1. Call to Order

2. Election of Officers

3. Approval of Minutes
   A. Approval of Minutes from the 339th Meeting of the Authority held December 3, 2019, in Jefferson City, Missouri

4. State Revolving Program
   A. Program Update
   B. Resolution Authorizing the State Environmental Improvement and Energy Resources Authority to Issue and Sell Not to Exceed $78,505,000 Principal Amount of Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs); Approving the form of and authorizing the Authority to enter into a bond indenture, a tax compliance agreement, a bond purchase agreement and supplemental indentures; approving the form of and authorizing the Authority to execute an official statement relating to said bonds; and approving certain other documents and authorizing the Authority to take certain other actions in connection with the issuance of said bonds.
   C. Other

5. Missouri Market Development Program
   A. Program Update
   B. Other

6. Brownfields Revolving Loan Fund
   A. Program Update
   B. Other

7. Resolution authorizing the State Environmental Improvement and Energy Resources Authority to enter into an agreement with the Missouri Department of Natural Resources to provide certain services in support of the Department’s General Counsel’s Office.
8. Resolution authorizing the State Environmental Improvement and Energy Resources Authority to enter into an agreement with the Missouri Department of Natural Resources to provide certain services as a partner in the development of a Missouri market-based water quality trading program.

9. Other Business
   A. Opportunity for Public Comment (Limit of Four Minutes per Individual)
   B. Next Meeting Date
   C. Other

10. Closed Meeting Pursuant to Section 610.021(1), (3) and (11) RSMo. (as needed)

11. Adjournment of Closed Meeting and Return to Open Meeting

12. Adjournment of Open Meeting

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

Members to be Present:

Deron Cherry, Vice-Chair, Assistant Secretary, Treasurer
Caleb Arthur, Member
Nancy Gibler, Member
Mary Fontana Nichols, Member

Staff to be Present:

Joe Boland, Director
Rebecca McKinstry, 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 339th MEETING OF THE STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY
EIERA Office
425 Madison Street, Second Floor
Jefferson City, Missouri
December 3, 2019
10:00 a.m.

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

EIERA STAFF:     Joe Boland, Director
                 Rebecca McKinstry, 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
                      Columbia Capital Management, LLC

                      Hannah Humphrey
                      Department of Natural Resources

                      Eric Cowan
                      Bank of America Merrill Lynch

                      Larry Richardson
                      Robert W. Baird & Co. Incorporated

                      Jean Matzeder
                      Hardwick Law Firm, LLC

                      Amanda Schulte
                      Williams Keepers LLC
(AGENDA ITEM #1) CALL TO ORDER

Chair Dalton called the 339th meeting of the Environmental Improvement and Energy Resources Authority (the “Authority”) to order at 10:00 AM. Chair Dalton announced that Ms. McKinstry had been selected to be the Deputy Director for the EIERA. Chair Dalton took roll call and asked that the meeting record reflect a quorum was present.

(AGENDA ITEM #2) APPROVAL OF MINUTES

(AGENDA ITEM #2A) APPROVAL OF 338TH MEETING MINUTES (OCTOBER 3, 2019)

The next order of business was to review and approve the minutes of the 338th meeting (October 3, 2019) of the Authority and the 338th closed meeting (October 3, 2019) of the Authority.

MOTION: Motion was made by Ms. Gibler and seconded by Ms. Nichols to approve the minutes of the open and closed portions of the 338th meeting of the Environmental Improvement and Energy Resources Authority. By roll call vote, Chair Dalton, Ms. Gibler, Ms. Nichols, Mr. Arthur and Mr. Cherry all voted in favor. Motion carried.

(AGENDA ITEM #3) STATE REVOLVING PROGRAM

(AGENDA ITEM #3A) PROGRAM UPDATE

Mr. Boland deferred to Ms. Humphrey, with the Financial Assistance Center (FAC), for an update on the the State Revolving Fund (SRF) Program.

Ms. Humphrey stated that they were working on the annual report for Fiscal Year 2019, including all financial statements. She said that since 1989, the Clean Water State Revolving Fund has closed on $3 billion in binding commitments and the Drinking Water State Revolving Fund has closed on $473 million in binding commitments. FAC has also been working on state match projections. An EIERA bond sale may be needed for state match in 2022.
(AGENDA ITEM #3B) CONSIDERATION AND APPROVAL OF RESOLUTION APPROVING SENIOR MANAGING UNDERWRITER(S) AND CO-MANAGING UNDERWRITER(S) IN CONNECTION WITH A POTENTIAL SRF BOND REFUNDING AND AUTHORIZING THE AUTHORITY TO NEGOTIATE AND ENTER INTO AN AGREEMENT(S) IN CONNECTION THEREWITH

Mr. Boland reminded the Board that during the previous Board meeting, Authority Staff was given the approval to release a Request for Proposals (RFP) seeking the services of a book-running senior managing underwriter for a potential refunding of EIERA SRF bonds. Proposals received from six firms were reviewed by a team composed of staff from the Authority, DNR and Columbia Capital Management using the evaluation tool previously approved by the Board. Their responses were collated to determine the selected underwriter.

Mr. Boland stated that savings and program simplification were the two main goals the Authority wanted. All six proposals were found to be very good, but two firms stood out. After careful consideration, staff found the proposal from Bank of America Securities (BofA), to be the most fitting of the Authority’s goals.

Staff recommends that the Board select Bank of America Securities, Inc. to serve as Book-Running Senior Managing Underwriter for the potential SRF refunding. Staff recommends that the following firms be appointed to serve as co-managing underwriters: R. W. Baird & Co., Citigroup Global Markets, Inc., Jefferies LLC, Samuel A. Ramirez & Co., Inc., and UBS.

Mr. Cherry asked if the co-managers were new to the Authority.

Mr. Boland stated that our current state of underwriters, along with R. W. Baird & Co., Citigroup Global Markets, Inc., and UBS, were invited to submit a proposal. A proposal was not received from Wells Fargo Securities and FTN Financial Capital Markets.

MOTION: Motion was made by Ms. Nichols and seconded by Ms. Gibler to approve Bank of America Securities as the Book-Running Senior Managing Underwriter and R. W. Baird & Co., Citigroup Global Markets, Inc., Jefferies LLC, Samuel A. Ramirez & Co., Inc. and UBS as Co-Managers for the potential
refunding of SRF Bonds and authorize the director or designee to negotiate and enter into an agreement in connection therewith. By roll call vote, Chair Dalton, Ms. Gibler, Ms. Nichols, Mr. Cherry and Mr. Arthur all voted in favor. Motion carried.

(Said Resolution 19-02 is attached hereto and made a part of these minutes as “Exhibit A.”)

(AGENDA ITEM #3C) OTHER

There was no discussion.

(AGENDA ITEM #4) PRESENTATION OF FISCAL YEAR 2019 AUTHORITY AUDIT

Mr. Boland stated that copies of the Audit had previously been e-mailed to them in draft form. Mr. Boland called upon Ms. Schulte from the Authority’s auditing firm, Williams-Keepers LLC, to present the audit results.

Ms. Schulte explained that the audit was complete, but still in draft form as they were waiting for supplemental information from a third party. Three different reports were issued as part of the audit: the opinion on the financial statements, a separate Market Development report, and an audit communications letter to the Board including a management letter. The Authority received an unqualified audit opinion with no material findings.

The first report was the Audit Summary Report which included financial highlights and were approved by management. She noted that there were no changes in accounting or auditing procedures this year.

The second report was the Auditors’ Communication Letter explaining that it was very similar to the last audit and its results. Ms. Schulte reported that the Authority’s accounting records were in good order and that no transactions were found to be unusual or significant. This included the Management Letter that focused on internal controls. There were no material weaknesses found.
The third report was the Market Development Program Schedule and the Authority was issued a “clean” opinion on the schedule of awards.

Chair Dalton asked if Williams Keepers had looked at Ms. Vaughan’s records extensively. Ms. Schulte said that they had and that Ms. Vaughan had done a good job. Ms. Schulte thanked the Authority for allowing them to perform the audit.

(AGENDA ITEM #5) MISSOURI MARKET DEVELOPMENT PROGRAM

(AGENDA ITEM #5A) PROGRAM UPDATE

Ms. Tipton stated that she had two items on the agenda for the Board’s consideration. Due to time restraints, Ms. Tipton apologized to the Board for not giving them the opportunity to attend the site visits as they would have found both projects interesting.

(AGENDA ITEM #5B) CONSIDERATION OF THE FUNDING RECOMMENDATION FOR THE FICK SUPPLY SERVICES, INC. PROJECT AND AUTHORIZING THE DIRECTOR OR DESIGNEE TO ENTER INTO AN AGREEMENT ON BEHALF OF THE AUTHORITY

Ms. Tipton stated that Fick Supply Services, Inc., located in Wildwood, requested $200,000 to purchase equipment costing $416,265. The equipment has a dual purpose mulch colorizer/trammel screen which has the ability to dye hard-to-color wood fiber while reducing water consumption. Fick Supply produces mulch and they have an opportunity to accept yard waste from small communities. Colored mulch continues to be in demand. Fick Supply Services, Inc. anticipates diverting 25,000 tons annually from the waste stream and creating three full time and one part-time employee positions with this project.

Ms. Tipton noted that in 2011, Fick Supply was awarded $50,000 by the Missouri Market Development Program towards the purchase of a grinder and completed a very successful project for the program.
Ms. Nichols asked if Fick Supply would be in direct competition with St. Louis Composting.

Ms. Tipton stated that Fick Supply would be in direct competition with St. Louis Composting. However, the companies products and markets are different. She added that the two companies work well together because St. Louis Composting leans more toward composting and Fick Supply leans toward general landscape supply.

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 Solid Waste Advisory Board, and the Authority, recommends funding this project in the amount of $200,000 not to exceed 50% 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 Fick Supply Services, Inc. for an amount up to $200,000, 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 #5C) CONSIDERATION OF THE FUNDING RECOMMENDATION FOR THE ARCANA LLC DBA SWITCHGRASS SPIRITS PROJECT AND AUTHORIZING THE DIRECTOR OR DESIGNEE TO ENTER INTO AN AGREEMENT ON BEHALF OF THE AUTHORITY

Ms. Tipton stated that Arcana LLC DBA Switchgrass Spirits, located in Wellston, requested $18,511.40 to purchase dewatering equipment costing $18,511.40. Switchgrass Spirits is a worker owned whiskey distillery committed to sustainability and quality spirits. Dewatering equipment would enable the company to remove liquid from their higher quality, spent grains. Ms. Tipton said that the grains could be used as livestock feed, but that it was currently difficult to haul offsite.
Ms. Tipton stated that Switchgrass Spirits purchased the former American Legion Hall on the north side of St. Louis County. Funding for the business was provided by friends and family. She noted that four founding members were responsible for the daily operation of the business.

Ms. Tipton said that Switchgrass has barreled more than five thousand gallons of bourbon and rye whiskey. Their first whiskey product, a bottled cocktail, would be released in February of 2020.

