

**338th MEETING OF THE
STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY
EIERA Office
425 Madison Street, Second Floor
Jefferson City, Missouri
October 3, 2019
9:30 a.m.**

Amended Agenda

1. Call to Order
2. Approval of Minutes
 - A. Approval of Minutes from the 335th Meeting of the Authority held June 27, 2019, in Jefferson City, Missouri
 - B. Approval of Minutes from the 336th Meeting of the Authority held July 15, 2019, in Jefferson City, Missouri
 - C. Approval of Minutes from the 337th Meeting of the Authority held August 22, 2019, in Jefferson City, Missouri
3. State Revolving Program
 - A. Program Update
 - B. Resolution Declaring The Intent Of the State Environmental Improvement and Energy Resources Authority To Issue Its Revenue Bonds To Finance Facilities On Behalf Of The Missouri Department Of Natural Resources (Missouri American Water Company)
 - C. Other
4. Missouri Market Development Program
 - A. Program Update
 - B. Consideration of the Funding Recommendation for the St. Louis Composting, Inc., Project and Authorizing the Director or Designee to Enter Into an Agreement on Behalf of the Authority
 - C. Consideration of the Funding Recommendation for the Wilson Industries, LLC Project and Authorizing the Director or Designee to Enter Into an Agreement on Behalf of the Authority
 - D. Consideration of the MO Recycling Association Proposal
 - E. Other
5. Brownfields Revolving Loan Fund
 - A. Program Update
 - B. Other
6. Election of Officers

7. Other Business
 - A. Opportunity for Public Comment (Limit of Four Minutes per Individual)
 - B. Next Meeting Date
 - C. Other
8. Closed Meeting Pursuant to Section 610.021 (1), (3) and (11) RSMo. (as needed)
9. Adjournment of Closed Meeting and Return to Open Meeting
10. 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 Deron Cherry, Vice-Chair, Assistant Secretary, Treasurer Nancy Gibler, Member Mary Fontana Nichols, Member
Staff to be Present:	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

**MINUTES OF THE 335th MEETING OF THE
STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY**

EIERA Office

425 Madison Street, Second Floor

Jefferson City, Missouri

June 27, 2019

10:00 a.m.

EIERA MEMBERS:

Andy Dalton, Chair
Deron Cherry, Vice-Chair, Treasurer (phone participant)
Caleb Arthur
Nancy Gibler
Mary Fontana Nichols

EIERA STAFF:

Joe Boland, Deputy Director
Kristin Allan Tipton, Development Director
Mary Vaughan, Administration and Project Manager
Genny Eichelberger, Office Support Assistant

LEGAL COUNSEL:

David Brown
Lewis Rice LLC

**OTHER
PARTICIPANTS:**

Dennis Lloyd
David Abel
Columbia Capital Management, LLC

Eric Cowan
Bank of America Merrill Lynch

Zachary Wyatt Gomez
Missouri Department of Revenue

Dru Buntin
Hannah Humphrey
Department of Natural Resources

(AGENDA ITEM #1) CALL TO ORDER

Chair Dalton called the 335th 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) SWEARING IN OF NEW MEMBERS, CALEB ARTHUR, NANCY GIBLER AND MARY FONTANA NICHOLS

Chair Dalton noted that Mr. Arthur, Ms. Gibler and Ms. Nichols had recently been appointed by the governor and then administered the oath of office.

(AGENDA ITEM #3) APPROVAL OF MINUTES

The next order of business was to review and approve the minutes of the 334th meeting (December 18, 2018) of the Authority and the 334th closed meeting (December 18, 2018) of the Authority.

MOTION: Motion was made by Mr. Cherry and seconded by Ms. Gibler to approve the minutes of the open portion of the 334th meeting of the Environmental Improvement and Energy Resources Authority. By roll call vote, Chair Dalton, Mr. Cherry, Ms. Gibler, Ms. Nichols and Mr. Arthur all voted in favor. Motion carried.

MOTION: Motion was made by Mr. Cherry and seconded by Chair Dalton to approve the minutes of the closed portion of the 334th meeting of the Environmental Improvement and Energy Resources Authority. By roll call vote, Chair Dalton, Mr. Cherry, Ms. Gibler, Ms. Nichols and Mr. Arthur all voted in favor. Motion carried.

(AGENDA ITEM #4) STATE REVOLVING PROGRAM

(AGENDA ITEM #4A) PROGRAM UPDATE

Mr. Boland summarized current activities of the State Revolving Fund (SRF) Program and answered various questions from the Board.

(AGENDA ITEM #4B) OTHER

Mr. Boland called upon Ms. Humphrey for an update on the Financial Assistance Center (FAC) activities.

Ms. Humphrey stated that she was in the process of training five to six staff members to conduct outreach across the state and hold community workshops in 2019. The FAC has been coordinating with the Department of Economic Development's Community Development Block Grant Program and the U.S. Department of Agriculture to assist with the workshops. Bond Council also presented at the workshops this year and their involvement has proven to be very popular. She noted that Kansas City, a former frequent borrower was returning to the program this year. Ms. Humphrey thanked Mr. Boland for his willingness to always be available to answer questions.

(AGENDA ITEM #5) MISSOURI MARKET DEVELOPMENT PROGRAM

(AGENDA ITEM #5A) PROGRAM UPDATE

Ms. Tipton gave a brief explanation of the Missouri Market Development Program (MMDP), including that MMDP was allocated \$800,000 from Missouri's Solid Waste Management Fund each year for project assistance. She offered to meet with the Board, individually, to discuss the program in detail.

(AGENDA ITEM #5B) CONSIDERATION OF THE FUNDING RECOMMENDATION FOR THE PROCK OPERATIONS, INC., D/B/A FOR YOUR CONVENIENCE, PROJECT AND AUTHORIZING THE DIRECTOR OR DESIGNEE TO ENTER INTO AN AGREEMENT ON BEHALF OF THE AUTHORITY

Ms. Tipton reported to the Board that the Authority had worked in the past with Prock Operations, Inc., located in St. James. Prock Operations, Inc., d/b/a

For Your Convenience, requested \$21,208.50 to purchase equipment costing \$24,000 that would enable the company to densify extruded polystyrene foam. For Your Convenience, is a millwork shop that specializes in building custom cabinets, panels and shelving and has grown to include a flooring division, a surfacing division, and a showcase division.

Ms. Tipton noted that For Your Convenience works closely with Snowman Cooler, a manufacturer of walk-in coolers and freezers. Snowman Cooler uses extruded polystyrene foam as insulation and the process creates a considerable amount of foam waste. For Your Convenience intends to collect this waste, densify it, and sell it thus diverting 7-10 tons annually from the waste stream.

Ms. Tipton stated that the Missouri Market Development Program Steering Committee, which includes staff from the Missouri Department of Natural Resources, Missouri Department of Economic Development, the Missouri Department of Agriculture, the Solid Waste Advisory Board, and the Authority, recommends funding this project in the amount of \$18,000 not to exceed 75% of the cost of the equipment. This funding recommendation was unanimous.

MOTION: Motion was made by Ms. Nichols and seconded by Ms. Gibler to authorize the director or designee to negotiate and enter into an agreement on behalf of the Authority with Prock Operations, Inc., d/b/a For Your Convenience, for an amount up to \$18,000, not to exceed 75 percent of the cost of the equipment. By roll call vote, Chair Dalton, Ms. Gibler, Ms. Nichols, Mr. Cherry and Mr. Arthur all voted in favor. Motion carried.

