

**MINUTES OF THE 328th MEETING OF THE  
STATE ENVIRONMENTAL IMPROVEMENT  
AND ENERGY RESOURCES AUTHORITY**

**EIERA Office**

**425 Madison Street, Second Floor**

**Jefferson City, Missouri**

**January 20, 2017**

**10:00 a.m.**

**EIERA MEMBERS:** Andy Dalton, Chair (phone participant)  
LaRee DeFreece, Secretary (phone participant)  
Deron Cherry, Vice-Chair, Treasurer (phone participant)  
Steve Mahfood, Member (phone participant)

**EIERA STAFF:** 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

**LEGAL COUNSEL:** David Brown  
Lewis Rice LLC

**OTHER  
PARTICIPANTS:** Dr. Steve Herrington  
The Nature Conservancy

**(AGENDA ITEM #1) CALL TO ORDER**

Chair Dalton called the 328<sup>th</sup> meeting of the Environmental Improvement and Energy Resources Authority (the "Authority") to order at 10:00 AM. Chair Dalton took roll call and asked that the meeting record reflect a quorum was present.

**(AGENDA ITEM #2) APPROVAL OF MINUTES**

The next order of business was to review and approve the minutes of the 327<sup>th</sup> meeting (December 7, 2016) of the Authority and the 327<sup>th</sup> closed meeting (December 7, 2016) of the Authority.

**MOTION:** Motion was made by Ms. DeFreece and seconded by Chair Dalton to approve the minutes of the open portion of the 327<sup>th</sup> meeting of the Environmental Improvement and Energy Resources Authority. By roll call vote, Chair Dalton, Ms. DeFreece and Mr. Mahfood all voted in favor. Motion carried.

**MOTION:** Motion was made by Ms. DeFreece and seconded by Chair Dalton to approve the minutes of the closed portion of the 327<sup>th</sup> meeting of the Environmental Improvement and Energy Resources Authority. By roll call vote, Chair Dalton, Ms. DeFreece and Mr. Mahfood all voted in favor. Motion carried.

**(AGENDA ITEM #3) BROWNFIELDS REVOLVING LOAN FUND**

**(AGENDA ITEM #3A) PROGRAM UPDATE**

**(AGENDA ITEM #3B) SUBGRANT AND LOAN AWARD PERCENTAGES**

Ms. Tipton explained to the Board that the cooperative agreement between the EPA and the EI ERA that governs the Missouri Brownfields Revolving Loan Fund requires that sixty-percent of cleanup funds be awarded as loans.

She stated that currently, staff are working with several small communities that will be requesting subgrants and do not have any loan prospects for the near future. With the goal of providing assistance for small or rural communities that do not have access to many resources, this is a logical result of our outreach.

Staff are aware that other brownfield RLFs have requested and received waivers for the subgrant/loan percentage requirement. Because we feel that our program has the most impact where we enable cleanups that would not happen but for the program, staff recommends that the EIERA request that EPA waive the requirement to award any of the balance of our available funds as loans. If this waiver were granted, staff would still seek opportunities to award funds as loans.

Chair Dalton asked how much was funding was available to award.

Ms. Tipton stated that there was approximately \$1 million available to award.

Mr. Mahfood stated that he was very supportive of this request due to the good will staff and the Board have created with their accomplishments.

Ms. Tipton stated that staff recommends the Board direct staff to request a waiver from EPA for the sixty-percent loan requirement in awards made through the program.

**MOTION:** Motion was made by Mr. Mahfood and seconded by Ms. DeFreece to authorize the director or her designee to request a waiver from EPA for the sixty-percent loan requirement in awards made through the Missouri Brownfields Revolving Loan Fund. By roll call vote, Chair Dalton, Ms. DeFreece and Mr. Mahfood all voted in favor. Motion carried.

**(AGENDA ITEM #3C) CONSIDERATION AND APPROVAL OF THE FUNDING RECOMMENDATION FOR THE VILLAGE OF AGENCY PROJECT AND AUTHORIZATION FOR THE DIRECTOR OR HER DESIGNEE TO ENTER INTO AN AGREEMENT ON BEHALF OF THE AUTHORITY**

The Village of Agency, a Missouri political subdivision, has submitted a petroleum application to the MBRLF requesting a \$45,000 subgrant to remove or close three underground storage tanks on the former Woody's Grocery property in the community. After the property is cleaned, the Village plans to build a structure to house Village Hall with a garage for equipment and space for civic events.

Mr. Cherry joined the meeting.