Ms. Tipton stated that Switchgrass buys grain locally when possible and its barrels are made of Missouri White Oak, built by coopers in the state. This project will re-introduce spent grains back to the local economy in the form of animal feed and ranchers are interested in marketing their beef with Switchgrass, closing the sustainability loop. In addition, Ms. Tipton said that this project will divert 280 tons annually from the waste stream and create two part-time employee positions.

Ms. Nichols stated that Switchgrass was in a devastated area and that this location would benefit from 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 Solid Waste Advisory Board, and the Authority, recommends funding this project in the amount of $13,883.55 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 Arcana LLC DBA Switchgrass Spirits for an amount up to $13,883.55, 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 #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 stated that she had been busy preparing a grant proposal to EPA for a new RLF Program.

Ms. Tipton reminded the Board that the current program expired in September 2019 but was extended to July 2020 to close out current projects. Since 2005, the Authority has spent $5 million on cleaning up contaminated properties. Staff is applying for a new Brownfields grant; however, Ms. Tipton noted that the EPA was only making eight awards nation-wide.

Mr. Boland stated that competition for the awards was very stiff and that Ms. Tipton had done a good job putting the application together in a short period of time.

(AGENDA ITEM #6B) OTHER

There was no discussion.

(AGENDA ITEM #7) SELECTION OF AUTHORITY CPA

Mr. Boland reminded the Board that during the 338th Board meeting in October, staff was given the approval to release a Request for Proposals (RFP) seeking the services of a certified public accountant to provide professional accounting services to the Authority.

Mr. Boland stated that an invitation to respond to the Request for Proposal (RFP) was sent to eleven firms in the Jefferson City and Columbia area. Only one response was received, and that was from our current CPA, Winfrey Certified Public Accountants, PC. Staff had concerns about their performance, however they have since hired a new CPA that would be our day-to-day contact.
Staff recommended the selection of Winfrey Certified Public Accountants, PC, with our heightened expectations of service being clearly communicated during contract negotiations.

Mr. Arthur asked how the invitations were sent out.

Mr. Boland stated that the invitations were sent to specific individuals within the 11 firms via email.

Mr. Arthur asked if cost would remain the same.

Mr. Boland stated that cost will be negotiated, but expected to be close to current amounts.

**MOTION:** Motion was made by Ms. Nichols and seconded by Ms. Gibler to select Winfrey Certified Public Accountants, PC to serve as CPA to the Authority and authorize the director or designee, to negotiate and enter into a contract with Winfrey Certified Public Accountants, PC, to provide accounting services. By roll call vote, Chair Dalton, Ms. Gibler, Ms. Nichols, Mr. Cherry and Mr. Arthur all voted in favor. Motion carried.

(Said Resolution 19-03 is attached hereto and made a part of these minutes as “Exhibit A.”)

**(AGENDA ITEM #8) ELECTION OF OFFICERS**

Chair Dalton called upon Mr. Brown, Lewis Rice LLC, to explain the election procedures.

Mr. Brown stated that members could nominate each a member for Chair, Vice-Chair, Treasurer and Secretary and then vote, or table the vote for the next meeting. Mr. Brown recommended that an Assistant Secretary be nominated as well. Presently, the Authority has Mr. Dalton as Chair and Mr. Cherry as Treasurer, Vice-Chair and Assistant Secretary.

Discussion ensued.

The Board agreed to discuss this with each other before the next meeting and take action at the next meeting.

**(AGENDA ITEM #9) OTHER BUSINESS**

Mr. Boland stated that the Federal Department of Energy (DOE) did not accept the ARRA funding proposal suggested by the Authority and Department of Natural Resources’ Division of
Energy. DOE determined that all of the federal requirements would remain attached to the ARRA funds even after being released from the proposed bond issuance reserve structure. The Division of Energy has put the effort on hold and looking at other alternatives.

Mr. Arthur asked if the Division of Energy was asked if there was a different way to get approval.

Mr. Boland said that this was presently being discussed and that he had hope for some sort of future relationship with them.

Discussion ensued.

(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 and welcomed Mr. McKinstry to the Authority.

Ms. McKinstry thanked Chair Dalton and said that she looked forward to working with the Board and staff.

(AGENDA ITEM #9B) NEXT MEETING DATE

Mr. Boland stated that the next meeting would be held in January and that the Board would be contacted for available dates.

(AGENDA ITEM #9C) OTHER

There was no other business to discuss.

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

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

Respectfully submitted,

(SEAL)

____________________________
Chairman of the Authority

____________________________
Assistant Secretary of the Authority
STATE REVOLVING FUND 2020A REFUNDING

**Issue:**

Staff have been working with the finance team to refine the parameters of the refunding and to draft the necessary documents and schedules. We anticipate pricing the bonds in the market in late February and finally closing in early March 2020.

**Action Needed:**

Consideration and approval of the attached resolution authorizing the Authority to issue and sell not to exceed $78,505,000 in principal amount of refunding revenue bonds.

**Staff Recommendation:**

Staff recommends the approval of the resolution authorizing the issuance of not-to-exceed $78,505,000 in EIERA SRF Refunding Revenue Bonds.

**Staff Contact:**

Joe Boland

**Background:**

At the December 3, 2019, Board meeting, you approved the selection of Bank of America Securities as the Book Running Senior Managing Underwriter for this transaction. Interest rates remain low, making the refunding of certain EIERA SRF bonds very cost effective. This is a relatively simple transaction that will refund just one large series of bonds, Series 2010A.

In addition to the interest savings from this current refunding, one of the objectives of this effort was to simplify the overall program. We will continue to analyze our options to streamline the older, more complex bond series that have reserve funds outstanding.

Based on the latest numbers, the proposed par amount to be refunded is approximately $75,040,000, creating a net present value savings of $4.9 million (6.6%). Relevant portions of the Preliminary Official Statement are also attached to provide additional information on this transaction.

JB:ge

Attachments
STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

(STATE OF MISSOURI)

RESOLUTION AUTHORIZING THE STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY TO ISSUE AND SELL NOT TO EXCEED $78,505,000 PRINCIPAL AMOUNT OF WATER POLLUTION CONTROL AND DRINKING WATER REFUNDING REVENUE BONDS (STATE REVOLVING FUNDS PROGRAMS); APPROVING THE FORM OF AND AUTHORIZING THE AUTHORITY TO ENTER INTO A BOND INDENTURE, A TAX COMPLIANCE AGREEMENT, A BOND PURCHASE AGREEMENT AND SUPPLEMENTAL INDENTURES; APPROVING THE FORM OF AND AUTHORIZING THE AUTHORITY TO EXECUTE AN OFFICIAL STATEMENT RELATING TO SAID BONDS; AND APPROVING CERTAIN OTHER DOCUMENTS AND AUTHORIZING THE AUTHORITY TO TAKE CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS.

WHEREAS, the State Environmental Improvement and Energy Resources Authority, a body corporate and politic and a governmental instrumentality of the State of Missouri (the “Authority”) is authorized and empowered pursuant to the provisions of Sections 260.005 to 260.125, inclusive, and Appendix B(1), Revised Statutes of Missouri, as amended (the “Act”), to finance, acquire, construct and equip projects (as defined in the Act) for the purpose of preventing or reducing pollution or the disposal of solid waste or sewage and to provide for the furnishing of water facilities, to issue revenue bonds for the purpose of paying costs of such projects, and to refund its outstanding revenue bonds in whole or in part; and

WHEREAS, by resolutions adopted by the Authority on February 23, 1988 and September 22, 1998, the Authority has approved the development and implementation of the Missouri Leveraged State Water Pollution Control Revolving Fund Program (the “Clean Water SRF Program”) and the Missouri Leveraged State Drinking Water Revolving Fund Program (the “Drinking Water SRF Program” and, collectively with the Clean Water SRF Program, the “SRF Programs”) and has stated its intent to issue its bonds or notes, in cooperation with the Missouri Department of Natural Resources (“DNR”) to finance projects pursuant to the SRF Programs, said bonds or notes to be payable solely out of the revenues and receipts derived by the Authority in connection with such projects; and

WHEREAS, the Authority has previously issued under the SRF Programs its Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2010A (the “Series 2010A Bonds”), pursuant to the Bond Indenture dated as of February 1, 2010, by and between the Authority and UMB Bank, N.A., as trustee; and

WHEREAS, a portion of the proceeds of the Series 2010A Bonds was used to refund certain series of the Authority’s bonds issued under the SRF Programs (which bonds are collectively referred to as the “Original Bonds”) pursuant to Bond Indentures, as amended (each an “Original Indenture” and collectively
the “Original Indentures”), between the Authority and UMB Bank, N.A. and UMB Bank & Trust, N.A., as applicable, as original trustees or as successors and assigns (each an “Original Trustee” and collectively the “Original Trustees”); and

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

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

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

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

WHEREAS, pursuant to Resolution 19-02 adopted by the Authority on December 3, 2019, the Authority accepted the proposals submitted to serve as underwriters for the sale and purchase of the Bonds and approved BofA Securities, Inc. to act as senior underwriter (the “Senior Underwriter”); and

WHEREAS, the Authority further finds and determines that it is necessary and desirable in connection with the issuance and sale of the Bonds that the Authority enter into certain documents and approve certain other documents and take certain other actions in connection with the issuance of the Bonds as herein provided;

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

Section 1. Definitions. All capitalized terms not elsewhere defined herein shall have the meanings set forth in Section 1.1 of the herein-authorized Indenture.

Section 2. Findings and Determinations. The Authority hereby finds and determines that the issuance of its refunding bonds under the Act to provide funds to refinance the Series 2010A Bonds, which were issued to refinance a portion of the costs of construction of the projects financed with the proceeds of the Original Bonds (the “Projects”), is in the public interest and within the power and authority vested in the Authority under the Act and will be in furtherance of the objectives and public purposes of the Act, in that the refinancing
of the Series 2010A Bonds will result in additional monies for the SRF Programs, and will provide for the public health, safety and welfare of the residents of the State by promoting, developing and assisting in the construction of wastewater treatment, sanitary sewerage, water and water pollution control facilities in the State.

Section 3. Authorization of the Bonds. For the foregoing purposes, the Authority hereby authorizes the issuance and sale, pursuant to Section 260.040 of the Act, of its Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2020A in the aggregate principal amount not to exceed $78,505,000. The Bonds shall be dated as of the date of their delivery and shall be issued as fully-registered Bonds, without coupons, in the denominations of $5,000 or any integral multiple thereof. The Bonds shall mature or be subject to mandatory sinking fund redemption on dates no later than January 1, 2024, shall bear interest at rates not to exceed five percent (5.00%) per annum, payable semiannually on each January 1 and July 1, commencing July 1, 2020, at such maturities and principal amounts as shall be approved by the Chairman or Vice Chairman by the execution of the hereinafter authorized Bond Purchase Agreement between the Authority and the Underwriters (within the meaning of the Bond Purchase Agreement). The Bonds shall be in such forms, shall have such terms and provisions, and shall be issued, executed and delivered in such manner and subject to such provisions, covenants and agreements, as are set forth in the Indenture. The Bonds shall be issued under and equally and ratably secured both as to principal and interest by the Indenture. The Indenture provides a complete description of the pledged property and revenues constituting the Trust Estate, the nature and extent of the security for the Bonds, a statement of the terms and conditions on which the Bonds are to be issued and secured, the rights, duties, obligations and immunities of the Authority, the rights, duties, obligations and immunities of the Trustee, and the rights of the holders of the Bonds. Because of the characteristics of the Bonds, the principal amount thereof, the acceptability in the public bond market of similar issues, the prevailing market conditions and the advice of the Underwriters hereinafter referred to that a negotiated sale will result in the most favorable interest rates on the Bonds, the Authority hereby finds that it is in the best interest of the Authority to sell the Bonds at a negotiated sale pursuant to the Bond Purchase Agreement. The issuance of the Bonds is conditioned on achieving a minimum net present value savings from the Series 2010A Bonds of two percent (2.00%) in the aggregate, after payment of all costs of issuance relating to the Bonds.