(AGENDA ITEM #5C) CONSIDERATION OF THE FUNDING RECOMMENDATION FOR THE OZARK SHAVINGS COMPANY LLC PROJECT AND AUTHORIZING THE DIRECTOR OR DESIGNEE TO ENTER INTO AN AGREEMENT ON BEHALF OF THE AUTHORITY

Ms. Tipton stated that Ozark Shavings Company LLC, located in Licking, requested \$250,000 to purchase equipment costing \$952,000 that will enable the company to add three new product lines from waste wood materials.

Ozark Shavings Company has been manufacturing pine shavings for animal bedding, fence posts, and a by-product for cat litter for ten years. Bagged shavings manufactured by the company are retailed in Tractor Supply Company, Orscheln Farm & Home, and other stores all over North America.

A feasibility study was completed for the company to identify ways to deal with the mountains of wood waste. The study determined that adding three new products – mulch, compost, and cedar bark – would be a good fit for the existing business. These end products can all be produced from waste material currently generated by the mills and Ozark Shavings already has identified end users for it.

Ozark Shavings Company LLC anticipates diverting 11,000 tons annually from the waste stream and creating four full-time and four part-time employee positions 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, the Missouri Department of Agriculture, the Solid Waste Advisory Board, 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.

Mr. Boland asked Ms. Tipton to provide an overview of the Missouri Market Development Program Steering Committee for the Board.

Ms. Tipton explained the make-up of the committee to the Board and that each member reviews the applications which are similar to projected business plans with current financials, tax statements and documented markets for the end products.

Ms. Nichols asked if staff followed up after the award had been given.

Ms. Tipton stated that there are at least three site visits; when an applicant applies, after the award and at close out.

Ms. Nichols asked if the Board could attend a site visit.

Ms. Tipton encouraged the Board to attend site visits.

Chair Dalton stated that the Authority is interested in the applicant's financial ability to buy the equipment, the promise of new jobs, keeping waste out of landfills and turning it into something useful.

Chair Dalton asked if there was a motion.

MOTION: Motion was made by Mr. Cherry and seconded by Ms. Nichols to authorize the director or designee to negotiate and enter into an agreement on behalf of the Authority with Ozark Shavings Company LLC for an amount up to \$250,000, not to exceed 50 percent of the cost of the equipment. By roll call vote, Chair Dalton, Ms. Gibler, Ms. Nichols, Mr. Cherry and Mr. Arthur all voted in favor. Motion carried.

(AGENDA ITEM #5D) CONSIDERATION OF THE FUNDING RECOMMENDATION FOR THE NEW HORIZONS LAND AND WOOD PRODUCTS, LLC PROJECT

New Horizons Land and Wood Products LLC, located in Salem, requested \$250,000 to purchase equipment costing \$545,000 that will enable the company

to reclaim land after cleared for logging and produce firewood and mulch from remaining tops and stumps. Ms. Tipton noted that New Horizons Land and Wood Products LLC anticipates diverting 1,000 tons annually from the waste stream and creating 11 full time employee positions with this project. Ms. Tipton stated that this would not be a good fit for the Authority due the speculative nature of this start-up. The application also seemed to indicate that the equipment would be used to perform reclamation activities to improve the value of the applicant's personally owned land.

Mr. Boland stated that this appeared to be a purely speculative project and the applicant would be improving the value per acre and then flipping it. There was also no documentation of any end markets for wood products.

Mr. Arthur asked if all applications come to the Authority before the MMDP Steering Committee reviewed them.

Ms. Tipton confirmed that the applications were received by the Authority first, the MMDP Steering Committee second, and then the Board.

The Missouri Market Development Program Steering Committee, which includes staff from the Missouri Department of Natural Resources, Missouri Department of Economic Development, the Missouri Department of Agriculture, the Solid Waste Advisory Board, and the Authority, recommends not funding this project. This recommendation was unanimous.

MOTION: Motion was made by Ms. Gibler and seconded by Mr. Arthur to oppose funding for the New Horizons Land and Wood Products LLC project. By roll call vote, Chair Dalton, Ms. Gibler, Ms. Nichols, Mr. Arthur and Mr. Cherry all voted in favor. Motion carried.

(AGENDA #5E) CONSIDERATION OF THE FUNDING RECOMMENDATION FOR THE REFAB PROJECT AND AUTHORIZING THE DIRECTOR OR DESIGNEE TO ENTER INTO AN AGREEMENT ON BEHALF OF THE AUTHORITY

Ms. Tipton reported to the Board that Refab, located in St. Louis, requested \$169,500 to purchase equipment costing \$296,620 that will enable the company to expand the production of finished products made from reclaimed materials. She said that St. Louis was tearing down abandoned buildings in order to make green space.

Ms. Tipton stated that Refab, a 501(c)(3) nonprofit organization, deconstructs buildings to salvage the construction materials and currently has a warehouse sight in St. Louis. Refab addresses several community needs by deconstructing buildings, training and reemploying community members and refabricating waste materials for resale.

Refab Lab is a value-added workshop for the fabrication of building materials into highly marketable furniture and décor items. The organization has developed a handful of products such as wooden accent walls, butcher blocks, tables and benches, and open shelving, for an anticipated September 2019 launch. The professional woodworking and metalworking equipment Refab is requesting will make for a cleaner, safer, and more productive workshop.

Ms. Tipton stated that Refab anticipates diverting 100 additional tons annually from the waste stream and creating six to eight full time employee positions with this project.

Ms. Tipton explained to the Board that the program “scoring” system provides for an applicant to be eligible for up to \$100,000 if they score 105 points and \$250,000 if they score 140 points. When the scoring system was created, it did not include a point requirement for something between those dollar amounts. Refab's application scored 120 points. For the first time, the committee is recommending an award beyond the established eligibility amount due.

Mr. Boland stated that Refab addresses the community's social, environmental and employment needs.

Ms. Tipton stated that the Missouri Market Development Program Steering Committee, which includes staff from the Missouri Department of Natural Resources, Missouri Department of Economic Development, the Missouri Department of Agriculture, the Solid Waste Advisory Board, and the Authority, recommends funding this project in the amount of \$169,500 not to exceed 75% of the cost of the equipment. This funding recommendation was unanimous.

Chair Dalton asked if there was a motion.

MOTION: Motion was made by Ms. Nichols and seconded by Ms. Gibler to authorize the director or designee to negotiate and enter into an agreement on behalf of the Authority with Refab for an amount up to \$169,500, not to exceed 75 percent of the cost of the equipment. By roll call vote, Chair Dalton, Ms. Gibler, Ms. Nichols, Mr. Arthur and Mr. Cherry all voted in favor. Motion carried.

(AGENDA #5F) CONSIDERATION AND APPROVAL OF THE MORA CONFERENCE SPONSORSHIP REQUEST

Ms. Tipton reported to the Board that the 2019 Missouri Recycling Association (MORA) Annual Conference will be at the Sheraton Westport Chalet

Hotel in St. Louis, September 23-25. She said that the MORA is requesting a \$2,500 silver conference sponsorship from the MMDP for this event.

