

**331st MEETING OF THE  
STATE ENVIRONMENTAL IMPROVEMENT  
AND ENERGY RESOURCES AUTHORITY  
EIERA Office  
425 Madison Street, Second Floor  
Jefferson City, Missouri  
March 8, 2018  
10:00 a.m.**

1. Call to Order
2. Approval of Minutes  
  
Approval of Minutes from the 330<sup>th</sup> Meeting of the Authority held December 14, 2017, in Jefferson City, Missouri
3. State Revolving Program
  - A. Program Update
  - B. Other
4. Missouri Market Development Program
  - A. Program Update
  - B. Other
5. Brownfields Revolving Loan Fund
  - A. Program Update
  - B. Other
6. Rulemaking
  - A. Public Comment on Draft Amendment to 10 CSR 130.1
  - B. Consideration and Approval to File Proposed Rulemaking – Amendments to 10 CSR 130.1
  - C. Update on Potential PACE Rules
7. Extension of Legal Services Provider Agreement
8. Selection of Audit Services Provider
9. Amendment to EIERA and MMDP Budgets
10. Legislative Update

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

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

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Members to be Present:	Andy Dalton, Chair LaRee DeFreece, Secretary Deron Cherry, Vice-Chair, Treasurer
Staff to be Present:	Karen Massey, Director Joe Boland, Deputy Director Kristin Allan Tipton, Development Director Mary Vaughan, Administration and Project Manager Genny Eichelberger, Office Support Assistant
Legal Counsel to be Present:	David Brown Lewis Rice LLC

State Environmental Improvement and Energy Resources Authority  
331<sup>ST</sup> Board Meeting  
March 8, 2018

**Agenda Item #6B**  
**PROPOSED RULEMAKING-AMENDMENTS TO 10 CSR 130.1**

**Issue:**

Following the review and stakeholder input opportunities related to Governor Greitens' Red Tape Reduction Initiative, staff has developed draft amendments to the Authority's regulation (10 CSR 130.1) which will need to be filed with the Secretary of State's Office and the Joint Committee on Administrative Rules as the next step in the rule promulgation process.

**Actions Needed:**

Approval of the draft rule text, adoption of a Finding of Necessity, direction to file the Proposed Rule with the Secretary of State and Joint Committee as required under Chapter 536 of the Revised Statutes of Missouri and delegation of authority for the director or deputy director to sign documents on behalf of the Authority related to the rulemaking process.

**Staff Recommendation:**

Staff recommends that the above actions be taken or approved.

**Staff Contact:**

Karen Massey

**Background:**

As has been discussed at the past several meetings, Authority staff has been working to review the EIERA's rules and seek public comment as directed by Executive Order #17-03. Amendments to the regulations have been drafted which remove unnecessary requirements, language, redundancies and antiquated provisions, as well as make the process more flexible and less burdensome to our customers while ensuring that sufficient application information is provided for informed decision making by the Board.

Pursuant to the EIERA's Rulemaking Policy, after the language was drafted, it was provided to stakeholders for comment as part of the Rule Development process. The written comment period closes at noon, March 8; however, public comment will also be taken at the meeting.

The policy requires certain information be provided to the Board upon which it may then make a decision as to whether to move forward with a Proposed Rule as presented, to make changes to the draft language or not to propose a rule at all. Below are the items required to be presented to the Board.

1. Summary of the rulemaking, need and potential impacts:

- a. Revisions to the rule eliminate application and fee requirements for entities requesting funding for studies, research proposals or contract for services. These provisions have not been utilized in the past two decades.
- b. The number of copies of applications for bond issuance was decreased from seven to one and will be accepted in paper or electronic formats.
- c. EIERA approval of the form of engineering or agency certifications is eliminated. The format of these certifications is governed by other regulations or professional standards.
- d. Submission of, and adherence to, prescriptive schedules for bond issuances are eliminated. These schedules are often adjusted due to market conditions and other factors. The revisions also allow a more flexible application deadline.
- e. The requirement that applicants provide a resolution of official action with their application was eliminated. Market conditions and other factors beyond the control of the applicant often change significantly before resolutions are presented to the Authority for action making the early drafts useless without substantial revisions.
- f. The partial prepayment of issuance fees was eliminated as it is not needed prior to issuance for EIERA operations and must be refunded if the transaction does not close.
- g. The requirement for applicants to be present at every Authority meeting at which official action relating to the application is taken was eliminated. At times, official action is more ministerial in nature and the applicant's presence is not needed.
- h. Definitions which are duplicative of state statute or provisions in the rules which were redundant were eliminated.

