Authority, payable solely from and secured exclusively by receipts derived by the Authority from (1) all moneys transferred by the 2010 Master Trustee to the Trustee under the 2010 Master Trust Agreement (the **"Indenture Receipts"**) and (2) certain amounts pledged under the 2004 Master Trust Agreement. See **"SECURITY AND SOURCES OF PAYMENT OF THE BONDS"** and **"SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS"** herein.

The Bonds do not constitute or create an indebtedness, liability or moral obligation of the Participants, the State of Missouri (the **"State"**) or any political subdivision thereof, the United States of America or any agency thereof, DNR, the Clean Water Commission or the Drinking Water Commission. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds nor is the State or any political subdivision thereof liable on the Bonds. The Authority has no taxing power.

Pledge Agreement. In conjunction with a loan from DNR under the Clean Water SRF Direct Loan Program or the Drinking Water SRF Direct Loan Program, each Clean Water Participant or Drinking Water Participant, respectively, issues a bond to DNR, evidencing each Participant's obligation to repay the loan from DNR (each a **"Participant Obligation"** and, collectively, the **"Participant Obligations"**). The Authority and DNR entered into the Master Pledge Agreement dated as of November 1, 2010, as amended by the First Amendment to Master Pledge Agreement dated as of February 1, 2015 (collectively, the **"Pledge Agreement"**), in connection with the issuance of the Series 2010B Bonds and the delivery of the 2010 Master Trust Agreement. Under the Pledge Agreement, DNR granted, assigned and transferred to the Authority a security interest in all of its right, title and interest in and to the principal and interest payments (the **"Repayments"**) on certain of its Participant Obligations (the **"Pledged Participant Obligations"**) as security (subject to the prior lien on the interest component of the Pledged Participant Obligations and the interest component of the Pledged Net Participant Payments securing the State Match Portion of the Series 2010B Bonds and the Series 2015A Bonds) for

the payment of the principal of, premium, if any, and interest on the Leveraged Portion of the Series 2010B Bonds, the Series 2011A Refunding Bonds, the Series 2013A Refunding Bonds, the Bonds and future Program Bonds to be secured under the 2010 Master Trust Agreement, as more fully discussed below under the section captioned **“SECURITY AND SOURCES OF PAYMENT OF THE BONDS.”** DNR covenants under the Pledge Agreement to direct the paying agents for the Pledged Participant Obligations to transfer the Repayments to the 2010 Master Trustee under the 2010 Master Trust Agreement for deposit to the Repayment Fund no later than each Interest Payment Date. See **“SECURITY AND SOURCES OF PAYMENT OF THE BONDS”** and **“SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS”** herein.

2010 Master Trust Agreement. Monies sent to the 2010 Master Trustee under the 2010 Master Trust Agreement and transferred by the 2010 Master Trustee to the Trustee as Indenture Receipts include (1) Repayments on the Pledged Participant Obligations pursuant to the Pledge Agreement and (2) the remainder of the principal and interest payments on Authority Bond Participant Obligations received by the Authority from bond trustees for Original Bonds partially refunded by the Series 2011A Refunding Bonds, the Series 2013A Refunding Bonds and the Bonds (collectively, the **“Refunding Bonds”**) and the 2004 Master Trust Refunding Bonds after payment of the debt service on the Original Bonds that remained outstanding after issuance of the Refunding Bonds and the 2004 Master Trust Refunding Bonds (the **“Remaining Original Bonds”**) and after payment of debt service on the 2004 Master Trust Refunding Bonds, which partially refunded certain Original Bonds (such remaining payments are referred to herein as the **“Pledged Net Participant Payments”**). The Pledged Net Participant Payments have been pledged by the Authority to the 2010 Master Trustee pursuant to the Authority Master Pledge Agreement dated as of November 1, 2011 (the **“Authority Pledge Agreement”**), subject in all respects to pledges by the Authority in connection with the issuance of the 2004 Master Trust Refunding Bonds to payment of the Remaining Original Bonds allocable to the Series 2004 Refunding Bonds and payment of debt service on the Series 2014 Refunding Bonds. See **“THE REFUNDING PLAN”** and **“SECURITY AND SOURCES OF PAYMENT OF THE BONDS”** herein.

Subject to the prior lien of State Match Portion of the Series 2010B Bonds and the Series 2015A Bonds, and future Program Bonds that include a State Match Portion, on the interest component of the Pledged Participant Obligations and the interest component of the Pledged Net Participant Payments, the Repayments on the Pledged Participant Obligations and the Pledged Net Participant Payments are pledged as security for the payment of the principal of, premium, if any, and interest on the 2010 Master Trust Bonds, including the Bonds, and any future 2010 Master Trust Bonds on a parity basis. See **“SECURITY AND SOURCES OF PAYMENT OF THE BONDS”** herein.

The 2010 Master Trust Agreement contains conditions that must be satisfied for future series of bonds to be secured by the 2010 Master Trust Agreement. All future series of 2010 Master Trust Bonds will be secured by the 2010 Master Trust Agreement to the extent provided in the Authority’s bond indenture authorizing such series of 2010 Master Trust Bonds. See **“SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS – 2010 Master Trust Agreement”** herein.

Additional Net Pledged Participant Payments. The Bonds will refund a portion of certain series of the Original Bonds, thus creating additional Remaining Original Bonds. As described above, excess amounts available after payment of debt service on the Remaining Original Bonds attributable to the Original Bonds refunded or defeased with the proceeds of the Bonds is anticipated to result in additional Net Pledged Participant Payments available as security for the 2010 Master Trust Bonds, including the Bonds.