Ms. Tipton explained that for the past several years, the MMDP has sponsored the conference at the \$2,500 level. A \$2,500 sponsorship includes registration for two people and an ad in the conference program.

MOTION: Motion was made by Mr. Cherry and seconded by Ms. Gibler to approve the MORA Conference Sponsorship in the amount of \$2,500 from the Missouri Market Development Program. By roll call vote, Chair Dalton, Ms. Gibler, Ms. Nichols, Mr. Arthur and Mr. Cherry all voted in favor. Motion carried.

(AGENDA #5G) OTHER

(AGENDA ITEM #6) BROWNFIELDS REVOLVING LOAN FUND

Chair Dalton called upon Ms. Tipton to give an update on the Missouri Brownfields Revolving Loan Fund Program (MBRLF).

(AGENDA ITEM #6A) PROGRAM UPDATE

Ms. Tipton reported to the Board that the program was established in 2005, with a \$1 million capitalization grant from the EPA. Program funds can be used to cover the cost of cleanup only. The focus has been on rural areas that have little access to resources. Ms. Tipton reminded the Board that the Authority budgets for match each year.

(AGENDA ITEM #6B) CONSIDERATION AND APPROVAL OF THE FUNDING RECOMMENDATION FOR THE LAKE OZARK COUNCIL OF LOCAL GOVERNMENTS PROJECT AND AUTHORIZATION FOR THE DIRECTOR OR DESIGNEE TO ENTER INTO AN AGREEMENT ON BEHALF OF THE AUTHORITY

Ms. Tipton stated that Lake of the Ozarks Council of Local Governments (LOCOG) has submitted a hazardous substance application to the MBRLF,

requesting a \$50,000 subgrant to remediate contaminated soil on a vacant property in Iberia, also known as the Old Saw Shop.

Ms. Tipton explained to the Board that the City of Iberia has owned the property since 2015 and transferred it to LOCOG for the purpose of applying to the MBRLF. A Phase II Environmental Assessment has been done identifying lead and arsenic in the soil which exceed the Missouri Department of Natural Resources (MDNR) default target levels.

Ms. Tipton stated that Iberia is a rural community and once the cleanup is complete, LOCOG will transfer the property back to the City of Iberia to be used as green space. She noted that an Analysis of Brownfield Cleanup Alternatives (ABCA) had already been performed on the site, but there will be additional costs. Staff also knows from experience that a cleanup cost estimate, from over a year ago, is likely to be higher when the project is bid, which is why the review team is recommending more than the amount requested.

Mr. Boland stated that LOCOG will only receive what it costs to remediate the site.

Ms. Tipton stated that the MBRLF Review Team, consisting of staff from DNR's Brownfield Voluntary Cleanup Program, the Department of Economic Development's Business and Community Services Program, the Department of Agriculture, and the Authority, reviewed the application and unanimously recommends that the Board approve a subgrant of up to \$75,000 for this project

and that the site be closed via removal of the contamination rather than the use of institutional controls.

Chair Dalton asked if there was a motion.

MOTION: Motion was made by Mr. Cherry and seconded by Ms. Nichols to authorize the director or designee to negotiate and enter into an agreement on behalf of the Authority with Lake of the Ozarks Council of Local Governments (LOCOG) for an amount up to \$75,000. By roll call vote, Chair Dalton, Ms. Gibler, Ms. Nichols, Mr. Arthur and Mr. Cherry all voted in favor. Motion carried.

(AGENDA ITEM #6C) CONSIDERATION AND APPROVAL OF THE CHANGE TO THE CLEANUP PLAN FOR THE NEAR SOUTHSIDE EMPLOYMENT COALITION PROJECT

Ms. Tipton reminded the Board that a petroleum subgrant in the amount of \$100,000 had previously been awarded to the Near Southside Employment Coalition (NSEC) to remove all petroleum contamination from the site. NSEC is a Missouri not-for-profit corporation located in St. Louis.

Ms. Tipton stated that an ABCA had been performed on the site through the EPA but grossly underestimated the cleanup costs. At a pre-bid meeting, several contractors expressed interest, but said that additional work would be required. Only one bidder responded with an estimate of approximately \$250,000, which he indicated could be low based on some unknown factors.

Ms. Tipton explained that as the maximum amount the MBRLF can grant is \$250,000, staff now recommends that MBRLF funds that were previously awarded be used to enroll the property in MDNR's Long Term Stewardship Program.

The MBRLF Review Team, consisting of staff from MDNR's Brownfield Voluntary Cleanup Program, the Department of Economic Development's

Business and Community Services Program, the Department of Agriculture, unanimously recommends that the Board approve using the existing subgrant award to enroll the property in the Long Term Stewardship Program.

Chair Dalton asked if there was a motion.

MOTION: Motion was made by Ms. Nichols and seconded by Ms. Gibler to authorize the director or designee on behalf of the Authority to use the existing agreement with Near Southside Employment Coalition (NSEC) to enroll the property in MDNR's Long Term Stewardship Program. By roll call vote, Chair Dalton, Ms. Gibler, Ms. Nichols, Mr. Arthur and Mr. Cherry all voted in favor. Motion carried.

Chair Dalton commended staff and the Review Team for a job well done.

(AGENDA ITEM #6D) OTHER

(AGENDA ITEM #7) CONSIDERATION AND APPROVAL OF FISCAL YEAR 2020 BUDGETS

Mr. Boland directed the Board's attention to the final FY19 expenditures and FY20 proposed budgets beginning July 1, 2019. He explained to the Board the three main accounting areas, General Authority, MMDP and BRLF, and gave a brief description of each column.

Authority: Mr. Boland explained that one major change was a decrease in issuance fees. He said that an SRF Bond is not expected, but an energy bond transaction is a possibility. Personnel costs are expected to remain the same even though actuals dropped a bit last year due to Ms. Massey's resignation and Ms. Tipton becoming a part-time employee. Professional services and operating expenses are also similar to last year. The commitment for matching funds for BRLF is \$173,349.

Ms. Vaughan added that staff may need to come back to the Board for revisions to certain budget lines as we proceed throughout the year.

Missouri Market Development Program: Ms. Tipton stated that the Market Development Budget revenues reflect the FY20 allocation of the Solid Waste Management Fund as well as those monies not expended in previous years. She said expenses have been adjusted upward, but overall they are not significantly different from FY19.

Brownfields Revolving Loan Fund: Mr. Boland said that the Brownfields Budget, as in past years, reflects all funds available under the remaining term of the grant rather than just what we expect to expend in FY20. He said that the Authority's contribution is \$173,349, creating a balance of \$1,038,000. The historical practice has been to show the program's spend down. He added that there had not been a lot of activity last year.

Mr. Boland noted that staff made a tremendous effort to cut expenses in the last few years.

Mr. Arthur asked if the FY20 Budget included the salary for a new director.

Mr. Boland stated that the FY20 Budget did include the salary for a new director.

Discussion ensued.

Ms. Vaughan stated that staff recommends adoption of FY19 Budgets for the Authority, Market Development Program and Brownfields Revolving Loan Fund.

Chair Dalton stated that if there was no further discussion, he would entertain a motion.