Section 4. Limited Obligations. The Bonds shall be limited obligations of the Authority payable solely out of the payments, revenues and receipts to be derived by the Authority pursuant to the Master Trust Agreement dated as of November 1, 2010, as amended, (the “2010 Master Trust Agreement”) between the Authority and UMB Bank, N.A., as Master Trustee (the “Master Trustee”), and from certain other moneys pledged under the Indenture, and such payments, revenues and receipts shall be pledged and assigned to the Trustee as security for the payment of the Bonds as provided in the Indenture. The Bonds do not constitute or create an indebtedness, liability or moral obligation of any Participant, the State, any political subdivision thereof, the United States of America or any agency thereof, the United States Environmental Protection Agency (“EPA”), DNR, the Clean Water Commission, or the Safe Drinking Water Commission. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds nor is the State or any political subdivision thereof liable on the Bonds. No covenant, stipulation, obligation or agreement contained herein or in the Bonds shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future trustee, officer, member, director, employee or agent of the Authority in his or her individual capacity.

Section 5. Authorization of Authority Documents. The Authority is hereby authorized to enter into the following documents (the “Authority Documents”), in substantially the forms presented and reviewed by
the Authority at this meeting (copies of which documents shall be filed with the records of the Authority), with such final terms and such changes therein as shall be approved by the officers of the Authority executing such documents, such officers’ signatures thereon being conclusive evidence of their approval thereof:

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

(b) Bond Purchase Agreement to be dated the date of its execution and delivery (the “Bond Purchase Agreement”), among the Authority, the Senior Underwriter, on behalf of itself and the other underwriters named therein (collectively the “Underwriters”);

(c) Tax Compliance Agreement dated as of the Document Date, among the Authority, DNR, the Trustee and the Master Trustee; and

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

Section 6. Authorization of Letter of Instructions and Certificates. The Chairman or Vice Chairman is hereby authorized and directed to execute letters of instructions or certificates (i) requesting and authorizing the Trustee to authenticate and deliver the Bonds to the Underwriters, (ii) ordering and directing the Trustee as to the deposit of the proceeds of the Bonds, (iii) directing the Trustee as to the application of the proceeds of the Bonds, and (iv) setting forth how proceeds deposited in certain funds and accounts shall be invested and, in connection with said investments, authorizing the purchase of certain securities in accordance with the terms of the Indenture. The Trustee is authorized to invest the Funds and Accounts established under the Indenture in accordance with the written directions of the Chairman, the Vice Chairman, the Director or the Deputy Director. The Chairman, Vice Chairman, Director or Deputy Director is hereby authorized to approve the payment of the costs of issuing and selling the Bonds (including, without limitation, the Underwriters’ fees and expenses, counsel fees, Trustee fees, financial advisor fees, rating agency fees, the Authority’s fees and printing expenses) out of Bond proceeds and/or funds on deposit in the Master Trust Bond Expense Fund held under the 2010 Master Trust Agreement.

Section 7. Authorization of Preliminary Official Statement and Official Statement. The form and provisions of the Preliminary Official Statement relating to the sale of the Bonds, in the form presented at this meeting, is hereby approved, and the Authority authorizes the use of the Preliminary Official Statement and the information therein in connection with the offering and sale of the Bonds by the Underwriters in accordance with applicable legal requirements. The Authority hereby authorizes and directs the Underwriters to prepare and distribute a final Official Statement in connection with the offering and sale of the Bonds, said Official Statement to be substantially in the form of the Preliminary Official Statement with such changes therein as shall be necessary to complete the Preliminary Official Statement and as shall otherwise be deemed by the Underwriters to be necessary and as shall be authorized by the Chairman or the Vice Chairman, such approval to be conclusively evidenced by the delivery of the Bonds.
Section 8. Execution of Bonds and Documents. The Chairman or the Vice Chairman is hereby authorized and directed to execute the Bonds, manually or by facsimile signature, and to deliver the Bonds to the Trustee for authentication for and on behalf of and as the act and deed of the Authority in the manner provided in the Indenture. The Chairman or the Vice Chairman is hereby authorized and directed to execute and deliver the Authority Documents and the Official Statement for and on behalf of and as the act and deed of the Authority. The Secretary or the Assistant Secretary is hereby authorized and directed to attest, manually or by facsimile signature, to the Bonds and the Authority Documents, and to such other documents, certificates and instruments, including any document with respect to the pledge of the Authority’s interest in net participant payments to the Master Trustee under the 2010 Master Trust Agreement as may be necessary or desirable in connection with the issuance of the Bonds, and further, as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 9. Further Authority. The Authority shall, and the members, officers, directors, agents and employees of the Authority are hereby authorized and directed to, take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, including (i) applications for the registration of the Bonds under state securities laws, (ii) all documents necessary to call the Series 2010A Bonds for redemption, (iii) certificates or letters to enable the Underwriters to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission and (iv) to carry out, comply with and perform the duties of the Authority with respect to the Bonds and the Authority Documents.

[remainder of page left intentionally blank]
Section 9. Effective Date. This Resolution shall take effect and be in full force from and after its adoption by the Authority.

ADOPTED this 28th day of January, 2020.

____________________
Chairman of the Authority

(Seal)

ATTEST:

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

$75,040,000
State Environmental Improvement and Energy Resources Authority
(State of Missouri)
Water Pollution Control and Drinking Water Refunding Revenue Bonds
(State Revolving Funds Programs)
Series 2020A

Dated: Date of Delivery

The State Environmental Improvement and Energy Resources Authority (the “Authority”) is issuing its Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2020A (the “Bonds”) pursuant to a Bond Indenture dated as of March 1, 2020 (the “Indenture”) between the Authority and UMB Bank, N.A., St. Louis, Missouri, as trustee and bond registrar (the “Trustee”). The Authority has previously issued bonds under the State Revolving Funds Programs, other than refunding bonds, are referred to herein as the “Original Bonds”), the proceeds of which were loaned by the Authority to Missouri governmental entities and nonprofit corporations (the “Participants”) in connection with the financing of wastewater treatment facilities or drinking water treatment facilities. Portions of certain series of the Original Bonds were refunded with the proceeds of the Authority’s Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2010A (the “Series 2010A Bonds”). The Authority will use the net proceeds of the Bonds, together with other legally available funds, to currently refund the Series 2010A Bonds and to pay issuance costs, as described herein. Terms not otherwise defined on this cover page have the meanings set forth herein or in Appendix B or Appendix C attached hereto.

The Bonds are issuable only as fully registered bonds and when issued will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company (“DTC”), New York, New York. See “DESCRIPTION OF THE BONDS – Book-Entry System” herein. Principal of and redemption premium, if any, on the Bonds is payable to the registered owners of the Bonds at the maturity or redemption date thereof upon the surrender thereof at the principal payment office of the Trustee. Interest on the Bonds is payable semiannually on each January 1 and July 1, commencing on July 1, 2020.

The Bonds are limited obligations of the Authority payable solely from and secured exclusively by revenues and receipts derived by the Authority consisting of, subject to the priority of, or limitations with respect to, application of certain revenues as provided in the Indenture and the Master Trust Agreements as further described herein: (1) Indenture Receipts, (2) certain amounts pledged under the 2004 Master Trust Agreement, consisting primarily of certain amounts released from reserve funds securing the 2004 Master Trust Bonds and (3) income derived from investment of moneys held by the Trustee under the Indenture. See “SECURITY AND SOURCES OF PAYMENT OF THE BONDS” and “SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS” herein.

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

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

See the inside cover page for maturities, principal amounts, interest rates, prices, yields andCUSIP numbers.

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

The Bonds are offered when, as and if issued by the Authority and accepted by the Underwriters, subject to prior placement, withdrawal or modification of the offer without notice and subject to the approval of their validity by Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel to the Authority, and subject to certain other conditions. Certain legal matters will be passed upon for the Authority by Lewis Rice LLC, St. Louis, Missouri, as counsel to the Authority. Certain legal matters will be passed upon for the Underwriters by Thompson Coburn LLP, St. Louis, Missouri, and the Hardwick Law Firm, LLC, Kansas City, Missouri. Columbia Capital Management, LLC, Overland Park, Kansas, serves as Financial Advisor to the Authority. It is expected that the Bonds will be available for delivery through the facilities of DTC in New York, New York on or about March __, 2020.

BofA Securities
Baird
Jefferies

Ramirez & Co., Inc.

Citigroup
UBS

The date of this Official Statement is February __, 2020.

* Preliminary, subject to change.
$75,040,000*
State Environmental Improvement and Energy Resources Authority
(State of Missouri)
Water Pollution Control and Drinking Water Refunding Revenue Bonds
(State Revolving Funds Programs)
Series 2020A

Maturity Schedule
Base CUSIP: 60636P1

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* Preliminary, subject to change.