These changes will make the process for EIERA bond issuance more flexible, less burdensome and will make the regulation itself more streamlined and easier to read.

2. Tentative rulemaking schedule:

March 29, 2018	Filing with Secretary of State
May 1, 2018	Publication in the Missouri Register
May 21, 2018	Potential public hearing
May 31, 2018	Last day for public comment
June 14, 2018	EIERA meeting to approve Final Order of Rulemaking
June 1-July 27, 2018	Dates during which the Final Order of Rulemaking must be filed with JCAR
June 21, 2018	Potential filing date of the Final Order of Rulemaking with Secretary of State
August 31, 2018	Publication in the Missouri Register
September 30, 2018	Effective Date

3. A draft of the rule text is attached as Exhibit A. It is substantially similar to that discussed at the last EIERA meeting. Language was finalized for electronic filing/signature of applications.
4. A Finding of Necessity is attached as Exhibit B.

5. Summary of stakeholder engagement, concerns raised and actions taken as a result:

The Red Tape Reduction efforts were described and opportunity for comment on the existing rules was offered in a variety of ways including posting on the websites of DNR and the EIERA; at DNR meetings held for industry, government and energy and environment stakeholders at which comment was solicited for any DNR rule under Title 10 of the Code of State Regulations; at four meetings hosted by EIERA staff for individuals having an interest in energy and finance issues (invitations and reminders sent to approximately 250 individuals); by e-mail solicitations sent directly to those entities for which the EIERA has issued bonds, investment bankers, bond counsel, financial advisors and other EIERA stakeholders (approximately 60 individuals); and at EIERA Board meetings for which notice was posted on the DNR and EIERA websites and sent directly to approximately 40 individuals via e-mail.

Draft language has been sent for review and comment, via e-mail, to entities for which the EIERA has issued bonds, investment bankers, bond counsel, underwriters' counsel, financial advisors and other EIERA stakeholders (approximately 60 individuals); and is available on the EIERA web site along with information on how to comment. Additional comment is being sought at this meeting. Board meeting information was published on the Office of Administration, DNR and EIERA websites, sent to the 60 individuals mentioned above as well as the EIERA Board meeting distribution list of approximately 40 individuals.

During the Red Tape Reduction process, comments were received from two individuals, neither of which suggested changes.

As part of the EIERA's Rulemaking Development process in which stakeholders received draft language for review, one comment has been received to date. This comment pointed out a drafting error in which one word was mistakenly deleted and another not deleted. The language was revised.

The draft language has been submitted to an interagency review committee as required by executive order. No comments have yet been received. The language will also be submitted to the Small Business Regulatory Fairness Board.

Should any additional comments be received that could substantively change the rule text, staff will not submit the rule and bring the revisions back to the Board for approval.

6. A Regulatory Impact Statement is not required.

7. Small Business Impact Statement:

A Small Business Impact Statement will be prepared and submitted to the Small Business Regulatory Fairness Board. This statement will discuss:

- a. the methods staff considered to reduce the impact on small businesses (provisions decreasing the number of application copies, allowing electronic or paper formats, not requiring attendance at all meetings);
- b. how impacted small businesses were involved in the development (invitations to participate in meetings and comment on language);
- c. monetary costs and benefits to the Authority (none);

- d. the type of small business impacted and potential adverse impact (one small, private water company; no adverse impact or cost); and
- e. whether the regulations are more stringent than those mandated or comparable standards (n/a).

8. Fiscal Impact:

No fiscal impact (negative or positive) greater than \$500 will be incurred by the Authority, public or private entities.