MOTION: Motion was made by Ms. Nichols and seconded by Ms. Gibler to approve Fiscal Year 2020 Budgets for the Authority, Market Development Program and Brownfields Revolving Loan Fund with the BRLF Match Commitment of \$173,349. By voice vote, Mr. Arthur, Ms. Gibler, Ms. Nichols, Chair Dalton and Mr. Cherry all voted in favor. Motion carried.

Dru Buntin, Deputy Director of the Department of Natural Resources entered the meeting.

Mr. Boland called upon Ms. Humphrey to present a summary of the Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF) Programs.

Ms. Humphrey provided a summary of her staff, both loan programs and then handed out draft copies of the Intended Use Plans for FY2020.

Mr. Arthur asked if there had been an increase in the program.

Mr. Humphrey stated that due to more marketing about the program, there had been an increase on the CW side.

Mr. Boland offered that Ms. Humphrey and her staff had increased their outreach efforts considerably.

Mr. Boland thanked Ms. Humphrey for her presentation.

(AGENDA ITEM #8) ELECTION OF OFFICERS

Mr. Boland deferred to Mr. Brown for direction.

Mr. Brown stated that the Authority's Bylaws provide that the election of officers occur in the first meeting held after June 1st of each year. The election

has typically been done in June meetings. He said that, currently, the Chair is held by Mr. Dalton and the Assistant Chair and Treasurer are held by Mr. Cherry. The Secretary position is open, but Mr. Cherry is the Assistant Secretary until an election can be held.

Mr. Cherry advised the Board not to hold three officer's positions at the same time.

Mr. Brown asked the Board if they wanted to proceed with the election of new officers now or at the next meeting. He added that the Assistant Chair and Assistant Secretary could authorize more flexibility.

The Board agreed to defer the election of new officers to the next meeting.

(AGENDA ITEM #9) OTHER BUSINESS

(AGENDA ITEM #9A) OPPORTUNITY FOR PUBLIC COMMENT (LIMIT OF FOUR MINUTES PER INDIVIDUAL)

Chair Dalton asked if anyone would like to make a public comment at this time.

Ms. Nichols requested that contact information be sent to the Board.

(AGENDA ITEM #9B) NEXT MEETING DATE

The next meeting will be held in July and the Board would be contacted for available dates.

(AGENDA ITEM #9C) GENERAL DISCUSSION FOR NEW BOARD MEMBERS

Mr. Cherry welcomed the new members to the Board. He said that it was good to have a full Board that was willing to serve and that it was an honor to serve the state. He thanked them for their time and being a part of the Board.

(AGENDA ITEM #9D) OTHER

(AGENDA ITEM #10) CLOSED MEETING PURSUANT TO SECTION 610.021 (12) OR (13) RSMO. (AS NEEDED)

MOTION: Motion was made by Ms. Gibler and seconded by Ms. Nichols to close the meeting for the purposes of discussing confidential matters including negotiated contractual matters with the Authority's attorneys and personnel matters pursuant to Section 610.021 (12) or (13) RSMo. By voice vote, Chair Dalton, Ms. Gibler, Ms. Nichols, Mr. Arthur and Mr. Cherry 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 Ms. Nichols and seconded by Ms. Gibler to adjourn the meeting. By voice vote, Chair Dalton, Mr. Cherry Ms. Gibler, Ms. Nichols and Mr. Arthur all voted in favor. Motion carried.

Respectfully submitted,

Chairman

(SEAL)

Secretary

**MINUTES OF THE 336th MEETING OF THE
STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY**

EIERA Office

425 Madison Street, Second Floor

Jefferson City, Missouri

July 15, 2019

2:30 p.m.

EIERA MEMBERS:

Andy Dalton, Chair
Deron Cherry, Vice-Chair, Treasurer
Caleb Arthur, Member
Nancy Gibler, Member
Mary Fontana Nichols, Member

EIERA STAFF:

Joe Boland, Deputy Director
Genny Eichelberger, Office Support Assistant

LEGAL COUNSEL:

David Brown (phone participant)
Lewis Rice LLC

OTHER

PARTICIPANTS:

Dru Buntin
Department of Natural Resources

(AGENDA ITEM #1) CALL TO ORDER

Chair Dalton called the 336th meeting of the Environmental Improvement and Energy Resources Authority (the "Authority") to order at 2:30 PM. Chair Dalton took roll call and asked that the meeting record reflect a quorum was present.

(AGENDA ITEM #2) CLOSED MEETING PURSUANT TO SECTION 610.021 (3) RSMO. (AS NEEDED)

MOTION: Motion was made by Ms. Nichols and seconded by Ms. Gibler to close the meeting for the purpose of discussing the hiring or promoting of particular employees by a governmental body pursuant to Section 610.021(3) Revised Statutes of Missouri. By voice vote, Chair Dalton, Mr. Cherry, Ms. Gibler, Ms. Nichols and Mr. Arthur all voted in favor. Motion carried.

(AGENDA ITEM #3) ADJOURNMENT OF CLOSED MEETING AND RETURN TO OPEN MEETING

(AGENDA ITEM #4) 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 Ms. Nichols and seconded by Mr. Cherry to adjourn the meeting. By voice vote, Chair Dalton, Mr. Cherry, Ms. Gibler, Ms. Nichols and Mr. Arthur all voted in favor. Motion carried.

Respectfully submitted,

Chairman

(SEAL)

Secretary

**MINUTES OF THE 337th MEETING OF THE
STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY**

EIERA Office

425 Madison Street, Second Floor

Jefferson City, Missouri

August 22, 2019

10:30 a.m.

EIERA MEMBERS:

Andy Dalton, Chair
Deron Cherry, Vice-Chair, Treasurer
Caleb Arthur, Member
Nancy Gibler, Member
Mary Fontana Nichols, Member

EIERA STAFF:

Joe Boland, Deputy Director
Genny Eichelberger, Office Support Assistant

LEGAL COUNSEL:

David Brown (phone participant)
Lewis Rice LLC

OTHER

PARTICIPANTS:

Dru Buntin
Department of Natural Resources

(AGENDA ITEM #1) CALL TO ORDER

Chair Dalton called the 337th meeting of the Environmental Improvement and Energy Resources Authority (the "Authority") to order at 10:30 AM. Chair Dalton took roll call and asked that the meeting record reflect a quorum was present.

(AGENDA ITEM #2) CLOSED MEETING PURSUANT TO SECTION 610.021 (3) RSMO. (AS NEEDED)

MOTION: Motion was made by Ms. Nichols and seconded by Mr. Cherry to close the meeting for the purpose of discussing the hiring or promoting of particular employees by a governmental body pursuant to Section 610.021(3) Revised Statutes of Missouri. By voice vote, Chair Dalton, Ms. Gibler, Ms. Nichols, Mr. Cherry and Mr. Arthur all voted in favor. Motion carried.

(AGENDA ITEM #3) ADJOURNMENT OF CLOSED MEETING AND RETURN TO OPEN MEETING

(AGENDA ITEM #4) 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 Ms. Gibler and seconded by Ms. Nichols to adjourn the meeting. By voice vote, Chair Dalton, Mr. Cherry, Ms. Gibler, Ms. Nichols and Mr. Arthur all voted in favor. Motion carried.