1 Copyright 2020 CUSIP Global Services. CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services is managed on behalf of the American Bankers Association by S&P Capital IQ. The CUSIP numbers listed above are being provided solely for the convenience of Owners of the Bonds only at the time of issuance of the Bonds and neither the Authority nor the Underwriters make any representation with respect to such numbers or undertake any responsibility for the selection or their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions.
State Environmental Improvement and Energy Resources Authority

[TO BE UPDATED BY LEWIS RICE AFTER AUTHORITY MEETING]
Deron L. Cherry, Vice Chairman, Treasurer and Assistant Secretary
Caleb Arthur, Member
Nancy Gibler, Member
Mary Fontana Nichols, Member
Joe Boland, Director
Rebecca McKinstry, Deputy Director

Department of Natural Resources

Carol S. Comer, Director
Ed Galbraith, Director – Division of Environmental Quality
Chris Wieberg, Director – Water Protection Program
Hannah Humphrey, Director – Financial Assistance Center

Clean Water Commission
Ashley McCarty, Chair
Patricia Thomas, Vice Chair
Stan Coday, Commissioner
John Reece, Commissioner
Allen Rowland, Commissioner

Safe Drinking Water Commission
Elizabeth Grove, Chair
Susan E. Hazelwood, Vice Chair
Susan McCray Armstrong, Commissioner
D. Scott Bockenkamp, Commissioner
Charli Jo Ledgerwood, Commissioner
Bruce Manning, Commissioner
Rodger Owens, Commissioner
Fred W. Schmidt, Commissioner
Curtis Skouby, Commissioner

Advisors and Consultants

Financial Advisor to the Authority
Columbia Capital Management, LLC
Overland Park, Kansas

Counsel to the Authority
Lewis Rice LLC
St. Louis, Missouri

Bond Counsel
Gilmore & Bell, P.C.
St. Louis, Missouri

Co-Underwriters’ Counsel
Thompson Coburn LLP
St. Louis, Missouri

Hardwick Law Firm, LLC
Kansas City, Missouri
 REGARDING USE OF THIS OFFICIAL STATEMENT

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

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

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

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

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

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

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

$75,040,000*
State Environmental Improvement and Energy Resources Authority
(State of Missouri)
Water Pollution Control and Drinking Water Refunding Revenue Bonds
(State Revolving Funds Programs)
Series 2020A

INTRODUCTION

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

The purpose of this Official Statement is to set forth certain information concerning (1) the State Environmental Improvement and Energy Resources Authority, a body corporate and politic and a governmental instrumentality of the State of Missouri (the “Authority”), (2) the $75,040,000* principal amount of Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2020A (the “Bonds”) to be issued by the Authority and (3) the source of repayment and security for the Bonds. See “DESCRIPTION OF THE BONDS,” “SECURITY AND SOURCES OF PAYMENT OF THE BONDS” and “SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS” herein.

Authorization of and Purpose of the Bonds

The Authority is authorized pursuant to Sections 260.005 through 260.125, and Appendix B(1), of the Revised Statutes of Missouri, as amended (the “Act”), and the resolution adopted by the Authority on January 28, 2020, to issue the Bonds under a Bond Indenture dated as of March 1, 2020 (the “Indenture”), by and between the Authority and UMB Bank, N.A., St. Louis, Missouri, as trustee and bond registrar (the “Trustee” and “Bond Registrar”). See “THE AUTHORITY” and “DESCRIPTION OF THE BONDS” herein.

Capitalized terms used in this Official Statement and not otherwise defined herein shall have the meanings listed in Appendix B and Appendix C to this Official Statement.

The Authority will use the net proceeds of the Bonds, together with other legally available funds, to currently refund the Authority’s Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2010A (the “Series 2010A Bonds”), and to pay issuance costs, as described herein.

The Series 2010A Bonds refunded portions of certain series of bonds issued by the Authority under the Amended and Restated Master Trust Agreement dated as of March 1, 2004, as amended by the First Amendment to Master Trust Agreement dated as of November 1, 2009, and the Second Amendment to Master Trust Agreement dated as of November 1, 2010 (collectively, the “2004 Master Trust Agreement”).

* Preliminary, subject to change.
State Revolving Funds Programs

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

Leveraged Loan Programs. The Federal Water Quality Act of 1987, which amended the Clean Water Act of 1972 (as amended, the “Federal Clean Water Act”), provides for the establishment of state loan programs, the funds of which are used to provide financial assistance to various instrumentalities of the state or other eligible entities (including for-profit companies) in connection with the construction of publicly owned and certain privately owned decentralized systems for transportation, collection, storage, treatment, recycling and reclamation of municipal sewage and certain other water pollution control projects. By resolutions adopted in 1988 and 1998, the Authority agreed to cooperate with DNR to implement the program contemplated by the Federal Clean Water Act and issue its bonds in connection with the Missouri Leveraged State Water Pollution Control Revolving Fund Program (the “Clean Water SRF Leveraged Program” and, collectively with the Clean Water SRF Direct Loan Program, the “Clean Water SRF Program”).

The Federal Safe Drinking Water Amendments of 1996, which amended the Safe Drinking Water Act (as amended, the “Federal Drinking Water Act”), provides for the establishment of state loan programs, the funds of which are used to provide financial assistance to various instrumentalities of the state and to community water systems (including for-profit companies) and nonprofit non-community water systems in connection with the construction of drinking water projects. By a resolution adopted in 1998, the Authority agreed to cooperate with DNR to implement the program contemplated by the Federal Drinking Water Act and issue its bonds in connection with the Missouri Leveraged State Drinking Water Revolving Fund Program (the “Drinking Water SRF Leveraged Program” and, collectively with the Drinking Water SRF Direct Loan Program, the “Drinking Water SRF Program”).

The Clean Water SRF Program and the Drinking Water SRF Program are referred to herein collectively as the “State Revolving Funds Programs” or the “Programs.” All bonds issued by the Authority under the Programs, including refunding bonds, are referred to herein as “Program Bonds.” All bonds issued by the Authority under the Programs, other than refunding bonds, are referred to herein as the “Original Bonds.”

Entities participating in the Clean Water SRF Program are referred to herein individually as a “Clean Water Participant” and collectively as “Clean Water Participants.” Entities participating in the Drinking Water SRF Program are referred to herein individually as a “Drinking Water Participant” and collectively as “Drinking Water Participants.” Clean Water Participants and Drinking Water Participants are referred to herein collectively as “Participants.”

For further information on the Clean Water SRF Program and the Drinking Water SRF Program, see “STATE REVOLVING FUNDS PROGRAMS” herein.
Program Bonds and the Master Trust Agreements

Prior to November 2010, the Authority issued Program Bonds under the 2004 Master Trust Agreement, the proceeds of which were loaned by the Authority to Clean Water Participants and Drinking Water Participants. The Participant loans are evidenced by bonds, promissory notes or other repayment obligations of the Participant (the “Authority Bond Participant Obligations”). See “STATE REVOLVING FUNDS PROGRAMS - Types of Participant Repayment Obligations” herein.

Program Bonds issued under the 2004 Master Trust Agreement were issued under a separate indenture (individually, an “Original Indenture” and, collectively, the “Original Indentures”) secured by the trust estate created under the applicable Original Indenture and were further secured by the 2004 Master Trust Agreement. All Program Bonds issued by the Authority under the 2004 Master Trust Agreement are referred to herein as the “2004 Master Trust Bonds.”

Starting in November 2010, all Program Bonds have been issued under a separate indenture secured by the trust estate created under the applicable indenture and are further secured by the Master Trust Agreement dated as of November 1, 2010, as amended by the First Amendment to Master Trust Agreement dated as of November 1, 2011 (collectively, the “2010 Master Trust Agreement”), between the Authority and UMB Bank, N.A., as Master Trustee (the “2010 Master Trustee” and, collectively with the 2004 Master Trust Agreement, the “Master Trust Agreements”). All Program Bonds issued by the Authority under the 2010 Master Trust Agreement (except Program Bonds designated as State Match Portions) are referred to herein as “2010 Master Trust Bonds;” the 2004 Master Trust Bonds and the 2010 Master Trust Bonds are referred to herein collectively as the “Master Trust Bonds”).

See “SECURITY AND SOURCES OF PAYMENT OF THE BONDS” and “SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS” herein and Appendix B – “SUMMARY OF CERTAIN PROVISIONS OF THE 2010 MASTER TRUST AGREEMENT.”

Security for the Bonds

Limited Obligations. The Bonds are limited obligations of the Authority, payable solely from and secured exclusively by revenues and receipts derived by the Authority consisting of moneys transferred to the Trustee by the 2010 Master Trustee pursuant to the 2010 Master Trust Agreement (the “Indenture Receipts”), consisting of (1) the principal components of the Pledged Participant Obligations and Pledged Net Participant Payments, (2) on a subordinate basis, the interest components of the Pledged Participant Obligations and the Pledged Net Participant Payments, (3) amounts pledged under the 2004 Master Trust Agreement, consisting primarily of certain amounts released from reserve funds securing the 2004 Master Trust Bonds and (4) income derived from investment of moneys held by the Trustee under the Indenture.

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

Pledged Participant Obligations. Under the SRF Direct Loan Programs, each Participant issues a bond, note or other security to DNR, evidencing the Participant’s obligation to repay the loan from DNR (each a “DNR Participant Obligation” and collectively, the “DNR Participant Obligations”). Pursuant to the Master Pledge Agreement dated as of November 1, 2010, as amended by the First Amendment to Master Pledge Agreement dated as of February 1, 2015, between the Authority and DNR (collectively, the
“Pledge Agreement”), DNR granted, assigned and transferred to the Authority a security interest in all of its right, title and interest in and to the principal and interest payments (the “Repayments”) on certain of its DNR Participant Obligations (the “Pledged Participant Obligations”) as security for the payment of Program Bonds issued under the 2010 Master Trust Agreement, including the Bonds, subject to priority of, or limitations with respect to application of, certain revenues as provided in the Master Trust Agreements and further described herein.

**Pledged Net Participant Payments.** The Authority has issued three series of refunding bonds under the 2004 Master Trust Agreement (the “2004 Master Trust Refunding Bonds”). Upon the issuance of the Bonds and the refunding of the Series 2010A Bonds, one series of 2004 Master Trust Refunding Bonds will remain outstanding (the “Outstanding 2004 Master Trust Refunding Bonds”). Following the issuance of the Bonds, there will be four series of refunding bonds outstanding under the 2010 Master Trust Agreement (the Series 2011A Refunding Bonds, the Series 2013A Refunding Bonds, the Series 2015B Refunding Bonds and the Bonds) (collectively, the “2010 Master Trust Refunding Bonds”). Except with respect to the Bonds, the proceeds of the 2004 Master Trust Refunding Bonds and the 2010 Master Trust Refunding Bonds were used to refund certain portions of the Original Bonds issued under the 2004 Master Trust Agreement. The portions of the Original Bonds that were not refunded by the 2004 Master Trust Refunding Bonds or the 2010 Master Trust Refunding Bonds are referred to herein as the “Remaining Original Bonds.”

At the time of issuance of each series of Original Bonds under the 2004 Master Trust Agreement, the Authority loaned the proceeds thereof to Participants, which Participant loans were evidenced by bonds or other repayment obligations of each of the Participants (individually, an “Authority Bond Participant Obligation” and collectively, the “Authority Bond Participant Obligations”) in an aggregate principal amount and bearing interest at rates sufficient to pay the principal of, premium, if any, and interest on an allocable portion of the Original Bonds when due. These Authority Bond Participant Obligations are subsidized by interest earnings on reserve accounts for each Participant established in connection with the issuance of the Original Bonds (each a “Reserve Account” and collectively, the “Reserve Accounts”). Notwithstanding the refunding or defeasance of all or portions of the Original Bonds, each Participant continues to be obligated to make payments on its Authority Bond Participant Obligation in accordance with the schedule of principal and interest payments set forth in the documents for such obligation, taking into account the subsidy from the interest earnings on the Reserve Accounts.

Debt service on the Remaining Original Bonds is paid first, from the earnings on the applicable Reserve Accounts (as described under the section herein captioned “SECURITY FOR THE ORIGINAL BONDS”) and second, from payments made by Participants on the related Authority Bond Participant Obligations. After the payment of debt service on the Remaining Original Bonds and the Outstanding 2004 Master Trust Refunding Bonds, if applicable, any excess payments of principal and interest made by Participants on the Authority Bond Participant Obligations (collectively, the “Pledged Net Participant Payments”) have been pledged by the Authority to the 2010 Master Trustee pursuant to the Authority Master Pledge Agreement dated as of November 1, 2011, between the Authority and the 2010 Master Trustee (the “Authority Pledge Agreement”) and are available for payment of debt service on Program Bonds issued under the 2010 Master Trust Agreement, including the Bonds.