9. No items or steps in the EIERA's Rule Development process were skipped or omitted.

Should the Board wish to move forward with the rulemaking a motion will be needed to direct the staff to file the language as is or with any desired revisions, contingent upon no comments from the interagency or small business fairness process that would substantively change the draft language. Additionally, a finding of necessity will need to be made as will a delegation of authority for the director or deputy to sign documents relate to the rulemaking.

Staff will be available at the meeting to answer any questions.

KM:ge

Attachment "A"

Title 10—DEPARTMENT -OF NATURAL RESOURCES Division 130—State  
Environmental Improvement and Energy Resources Authority  
Chapter 1—Applications

**10 CSR 130-1.010 Definitions**

PURPOSE: This rule sets out definitions used in the rules of the State Environmental Improvement and Energy Resources Authority.

(1) Except where the context indicates otherwise, the following terms as used in these rules ~~shall~~ have the meaning ascribed to them in this rule or the Act.

(2) Act ~~shall mean~~ s sections 260.005 to 260.125, inclusive, Revised Statutes of Missouri and Appendix B(1) thereto.

(3) Air pollution ~~shall mean~~ s the presence in the ambient air of one (1) or more air contaminants in quantities, of characteristics and a duration which directly and proximately cause or contribute to injury to human, plant or animal life or health or to property or which unreasonably interferes with the enjoyment of life or use of property.

(4) Application fee ~~shall mean~~ s the fee payable upon filing of an application.

~~(5) Authority shall mean the State Environmental Improvement and Energy Resources Authority created by the Act.~~

~~(6)~~(5) Authorized representative ~~shall mean~~ s with respect to a corporation that person designated to act on its behalf by written certificate of authority furnished to the authority containing the specimen signature of the person and signed on behalf of the corporation by its president or any vice president and attested to by its secretary or an assistant secretary.

~~(7) Bonds shall mean bonds issued by the authority pursuant to the provisions of the Act.~~

~~(8) Cost shall mean the expense of the acquisition of land, rights of way, easements and other interests in real property and the expense of acquiring or construction of buildings, improvements, machinery and equipment relating to any project, including the cost of demolishing or removing any existing structures, interest during the construction of any project and engineering research, legal, accounting, underwriting, consulting and other expenses necessary or incident to determining the feasibility or practicability of any project and in carrying out the same, all of which are to be paid out of the proceeds of the loans, bonds or notes authorized by the Act.~~

~~(9) Disposal of solid waste or sewage shall mean the entire process of storage, collection, transportation, processing and disposal of solid waste or sewage.~~

~~(10)~~(6) Loans ~~shall mean~~ s loans made by the authority pursuant to the provisions of the Act.

~~(11) Notes shall mean notes issued by the authority pursuant to the provisions of the Act.~~

~~(12) Pollution shall mean the placing of any noxious substance in the air or waters or on the~~

~~lands of the state in sufficient quantity and of amounts, characteristics and duration so as to injure or harm the public health or welfare or animal life or property.~~

~~(13)~~(7) Pollution control facility ~~shall~~ means any facility, including land, disposal areas, incinerators, buildings, fixtures, machinery and equipment financed, acquired or constructed or to be financed, acquired or constructed by the authority for the purpose of preventing or reducing pollution or providing for the disposal of solid waste or sewage.

~~(14) Project shall mean any facility, including land, disposal areas, incinerators, buildings, fixtures, machinery and equipment financed, acquired or constructed or to be financed, acquired or constructed by the authority for the purpose of developing energy resources or preventing or reducing pollution or the disposal of solid waste or sewage or providing water facilities or resource recovery facilities.~~

~~(15) Resource recovery shall mean the recovery of material or energy from solid waste.~~

~~(16) Resource recovery facility shall mean any facility at which solid waste is processed for the purpose of extracting, converting to energy or otherwise separating and preparing solid waste for reuse.~~

~~(17) Resource recovery system shall mean a solid waste management system which provides for collection, separation, recycling and recovery of solid wastes, including disposal of nonrecoverable waste residues.~~

~~(18) Sewage shall mean any liquid or gaseous waste resulting from industrial, commercial, agricultural or community activities in amounts, characteristics and duration so as to injure or harm the public health or welfare or animal life or property.~~

~~(19) Solid waste shall mean garbage, refuse, discarded materials and undesirable solid and semi-solid residual matter resulting from industrial, commercial, agricultural or community activities in amounts, characteristics and duration so as to injure or harm the public health or welfare or animal life or property.~~

~~(20)~~(9) Solid waste or sewage disposal area ~~shall~~ means any area used for the disposal of solid waste or sewage from more than one (1) residential premises or one (1) or more commercial, industrial, manufacturing, recreational or governmental operations.