Respectfully submitted,

Chairman

(SEAL)

Secretary

State Environmental Improvement and Energy Resources Authority
338th Board Meeting
October 3, 2019

Agenda Item #3B
SRF REIMBURSEMENT RESOLUTION (MO-AM)

Issue:

In order to address federal tax issues related to Private Activity Bonds (PAB), the Authority must declare its intent to issue such bonds to be able to reimburse the Department of Natural Resources (DNR) for PAB-related loans in the future.

Action Needed:

Consideration and approval of a Reimbursement Resolution to finance water facilities on behalf of the DNR.

Staff Recommendation:

Staff recommends approval of the resolution.

Staff Contact:

Joe Boland

Background:

Missouri American Water Company (MO-AM) is currently a Drinking Water State Revolving Fund (DWSRF) participant looking to close on their first SRF loan of approximately \$12,000,000 in the next month or so. MO-AM is a privately owned, public drinking water system that provides drinking water in multiple service areas throughout the state.

Whenever DNR needs the Authority to issue bonds for state match purposes or to leverage existing loans, we do so on a reimbursement basis. In other words, DNR makes loans using program equity until they require additional funds. At that time the Authority issues bonds and reimburses them for the loans they have already paid out. The reimbursement approach avoids any spend down requirements associated with issuing tax-exempt debt.

This resolution documents the Authority's intent to reimburse DNR for the loans issued to MO-AM with tax-exempt bond proceeds. Since MO-AM is privately owned, the IRS requires a separate resolution be adopted before MO-AM spends funds on the construction of its project.

JB:ge

Attachments

RES. _____

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

RESOLUTION DECLARING THE INTENT OF THE STATE ENVIRONMENTAL
IMPROVEMENT AND ENERGY RESOURCES AUTHORITY TO ISSUE ITS
REVENUE BONDS TO FINANCE FACILITIES ON BEHALF OF THE MISSOURI
DEPARTMENT OF NATURAL RESOURCES.

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 pursuant to Sections 260.005 through 260.125, and Appendix B(1) of the Revised Statutes of Missouri (the "Act"), to finance, acquire, construct and equip projects (as defined in the Act) for the purpose of preventing or reducing pollution, disposing of solid waste or sewage or providing water facilities, and to issue revenue bonds for the purpose of paying costs of such projects; and

WHEREAS, the Federal Water Quality Act of 1987, 33 U.S.C. Section 1381 *et seq.*, and the Federal Safe Drinking Water Act, 42 U.S.C. Section 300f *et seq.*, authorize the Administrator of the United States Environmental Protection Agency (the "EPA") to make capitalization grants to states for deposit in state revolving funds to provide assistance for constructing publicly owned wastewater treatment facilities and publicly and privately owned drinking water treatment facilities and for certain other purposes; and

WHEREAS, Section 644.122 of the Revised Statutes of Missouri establishes "The Water and Wastewater Loan Fund" in the treasury of the State of Missouri (the "State"), Section 640.107 of the Revised Statutes of Missouri establishes the "Drinking Water Revolving Fund," as a subfund within The Water and Wastewater Loan Fund, and the Missouri Department of Natural Resources ("DNR") has administratively established "The Water and Wastewater Loan Revolving Fund" in the treasury of the State; and

WHEREAS, pursuant to 60 CSR 13.020 and 60 CSR 13.030 of the Code of State Regulations, DNR, in cooperation with the Safe Drinking Water Commission of the State of Missouri, has developed and implemented the State of Missouri Direct Loan Program (the "Drinking Water SRF Direct Loan Program") and has stated its intent to make loans to political subdivisions and other eligible entities of the State to finance publicly and privately-owned drinking water treatment facilities; and

WHEREAS, by resolutions adopted by the Authority on February 23, 1988 (the "Program Resolution"), the Authority has approved the development of the Missouri Leveraged State Drinking Water Revolving Fund Program (the "Drinking Water SRF Leveraged Program" and, together with the Drinking Water SRF Direct Loan Program, the "Drinking Water SRF Program") and has stated its general intent to issue its bonds to finance projects pursuant to the Drinking Water SRF Program, said bonds to be payable solely out of the revenues and receipts derived by the Authority in connection with such projects; and

WHEREAS, DNR has received one or more applications from the Missouri-American Water Company ("Missouri American") for loans from DNR through the Drinking Water SRF Direct Loan Program to finance the construction of certain drinking water treatment facilities (the "Projects") and DNR has requested that the Authority consider the issuance of bonds to provide moneys to finance and/or reimburse DNR for expenditures made with respect to such Projects through the acquisition of said loans.

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

Section 1. Furtherance of the Act, the Program Resolution and the Interagency Agreement.
The Authority finds and determines that the issuance of bonds for the purposes set forth herein is in the furtherance of the purposes set forth in the Act, the Program Resolution and the Interagency Agreement dated January 31, 1996, among DNR, the Authority and DEQ-WPP (formerly Water Pollution Control Program) (as amended, the "Interagency Agreement").

Section 2. Intent to Issue Bonds. The Authority is declaring its intent to issue tax-exempt bonds to finance and/or acquire one or more loans made by DNR to Missouri American through the Drinking Water SRF Program. The proceeds of said tax-exempt bonds may be used to reimburse costs of the Projects paid by Missouri American prior to the closing date of loans. The tax-exempt bonds to be issued shall be in one or more series in an amount not to exceed \$12,000,000, plus amounts required for the payment of costs of issuance, interest expense during the funding of the Projects, if any, and reserves for the payment of debt service on the tax-exempt bonds. This Resolution constitutes an official declaration of intent to issue bonds and is adopted pursuant to United States Treasury Regulations Section 1.150-2.

Section 3. No Commitment; Final Actions Required. This Resolution does not constitute a commitment by the Authority to issue bonds. Issuance of bonds is subject to final approval by the Authority of appropriate legal documents relating to the bonds.

Section 4. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the Authority.

ADOPTED this 3rd day of October, 2019.

Chairman of the Authority

(Seal)

ATTEST:

Secretary of the Authority

State Environmental Improvement and Energy Resources Authority
338th Board Meeting
October 3, 2019

Agenda Item #4B
MISSOURI MARKET DEVELOPMENT PROGRAM
FUNDING RECOMMENDATION FOR ST. LOUIS COMPOSTING INC.

Issue:

St. Louis Composting, Inc. requested \$250,000 to purchase equipment costing \$500,000 that will enable the company to increase their capacity for separating food from packaging for composting.

Action Needed:

Consideration and approval of the funding recommendations for the St. Louis Composting, 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, Development Director

Background:

St. Louis Composting, Inc., located in St. Louis, requested \$250,000 to purchase equipment costing \$500,000 that will enable the company to increase their capacity for separating food from packaging for composting.

Currently, packaged foods that have exceeded their expiration date, or foods that have been recalled due to manufacturing defects or that have been labeled unfit for consumption are almost always landfilled. The labor needed to remove food from the packaging for recovery is simply not worth the cost. According to the EPA, in 2015 alone, more than 39 million tons of food waste was generated with only 5.3% diverted from landfills for composting.

In 2014, the Authority assisted St. Louis Composting with the purchase of the second-in-the-nation Tiger food depackager, which has been tremendously successful in enabling the company to recover new waste streams. The Tiger, however, is a high-speed machine and does not handle certain items, particularly soft packaged foods such as ice cream, well. With this project, St. Louis Composting will purchase a Bio-Press depackager, which operates at a much slower speed and would enable the company to accept a much wider variety of

packaged food. The machine will also enable the recovery of much of the packaging that passes through it.