Debt Service Reserve Funds and Earnings. It is anticipated that the debt service reserve funds [and guaranteed investment contracts securing the debt service reserve funds] in connection with the

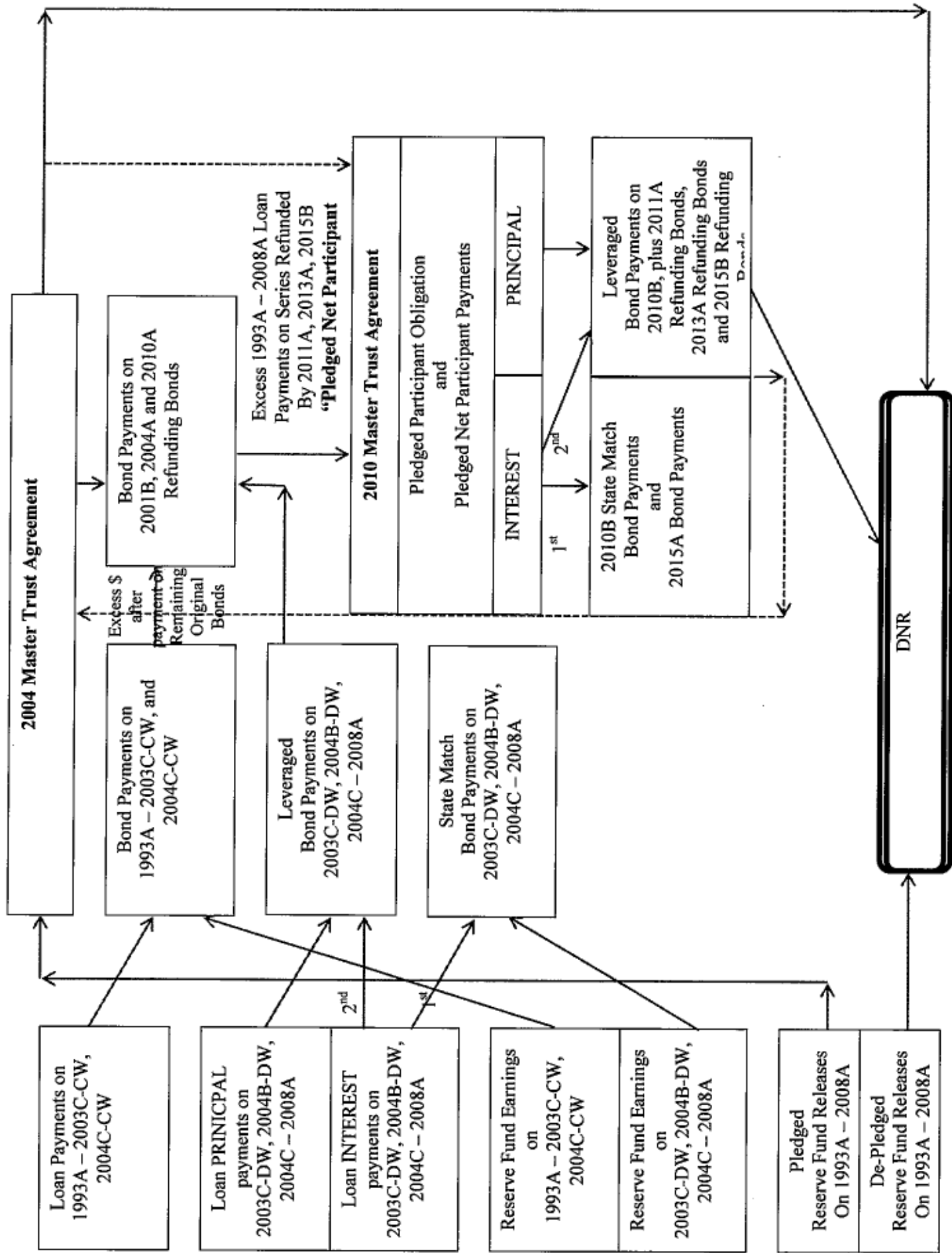
Remaining Original Bonds cash defeased or refunded with a portion of the proceeds of the Bonds will be transferred to the 2010 Master Trustee. Such amounts transferred from the debt service reserve funds, and the interest earnings thereon will provide additional security for the 2010 Master Trust Bonds, including the Bonds. [DISCUSS]

2004 Master Trust Agreement. The Bonds and all other 2010 Master Trust Bonds are further secured by certain amounts available under the 2004 Master Trust Agreement, consisting primarily of certain amounts released from Participants' reserve accounts after payment of debt service on the applicable 2004 Master Trust Bonds. Likewise, Repayments on Pledged Participant Obligations and Pledged Net Participant Payments remaining after payment of debt service on the 2010 Master Trust Bonds are additional security for the 2004 Master Trust Bonds. See **"SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS – 2004 Master Trust Agreement"** herein.

Flow of Funds Under the Master Trust Agreements

The chart below depicts the flow of funds and priority of sources of revenue under the Master Trust Agreements.

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Other Information

There follows in this Official Statement brief descriptions of the Bonds, certain of the Bond documents, the Programs and the Authority. **Appendix A** to this Official Statement is in three parts. Part 1 provides a list of all Pledged Participant Obligations. Part 2 includes information on the Material Master Trust Participant (see **"CONTINUING DISCLOSURE"** herein). Part 3 is a listing of the aggregate loan amount for each Participant (each a **"2004 Master Trust Participant"**) whose obligations are secured by the 2004 Master Trust Agreement (**"2004 Master Trust Participant Obligations"**).

Appendix B contains a list of the Refunded Bonds and the Cash Defeased Bonds. **Appendix C** contains a summary of the 2010 Master Trust Agreement. **Appendix D** contains a summary of certain provisions of the Indenture. Set forth in **Appendix E** is the proposed form of the opinion which is anticipated to be rendered by Bond Counsel at the time of delivery of the Bonds.