See “SECURITY AND SOURCES OF PAYMENT OF THE BONDS” and “SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS” herein.

**Other Information**

There follows in this Official Statement brief descriptions of the Bonds, certain of the Bond documents, the Programs and the Authority. Appendix A to this Official Statement is in three parts. Part 1
provides a list of all Pledged Participant Obligations. Part 2 includes information on the Material Master Trust Participant (see “CONTINUING DISCLOSURE” herein). Part 3 is a listing of the aggregate amounts of the Authority Bond Participant Obligations for each applicable Participant (referred to herein individually as a “2004 Master Trust Participant” and collectively as “2004 Master Trust Participants”).

Appendix B contains a summary of the 2010 Master Trust Agreement. Appendix C contains a summary of certain provisions of the Indenture. Appendix D is the proposed form of the opinion which is anticipated to be rendered by Bond Counsel at the time of delivery of the Bonds. Appendix E contains a schedule of redemption prices related to possible extraordinary redemptions from prepayment of certain Authority Bond Participant Obligations, as further described herein under the section captioned “DESCRIPTION OF THE BONDS – Redemption; Notice of Redemption – Extraordinary Redemption from Prepayment of Authority Bond Participant Obligations.”

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

DESCRIPTION OF THE BONDS

General Description

The Bonds will be issued as fully registered bonds in the denominations of $5,000 or any integral multiple thereof (“Authorized Denominations”). The Bonds will be dated the date of initial issuance and delivery of the Bonds (the “Bond Issuance Date”), will mature on the dates and in the principal amounts and will bear interest at the interest rates per annum set forth on the inside cover hereof. Each Bond shall bear interest at the interest rates per annum set forth on the inside cover hereof. Each Bond shall bear interest from the Bond Issuance Date or from the most recent date to which interest has been paid or duly provided for, payable semiannually on each January 1 and July 1, commencing July 1, 2020 (each an “Interest Payment Date”). Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

The principal of and redemption premium, if any, and interest on the Bonds shall be payable in any currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts, and, except as otherwise provided in the Indenture, such principal and redemption premium, if any, shall be payable by check or draft of the Trustee at the Payment Office, upon presentation and surrender of such Bonds. Payment of the interest on any Bond shall be made to the person appearing on the Bond Register as the Owner thereof as of the commencement of business of the Trustee on the Record Date for such Interest Payment Date, and shall be paid by check or draft of the Trustee mailed to such Owner at such Owner’s address as it appears on the Bond Register or at such other address as is furnished to the Trustee in writing by such Owner. Notwithstanding the foregoing, the principal of and redemption premium, if any, and interest on the Bonds is payable by electronic transfer in immediately available federal funds pursuant to written instructions from any Owner, signed by such Owner and given to the Trustee not less than fifteen (15) days prior to the applicable Record Date and shall include the name of the bank, its address, its ABA routing number and the name, number and contact name related to such Owner’s account at such bank to which the payment is to be credited and shall acknowledge that an electronic transfer fee is payable. Electronic transfers will be made to such electronic transfer address for which instructions were properly given irrespective of any transfer or exchange of the Bonds subsequent to such Record Date and prior to such Interest Payment Date. Unless the Bonds are in book-entry form, no
principal of or redemption premium, if any, on the Bonds is payable unless the Owner thereof shall have surrendered such Bonds at the Payment Office of the Trustee. If the Authority shall default in payment of interest due on an Interest Payment Date, such defaulted interest shall be payable to the persons in whose names the Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by the Trustee as Bond Registrar, which special record date shall not be less than ten (10) days preceding the date of payment of such defaulted interest.

Redemption; Notice of Redemption

Optional Redemption. The Bonds are not subject to optional redemption prior to maturity.

Extraordinary Redemption from Prepayment of Authority Bond Participant Obligations. The Bonds are subject to redemption prior to their maturity, in part, on any date at a redemption price for each date as set forth in Appendix E attached hereto, plus accrued interest thereon to the date of redemption, from prepayments of the following Authority Bonds Participant Obligations allocable to the following series of Original Bonds:

1. Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 1999B;
2. Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2000A;
3. Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2000B;
4. Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2001A;
5. Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2001C;
6. Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2002A;
7. Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2002B;
8. Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2003A; and
9. Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2003B.

Bonds to be redeemed pursuant to this subsection shall be selected from the maturities and in the principal amounts as determined by the Authority.

The Authority is currently not aware of any Participant that intends to prepay the Authority Bond Participant Obligations allocable to the Original Bonds listed above. Interest rates on such Authority Bond Participant Obligations, after taking into account Program subsidies, range from 1.11% to 3.65%, with a median rate of 1.63% and weighted average interest rate of 1.80%. Any Participant
may prepay such Authority Bond Participant Obligations for any reason, including reducing or restructuring its debt obligations or in connection with the sale of all or part of its utility operations.

Notice of Redemption. The Trustee shall select the Bonds, or portions thereof, to be redeemed from each maturity by lot, in such manner as it shall in its discretion determine.

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

In addition to the foregoing notice, further notice shall be given by the Trustee on behalf of the Authority as set out in the Indenture.

The Trustee shall also comply with any requirements or guidelines published by the Securities and Exchange Commission relating to providing notices of redemption. The failure of the Trustee to comply with any such requirements shall not affect or invalidate the redemption of said Bonds.

Any notice of redemption may be conditional upon moneys being on deposit with the Trustee on or prior to the redemption date in an amount sufficient to pay the redemption price on the redemption date. If such notice is conditional and moneys are not received, such notice shall be of no force and effect, the Trustee shall not redeem such Bonds and the Trustee shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed.

Each check or draft or, at the best efforts of the Trustee, electronic transfer of funds, issued for the payment of the redemption price of Bonds being redeemed shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check, draft or electronic transfer.

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

The failure of any Owner to receive notice given as provided in the Indenture or any defect therein shall not invalidate any redemption.

Non-Presentment of Bonds; Unclaimed Moneys

Non-Presentment of Bonds. Except as provided in the following paragraph, in the event any Bonds shall not be presented for payment when the principal thereof becomes due, if funds sufficient to pay such Bonds shall be held by the Trustee for the benefit of the holder or holders thereof, all liability of the
Authority to the holder or holders thereof for the payment of such Bonds shall forthwith cease, determine and be completely discharged and thereupon it shall be the duty of the Trustee to hold such funds without liability for interest thereon, for the benefit of the holder or holders of such Bonds, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under the Indenture or on, or with respect to, such Bonds.

Unclaimed Moneys. All moneys which the Trustee shall have withdrawn from the Debt Service Fund or shall have received from any other source and set aside for the purpose of paying any of the Bonds secured by the Indenture shall be held in trust for the respective holders of such Bonds, but any moneys which shall be so set aside or deposited by the Trustee and which shall remain unclaimed by the holders of such Bonds for a period of one year after the date on which such Bonds shall have become due and payable shall be paid to the Authority; provided, however, that the Trustee, before making any such payment shall send a letter to the last known address for such Owners that said moneys have not been claimed and that after a date named therein any unclaimed balance of said moneys then remaining will be returned to the Authority and thereafter the holders of such Bonds shall look only to the Authority for payment and then only to the extent of the amount so received without any interest thereon, and the Trustee shall have no responsibility with respect to such moneys.

Mutilated, Lost, Stolen or Destroyed Bonds

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

Exchange and Transfer of Bonds

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

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

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

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

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

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

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

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

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

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

**Payments of Principal, Redemption Price and Interest.** Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Authority or the Trustee, on the payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC, the Trustee or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

Refunding of the Series 2010A Bonds

The Authority will use the net proceeds of the Series 2020A Bonds, together with other legally available funds, to currently refund all of the outstanding Series 2010A Bonds in the aggregate principal amounts of $78,505,000. The Series 2010A Bonds were issued pursuant to the 2004 Master Trust Agreement and the Bond Indenture dated as of February 1, 2010 (as amended and supplemented, the “Series 2010A Indenture”), by and between the Authority and UMB Bank, N.A., as trustee (the “Series 2010A Trustee”). The Series 2010A Bonds will be redeemed in accordance with the redemption provisions in the Series 2010A Indenture.

On the Bond Issuance Date, a portion of the proceeds of the Bonds and amounts on deposit in the debt service fund held under the Series 2010A Indenture will be transferred to the Series 2010A Trustee and applied to the redemption of the Series 2010A Bonds on _____________, 2020.

Sources and Uses of Funds

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

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<tr>
<th>Sources of Funds</th>
<th>Clean Water</th>
<th>Drinking Water</th>
<th>Total</th>
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<td>Transfer from debt service fund held under the Series 2010A Indenture</td>
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<tr>
<td>Transfer from Master Trust Bonds Expense Fund¹</td>
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<tr>
<td>[Plus original issue premium]</td>
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<tr>
<td>Total</td>
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<th>Uses of Funds</th>
<th>Clean Water</th>
<th>Drinking Water</th>
<th>Total</th>
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</thead>
<tbody>
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<td>Transfer to Series 2010A Trustee</td>
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<tr>
<td>Costs of Issuance (including Underwriters’ discount)</td>
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<tr>
<td>Total</td>
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</table>

¹ Held by the 2010 Master Trustee under the 2010 Master Trust Agreement.

SECURITY AND SOURCES OF PAYMENT OF THE BONDS

Limited Obligations

The Bonds are limited obligations of the Authority, payable solely from and secured exclusively by revenues and receipts derived by the Authority consisting of moneys transferred to the Trustee by the 2010 Master Trustee pursuant to the 2010 Master Trust Agreement (the “Indenture Receipts”), consisting of (1) the principal components of the Pledged Participant Obligations and Pledged Net Participant Payments, (2) on a subordinate basis, the interest components of the Pledged Participant Obligations and the Pledged Net Participant Payments, (3) amounts pledged under the 2004 Master Trust Agreement, consisting primarily of certain amounts released from reserve funds securing the 2004 Master Trust Bonds and (4) income derived from investment of moneys held by the Trustee under the Indenture. See “SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS” herein.
The Bonds do not constitute or create an indebtedness, liability or moral obligation of any Participant, the State or any political subdivision thereof, the United States of America or any agency thereof, the EPA, DNR, the Clean Water Commission or the Drinking Water Commission. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal or interest on the Bonds nor is the State or any political subdivision thereof liable on the Bonds. The Authority has no taxing power.

**Security Provided by the 2010 Master Trust Agreement**

Prior to the issuance of the Bonds, the Authority has issued six series of Program Bonds under the 2010 Master Trust Agreement: (1) $65,920,000 Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2010B (the “Series 2010B Bonds”), (2) $106,830,000 Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2011A (the “Series 2011A Refunding Bonds”), (3) $101,535,000 Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2013A (the “Series 2013A Refunding Bonds”), (4) $29,935,000 Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2015A (the “Series 2015A Bonds”), (5) $136,105,000 Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2015B (the “Series 2015B Refunding Bonds”) and (6) $31,610,000 Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2018A (the “Series 2018A Bonds”). The Bonds will be the seventh series of Program Bonds to be issued under the 2010 Master Trust Agreement.