Patrick Geraty founded St. Louis Composting in 1992 in response to state legislation restricting yard waste from landfills. During its first year, the company had a single facility and two employees. Today the company employs more than 100 people and operates five composting facilities and one transfer facility.

St. Louis Composting, Inc. anticipates diverting 12,000 tons annually from the waste stream and creating six full time employee positions 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, the Missouri Department of Agriculture, the Solid Waste Advisory Board, 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
338th Board Meeting
October 3, 2019

Agenda Item #4C
MISSOURI MARKET DEVELOPMENT PROGRAM
FUNDING RECOMMENDATION FOR WILSON INDUSTRIES LLC

Issue:

Wilson Industries, LLC requested \$223,277.40 to purchase equipment costing \$223,277.40 that will enable the company to increase their capacity for processing recovered plastics to be made into custom products.

Action Needed:

Consideration and approval of the funding recommendations for the Wilson Industries LLC project.

Staff Recommendation:

Staff recommends funding this project in the amount of \$100,000 not to exceed 75% of the cost of the equipment.

Staff Contact:

Kristin Tipton, Development Director

Background:

Wilson Industries LLC, located in Gainesville, requested \$223,277.40 to purchase a pulverizer costing \$223,277.40 that will enable the company to increase their capacity for processing recovered plastics to be made into custom products.

Wilson Industries LLC purchased the 41 year old company, Bryant Plastics in 2018. Bryant Plastics, a past program participant, was an innovator in the field of PVC manufacturing and Missouri's largest user of post-consumer recovered polyvinyl chloride (PVC). Products made by the company include standard and custom PVC pipe and fittings.

The company's existing pulverizer is 25 years old and has a much lower throughput than the new machine Wilson would like to purchase, which would more than triple processing capacity. This would allow the company to use more recovered plastic to produce new product lines.

Wilson Industries currently operates 24 hours per day, employing 32 people full-time. Pipe products are made by a proprietary extrusion method and the company has recently replaced a large extrusion line, making them ready for increased production. Increased

pulverizing capacity is the only thing preventing the company from achieving new production goals.

Wilson Industries anticipates diverting 6,240 tons annually from the waste stream and creating eleven full time employee positions 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, the Missouri Department of Agriculture, the Solid Waste Advisory Board, and the Authority, recommends funding this project in the amount of \$100,000 not to exceed 75% of the cost of the equipment. This funding recommendation was unanimous.

KT:ge

State Environmental Improvement and Energy Resources Authority
338th Board Meeting
October 3, 2019

Agenda Item #4D
MISSOURI MARKET DEVELOPMENT PROGRAM
CONSIDERATION OF THE MORA MANUFACTURING MAPPING PROJECT PROPOSAL

Issue:

The Missouri Recycling Association (MORA) is requesting \$25,000 to identify manufacturers utilizing recovered materials or that are interested in converting to recovered materials in the Springfield/Joplin and Central Missouri areas.

Action Needed:

Consideration and approval of the funding recommendation for MORA Manufacturing Mapping Proposal.

Staff recommendation:

Staff recommends that the Board approve this request in the amount of \$25,000.

Staff Contact:

Kristin Tipton, Development Director

Background:

At the request of the Mid-America Council of Local Governments Solid Waste Management District, MORA has substantially completed a pilot project and survey in the Kansas City area to identify manufacturers utilizing recovered materials or that are interested in converting to recovered materials. The preliminary results of this project have revealed a number of such companies of which both MORA and the MMDP were unaware.

Gathering this type of data is extremely difficult as there are no industry (NAICS) codes or other existing system to identify these types of businesses. MORA has completed the work in the Kansas City area in large part by knocking on doors and cold-calling all identified manufacturers. As expected, not all companies have been willing to divulge details of business activity, but the results obtained to date are surprising and more extensive than predicted.

Staff is interested in this data because these are the companies that are already promoting or are interested in promoting our program's mission. We feel that we may be able to work with these businesses to help them increase diversion and create jobs. Also, there are many synergies or business relationships that staff will be able to help create by knowing the players involved or interested.

This project does not fit into our regular "business assistance" activity of purchasing manufacturing equipment; however, each year the MMDP sets aside some funds to a "business initiatives" category to allow for opportunity to assist with projects believed by the Authority to support our mission to promote the development and maintenance of markets for recovered materials. In FY20, \$100,000 has been budgeted for this category.

The Missouri Market Development Program Steering Committee, which includes representatives from the EIERA, MDNR, Department of Economic Development, and the Solid Waste Advisory Board voted unanimously to support this project in the amount of \$25,000. Staff concur with this recommendation.

Attachment

KT:ge

**MISSOURI RECYCLING
ASSOCIATION
MANUFACTURING MAPPING
PROJECT

PROPOSAL TO EIERA
Market Development Program**

The objective of this proposal is for Missouri Recycling Association (MORA) staff to identify manufacturers utilizing recovered materials or interested in exploring converting to recovered feedstock. Phase 1 would focus on the Springfield/Joplin area and Phase 2 would focus on the central Missouri region (Columbia, Jefferson City, Mexico, Sedalia, Concordia, Moberly, Fulton and Macon). Information gathered will help us to determine materials currently being utilized, quantities, opportunities for expansion and opportunities to utilize recovered feedstock versus virgin materials in the manufacturing process. This proposal is based on a similar project currently being conducted in Region E SWMD, Kansas City area. Attachments to this proposal will share information and insights collected from our work in Kansas City, Missouri as well as obstacles to future expansion that were identified by participants. It is MORA's intent to identify opportunities and barriers in other manufacturing regions in the state (Springfield/Joplin area and central Missouri cities) to ultimately create a statewide snapshot of manufacturers utilizing as well as opportunities to increase the use of recovered materials or identify barriers and obstacles. Ideally this project has the potential to develop new industries, expand existing industries, increase employment, and solidify a manufacturing tax base all while keeping recovered materials out of landfills. Another output of the project will be to identify manufacturers for the EIARA Market Development Program or the appropriate solid waste management district to approach about grant opportunities and market development.

MORA staff will identify and develop a "participant" list through research, networking, personal communication, and cold calling companies in the Springfield/Joplin and mid-Missouri areas. Our goal will be to obtain data about recovered materials used in product manufacturing and the current role and opportunities to increase use of recovered feed stock. This project could assist local collection programs, brokers, and processors by providing regional end markets for materials utilized which may result in the recovered materials being more economical and attractive for use by local manufacturers. International tariffs and bans have had a heavy impact on national recycling programs and this project is designed to identify local manufactures to help shore up local markets.