Such descriptions, information and summaries provided herein do not purport to be comprehensive or definitive. All references herein to any documents are qualified by the terms of such documents in their entirety. Until the issuance and delivery of the Bonds, copies of the documents described herein may be obtained from Jefferies LLC, as representative of the underwriters of the Bonds. After delivery of the Bonds, copies of the documents summarized in **Appendix C** and **Appendix D** will be available for inspection at the principal corporate trust office of the Trustee.

DESCRIPTION OF THE BONDS

General Description

The Bonds will be issued as fully registered bonds in the denominations of \$5,000 or any integral multiple of \$5,000 (**"Authorized Denominations"**). The Bonds will be dated the date of initial issuance and delivery of the Bonds (the **"Bond Issuance Date"**), will mature on the dates and in the principal amounts and will bear interest at the interest rates per annum set forth on the inside cover hereof. Each Bond shall bear interest from the Bond Issuance Date or from the most recent date to which interest has been paid or duly provided for, payable semiannually on each January 1 and July 1, commencing July 1, 2016 (each an **"Interest Payment Date"**). Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

The principal of and redemption premium, if any, and interest on the Bonds shall be payable in any currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts, and, except as otherwise provided in the Indenture, such principal and redemption premium, if any, shall be payable by check or draft at the principal payment office of the Trustee or at the office of any duly appointed alternate Paying Agent, upon presentation and surrender of such Bonds. Payment of the interest on any Bond shall be made to the person appearing on the Bond Register as the Bondholder thereof as of the commencement of business of the Trustee on the Record Date for such Interest Payment Date, and shall be paid by check or draft of the Trustee mailed to such Bondholder at such Bondholder's address as it appears on the Bond Register or at such other address as is furnished to the Trustee in writing by such Bondholder. Notwithstanding the foregoing, the principal of and redemption premium, if any, and interest on the Bonds is payable by electronic transfer in immediately available federal funds pursuant to instructions from any Bondholder of \$500,000 or more in aggregate principal amount of Bonds as of the commencement of business of the Trustee on the Record Date for a particular Interest Payment Date. Any such instructions for electronic transfer shall be in writing, signed by such Bondholder and given by such Bondholder to the Trustee not less than fifteen days prior to the applicable Record Date and shall include the name of the bank (which

shall be in the continental United States), its address, its ABA routing number and the name, number and contact name related to such Bondholder's account at such bank to which the payment is to be credited and shall acknowledge that an electronic transfer fee is payable. Electronic transfers will be made to such electronic transfer address for which instructions were properly given irrespective of any transfer or exchange of the Bonds subsequent to such Record Date and prior to such Interest Payment Date. Unless the Bonds are in book-entry form, no principal of or redemption premium, if any, on the Bonds is payable unless the Bondholder thereof shall have surrendered such Bonds at the principal payment office of the Trustee. All checks, drafts or, at the best efforts of the Trustee, electronic transfers for the payment of the principal of or redemption premium, if any, and interest on the Bonds shall include or have enclosed therewith the CUSIP number and appropriate payment amount for each CUSIP number. If the Authority shall default in payment of interest due on an Interest Payment Date, such defaulted interest shall be payable to the persons in whose names the Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by the Trustee as Bond Registrar, which special record date shall not be less than ten (10) days preceding the date of payment of such defaulted interest.

Redemption; Notice of Redemption

Optional Redemption. The Bonds maturing on and after ____ 1, 20 __, are subject to redemption in whole or in part on any date, at the option of the Authority, on and after ____ 1, 20 __, at the redemption price of 100% of the principal amount redeemed, plus accrued interest thereon to the redemption date. Bonds to be redeemed pursuant to the optional redemption provisions above shall be selected from the maturities and in the principal amounts as shall be determined by the Authority. The Trustee shall select the Bonds, or portions thereof, to be redeemed from each maturity in such manner as it shall in its discretion determine.

[Special Mandatory Redemption from Pledged Net Participant Payments] [DISCUSS]

Unless waived by any Bondholder of Bonds to be redeemed, official notice of any redemption of Bonds shall be given by the Bond Registrar on behalf of the Authority by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 30 days and not more than 60 days prior to the date fixed for redemption to the Bondholder of the Bond or Bonds to be redeemed at the address shown on the Bond Register; provided, however, that failure to give such notice by mail as aforesaid to any Bondowner or any defect therein as to any particular Bond shall not affect the validity of any proceedings for the redemption of any other Bonds. All official notices of redemption shall be dated and shall state (1) the redemption date, (2) the redemption price, (3) the CUSIP number (provided, however, that such notice may contain a disclaimer as to the accuracy of such numbers), (4) if less than all Outstanding Bonds are to be redeemed, the identification and the respective principal amounts of the Bonds to be redeemed, (5) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and (6) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal payment office of the Trustee.

In addition to the foregoing notice, further notice shall be given by the Trustee on behalf of the Authority as set out in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

The Trustee shall rescind such notice of the optional redemption of Bonds in accordance with the Indenture in the event moneys available solely for such optional redemption in accordance with the requirements of the Indenture and sufficient to pay the Bonds called for optional redemption and accrued

interest thereon to the redemption date and the redemption premium, if any, shall not have been deposited with the Trustee by the close of business of the fifth Business Day next preceding such optional redemption date.

Upon the happening of the above conditions, and notice having been given as provided in the Indenture, the Bonds or the portions of the principal amount of Bonds thus called for redemption shall cease to bear interest on the specified redemption date, provided moneys sufficient for the payment of the redemption price are on deposit at the place of payment at the time, and shall no longer be entitled to the protection, benefit or security of the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture.