Program Bonds issued under the 2010 Master Trust Agreement and secured by (1) the principal components of the Pledged Participant Obligations and the Pledged Net Participant Payments, (2) on a subordinate basis, the interest components of the Pledged Participant Obligations and Pledged Net Participant Payments and (3) amounts pledged under the 2004 Master Trust Agreement, consisting primarily of certain amounts released from reserve funds securing the 2004 Master Trust Bonds, are referred to herein as “2010 Master Trust Bonds.” The Bonds are secured by all revenues available as security for 2010 Master Trust Bonds described above and, therefore, are 2010 Master Trust Bonds. See “SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS” herein.

Program Bonds issued under the 2010 Master Trust Agreement may include a “State Match Portion” and a “Leveraged Portion” if so designated in the bond indenture pursuant to which such bonds are issued. A State Match Portion is a designated portion of a series of Program Bonds issued to (1) provide matching funds required to be contributed by the State under the Federal Clean Water Act and the Federal Drinking Water Act in order to receive federal capitalization grants for the State Revolving Fund Programs or (2) refund a State Match Portion of a series of Program Bonds. A State Match Portion is secured by a priority pledge of the interest components of the Pledged Participant Obligations and the Pledged Net Participant Payments, but is not secured by the principal components of the Pledged Participant Obligations or the Pledged Net Participant Payments and, therefore, is not included within the definition of 2010 Master Trust Bonds.

Leveraged Portions are secured by the principal components and the remaining interest components of the Pledged Participant Obligations and the Pledged Net Participant Payments (after payment of the State Match Portions). If so designated, the Leveraged Portion is included within the meaning of 2010 Master Trust Bonds.

The Authority has designated certain series of bonds previously issued under the 2010 Master Trust Indenture as (1) only State Match Portion, (2) State Match Portion and Leveraged Portion or (3) only Leveraged Portion. The Bonds do not include a State Match Portion.
The 2010 Master Trust Agreement contains conditions that must be satisfied for future series of bonds to be secured by the 2010 Master Trust Agreement. All future series of Program Bonds will be secured by the 2010 Master Trust Agreement to the extent provided in the Authority’s bond indenture authorizing such series of Program Bonds.

**Indenture Receipts Transferred from the 2010 Master Trustee**

**Pledged Participant Obligations.** Under the SRF Direct Loan Programs each Participant issues a bond, note or other security to DNR, evidencing the Participant’s obligation to repay the loan from DNR (each a “DNR Participant Obligation” and collectively, the “DNR Participant Obligations”). Pursuant to the Master Pledge Agreement dated as of November 1, 2010, as amended by the First Amendment to Master Pledge Agreement dated as of February 1, 2015, between the Authority and DNR (collectively, the “Pledge Agreement”), DNR granted, assigned and transferred to the Authority a security interest in all of its right, title and interest in and to the principal and interest payments (the “Repayments”) on certain of its DNR Participant Obligations (the “Pledged Participant Obligations”) as security for the payment of Program Bonds issued under the 2010 Master Trust Agreement. The interest component of the Repayments on the Pledged Participant Obligations are first pledged (on a parity basis) to the payment of bonds designated as State Match Portions and then (on a subordinate basis) to the 2010 Master Trust Bonds. The principal component of the Repayments on the Pledged Participant Obligations are pledged (on a parity basis) to the 2010 Master Trust Bonds. State Match Portions of Program Bonds issued under the 2010 Master Trust Agreement are not secured by the principal component of the Repayments on the Pledged Participant Obligations.

DNR has covenanted in the Pledge Agreement that it is the sole owner of all Pledged Participant Obligations, free and clear of the lien of any third party, and that it will not create, or allow any third party to create, any lien or encumbrance on the Pledged Participant Obligations or the Repayments pledged under the Pledge Agreement.

DNR has further covenanted that, in connection with the designation of Pledged Participant Obligations from time to time, it will deliver a certificate, executed by an Authorized Officer of DNR, to the Authority, the 2010 Master Trustee and each paying agent for the Pledged Participant Obligations, directing the applicable paying agents to transfer the Repayments to the 2010 Master Trustee for deposit to the Repayment Fund held under the 2010 Master Trust Agreement no later than each Interest Payment Date. See “SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS” herein and Appendix B – “SUMMARY OF CERTAIN PROVISIONS OF THE 2010 MASTER TRUST AGREEMENT – Deposits to Repayment Fund” and “– Withdrawals from the Repayment Fund.”

DNR may substitute or add Pledged Participant Obligations by delivering (i) a certificate (a “Substitution Certificate”) executed by an Authorized Officer of DNR showing that each of the semiannual principal and interest payments on the substituted Pledged Participant Obligations is at least equal to each of the semiannual principal and interest payments on the replaced Pledged Participant Obligations or (ii) a certificate executed by an Authorized Officer of the Authority (a “Cash Flow Certificate”), showing that, after the substitution, expected payments of principal of and interest on the Pledged Participant Obligations and Pledged Net Participant Payments, and expected earnings on reserve, subsidy or other funds available for the payment of debt service are sufficient to timely pay the debt service on the outstanding 2010 Master Trust Bonds and that expected payments of interest on the Pledged Participant Obligations and Pledged Net Participant Payments and expected earnings on reserve, subsidy or other funds available for the payment of debt service are sufficient to timely pay debt service on the currently outstanding State Match Portions. DNR is not required to substitute or add Pledged Participant Obligations in the event that a Pledged Participant Obligation matures or is prepaid. See Appendix A,
Part 1 − “PLEDGED PARTICIPANT OBLIGATIONS” for a listing of Pledged Participant Obligations as of the date of issuance of the Bonds. See also the table under the section herein captioned “DEBT SERVICE SCHEDULE AND CASH FLOW SUFFICIENCY.”

Pledged Net Participant Payments. The Authority has issued three series of refunding bonds under the 2004 Master Trust Agreement (the “2004 Master Trust Refunding Bonds”). Upon the issuance of the Bonds and the refunding of the Series 2010A Bonds, one series of 2004 Master Trust Refunding Bonds will remain outstanding. Following the issuance of the Bonds, there will be four series of refunding bonds outstanding under the 2010 Master Trust Agreement (the Series 2011A Refunding Bonds, the Series 2013A Refunding Bonds, the Series 2015B Refunding Bonds and the Bonds) (collectively, the “2010 Master Trust Refunding Bonds”). The proceeds of the 2004 Master Trust Refunding Bonds and the 2010 Master Trust Refunding Bonds were used to refund certain portions of the prior Original Bonds issued under the 2004 Master Trust Agreement. The portions of the Original Bonds that were not refunded by the 2004 Master Trust Refunding Bonds or the 2010 Master Trust Refunding Bonds are referred to herein as the “Remaining Original Bonds.”

At the time of issuance of each series of Original Bonds under the 2004 Master Trust Agreement, the Authority loaned the proceeds thereof to Participants, which Participant loans were evidenced by bonds or other repayment obligations of each of the Participants (individually, an “Authority Bond Participant Obligation” and collectively, the “Authority Bond Participant Obligations”) in an aggregate principal amount and bearing interest at rates sufficient to pay the principal of, premium, if any, and interest on an allocable portion of the Original Bonds when due. The Authority Bond Participant Obligations are subsidized by interest earnings on reserve accounts for each Participant established in connection with the issuance of the Original Bonds (each a “Reserve Account” and collectively, the “Reserve Accounts”). Notwithstanding the refunding or defeasance of all or portions of the Original Bonds, each Participant continues to be obligated to make payments on its Authority Bond Participant Obligation in accordance with the schedule of principal and interest payments set forth in the documents for such obligation, taking into account the subsidy from the interest earnings on the Reserve Accounts.

Debt service on the Remaining Original Bonds is paid first, from the earnings on the applicable Reserve Accounts (as described under the section herein captioned “SECURITY FOR THE ORIGINAL BONDS”) and second, from payments made by Participants on the related Authority Bond Participant Obligations. After the payment of debt service on the Remaining Original Bonds and the remaining outstanding series of 2004 Master Trust Refunding Bonds, if applicable, any excess payments of principal and interest made by Participants on the Authority Bond Participant Obligations (collectively, the “Pledged Net Participant Payments”) have been pledged by the Authority to the 2010 Master Trustee pursuant to the Authority Master Pledge Agreement dated as of November 1, 2011, between the Authority and the 2010 Master Trustee (the “Authority Pledge Agreement”) and are available for payment of debt service on Program Bonds issued under the 2010 Master Trust Agreement, including the Bonds.

The interest component of the Pledged Net Participant Payments are first pledged (on a parity basis) to the payment of the State Match Portions and then (on a subordinate basis) to the 2010 Master Trust Bonds (which includes the Leveraged Portions). The principal component of the Pledged Net Participant Payments are pledged (on a parity basis) to the 2010 Master Trust Bonds. State Match Portions of Program Bonds issued under the 2010 Master Trust Agreement are not secured by the principal component of the Pledged Net Participant Payments.

Under the Authority Pledge Agreement, the Authority has agreed that the Pledged Net Participant Payments will be transferred to the 2010 Master Trustee for deposit to the Repayment Fund held under the 2010 Master Trust Agreement no later than each Interest Payment Date. See Appendix B − “SUMMARY
OF CERTAIN PROVISIONS OF THE 2010 MASTER TRUST AGREEMENT − Deposits to Repayment Fund” and “− Withdrawals from the Repayment Fund.”

Transfer of Indenture Receipts from the 2010 Master Trustee. The 2010 Master Trust Agreement established a Repayment Fund consisting of a Clean Water Principal Account, a Clean Water Interest Account, a Drinking Water Principal Account and a Drinking Water Interest Account. See “SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS” herein and Appendix B − “SUMMARY OF CERTAIN PROVISIONS OF THE 2010 MASTER TRUST AGREEMENT.” No later than each Interest Payment Date or other date on which debt service is due on the Bonds, the 2010 Master Trustee will transfer the payments received on Pledged Participant Obligations and Pledged Net Participant Payments to the Trustee in an amount sufficient to pay debt service on the Bonds for the applicable Interest Payment Date or other date on which debt service is due on the Bonds.

Moneys received by the Trustee from the 2010 Master Trustee consisting of payments on Pledged Participant Obligations and Pledged Net Participant Payments of Clean Water Participants (except as otherwise provided in the 2010 Master Trust Agreement based upon the cross-collateralization of the Clean Water SRF Program and the Drinking Water SRF Program) will be deposited into the Clean Water Account of the Debt Service Fund no later than each Interest Payment Date or other date on which debt service is due on the portion of the Bonds allocable to the Clean Water SRF Program (the “Clean Water Portion”) and applied to pay debt service on the Clean Water Portion.