A preliminary estimate, based on available on-line Springfield/Joplin area data from the July 1, 2018 Bureau of Labor statistics report there are approximately 144 manufacturing businesses employing over 16,400 workers. Since the 2010 census it has been determined that population in the Springfield/Joplin area has risen 7%. This indicates a growing economic base to explore for future recovered feedstock opportunities. Research gained through the pilot survey program in Kansas City that began in January of 2019 indicated that some companies are sending their recycling to companies in the Springfield/Joplin

area as well as the St. Joseph, Missouri region. Some company representatives stated that a better price for their materials is the reason they send their feedstock to facilities out of their region. Some reports showed that there was no plant in the Kansas City, Missouri area that deals in their commodity. There were options across the Kansas border, but the parameters of the grant restricted our survey to inside Missouri borders. If the Missouri project is successful, a partnership with Kansas could be formed for future feedstock/end market exploration. Initial research estimates of central Missouri business data on community Chambers of Commerce websites has found a minimum of 60 manufacturing facilities in the cities of Columbia, Jefferson City, Mexico, Sedalia, Concordia, Moberly, Fulton and Macon.

Identifying Participants -

Several avenues will be used to find manufacturers, companies, and institutions that fit the survey criteria. It is our plan to use every method available to find and connect with all appropriate manufacturers in the Springfield/Joplin metropolitan area and the central Missouri region. Once data is received we will calculate the type and amount of recovered materials being utilized, the number of businesses utilizing recovered feedstock, and those with the capability to use recovered feedstock versus virgin. We will be able to build a data base of manufacturers currently using recovered materials and offer local recovered materials as a source of feedstock for their manufacturing process.

Our strategy is to create links between manufacturers and end-of-market recycling operations with prospective by-products. Education will be an indirect result as more data is gathered and more links are made between entities, creating more awareness for potential future development. An additional step would be to disseminate our information to the state and local Department of Economic Development offices to familiarize them with the issues related to this industry and challenges faced by Missouri businesses. Currently there is not a Recycling Business Option. We could offer this data for them to include.

Over the past 25 years since MORA was established, staff and board members have worked to assist all 20 Missouri Solid Waste Management Districts and attend all relevant meetings to update participants. MORA staff and board members attend national and regional conferences to inform stakeholders and decision makers on progress in the recycling industry. MORA has been recognized by statewide government agencies, national affiliations, and state and regional staff as the premier outlet for recycling information in Missouri. The organization has an extensive history of successful grants projects that have been completed with the help of funding from the SWMDs, DNR SWMP, and EPA Region 7.

MORA has completed several statewide campaigns such as the Show-Me-Recycling Project, a multi-year campaign that was funded by EPA Region 7, DNR SWMP, and included contributions from many of the 20 Solid Waste Management Districts.

This project and the pilot survey in Kansas City, were modeled after a project conducted by the Southeast Regional Development Council in 2015. Will Sagar, SERDC Executive Director, continues to be a tremendous resource during the planning and execution of our project. His suggestions paved the way for our procedure to avoid many pitfalls, while warning MORA staff about the obstacles we encountered that are listed above. Mr. Sagar also said that his survey should be updated soon, but he lacks the help to do it because his project covered 11 states and took two years to complete. When the Missouri data is complete and verified through Hoovers of Dun & Bradstreet, that updating could be done every 3-5 years under the direction of the SWMD's in each survey.

Budget Estimate - \$25,000

The majority of costs associated with this project is staff time to research, contact and survey manufacturers. Based on our experience with the Kansas City Pilot Project, we estimate the following:

Phase I (Joplin/Springfield Area)

Research Staff - 450 hours @ \$20.00 per hour = \$9,000

Hoovers Annual Subscription (verify business information) + \$3,780

Phase II – Central Missouri Region

(\$12,220)

Missouri region (Columbia, Jefferson City, Mexico, Sedalia, Concordia, Moberly, Fulton and Macon

Research Staff – 611 hours @ \$20.00 per hour = \$12,220

Hoovers Annual Subscription would still be active (included in cost above).

Phase II Target area could be adjusted as desired which would affect budget.

TOTAL PROJECT COST \$25,000

Deliverables:

A full report and spreadsheet will be made available to stakeholders at the completion of each Phase.

Develop Contact List of Manufacturers for EIERA MDP & SWMD

Staff Insights and Recommendations

Attachments: DRAFT – GOOD FEEDSTOCK/RECYCLING PROGRAMS KANSAS CITY

DRAFT – OBSERVATIONS COLLECTED DURING KANSAS CITY FEEDSTOCK SURVEY

American Central Transportation: ACT uses recapped tires after initial set of tires has become worn. They also recycle batteries. **Dave Warner, 888-428-5228.**

Arrowhead Containers: They use corrugated sheeting from headquarters in Springfield, MO. The wax substrate lining cartons is 100% recyclable. **Matt Cato: Manager/Sustainability, 816-597-3322.**

Avila University: Recycling program started last year and wants to expand their collections. They have a zero waste cafeteria and use compostable silverware and corn made cups. They hold a move out collection in the spring. Materials were made available to rest of campus, remainder was donated to local thrift store and food surplus went to food pantry. **Julie Crowley, Chair of the Sustainability Committee, (816) 501-0427**

Columbia Burlap and Bag: Columbia Burlap and Bag offers for sale used coffee bean bags that they have shipped to them. They sell the bags in bundles of 250 bags per bundle, and in a group of four bundles or 1,000 lb. bundles of 800 bags in total. They are sold for the price of \$.60/bag or \$480/per 1,000 lb. bundle. **Scott Pickett, 816-353-2704**

Forte Products: Manufactures rotationally molded plastic products. Niche market in the US. They grind and then pulverize approx. 80% of their scrap and reuse. The whole plant recycling operations are geared to reuse of plastic scraps. They pulverize scraps for reuse except ones that are not Polyethylene. **Travis DeKryger, 816-741-3000 ext. 2534**

Hallmark: They use recycled paper for their cards, but it is not sourced locally. **Michelle Toelkes, (816) 545-6650**

Hanna Rubber: They reuse the center from gaskets that they produce to make smaller gaskets. **Scott Assyia, General Manager, 816-221-9600**

Laird Plastics: Laird recycling primarily focuses on post-industrial plastic scrap. They reprocess materials and buy materials in scrap, purge, preform, regrind, or pellet form. Some of the materials they specialize in are ABS, TPO, PC, HIPS, PETG, HIPS, PET, LDPE, PP, HDPE, HMW, and many more. Laird Plastics also extrudes custom plastic corner guards. **Brian Bates, 877-757-1701**

Liquid Soap Products: They use waste products from other companies to make useful products on par with major manufacturers. The reuse of recovered feedstock is 7.5 – 10% of their business. **Michael Hadley, Director of Operations, 816-483-8580**

Marcon Solutions: Marcon has 3 environmentally conscious molding options. They reuse the scrap they generate in their plastics manufacturing. Randy Smith, owner, mentioned to me about a new food grade plastic that was just approved by the FDA. **Randy Smith, Owner, (816) 471-2327**
See, <https://resource-recycling.com/plastics/2017/09/08/recycled-plastics-get-fda-ok-food-packaging/>

Menco Royal Inc: Originally a pallet repair and manufacturing company, -Gone-Green-, when owner, Margaret Neth discovered chipboard sheets used in manufacturing were not being recycled. Menco Royal, Inc. is a pioneer in the reclaimed chipboard industry purchasing used Tier Sheets made from chipboard, corrugated, plastic, solid fiber, or fiber board. All of their new chipboard products are manufactured from 100% recycled materials. Menco Royal chipboard is made from 100% recycled material. New Virgin Kraft Ship Sheets are used with one or more tabs to ship products on instead of using pallets. They also manufacture drywall shims, a strip of solid fiberboard that measures 45" long by 1-½" wide by 3/32" thick. They can be stacked up to about ½", and can be cut with a utility knife. **Clifford Scott, General Manager, 816-257-2552**