Non-Presentation of Bonds; Unclaimed Moneys

In the event any Bonds shall not be presented for payment when the principal thereof becomes due, if funds sufficient to pay such Bonds shall be held by the Trustee for the benefit of the holder or holders thereof, all liability of the Authority to the holder or holders thereof for the payment of such Bonds shall forthwith cease, determine and be completely discharged and thereupon it shall be the duty of the Trustee to hold such funds without liability for interest thereon, for the benefit of the holder or holders of such Bonds, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under the Indenture or on, or with respect to, such Bonds. All moneys which the Trustee shall have withdrawn from the Debt Service Fund or shall have received from any other source and set aside for the purpose of paying any of the Bonds secured by the Indenture shall be held in trust for the respective holders of such Bonds, but any moneys which shall be so set aside or deposited by the Trustee and which shall remain unclaimed by the holders of such Bonds for a period of one year after the date on which such Bonds shall have become due and payable shall be paid to the Authority; provided, however, that the Trustee, before making any such payment shall send a letter to the last known address for such Bondholders that said moneys have not been claimed and that after a date named therein any unclaimed balance of said moneys then remaining will be returned to the Authority and thereafter the holders of such Bonds shall look only to the Authority for payment and then only to the extent of the amount so received without any interest thereon, and the Trustee shall have no responsibility with respect to such moneys.

Mutilated, Lost, Stolen or Destroyed Bonds

If any Outstanding Bond, whether temporary or definitive, is mutilated, lost, stolen or destroyed, the Authority may execute and, upon its request, the Trustee may authenticate a new Bond of the same principal amount and series and of like tenor as the mutilated, lost, stolen or destroyed Bond; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Authority and the Trustee evidence of the ownership thereof and of such loss, theft or destruction in form satisfactory to the Authority and the Trustee, together with an indemnity satisfactory to them. In the event any such Bond shall have matured or been called for redemption, instead of issuing a substitute Bond the Authority may authorize the payment of the same. The Authority and the Trustee may charge the holder or owner of such Bond with their reasonable fees and expenses in this connection. Any Bond issued under the provisions of this paragraph in lieu of any Bond alleged to be destroyed, lost or stolen shall constitute an original contractual obligation on the part of the Authority, whether or not the Bond so alleged to be destroyed, lost or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of the Indenture together with all other Bonds in substitution for which such Bonds were issued.

Exchange and Transfer of Bonds

As long as any of the Bonds remain Outstanding, the exchange of Bonds shall be permitted at the principal payment office of the Trustee. Any Bond or Bonds, upon surrender thereof at the principal payment office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his legal representative duly authorized in writing, may, at the option of the owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same series of any other Authorized Denominations.

In all cases in which the privilege of exchanging or transferring Bonds is exercised, the Authority shall execute and the Trustee shall deliver Bonds in accordance with the provisions of the Indenture. For every such exchange or transfer of Bonds, whether temporary or definitive, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

Book-Entry System

General. The Bonds are available in book-entry only form. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds. Ownership interests in the Bonds will be available to purchasers only through a book-entry system (the “**Book-Entry System**”) maintained by The Depository Trust Company (“**DTC**”), New York, New York. The following information in this section concerning DTC and DTC’s Book-Entry System has been obtained from sources the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each principal maturity of the Bonds, each in the aggregate principal amount of such principal maturity of the Bonds, and will be deposited with the Trustee as DTC’s Fast Agent.

DTC and its Participants. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to

its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Ownership Interests. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

Transfers. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Notices. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices will be sent to DTC. Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Voting. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of Principal, Redemption Price and Interest. Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by

Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Discontinuation of Book-Entry System. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered. The Authority may decide to discontinue use of the system of book-entry transfer through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

THE REFUNDING PLAN

The Original Bonds

Each series of the Original Bonds was issued pursuant to the 2004 Master Trust Agreement and a bond indenture (individually, an **"Original Indenture"** and collectively, the **"Original Indentures"**) between the Authority and the bond trustee named therein (each a **"Refunded Bonds Trustee"** and collectively, the **"Refunded Bonds Trustees"**). The Called Bonds consist of the portions of the series of the Original Bonds as described more fully in **Appendix B – "Summary of the Called Bonds."**

At the time of issuance of each series of Original Bonds, each Participant issued bonds or delivered its promissory note or other repayment obligations (the **"Authority Bond Participant Obligations"**) to evidence its loan repayment obligation to the Authority in an aggregate principal amount and bearing interest at rates sufficient to pay the principal of, premium, if any, and interest on the Original Bonds when due. These Authority Bond Participant Obligations are subsidized by interest earnings on reserve accounts established in connection with the issuance of the Original Bonds (each a **"Reserve Account"** and collectively, the **"Reserve Accounts"**). The Authority Bond Participant Obligations with respect to the series of Original Bonds refunded or defeased with the proceeds of the Refunding Bonds and the 2004 Master Trust Refunding Bonds remain outstanding in their current amounts after the issuance of the Refunding Bonds and the 2004 Master Trust Refunding Bonds, and each such Participant will continue to be obligated to make payments on its Authority Bond Participant Obligations in accordance with the original schedule of principal and interest payments, taking into account the subsidy from the interest earnings on the Reserve Accounts.

The debt service on the Remaining Original Bonds will be paid first, from the earnings on the Reserve Accounts of the applicable Participants as described under the section herein captioned **"SECURITY FOR THE ORIGINAL BONDS,"** and second, from payments on the related Authority Bond Participant Obligations. Subject in all respects to pledges by the Authority in connection with the issuance of the 2004 Master Trust Refunding Bonds to payment of the Remaining Original Bonds allocable to the Series 2004 Refunding Bonds and payment of debt service on the Series 2014 Refunding Bonds, the excess payments of principal and interest on Authority Bond Participant Obligations related to the Original Bond refunded by the Refunding Bonds and the 2004 Master Trust Refunding Bonds after payment of the debt service on the Remaining Original Bonds are Pledged Net Participant Payments, which are pledged by the Authority to, and deposited by the bond trustees for the Original Bonds

refunded by the Refunded Bonds and the 2004 Master Trust Refunding Bonds, respectively, with the 2010 Master Trustee. The Pledged Net Participant Payments will be applied pursuant to the terms of the 2010 Master Trust Agreement and will be available to pay debt service on all 2010 Master Trust Bonds (subject to the prior lien on the interest component of the Pledged Participant Obligations and the interest component of the Pledged Net Participant Payments securing the State Match Portion of the Series 2010B Bonds and the Series 2015A Bonds) including the Bonds, on a parity basis. See **"SECURITY AND SOURCES OF PAYMENT OF THE BONDS"** herein.