~~(21)~~(10) Solid waste or sewage processing facility means incinerator, compost plant, transfer station or any facility where solid wastes or sewage are salvaged.

~~(22) Synthetic fuels shall mean any solid, liquid or gas or combination thereof, which can be used as a substitute for petroleum or natural gas (or any derivatives thereof, including chemical feedstocks) and which is produced by chemical or physical transformation (other than washing, coking or desulfurizing) of domestic sources of coal, including lignite and peat, shale, tar, sands, including heavy oils, water as a source of hydrogen only through electrolysis and mixtures of coal and combustible liquids including petroleum.~~



~~(23) Water facilities shall mean any facilities for the furnishing of water for industrial, commercial, agricultural or community purposes including, but not limited to, wells, reservoirs, dams, pumping stations, water lines, sewer lines, treatment plants, stabilization ponds, storm sewers, related equipment and machinery.~~

~~(24)~~(11) Water pollution shall means contamination or other alteration of the physical, chemical or biological properties, of any waters of the state, including change in temperature, taste, color, turbidity or odor of the waters or the discharge of any liquid, gaseous, solid, radioactive or other substance into any waters of the state as will or is reasonably certain to create a nuisance or render the waters harmful, detrimental or injurious to public health, safety or welfare or to domestic, industrial, agricultural, recreational or other legitimate beneficial uses or to wild animals, birds, fish or other aquatic life.

AUTHORITY: section 260.035.1(23), RSMo 1986.\* Original rule filed Sept. 3, 1986, effective Nov. 28, 1986.

\*Original authority: 260.035, RSMo 1972, amended 1980, 1982, 1983, 1985, 1995.

## **10 CSR 130-1.020 Application Forms and Fees**

PURPOSE: The State Environmental Improvement and Energy Resources Authority is authorized to provide for the conservation of the air, land and water resources of the state by the prevention or reduction of the pollution thereof and proper methods of disposal of solid waste or sewage and providing water facilities and resource recovery facilities and to provide for the development of the energy resources of the state and to further the programs the authority is authorized to contract to provide services relating thereto, to finance, acquire or construct projects and to make loans or to issue its revenue bonds and/or notes to pay the cost thereof and to fund the costs of studies and research proposals in connection therewith. The pollution control projects must be in furtherance of applicable federal and state standards and regulations. These rules set forth the information and documents which constitute an application to the authority and the procedure which should be followed in making ~~the applications~~ for financing through the issuance of the authority's bonds or loans.

(1) Any private person, firm, corporation, public body, political subdivision or municipal corporation who intends to acquire, construct or finance a project is eligible to submit an application with the authority for a resolution of official action toward issuance of the authority's bonds and/or notes or the granting of a loan.

~~(2) An application to acquire, construct or finance a project shall consist of the following: the application statement; proposed resolution of official action toward issuance of the authority's bonds and/or notes or the granting of a loan; and the application fee.~~

~~(3) Any private person, firm, corporation, public body, political subdivision or municipal~~

~~corporation is eligible to submit an application with the authority requesting funding for a study or research proposal or a contract for services~~

~~(4) An application to fund a study or research proposal or to enter into a contract to provide services shall consist of the following: the application statement and the application fee.~~

~~(5) The application shall be submitted is due to the authority at least five (5) days prior to any meeting of the authority at which the applicant has requested an appearance.~~

~~(6) The completed original application together with five (5) copies shall be filed with the State Environmental Improvement and Energy Resources Authority at its office in Jefferson City and an additional copy of the application shall be delivered, either in person or by mail to the authority's general counsel, or to another person and/or address as the authority may from time-to-time designate by resolution.~~

(2) The completed application shall be delivered to the State Environmental Improvement and Energy Resources Authority at its office in Jefferson City and an additional copy delivered to the authority's general counsel, or to another person or address as the authority may from time to time designate by resolution.