Moneys received by the Trustee from the 2010 Master Trustee consisting of payments on Pledged Participant Obligations and Pledged Net Participant Payments of Drinking Water Participants (except as otherwise provided in the 2010 Master Trust Agreement based upon the cross-collateralization of the Clean Water SRF Program and the Drinking Water SRF Program) will be deposited into the Drinking Water Account of the Debt Service Fund no later than each Interest Payment Date or other date on which debt service is due on the portion of the Bonds allocable to the Drinking Water SRF Program (the “Drinking Water Portion”) and applied to pay debt service on the Drinking Water Portion.

See “SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS − Master Trust Administration” and Appendix B − “SUMMARY OF CERTAIN PROVISIONS OF THE 2010 MASTER TRUST AGREEMENT.”

2004 Master Trust Agreement

The 2010 Master Trust Bonds are further secured by certain amounts available under the 2004 Master Trust Agreement, consisting primarily of certain amounts released from reserve funds securing the applicable 2004 Master Trust Bonds. The information in the table below was obtained from the Authority’s Financial Advisor. Although believed to be reliable, such information has not been independently verified by the Underwriters and the Underwriters make no representation or warranty regarding the accuracy or completeness thereof. See the table captioned “2004 Master Trust Debt Service and Scheduled Releases of Reserves Available to Cover Default” under “SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS” herein for a schedule of reserve releases available under the 2004 Master Trust Agreement.

DEBT SERVICE SCHEDULE AND CASH FLOW SUFFICIENCY

|--------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|

- 15 -
Projected Sufficiency of Indenture Receipts

Upon the issuance of the Bonds, the Authority will deliver to the Trustee a Cash Flow Certificate, executed by an Authorized Officer of the Authority showing that the expected payments of principal of and interest on the Pledged Participant Obligations and Pledged Net Participant Payments and expected earnings on any funds available for the payment of debt service are sufficient to timely pay the debt service on the outstanding 2010 Master Trust Bonds and that expected payments of interest on the Pledged Participant Obligations and Pledged Net Participant Payments and expected earnings on any funds available for the payment of debt service are sufficient to timely pay debt service on the currently outstanding State Match Portions. The actual amounts received by the 2010 Master Trustee, including Repayments on Pledged Participant Obligations and Pledged Net Participant Payments, are subject to various factors, including general economic conditions, the demand for loans, the credit of the Participants, the credit quality of the issuers of investment securities in which moneys are invested, the availability of investment securities in which to invest moneys at sufficient rates and possible early termination of investments. As a result of these and other factors, the actual cash flow received by the 2010 Master Trustee may differ from the assumed cash flow, and these differences may be material, which may affect the ability to pay debt service on the Bonds when due.

SECURITY PROVIDED BY THE MASTER TRUST AGREEMENTS

2010 Master Trust Agreement

General. The 2010 Master Trust Agreement establishes a Repayment Fund, consisting of a Clean Water Principal Account, a Clean Water Interest Account, a Drinking Water Principal Account and a Drinking Water Interest Account. Under the Pledge Agreement, DNR has granted, assigned and transferred to the Authority a security interest in all of its rights, title and interest in and to Repayments on the Pledged Participant Obligations. Under the Authority Pledge Agreement, the Authority has granted, assigned and transferred to the 2010 Master Trustee a security interest in all of its rights, title and interest in and to the Pledged Net Participant Payments, subject in all respects to prior pledges by the Authority securing payment of the Remaining Original Bonds and the 2004 Master Trust Refunding Bonds.

Flow of Funds. Moneys transferred to the 2010 Master Trustee are deposited in the applicable accounts of the Repayment Fund. The interest portions of payments on Pledged Participant Obligations and Pledged Net Participant Payments of Clean Water Participants are deposited into the Clean Water

<table>
<thead>
<tr>
<th>Principal Payments and Net Pledged Participant Payments (3)</th>
<th>Debt Service on the Bonds (4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>07/01/2020 $</td>
<td>$</td>
</tr>
<tr>
<td>01/01/2021</td>
<td></td>
</tr>
<tr>
<td>07/01/2021</td>
<td></td>
</tr>
<tr>
<td>01/01/2022</td>
<td></td>
</tr>
<tr>
<td>07/01/2022</td>
<td></td>
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<tr>
<td>01/01/2023</td>
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<tr>
<td>07/01/2023</td>
<td></td>
</tr>
<tr>
<td>01/01/2024</td>
<td></td>
</tr>
<tr>
<td>07/01/2024</td>
<td></td>
</tr>
<tr>
<td>Total $</td>
<td>$</td>
</tr>
</tbody>
</table>

(1) Does not include available interest payments, if any, on Pledged Net Participant Payments.
(2) Includes debt service on State Match Portions.
(3) Pledged Net Participant Payments shown above reflect only Pledged Net Participant Payments on Original Bonds refunded first by 2010 Master Trust Refunding Bonds.
(4) Does not include debt service on any State Match Portions.
Interest Account and the interest portions of payments on Pledged Participant Obligations and Pledged Net Participant Payments of Drinking Water Participants are deposited into the Drinking Water Interest Account. The principal portions of payments on Pledged Participant Obligations and Pledged Net Participant Payments of Clean Water Participants are deposited into the Clean Water Principal Account and the principal portions of payments on Pledged Participant Obligations and Pledged Net Participant Payments of Drinking Water Participants are deposited into the Drinking Water Principal Account.

The 2010 Master Trustee will make withdrawals from the Repayment Fund for (i) the payment of debt service on the State Match Portions (i.e., the State Match Portion of prior and any future series of Program Bonds issued under the 2010 Master Trust Agreement) but solely from amounts in the Clean Water Interest Account and the Drinking Water Interest Account, (ii) after the payment on the State Match Portions, the payment of debt service on the 2010 Master Trust Bonds, including the Bonds, and (iii) the funding of any required carry-forward balances within the accounts of the Repayment Fund (which is an amount that the 2010 Master Trustee is instructed to maintain in the debt service accounts for debt service on the next Interest Payment Date). See Appendix B – “SUMMARY OF CERTAIN PROVISIONS OF THE 2010 MASTER TRUST AGREEMENT – Withdrawals from Repayment Fund” for a more detailed discussion of withdrawals from the Repayment Fund.

If on the Business Day preceding any Interest Payment Date, assuming the application of moneys in the Clean Water Interest Account and the Drinking Water Interest Account first to the payment of any State Match Portions, the 2010 Master Trustee determines that it will have insufficient funds to pay debt service on any 2010 Master Trust Bonds and any other amounts due under the 2010 Master Trust Agreement, the 2010 Master Trustee will provide a Deficiency Notice to the 2004 Master Trustee by the opening of business on an Interest Payment Date. The 2010 Master Trustee will apply moneys received from the 2004 Master Trustee in the order set forth in the Deficiency Notice as more fully described below under the subsection below captioned “– 2004 Master Trust Agreement.”

If the 2010 Master Trustee receives a 2004 Master Trust Deficiency Notice from the 2004 Master Trustee (after applying moneys in the Clean Water Interest Account and the Drinking Water Interest Account to the payment of any State Match Portions on the Interest Payment Date), the 2010 Master Trustee will apply moneys in the Repayment Fund on the Interest Payment Date on a proportionate basis first, to the payment of debt service on the 2010 Master Trust Bonds and any 2004 Master Trust Bonds; second, to the funding of any deficiency of a carry-forward balance required in any debt service account and third, to fund any reserve, subsidy or sinking fund established under the 2010 Master Trust Agreement. Clean water funds will be applied first to clean water deficiencies and drinking water funds will be applied first to drinking water deficiencies to the maximum extent possible. See Appendix B – “SUMMARY OF CERTAIN PROVISIONS OF THE 2010 MASTER TRUST AGREEMENT.”

Under the 2010 Master Trust Agreement, payments of Pledged Participant Obligations and Pledged Net Participant Payments and interest earnings on such amounts are pledged to the payment of all outstanding 2010 Master Trust Bonds on a parity basis (subject to the prior lien of the State Match Portions on the interest components of the Pledged Participant Obligations and the Pledged Net Participant Payments).

Additional 2010 Master Trust Bonds. The 2010 Master Trust Agreement contains conditions that must be satisfied for future series of 2010 Master Trust Bonds to be issued under and secured by the 2010 Master Trust Agreement. Assuming such conditions are satisfied, the Authority anticipates that future series of 2010 Master Trust Bonds will be secured by the 2010 Master Trust Agreement to the extent provided in the bond indentures pursuant to which such bonds are issued. See Appendix B – “SUMMARY OF CERTAIN PROVISIONS OF THE 2010 MASTER TRUST AGREEMENT.”
2004 Master Trust Agreement

The 2010 Master Trust Bonds are further secured by certain amounts available under the 2004 Master Trust Agreement, consisting primarily of releases of amounts held in the Reserve Accounts under the indentures for 2004 Master Trust Bonds. Pursuant to the 2004 Master Trust Agreement, de-allocations of reserve amounts of each series of 2004 Master Trust Bonds are available to pay shortfalls for any series of 2004 Master Trust Bonds or 2010 Master Trust Bonds.

Pursuant to the 2004 Master Trust Agreement, the funds released from the Reserve Account of each Participant (other than the amounts de-pledged in connection with the issuance of 2004 Master Trust Refunding Bonds) are deposited in the Unallocated Fund held by the 2004 Master Trustee. Moneys in the Clean Water Account or the Drinking Water Account of the Unallocated Fund are (i) applied to the payment of debt service on the 2004 Master Trust Bonds if the remaining balance of that Reserve Account is insufficient to timely pay debt service on the related 2004 Master Trust Bonds, or no reserve secures such 2004 Master Trust Bonds, or (ii) transferred to a participant account within a dedicated reserve fund (for the applicable series) held by the 2004 Master Trustee as an additional reserve if a payment default by a 2004 Master Trust Participant has resulted in a withdrawal from that Participant’s Reserve Account. If moneys in the Clean Water Account are not applied for those purposes, the moneys are available, on a subordinate basis, to provide an additional reserve for a defaulting 2004 Master Trust Participant under the Drinking Water SRF Leveraged Loan Program or to pay debt service on the related 2004 Master Trust Bonds and moneys in the Drinking Water Account are available to provide an additional reserve for a defaulting 2004 Master Trust Participant under the Clean Water SRF Leveraged Loan Program or to pay debt service on the related 2004 Master Trust Bonds.

If the 2004 Master Trustee receives a Deficiency Notice from the 2010 Master Trustee, the 2004 Master Trustee will apply moneys in the Unallocated Fund on the Interest Payment Date on a proportionate basis to the payment of debt service on any 2004 Master Trust Bonds and 2010 Master Trust Bonds. Clean water funds will be applied first to clean water deficiencies and drinking water funds will be applied first to drinking water deficiencies to the maximum extent possible. Any moneys in the Unallocated Fund remaining on an Interest Payment Date after any application described above are released to DNR.