Because all interest earnings on the Reserve Accounts of the Participants will be applied only to pay the debt service due on the Remaining Original Bonds, a significant portion of the payments on such Authority Bond Participant Obligations are expected to be Pledged Net Participant Payments. Because the Bonds are being issued to provide refunding savings, upon the issuance of the Bonds, debt service payable on the aggregate of the Remaining Original Bonds and the Bonds will be less than debt service previously payable on the series of Original Bonds not refunded or defeased with the proceeds of the 2004 Master Trust Refunding Bonds and the Refunding Bonds. See **"SECURITY AND SOURCES OF PAYMENT OF THE BONDS"** herein.

The Bonds are not secured by the Reserve Accounts established in connection with the Original Bonds. [However, the Bonds are secured by amounts in the debt service reserve funds [and guaranteed investment contracts securing the debt service reserve funds] in connection with the Remaining Original Bonds cash defeased or refunded with a portion of the proceeds of the Bonds that will be transferred to the Trustee as additional security for the Bonds. See **"SECURITY AND SOURCES OF PAYMENT OF THE BONDS – Debt Service Reserve Funds and Earnings"** herein.]

Refunding and Defeasance of the Called Bonds

The Authority will use the net proceeds of the Bonds and certain other available funds to refund, defease and pay the principal of, redemption premium, if any, and interest on the Called Bonds in the principal amounts shown in **Appendix B**. The Called Bonds will be redeemed in accordance with the redemption provisions in each of the Original Indentures.

Refunding Bonds. To effect the refunding of the Refunded Bonds, the Authority will enter into an Escrow Deposit Agreement dated as of November 1, 2015 (the **"Refunding Escrow Agreement"**), with UMB Bank N.A., St. Louis, Missouri, as escrow agent (the **"Escrow Agent"**). Pursuant to the Refunding Escrow Agreement, the Authority will deposit a portion of the net proceeds of the Bonds with the Escrow Agent in separate accounts in the Escrow Fund to purchase United States Treasury Obligations (the **"Escrowed Securities"**) and to fund a beginning cash deposit in each account of the Escrow Fund.

The principal amount of the Escrowed Securities, together with interest income thereon, will be payable at such times and in such amounts, together with the moneys held uninvested by the Escrow Agent, to pay, when and as due, all principal of, redemption premium, if any, and interest on the Refunded Bonds on any date on which any principal of, redemption premium, if any, or interest on any of the Refunded Bonds is due. The Refunding Escrow Agreement provides that the Escrowed Securities and the moneys held uninvested by the Escrow Agent are irrevocably pledged to the payment of such Refunded Bonds and the interest thereon and may be applied only to such payment.

Cash Defeased Bonds. To effect the refunding of the Cash Defeased Bonds, the Authority will enter into an Escrow Deposit Agreement dated as of November 1, 2015 (the **"Defeasance Escrow Agreement"**), with UMB Bank N.A., St. Louis, Missouri, as escrow agent (the **"Escrow Agent"**). Pursuant to the Defeasance Escrow Agreement, the Authority will deposit a portion of the net proceeds of

the Bonds and other available funds of the Authority and DNR with the Escrow Agent in separate accounts in the Escrow Fund.

The cash deposited in the accounts in the Escrow Fund will be sufficient to pay, without investment thereof, when and as due, all principal of, redemption premium, if any, and interest on the Cash Defeased Bonds on any date on which any principal of, redemption premium, if any, or interest on any of the Cash Defeased Bonds is due. The Defeasance Escrow Agreement provides that the cash held uninvested by the Escrow Agent is irrevocably pledged to the payment of such Cash Defeased Bonds and the interest thereon and may be applied only to such payment.

SOURCES AND USES OF FUNDS

The following sets forth the expected sources and uses of funds relating to the issuance of the Bonds:

Sources of Funds

Par amount of Bonds	\$
Plus original issue premium	
Authority and DNR Funds	
Total	

Uses of Funds

Deposit to Escrow Fund for Called Bonds
Costs of Issuance (including Underwriters' discount)
Total

SECURITY AND SOURCES OF PAYMENT OF THE BONDS

The Indenture

Limited Obligations. The Bonds are limited obligations of the Authority payable solely from (1) the Indenture Receipts, consisting of revenues and receipts derived by the Authority from moneys transferred by the 2010 Master Trustee to the Trustee from amounts available under the 2010 Master Trust Agreement and (2) certain amounts pledged pursuant to the 2004 Master Trust Agreement. See "SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS" herein.

The Bonds do not constitute or create an indebtedness, liability or moral obligation of the Participants, the State or any political subdivision thereof, the United States of America or any agency thereof, DNR, the Clean Water Commission or the Drinking Water Commission. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds nor is the State or any political subdivision thereof liable on the Bonds. The Authority has no taxing power.

Indenture Receipts Transferred from the 2010 Master Trustee. The 2010 Master Trust Agreement established a Repayment Fund consisting of a Clean Water Principal Account, a Clean Water Interest Account, a Drinking Water Principal Account and a Drinking Water Interest Account. Monies on deposit in the Repayment Fund are pledged and assigned as security for all 2010 Master Trust Bonds, including the Bonds (subject to the prior lien with respect to the interest component of the Pledged

Participant Obligations and the interest component of the Pledged Net Participant Payments securing the State Match Portion of the Series 2010B Bonds and the Series 2015A Bonds). See “- **Master Trust Agreements**” below and “**SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS**” herein. No later than each Interest Payment Date or other date on which debt service is due on the Bonds, the 2010 Master Trustee will transfer amounts on deposit in the applicable accounts of the Repayment Fund to the Trustee for deposit to the applicable accounts of the Debt Service Fund.