(3) Applications may be delivered in paper or a computer readable format which may be accessed, read, electronically stored and printed by the authority.

~~(7)~~(4) The application statement should present a detailed outline of the project ~~or the study or research proposal or the services to be rendered~~ for which the authority financing is requested and should be in a form as the authority may from time-to-time require. A copy of the application form may be obtained from the authority at its office in Jefferson City.

~~(8)~~(5) The authority may request additional information from the applicant and additional information so requested must be satisfactory to the authority before it passes its resolution of official action.

~~(9)~~(6) If the project for which the authority is requested to finance is a pollution control project, the applicant, prior to the issuance of the authority's bonds and/or notes or the granting of the loan, shall file with the authority—

(A) A control agency certificate issued by the state or federal agency which is charged with regulating the pollution which the project is designed to control, reduce or prevent ~~in a form so as shall be determined by the authority from time to time~~, stating that the pollution control project, as designed, is in furtherance of applicable state or federal standards and regulations; or

(B) An engineering certificate from an engineering firm ~~acceptable to the authority in a form so as shall be determined by the authority from time to time~~ stating that the pollution control project, as designed, is in furtherance of applicable state or federal standards and regulations.

The applicant shall be responsible for applying to the appropriate state or federal agency or engineering firm for the control agency certificate and for submitting to the state or federal agency or engineering firm information as the state or federal agency or engineering firm may require.

~~(10) As a part of the application, the applicant shall prepare and submit a proposed resolution of official action.~~

~~(11)~~(7) The following fees are payable by applicant to the authority:

(A) Application Fee. An application fee in an amount as hereinafter provided is due and payable upon filing of the request for financing or refinancing. The application fee is an amount equal to one-tenth (1/10) of one per- cent (1%) of the amount for which financing is requested ~~or of the total cost of the study or research proposal or contract to provide services~~. Notwithstanding the foregoing, the applicant fee shall not be less that one hundred dollars (\$100) nor more ~~that than~~ two thousand five hundred dollars (\$2,500). The application fee is nonrefundable and is in addition to the issuance fee or refinancing fee provided for that follows. ~~Payment of the application fee shall be by bank draft, money order or check made payable to the State Environmental Improvement and Energy Resources Authority;~~

(B) Issuance Fee. For all loans, bonds or notes issued by the authority, other than loans, bonds or notes which are being issued to refund or refinance loans, bonds or notes previously issued by the authority, an issuance fee shall be payable to the authority at the time of the closing of the issuance of the bonds or notes or the granting of the loan ~~which shall be and~~ computed in the following manner:

Rate	Amount of Financing
.00625 (5/8 of 1%) on the 1st	\$ 2,500,000;
.005 (1/2 of 1%) on the next	\$ 2,500,000;
.00375 (3/8 of 1%) on the next	\$ 5,000,000;
.0025 (1/4 of 1%) on the next	\$15,000,000;
.00125 (1/8 of 1%) on all over	\$25,000,000;

(C) Refinancing Fee. On all loans, bonds or notes issued for refinancing or refunding previously issued loans, bonds or notes, a refinancing fee shall be payable to the authority at the time of the closing of the issuance of the bonds or notes or the granting of the loan ~~which shall be~~ is calculated as follows: i) within two (2) years after the issuance of the loan, bonds or notes being refinanced, one- tenth (1/10) of the issuance fee provided in subsection (11)(B); ii) after two (2) years and within five (5) years after the issuance of the loan, bonds or notes being refinanced, one- fifth (1/5) of the issuance fee provided in sub- section (11)(B); iii) after five (5) years and

within ten (10) years after the issuance of the loan, bonds or notes being refinanced, one-third (1/3) of the issuance fee provided in subsection (11)(B); iv) after ten (10) years and within fifteen (15) years after the issuance of the loan, bonds or notes being refinanced, one-half (1/2) of the issuance fee provided in subsection (11)(B); or v) after fifteen (15) years, same as issuance fee provided in subsection (11)(B); but in no event shall the refinancing fee be less than the lesser of a) ten thousand dollars (\$10,000) or b) the issuance fee provided in subsection (11)(B);