The MBRLF Review Team, consisting of staff from MoDNR's Brownfield Voluntary Cleanup Program, the Department of Economic Development's Business and Community Services Program and the Authority, reviewed the application and unanimously recommends that the Board approve a grant of up to \$100,000 for this project.

This amount is significantly higher than the applicant's original request because the applicant did not take into consideration additional costs beyond the tank closure such as BVCP oversight fees. Regardless of the award amount, only eligible costs, up to the award amount, would be reimbursed.

Discussion ensued.

**MOTION:** Motion was made by Mr. Mahfood and seconded by Ms. DeFreece to authorize the funding recommendation for the Village of Agency project and for the director or her designee to enter into a subgrant on behalf of the Authority for an amount not to exceed \$100,000. By roll call vote, Chair Dalton, Ms. DeFreece, Mr. Cherry and Mr. Mahfood all voted in favor. Motion carried.

**(AGENDA ITEM #3D) CONSIDERATION AND APPROVAL OF THE FUNDING RECOMMENDATION FOR THE BOONSLICK COMMUNITY DEVELOPMENT CORPORATION PROJECT AND AUTHORIZATION FOR THE DIRECTOR OR HER DESIGNEE TO ENTER INTO AN AGREEMENT ON BEHALF OF THE AUTHORITY**

Ms. Tipton stated that the Boonslick Community Development Corporation submitted a subgrant application to the program requesting \$100,000 to remediate asbestos-containing materials in the "K Barracks" building located on the former Kemper Military School campus in Boonville.

Ms. Tipton reminded the Board that in January of 2015 the EIERA awarded the Boonslick Community Development Corporation \$100,000 to remediate lead-based paint and asbestos in the former administration building on the campus. This project was successfully completed and the area will soon be converted to green space, which will significantly improve the aesthetics of the campus. The Missouri Brownfields Revolving Loan Fund does not have a policy regarding repeat applicants as does the Missouri Market Development Program, and Boonslick Community Development Corporation is eligible to apply to the program a second time.

The Boonslick Community Development Corporation intends to demolish the K Barracks building following the remediation that would be funded by this request, and convert the area to green space and possibly parking in the future. Regardless of the site's final use, green space or parking will enhance the campus's redevelopment potential.

Chair Dalton asked for the status of the old building.

Ms. Tipton stated that it had been demolished, but because of historical requirements, salvaged building materials will be reused within the project.

The MBRLF Review Team, consisting of staff from MoDNR's Brownfield Voluntary Cleanup Program, the Department of Economic Development's Business and Community Services Program and the Authority, reviewed the application and unanimously recommends that the Board approve a subgrant of up to \$100,000 for this project.

**MOTION:** Motion was made by Mr. Cherry and seconded by Ms. DeFreece to authorize the funding recommendation for the Boonslick Community Development Corporation project and for the director or her designee to enter into a subgrant on behalf of the Authority for an amount not to exceed \$100,000. By roll call vote, Chair Dalton, Mr. Cherry, Ms. DeFreece and Mr. Mahfood all voted in favor. Motion carried.

**(AGENDA ITEM #3E) OTHER**

Ms. Massey stated that the Request for Proposal to Serve as Environmental Services Contractor was on the EIERA Web site and deferred to Ms. Patterson for comment.

Ms. Patterson stated that a few questions were submitted on line and staff posted the questions with responses on the EIERA Web site. She noted that the proposals must be submitted prior to noon Central Time on Thursday, February 2. Staff will return to the Board with a recommendation after the proposals had been reviewed by the Authority, the MBRLF Review Committee and MDNR BVCP.

**(AGENDA ITEM #4) RULEMAKING UPDATE - EXECUTIVE ORDER 17-03**

Ms. Massey reported to the Board that the Executive Order requires state agencies to suspend current rulemaking actions, obtain Governor's Office approval of proposed regulations prior to release and to review existing rules. The review of existing rules is to be completed and a report submitted to the Governor's Office by May 31, 2018. The review is to include a 60 day public comment period and at least two public hearings. The review requirements are somewhat similar to Chapter 536.175 of the Revised Statutes of Missouri which requires that state agencies review their rules every five years. MDNR's five year review is underway and the Authority's report is due to MDNR on May 1, 2018. MDNR is currently considering performing both reviews simultaneously.

To meet the MDNR May 1 report deadline, the comment period required by the Executive Order should commence in February and the two hearings held by early April. Staff will then provide the reports to the Board for approval in a meeting in late April.