Indenture Receipts received by the Trustee attributable to debt service payments on Pledged Participant Obligations and Pledged Net Participant Payments of Clean Water Participants will be deposited into the Clean Water Account of the Debt Service Fund and applied to pay debt service on the Clean Water Portion and moneys received by the Trustee attributable to debt service payments on Pledged Participant Obligations and Pledged Net Participant Payments of Drinking Water Participants will be deposited into the Drinking Water Account of the Debt Service Fund and applied to pay debt service on the Drinking Water Portion, except as otherwise provided in the 2010 Master Trust Agreement to implement the cross-collateralization of the Clean Water SRF Leveraged Program and the Drinking Water SRF Leveraged Program. See “**SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS — Master Trust Administration**” herein and **Appendix C — “SUMMARY OF CERTAIN PROVISIONS OF THE 2010 MASTER TRUST AGREEMENT.”**

Pledge Agreement

Pledged Participant Obligations. In conjunction with each loan from DNR made pursuant to the SRF Direct Loan Programs, each Participant issued a Participant Obligation. The Authority and DNR entered into the Pledge Agreement pursuant to which DNR pledged the Repayments on certain Participant Obligations, and thereby designated such Participant Obligations as Pledged Participant Obligations. Under the Pledge Agreement, DNR granted, assigned and transferred to the Authority a security interest in all of its right, title and interest in and to the Repayments as security (subject to the prior lien on the interest component of the Pledged Participant Obligations and the interest component of the Pledged Net Participant Payments securing the State Match Portion of the Series 2010B Bonds and the Series 2015A Bonds) for the payment of the principal of, premium, if any, and interest on the Leveraged Portion of the Series 2010B Bonds, the Series 2011A Refunding Bonds, the Series 2013A Refunding Bonds, the Bonds and future Program Bonds to be secured under the 2010 Master Trust Agreement.

DNR may substitute or add Participant Obligations to the Pledged Participant Obligations by delivering (i) a certificate (a “**Substitution Certificate**”) executed by an Authorized Officer of DNR showing that each of the semiannual principal and interest payments on the substituted Pledged Participant Obligations is at least equal to each of the semiannual principal and interest payments on the replaced Pledged Participant Obligations or (ii) a certificate executed by an Authorized Officer of the Authority (a “**Cash Flow Certificate**”), showing that, after the substitution, expected payments of debt service of the Pledged Participant Obligations (after taking into account the interest portion of the Pledged Participant Obligations allocable to the debt service payment on the State Match Portion of the Series 2010B Bonds, the Series 2015A Bonds and any other State Match Portion of a series of bonds issued under the 2010 Master Trust Agreement), expected earnings on Sinking Funds and other funds available for the payment of debt service are sufficient to timely pay the debt service on the outstanding 2010 Master Trust Bonds and that expected payments of interest on the Pledged Participant Obligations, expected earnings on Sinking Funds and other funds available for the payment of debt service are sufficient to timely pay debt service on the currently outstanding State Match Portion of 2010 Master Trust Bonds. See **Appendix A, Part 1 — “PLEGDED PARTICIPANT OBLIGATIONS”** for a listing of Pledged Participant Obligations as of the date of issuance of the Bonds. See also **Appendix B — “SUMMARY OF CERTAIN PROVISIONS OF THE 2010 MASTER TRUST AGREEMENT.”**

State Environmental Improvement and Energy Resources Authority
322nd Board Meeting
October 22, 2015

Agenda Item #5B
MISSOURI MARKET DEVELOPMENT PROGRAM
FUNDING RECOMMENDATION FOR BRYANT PLASTICS, INC.

Issue:

Bryant Plastics, Inc. requested \$61,875 to purchase equipment costing \$82,500 that will increase production capacity in its existing plastic products production operation.

Action Needed:

Consideration of the funding recommendations for the Bryant Plastics, Inc. project.

Staff Recommendation:

Staff recommends funding this project in the amount of \$61,785 not to exceed 75% of the cost of the equipment.

Staff Contact:

Kristin Tipton

Background:

Bryant Plastics, Inc., located in Gainesville, requested \$61,875 to purchase a new grinder costing \$82,500 that would increase the company's capacity to process waste plastics for the production of additional custom products.

Since 1974, Bryant Plastics has been an innovator in the field of manufacturing poly vinyl chloride (PVC) pipe for use as sewer and water pipe and in an array of custom products. Through projects with the MMDP and MDNR over the years, the company has become a leader in the plastics manufacturing industry for using materials recovered from community recycling centers, commercial recyclers, the construction industry and manufacturers. The company produces pipes, tubes, and rods in custom sizes, colors and perforations along with custom fittings for several industries. It fills requests for custom orders for companies in Missouri, across the United States and around the world.

Bryant Plastics existing grinder was purchased used, with assistance from the MMDP, fifteen years ago and the 25 year old piece of equipment has only half the capacity of the new grinder that would be purchased with this project. Bryant Plastics currently has more market opportunity than current production capacity allows for and has access to abundant scrap material. Presently operating three shifts, Bryant Plastics is getting all the production possible from existing equipment making its high quality products.

A larger capacity grinder will enable Bryant Plastics to manufacture new product line, accept new waste material streams, and significantly increase their annual material diversion, which makes the company eligible to apply for assistance from the program after having received it in the past.