(D) Nature of Fees. The application fee, issuance fee and refinancing fee are for the support of the authority and its activities. The application fee, issuance fee and refinancing fee do not provide for bond registration and/or any other issuance or project costs, including, though not by way of limitation, attorneys' fees, printing costs, financial advisor fees, underwriting fees or trustee fees;

~~(E) Partial Prepayment of Issuance Fee or Refinancing Fee. Upon adoption of the resolution of official action toward issuance of the authority's bonds and/or notes or approval of the loan by the authority, the authority may require an applicant to make partial prepayment of the issuance fee or refinancing fee. The partial prepayment shall not exceed twenty-five percent (25%) of the total issuance fee or refinancing fee, as provided for in subsections (11)(B) or (C).~~

~~(12)~~(8) Each applicant ~~shall~~may be required to personally appear at the meeting at which the authority considers the proposed resolution of official action.

~~(13)~~(9) Prior to the issuance of the bonds and/or notes of the authority, the applicant shall either provide the authority with an unqualified opinion of counsel experienced in matters relating to tax exemption of interest on bonds and/or notes of states and their political subdivisions to the effect that the interest payments on the bonds and/or notes to be issued by the authority will be exempt from federal income taxes or ~~shall~~ apply for, and obtain in the name of the authority, a determination by the Internal Revenue Service that the interest payments on the bonds and/or notes to be issued by the authority will be exempt from federal income taxes.

~~(14)~~(10) Upon written request submitted to the authority and upon good cause shown, the authority may waive or modify the strict application of any rule provided for in this rule including the payment of the application fee, issuance fee and refinancing fee, or the amount thereof, if the authority determines that the substance and purpose of any rule provided for in these regulations has been complied with and fulfilled.

~~(15) After the issuance of the resolution of official action toward issuance of the authority's bonds and/or notes, and no later than one (1) month prior to the issuance of the bonds or notes, a timetable for all future proceedings, following adoption of the resolution of official action toward issuance of the authority's bonds and/or notes shall be agreed upon between the authority and the applicant. All proceedings thereafter shall be governed by an agreed upon time schedule.~~

AUTHORITY: section 260.035.1(23), RSMo

1986.\* Original rule filed Sept. 3, 1986, effective Nov. 28, 1986.

\*Original authority: 260.035, RSMo 1972, amended 1980, 1982, 1983, 1985, 1995.

## Attachment "B"

The Board of the State Environmental Improvement and Energy Resources Authority has found that there is substantial evidence that the amendment to the 10 CSR 130 is necessary to carry out the purposes of its authorizing statute and is based upon documented evidence including, but not limited to:

- A. Executive Order 17-03, issued on January 10, 2017, requiring each Agency review its regulations to determine whether:
  1. The regulation is essential to the health, safety, or welfare of Missouri residents;
  2. The costs of the regulation do not outweigh the benefits;
  3. A process exists to measure the effectiveness of the regulation;
  4. Less restrictive alternatives have been considered and found less desirable;
  5. The regulation is based on sound, reasonably available scientific, technical, economic and other relevant information; and
  6. The regulation does not unduly and adversely affect Missouri citizens or customers of the State, or the competitive environment in Missouri.
- B. Documentation, based upon the experiences and expertise of Authority staff and others, that the existing regulations inadequately address the required form and deadlines for applications for finance, need for applicant attendance at EIERA meetings and other requirements set forth in regulation or which may be accomplished in a less restrictive manner.
- C. Analysis of provisions which are redundant, antiquated and/or unnecessary.

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Date

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William (Andy) Dalton, Chairman

Attachment "C"

**DELEGATION OF AUTHORITY**

I hereby authorize the following individuals to sign **any** document on behalf of the State Environmental Improvement and Energy Resources Authority. This delegation extends to all phases of the normal and emergency rulemaking process, as set out in Chapter 536, RSMo. The signature of one of the below designated individuals will serve as an authorized signature for our Department for **all** phases of the rulemaking process.