Mid-State Retreaders: A commercial truck tire dealer that sells new and retread tires for heavy duty trucks. Retreads, over time, are more cost effective than new tires on heavy trucks. Most of their business is on the Missouri side of the border. 35% of their business is retreads for heavy duty trucks. **Rob Philip, owner (816) 531-0360**

Missouri Organic Recycling: The majority of their organic feedstock is from KC area locations, both commercial and residential. **Christina Eglich, Sales Direct line – 816-888-7950.**

Moly-cop USA: A steel forging supplier of mining consumables and associated services worldwide. They use 100% recyclable steel in their steel ball manufacturing process. 93% is used and distributed. 7 % is scrap machine shavings. **Jeff Mohr, Maintenance Manager, 816-231-9191.**

Pioneer Pallet Brokerage Co.: Their business is in making new wooden pallets from recycled pallet parts, dismantling, repairing and reselling pallets. Pallets too damaged to repair and resell are ground up and made into mulch which they resell in bulk to customers that take it some in pick-up trucks. **Robert Rozell, owner 816-231-4004**

Polymer Shapes: A distributor of plastic sheet, rod, tube, film, and associated products. In house they are able reuse some of their scraps, depending on the size. No recovered feedstock, just leftovers produced in house that they sell to some of their customers that need a smaller size. **Tara Caesar, Sales, 866 437-7427**

Ruco Products Inc.: Injection molded plastics, Woman owned, runs 2 shifts. They grind up all their plastics scrap and mix with virgin that they have delivered from Southeast U.S. **Lee Strickland, Facilities Office Manager, 816-229-3452**

St. Luke's Hospital: St. Luke's has a diverse recycling program and a great sustainability program for their cafeteria. They use disposable containers, no Styrofoam, all bio-degradable plates and utensils. They have other environmental needs too such as glass and food waste. **John McReynolds, Associate Director for St, Luke's, (816) 932-2000**

Silgan Plastics: As part of their sustainability initiative, they began manufacturing post-consumer plastic dispenser products. Silgan is buying reground composite pellets to incorporate into their processes. **Janet Graham, 816-986-6000 or (816) 221-8199**

Stahl Specialty Co.: Aluminum casting foundry that melts and reuses 3% of their scrap to mix with virgin materials in their melting process. **Rhonda in Purchasing, 816-597-3322**

Tension Envelope Company: Developed RECOCHET envelop, that is a two-way reusable envelope. **Lon Robinson, 1-800-388-5122**

Urbavore Farm: They have both an internal and external composting facility at the farm. They accept food scraps and agricultural waste to mix into their compost. **Dan Heryer, Director and owner, 913-522-3458**

Vanguard Packaging: Vanguard began a sustainability component when their facility moved to an underground location. They are recycling over 96% of their waste stream. By blending used ink in their ink formulation kitchen and process to make black ink, they have saved fuel costs on ink delivery from 3 times a week to twice a month. **Michael Moore, 816-455-4000.**

As the survey evolved, several findings became evident. There are some amazing recycling operations happening in the Kansas City area that should be visited and recognized. A lot of effort is happening on their own to support the mission of sustainability and environmental advocacy. The relevant information about each company is detailed in the 2019 Business Survey Results notebook.

While many company representatives MORA staff talked to were pleased about the project and think the partnerships formed will be a big help keeping materials out of the landfill potentially increasing employment and new business opportunities, it was discovered that not all companies are willing to share their information for several reasons.

Barriers found are:

- 1) Information was withheld fearing the call was from a competitor, even after stating who was doing the survey and why.
- 2) Many larger companies are a subsidiary of larger out-of-state or international conglomerates which control their feedstock and recovery markets, thereby eliminating their responses.
- 3) Some company representatives were not willing to identify their vendors or company financial information.
- 4) Several companies said finding steady, qualified applicants is a problem to expanding their facility, making it a struggle to maintain a solid workforce.
- 5) Working with a city that is on the boarder of neighboring states, it is critical to make sure the companies surveyed are within Missouri borders. For this project that eliminated Kansas City, Kansas and surrounding communities, where there are many options for recovery that were excluded due to the parameters of the survey.
- 6) A few organizations interviewed noted that they would benefit from a recycling consultation to increase their recycling.
- 7) No outlets for Styrofoam recycling.
- 8) Food grade plastics not available in K.C. for food packaging, see at end of report a recent change by FDA. Food safe paper feedstock is available in Arkansas.
- 9) There are no sources in Missouri for optical clarity resin.
- 10) Acrylic scrap used to go to Olathe Kansas, but that is not in operation. Send to the state of California now.
- 11) Several facilities have not converted to LED bulbs.
- 12) Need a company that can disassemble cutting tool dies to separate and recycle the plywood, washers, steel rule cuts, and rejection rubber.
- 13) Some companies that use stainless steel order it from factories in the SE U.S.A., it is cheaper transportation and labor costs.
- 14) Many companies have deliveries on spools or reels made of black polystyrene and they end up in the landfill, as there are no plans for recycling of spools.

Opportunities for the future:

- 1) Identified needs for potential Kansas City, Missouri market development:
 - a. additional waste to energy facilities in the Kansas City region. Systec is located in Sugar Creek, MO near Kansas City, and a partner facility, Geocycle, is located in St. Genevieve. More are needed,
 - b. business needed to de-package containers (removal of film)
 - c. business to pelletize plastic scrap

- d. business to capture, recycle, and remanufacture plastic dust
 - e. business to disassemble cutting tool dies, use acrylic scrap, use optical clarity resin, produce food grade paper or plastic feedstock, and recycle Styrofoam.
 - f. business needed to recycle and repurpose black polystyrene plastic reels. Several facilities get raw materials on black polystyrene reels. They are going into the landfill.
 - g. business needed to recycle the photopolymer plates used in printing. Researching the photopolymer spent plate issue I found <https://www.flexography.org/repurposing-flexographic-printing-plates/2/>
-
- 2) Recycling consultations with interested groups to increase their rate thru education development program.
 - 3) Develop training to assist companies with employee qualifications and retention to solidify the tenuous worker situation.
 - 4) Many facilities would be interested in grants to convert to LED lighting. Some already took advantage of the KC Power and Light funding support but there are others that did not.
 - 5) At the close of the survey a networking meeting with interested grant recipients in the central city of each survey region would be an opportunity to understand the scope of the project, meet other participants and coordinate with companies on their own to build the commodity exchange relationships.
 - 6) If the initial meeting is successful, quarterly or semi-annual meetings could prove beneficial.
 - 7) When two regional surveys are completed the information gathered should indicate other regions in Missouri to survey, in the end building a statewide commodity/feedstock/recycling network, saving time and money for many companies while building feedstock recovery infrastructure in Missouri.
 - 8) One owner shared that the FDA just approved a new food grade plastic. The U.S. Food and Drug Administration will allow recycled PET fiber to be used to make tea bags, fruit or meat packaging and more. It also gave the go-ahead to use recycled plastics in several types of thermoform packaging. Researching that claim I found <https://resource-recycling.com/plastics/2017/09/08/recycled-plastics-get-fda-ok-food-packaging/>.