Bryant Plastics anticipates creating two new full time employee positions and diverting 1200 additional 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 \$61,785 not to exceed 75% of the cost of the equipment. This funding recommendation was unanimous.

KT:ge

State Environmental Improvement and Energy Resources Authority
322nd Board Meeting
October 22, 2015

Agenda Item #5C
MISSOURI MARKET DEVELOPMENT PROGRAM
FUNDING RECOMMENDATION FOR MIDWEST ORGANICS, INC.

Issue:

Midwest Organics, Inc. requested \$250,000 to purchase equipment costing \$678,332 that will increase production capacity in its existing composting operation.

Action Needed:

Consideration of the funding recommendations for the Midwest Organics, Inc. project.

Staff Recommendation:

Staff recommends funding this project in the amount of \$250,000 not to exceed 50% of the cost of the equipment.

Staff Contact:

Kristin Tipton

Background:

Midwest Organics, Inc., a subsidiary of Heartland Equipment and Application, Inc., located in Sikeston, requested \$250,000 to purchase a drum dryer costing \$678,332. The dryer would enable the company to increase production of composted fertilizer made from poultry litter, egg shells, food and other organic waste streams.

Heartland Equipment and Application has been in the poultry litter removal business since 1995, working with companies such as Tyson Foods and Pilgrim's Pride. Midwest Organics, Inc. was formed in 2015 to research and develop products based on an all-natural absorbency material new to the poultry industry and has been producing and field testing products over the past year. The company has recently finished construction of a new composting facility that includes 20,000 square feet under roof.

Midwest Organics fertilizer is a specialty product that has increased water absorption and retention capacity. This means that area farmers cannot only fertilize their crops, but can also decrease reliance on irrigation. The company works with local specialists to provide "prescriptive agriculture" services to area farmers to increase agricultural production. As a result of the litter removal relationships developed by Heartland Application, Midwest Organics now accepts 25-50 tons a week of Tyson's eggshells and waste from the area Pilgrim's Pride cake production facility.

Midwest Organics, Inc. anticipates creating 10 new full time employee positions and diverting 6,000 tons from the waste stream annually with this project. The company anticipates the total project cost will be \$2.2 million. The cost of the project will be covered by income from the parent company business operations and this is supported by financial documents provided with the Midwest Organics application.

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 \$250,000 not to exceed 50% of the cost of the equipment. This funding recommendation was unanimous.

KT:ge

State Environmental Improvement and Energy Resources Authority
322nd Board Meeting
October 22, 2015

Agenda Item #5D
MISSOURI MARKET DEVELOPMENT PROGRAM
FUNDING RECOMMENDATION FOR MISSOURI ORGANIC RECYCLING, INC.

Issue:

Missouri Organic Recycling, Inc. requested \$250,000 to purchase equipment costing \$560,923 that will increase production capacity in its existing composting operation.

Action Needed:

Consideration of the funding recommendations for the Missouri Organic Recycling, Inc. project.

Staff Recommendation:

Staff recommends funding this project in the amount of \$250,000 not to exceed 50% of the cost of the equipment.

Staff Contact:

Kristin Tipton

Background:

Missouri Organic Recycling, Inc., located in Kansas City, requested \$250,000 to purchase a food depackaging system costing \$560,923 to expand their food waste recovery activities associated with their composting operation.

Missouri Organic, a successful past program participant, was the first large scale compost producer in Missouri to incorporate food waste in its products and currently uses material pulled from industrial food production, cafeterias and restaurants, and grocery stores.

There is a tremendous amount of food waste in the region that is still be landfilled because it is primarily product that has been packaged for sale or is too contaminated with packaging to be suitable for composting. Over the past year, Missouri Organic Recycling has conducted a pilot project in which they accepted packaged waste food from Harvesters International and removed packaging by hand. They found packaging contamination to be almost 10% by weight per ton and cost prohibitive to process by hand. By adding a food depackager, Missouri Organic Recycling believes their food waste recovery will immediately increase by at least 20%, enabling them to recover not only packaged food, but also cafeteria waste where the contamination is currently simply too high to use in composting.

The Kansas City Royals, Hy-Vee grocery store in Independence and EARP Distribution, which distributes to approximately 215 McDonald's and Chipotle restaurants in Missouri, have each stated in writing that they could increase the amount of food waste they recycle by 20 percent by adding packaged food waste to what they currently send to Missouri Organic Recycling.

Also, Harvesters International stated in writing that it could increase the food waste it recycles by at least 900 tons per year by adding packaged food waste to what it currently sends to Missouri Organic Recycling.

In a recent press release, the EPA noted that 95% of the 37 million tons of food waste generated by the United States in 2013 was sent to the landfill. Many people in the industry believe that processing packaged food waste is the single largest step needed to increase food waste recovery in the United States. Adding a depackager in the Kansas City area, along with the one currently being installed in St. Louis, will help make Missouri one of the leading states in diverting food waste.

A food depackager will enable Missouri Organic Recycling to accept new waste material streams and significantly increase their annual material diversion, which makes the company eligible to apply for assistance from the program after having received it in the past.

Missouri Organic Recycling, Inc. anticipates creating 3 new full time employee positions and diverting 4,800 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 \$250,000 not to exceed 50% of the cost of the equipment. This funding recommendation was unanimous.

KT:ge

State Environmental Improvement and Energy Resources Authority
322nd Board Meeting
October 22, 2015

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

Background:

We received notice that our request for \$500,000 in supplemental hazardous substance funding was awarded. Staff has completed application materials and is working with potential applicants to use the money.