The Executive Order does not specify whether the public hearings must be held by the Board or may be held by staff. While the Authority's General Counsel believes that either is acceptable, he suggests that should the Board wish to have staff perform this function that it be formally delegated to the Director or her designee. Given the limited amount of time available to hold the public hearings, staff recommends that the Board delegate this function. Board members are encouraged to attend the hearings and may participate and ask

questions in an official capacity even if the power to hold the hearing is delegated.

Mr. Brown stated that most agencies are handling the public hearings in the same manner. Discussion ensued.

**MOTION:** Motion was made by Mr. Cherry and seconded by Ms. DeFreece to authorize the director or her designee to hold public hearings as required by Executive Order 17-03. By roll call vote, Chair Dalton, Mr. Cherry, Ms. DeFreece and Mr. Mahfood all voted in favor. Motion carried.

**(AGENDA ITEM #5) THE NATURE CONSERVANCY PROJECT INTRODUCTION**

Ms. Massey stated that during December, Mr. Mahfood recommended that the Missouri Chapter of The Nature Conservancy (TNC) approach Authority staff about conducting a Financial Feasibility Analysis on a Meramec River Water Fund. Ms. Massey deferred to Dr. Steve Herrington, the State Director of Freshwater Conservation, to introduce TNC and the Meramec River Water Fund Financial Feasibility Study Project.

Dr. Herrington explained to the Board that TNC is a non-profit organization headquartered in Virginia with chapters in each state and around the world. Founded in 1951, TNC is dedicated to protecting lands and waters for people and nature on a global level as it is important for all life. TNC uses a collaborative approach that engages local communities, governments, the private sector and other partners.

Dr. Herrington stated that TNC is interested in establishing a fund to be used for a variety of activities that will protect, conserve and restore waters such



as the Meramec River Basin. He gave an example of the Minnesota Headwaters Fund and stated that Boeing Corporation was interested in the Meramec River Water Fund Financial Feasibility Study Project.

Dr. Herrington concluded with a brief explanation of a four-pronged study and offered to answer any questions or concerns.

Ms. Massey introduced Mr. Mahfood to the Board and asked him for further comment.

Mr. Mahfood reported that his relationship with TNC involved his company being a policy contractor with TNC and has had an external relationship with them for ten years. He brought Dr. Herrington and staff together to talk about performing the analysis. Mr. Mahfood stated that because he received income from TNC, and would continue to do so, he would not vote on any of the issues and waive reimbursement of all EIERA expenses and per diem if any TNC matters would be discussed. He also stated that he was not, and would not be, compensated by TNC on matters relating to the EIERA.

Mr. Brown stated that he and Ms. Massey had discussed the matter at length and determined that the decision Mr. Mahfood had made and the information he provided was appropriate and sufficient. Discussion ensued.

**(AGENDA ITEM #6) OTHER BUSINESS**

**(AGENDA ITEM #6A) OPPORTUNITY FOR PUBLIC COMMENT**

There were no comments.

**(AGENDA ITEM #6B) NEXT MEETING DATE**

The Board agreed to meet in late March.

**(AGENDA ITEM #6C) OTHER**

Ms. Massey reminded the Board that they would receive a letter from the Missouri Ethics Commission in the near future and the response is due by May 1, 2017. She explained that filling out the form on-line simplified the work involved.

**AGENDA ITEM #10) CLOSED MEETING PURSUANT TO SECTION 610.021 (1) AND (11) RSMO. (AS NEEDED)**

**MOTION:** Motion was made by Ms. DeFreece and seconded by Mr. Mahfood to close the meeting for the purposes of discussing litigation confidential matters including contractual matters with the Authority's attorneys, and bid specifications pursuant to Section 610.021 (1) and (11) RSMo. By roll call vote, Chair Dalton, Ms. DeFreece and Mr. Mahfood all voted in favor. Motion carried.

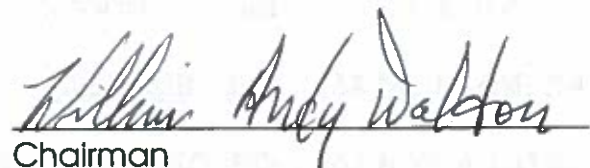
**(AGENDA ITEM #11) ADJOURNMENT OF CLOSED MEETING AND RETURN TO OPEN MEETING**

**(AGENDA ITEM #12) ADJOURNMENT OF OPEN MEETING**

There being no further business to come before the Board, Chair Dalton asked for a motion to adjourn.

**MOTION:** Motion was made by Mr. Mahfood and seconded by Ms. DeFreece to adjourn the meeting. By roll call vote, Chair Dalton, Ms. DeFreece and Mr. Mahfood all voted in favor. Motion carried.

(SEAL)

  
Chairman

  
Secretary