Karen L. Massey, Director

\_\_\_\_\_  
Signature

Joe Boland, Deputy Director

\_\_\_\_\_  
Signature

This Delegation of Authority is effective immediately and may be amended or rescinded at any time by filing a written amendment or rescission with the Secretary of State.

\_\_\_\_\_  
Date

\_\_\_\_\_  
William (Andy) Dalton, Chairman

State Environmental Improvement and Energy Resources Authority  
331<sup>ST</sup> Board Meeting  
March 8, 2018

**Agenda Item #7**  
**EXTENSION OF LEGAL SERVICES AGREEMENT**

**Issue:**

The initial term of the Authority's agreement with our General Counsel, Lewis Rice, expires on June 30, 2018.

**Action Needed:**

Consideration of extending the term for an additional two years as allowed under the provisions of the agreement.

**Staff Recommendation:**

Staff recommends that the Authority renew the agreement with Lewis Rice for an additional two year term.

**Staff Contact:**

Karen Massey or Joe Boland

**Background:**

The Board previously selected Lewis Rice to provide general counsel services to the Authority. The agreement contains a renewal for one additional two year term upon approval of the Board. The initial term of the agreement expires on June 30, 2018.

Authority staff is pleased with the services provided by Lewis Rice and recommends that the Board renew the agreement.

Staff will be available to answer questions during the meeting. Please feel free to call with questions in the meantime. Should the Board not wish to renew, staff has a Request for Proposals (RFP) and Evaluation Tool to be brought to the Board for approval in closed session.

KM:ge



State Environmental Improvement and Energy Resources Authority  
331<sup>ST</sup> Board Meeting  
March 8, 2018

**Agenda Item #9**

**AMENDMENT TO FISCAL YEAR 2018 AUTHORITY AND MARKET DEVELOPMENT PROGRAM BUDGETS**

**Issue:**

Certain expense items have exceeded, or are expected to exceed, budgeted amounts for Fiscal Year 2018.

**Action Needed:**

Consideration and adoption of Fiscal Year 18 Budget Revisions for the Authority and Market Development Program.

**Staff recommendation:**

Staff recommends that revisions to the following Fiscal Year 2018 Authority and Market Development Program budgets/revisions be approved.

**Staff Contact:**

Karen Massey and Mary Vaughan

**Background:**

The following line items are expense categories within the Fiscal Year 2018 budget that have exceeded or will most likely exceed the original budget expense by June 30, 2018.

**Authority Budget**

<u>Item</u>	<u>FY 2018 Budget</u>	<u>FY 2018 Amount Expensed</u>	<u>Variance</u>	<u>FY 2018 Budget Revision</u>
NRD Project Direct Costs	\$1,000	\$4,297	(\$3,297)	\$7,500

Staff is requesting to increase this line item to \$7,500. At the time the FY 2018 Budget was proposed, it was thought that the Authority would no longer be providing assistance to DNR with the NRD program. The Authority continues to provide assistance with the NRD program and has recently assisted with property closings for Webb City. The expenses were for Phase I Environmental Assessments for Webb City. The increase will allow for one additional Phase I which is expected before the end of the fiscal year.

**MMDP Budget**

<u>Item</u>	<u>FY 2018 Budget</u>	<u>FY 2018 Amount Expensed</u>	<u>Variance</u>	<u>FY 2018 Budget Revised</u>
Direct Costs	\$2,500	\$1,596	\$904	\$5,000

Staff is requesting to increase this line item to \$3,000. OA ITSD Telecommunication and Ethernet fees have increased more than projected.

The \$2,500 increase to the Direct Costs line item will decrease the following line item.

<u>Item</u>	<u>FY 2018 Budget</u>	<u>FY 2018 Amount Expensed</u>	<u>Variance</u>	<u>FY 2018 Budget Revised</u>
Direct Financial Assistance	\$845,203	\$87,821	\$757,382	\$842,703

The Missouri Market Development Program Director, Kristin Tipton, assisted in determining the line item to decrease.

KM:ge