Project updates are as follows:

- The first amendment to the loan agreement for this project with Remains, Inc. to remediate the former ACME Battery site has been executed. The new slab, which will serve as a cap for the contaminated property, is scheduled to be poured in October. Remains, Inc., also continues to make interest payments on loan draws.
- The 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, continues to be delayed as the City attempts to source funds for the project, the cost of which far exceeds estimates.
- Habitat for Humanity of Springfield, Missouri, Inc., has entered a contract with a cleanup contractor and work is scheduled to begin in October.
- Bids for the asbestos remediation at the former Kemper Military School Administration building owned by the Boonslick Community Development Corporation were received.
- SMI/SNF Landlord, LLC, continues to repay its loan from the program as scheduled.

- An agreement has been executed for the Shaw Boulevard project with Tower Grove Neighborhoods Community Development Corporation and our environmental consultant has begun working on the Analysis of Brownfield Cleanup Alternatives for the project.
- Staff is working on an agreement for the project with the Lebanon Industrial Development Authority.

KT:ge

State Environmental Improvement and Energy Resources Authority
322nd Board Meeting
October 22, 2015

Agenda Item #7
REVIEW OF STRATEGIC MEASURES

Issue:

We would like to share with the Board an update to our Scorecard for fiscal year 2016.

Action Needed:

None.

Staff Recommendation:

None.

Staff Contact:

Connie Patterson

Background:

As we move into the second quarter of fiscal year 2016, we are updating our Scorecard based on staff input and recommendations. A copy of the current Scorecard is attached for your convenience.

Continuous Quality Improvement

Since the beginning of fiscal year 2016, EIERA staff have had considerable discussion about the need for different measures under the "Continuous Quality Improvement" objective.

Here is how we have decided to move forward:

- Move "Identify, implement efficiencies," currently under Increase Staff Capacity, to Continuous Quality Improvement. The Authority has grown and changed since first implementing its strategic plan in 2013. This change allows us to better capture the intent of this objective and to focus on our service to our external customers.
- Delete "Timeliness of critical documents by deadline" and "Percent of final critical documents with errors (> 5%)," currently under Continuous Quality Improvement. We believe the issues behind these measures have been addressed, based on trends seen in previous Scorecards.
- Develop an updated critical documents list to track our most important projects. This will now be managed outside of our strategic planning process.

- Due to the timing of our decision, we will implement this change beginning in the 2nd Quarter fiscal year 2016 Scorecard.

Our 1st Quarter Scorecard, which we will provide to you in mid-November, will maintain its current look.

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


Thank you.


CP:ge


Attachment


EIERA Balanced Scorecard


6/30/2015

 Top 8 KPI

 Middle 9 KPI




 Bottom 8 KPI

 Performance Meets or Exceeds Target Expectations To Date



 Performance Neutral To Date

 Performance Below Target Expectations To Date




Improve Client Results

	Measured	Previous	YTD	Target	Rank	Progress
Client dollars saved	6/30/2015	\$25,486,147	\$32,925,515	\$50,000,000		↓
Total dollar amount of projects funded	6/30/2015	\$58,531,490	\$79,098,030	\$115,000,000		↓
Number of environmental impacts	6/30/2015	21	23	20		↑




Improve Client Satisfaction

		Baseline	YTD	Target	Rank	Progress
Client satisfaction ratings improved	9/30/2015	-	-	-		NA
Increase number of EIERA client referrals	6/30/2015	68	80	> 33		↑


Build Awareness of EIERA's Value

		Previous	YTD	Target	Rank	Progress
Survey targeted groups	6/30/2015	-	-	-		NA
# web hits	6/30/2015	4,139	5,546	6,500		↓
# of applications for financing	6/30/2015	5	7	15		↓


Create Sustainable Funding Model/Enhance Financial Strength

		Previous	YTD	Target	Rank	Progress
Total Authority revenue increased	6/30/2015	\$418,447	\$ 642,397	\$800,000		↓
Diversification of revenues (<33%)	6/30/2015	47%	46%	< or = 33%		↓
Average cost of services	6/30/2015	\$ 61.69	\$ 60.82	< \$75		↑



Financial Accountability Excellence

		Previous	YTD	Target	Rank	Progress
# of significant audit findings	6/30/2015	0	0	0		↑



Enhance Partnerships and Relationships

		Baseline	YTD	Target	Rank	Progress
Partner Interest in working with the EIERA	6/30/2015	33	44	8		↑



Continuous Quality Improvement

		Previous	YTD	Target	Rank	Progress
Timeliness of critical documents by deadline	6/30/2015	99%	98%	95%		↑
% of final critical documents with errors (< 5%)	6/30/2015	1%	1%	5%		↑




Communications Practices improved

		Previous	YTD	Target	Rank	Progress
# contacts generating results	6/30/2015	17%	19%	10%		↑
Meeting materials on website by deadline	6/30/2015	100%	98%	95%		↑

Increase Board involvement

		Baseline	YTD	Target	Rank	Progress
Survey on Board informed input	6/30/2015	-	-	50%		NA
Leads provided by Board which are pursued	6/30/2015	1	-	2		↓

Increase Staff capacity

		Previous	YTD	Target	Rank	Progress
Reduce inefficient use of staff time	6/30/2015	11	13	<16		↑
% of identified knowledge gaps addressed	6/30/2015	75%	75%	50%		↑
% of staff training plans implemented	6/30/2015	-	100%	50%		↑

State Environmental Improvement and Energy Resources Authority
322nd Board Meeting
October 22, 2015

Agenda Item #8
PRESENTATION OF FISCAL YEAR 2015 AUTHORITY AUDIT

Issue:

The Fiscal Year 2015 audit is completed and will be presented at the meeting.

Action Needed:

None.

Staff Recommendation:

None.

Staff Contact:

Karen Massey
Mary Vaughan

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 completed in the midst of our transition to new accounting software.

We are currently working with the auditors to finalize the audit and hope to have it in your hands on Wednesday. Mike Oldelehr will be at the meeting Thursday to go over the document with you.

I am pleased with the Audit process and results. As always, I appreciate the learning opportunity the process affords.

JB:ge