In connection with the Authority’s issuance of the 2004 Master Trust Refunding Bonds and the 2010 Master Trust Refunding Bonds (except the Bonds), a portion of the funds on deposit in the Reserve Accounts securing the Remaining Original Bonds was released from the pledge of the 2004 Master Trust Agreement and, therefore, are no longer available under the 2004 Master Trust Agreement to pay debt service on any other 2004 Master Trust Bonds or 2010 Master Trust Bonds, including the Bonds. The amount of the releases from the Reserve Accounts created in each of the Original Indentures to be “de-pledged” and released from the lien of the 2004 Master Trust Agreement is substantial. See the chart below captioned “2004 Master Trust Debt Service and Scheduled Releases of Reserves Available.”

The table below sets forth, for each year ending December 31, the aggregate debt service on all 2004 Master Trust Bonds outstanding, reserve release amounts scheduled to be available pursuant to the 2004 Master Trust Agreement to cover payment defaults on all 2004 Master Trust Bonds and 2010 Master Trust Bonds and amounts de-pledged in connection with the issuance of the 2004 Master Trust Refunding Bonds and the 2010 Master Trust Refunding Bonds (except the Bonds), as described above. The information in the table below was obtained from the Authority’s Financial Advisor. Although believed to be reliable, such information has not been independently verified by the Underwriters and the Underwriters make no representation or warranty regarding the accuracy or completeness thereof. This table should be read in conjunction with the provisions of the 2004 Master Trust Agreement relating to the availability of funds held thereunder to cover defaults.
2004 Master Trust Debt Service and Scheduled Releases of Reserves Available

<table>
<thead>
<tr>
<th>Payment Date</th>
<th>Aggregate Debt Service on Outstanding Bonds Payable from 2004 Master Trust Agreement(1)</th>
<th>Aggregate Scheduled Reserve Release Amounts</th>
<th>De-Pledged Reserve Release Amounts(2)</th>
<th>Available Reserve Release Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

| Total        | $                                                                                       | $                                        | $                                    | $                             |

(1) Includes all State Match Portions under the 2014 Master Trust Indenture and 2004 Master Trust Refunding Bonds.

Master Trust Administration

Upon the issuance of the Bonds and defeasance of the Series 2010A Bonds, the Authority will have outstanding $________ aggregate principal amount of Program Bonds, $________ aggregate principal amount of which are secured by the 2004 Master Trust Agreement and $________ aggregate principal amount of which are secured by the 2010 Master Trust Agreement.

In the history of the Programs, the reserve security securing 2004 Master Trust Bonds has never been drawn upon to cover a default because of a 2004 Master Trust Participant’s failure to make a principal or interest payment on its obligations. Similarly, in the history of the Programs, no payment default on any Pledged Participant Obligation or Pledged Net Participant Payment has occurred.

See Appendix B – “SUMMARY OF CERTAIN PROVISIONS OF THE 2010 MASTER TRUST AGREEMENT” for a summary of the flow of funds under the 2010 Master Trust Agreement.

* Preliminary, subject to change.
THE AUTHORITY

General

The Authority is a body corporate and politic and a governmental instrumentality of the State organized and existing under the laws of the State. Pursuant to the Act, the Authority is authorized to issue the Bonds and to provide for the security of the Bonds as herein described. To accomplish such actions the Authority is authorized to enter into the Indenture and the Master Trust Agreements.

The purpose of the Authority is to provide for the conservation of the air, land and water resources of the State by the prevention or reduction of pollution and by proper methods of disposal of solid waste or sewage and to provide for the furnishing of water facilities. The Act confers upon the Authority the power to acquire, construct, improve and finance facilities for the reduction of pollution or disposal of solid waste or sewage and to provide for the furnishing of water facilities, and to issue bonds or notes to pay the costs of such facilities. The Authority also has general powers which include the power to make and execute contracts and other instruments necessary or convenient to carry out its purposes. The Authority has no taxing power.

Membership of the Authority

The current members of the Authority, their titles and expiration dates of their terms of office are as follows [TO BE UPDATED BY LEWIS RICE AFTER AUTHORITY MEETING]:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Term Expires</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deron L. Cherry</td>
<td>Vice Chairman, Treasurer</td>
<td>January 22, 2007&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>and Assistant Secretary</td>
<td></td>
</tr>
<tr>
<td>Caleb Arthur</td>
<td>Member</td>
<td>January 1, 2023</td>
</tr>
<tr>
<td>Nancy Gibler</td>
<td>Member</td>
<td>January 22, 2022</td>
</tr>
<tr>
<td>Mary Fontana Nichols</td>
<td>Member</td>
<td>January 1, 2023</td>
</tr>
</tbody>
</table>

<sup>1</sup> There is currently one vacancy on the Board.
<sup>2</sup> Members continue to serve until reappointed or replaced as provided by Missouri law.

Joe Boland serves as Director of the Authority. Rebecca McKinstry serves as Deputy Director of the Authority. The principal office of the Authority is located at 425 Madison Street, 2<sup>nd</sup> Floor, Jefferson City, Missouri 65102. The Authority’s telephone number is (573) 751-4919.

Other Indebtedness

The Authority has heretofore sold and delivered other bonds and notes secured by instruments separate and apart from the Program Bonds secured by the Master Trust Agreements. The holders and owners of such bonds and notes have no claim on assets, funds or revenues of the Authority held under the Indenture pursuant to which the Bonds are issued and the owners of the Bonds will have no claim on assets, funds or revenues of the Authority securing other bonds and notes.
With respect to additional indebtedness of the Authority, the Authority intends to enter into separate agreements in the future with other entities for the purpose of providing financing for other eligible projects and programs. Bonds which may be issued by the Authority for such other entities in the future will be created under separate and distinct bond indentures or resolutions and, except as provided herein, secured by instruments, properties and revenues separate from those securing the Bonds.

MISSOURI DEPARTMENT OF NATURAL RESOURCES,
MISSOURI CLEAN WATER COMMISSION AND MISSOURI SAFE DRINKING WATER COMMISSION

Missouri Department of Natural Resources

DNR has authority to administer the programs of the State relating to environmental control and the conservation and management of natural resources. DNR has entered into Capitalization Grant Agreements (as defined herein) with EPA to administer the Clean Water SRF Program and has entered into separate Capitalization Grant Agreements with EPA to administer the Drinking Water SRF Program. With respect to the Clean Water SRF Program, DNR annually prepares an intended use plan ("Clean Water IUP"), which is subsequently adopted by the Clean Water Commission through a public hearing process, identifying wastewater treatment projects that are eligible for assistance from the Clean Water SRF Program. Similarly, with respect to the Drinking Water SRF Program, DNR annually prepares an intended use plan ("Drinking Water IUP"), which is subsequently adopted by the Drinking Water Commission through a public meeting process, identifying drinking water projects that are eligible for assistance from the Drinking Water SRF Program.

After the issuance of a series of Program Bonds or DNR Participant Obligations, DNR monitors projects, conducts environmental reviews, approves loan disbursement requests for construction costs incurred by participants that receive financial assistance from the Programs, requests transfers of appropriate amounts to the reserve accounts of the applicable participants and reviews annual participant audits. DNR also requests appropriations of moneys on deposit in the State Revolving Funds (defined herein in the section captioned “STATE REVOLVING FUNDS PROGRAMS”) and monitors the balance of available State Match funds, as necessary.

The senior executives of DNR who have responsibilities with respect to the Programs are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carol S. Comer</td>
<td>Director – Department of Natural Resources</td>
</tr>
<tr>
<td>Ed Galbraith</td>
<td>Director – Division of Environmental Quality</td>
</tr>
<tr>
<td>Chris Wieberg</td>
<td>Director – Water Protection Program</td>
</tr>
<tr>
<td>Hannah Humphrey</td>
<td>Director – Financial Assistance Center</td>
</tr>
</tbody>
</table>

Missouri Clean Water Commission

The Clean Water Commission, an agency of the State domiciled in DNR, is authorized under Missouri statutes to administer all State funds received by DNR for wastewater construction loans and drinking water projects, including funds held in the State Revolving Funds. Pursuant to State regulations, DNR prepares a Clean Water IUP annually, which is subsequently approved and adopted by the Clean Water Commission, for the funds available in the Water and Wastewater Loan Fund. Based upon information provided by DNR, the Clean Water Commission selects applicants to receive loan commitments from the Clean Water SRF Program using criteria set forth in State Clean Water Laws (as defined herein). The Clean Water Commission is responsible for implementation of both the Clean Water
IUP, with respect to funds available from the Water and Wastewater Loan Fund, and the Drinking Water IUP, with respect to funds available from the Drinking Water Revolving Fund.

The members of the Clean Water Commission are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Term of Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ashley McCarty</td>
<td>Chair</td>
<td>April 12, 2020</td>
</tr>
<tr>
<td>Patricia Thomas</td>
<td>Vice Chair</td>
<td>April 12, 2022</td>
</tr>
<tr>
<td>Stan Coday</td>
<td>Commissioner</td>
<td>April 12, 2020</td>
</tr>
<tr>
<td>John Reece</td>
<td>Commissioner</td>
<td>April 12, 2019</td>
</tr>
<tr>
<td>Allen Rowland</td>
<td>Commissioner</td>
<td>April 12, 2022</td>
</tr>
</tbody>
</table>

1 Members continue to serve until reappointed or replaced as provided by Missouri law.

Missouri Safe Drinking Water Commission

The Drinking Water Commission, an agency of the State domiciled in DNR, is authorized under Missouri statutes to adopt rules necessary for the implementation, administration and enforcement of the State Drinking Water Laws (as defined herein) and the Federal Drinking Water Act. The Drinking Water Commission, in conjunction with DNR, is required by the State Drinking Water Laws to annually prepare a Drinking Water IUP for the funds available in the Drinking Water Revolving Fund. Based upon information provided by DNR, the Drinking Water Commission selects applicants to receive loan commitments from the Drinking Water SRF Program using criteria set forth in State Drinking Water Laws. The Drinking Water Commission submits the Drinking Water IUP to the Clean Water Commission for final implementation.

The members of the Drinking Water Commission are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Term of Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elizabeth Grove</td>
<td>Chair</td>
<td>September 1, 2012</td>
</tr>
<tr>
<td>Susan E. Hazelwood</td>
<td>Vice Chair</td>
<td>September 1, 2014</td>
</tr>
<tr>
<td>Susan McCray Armstrong</td>
<td>Commissioner</td>
<td>September 1, 2012</td>
</tr>
<tr>
<td>D. Scott Bockenkamp</td>
<td>Commissioner</td>
<td>September 1, 2014</td>
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<tr>
<td>Charli Jo Ledgerwood</td>
<td>Commissioner</td>
<td>September 1, 2012</td>
</tr>
<tr>
<td>Bruce Manning</td>
<td>Commissioner</td>
<td>September 1, 2012</td>
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<tr>
<td>Rodger Owens</td>
<td>Commissioner</td>
<td>September 1, 2010</td>
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<tr>
<td>Fred W. Schmidt</td>
<td>Commissioner</td>
<td>September 1, 2020</td>
</tr>
<tr>
<td>Curtis Skouby</td>
<td>Commissioner</td>
<td>September 1, 2012</td>
</tr>
</tbody>
</table>

1 Members continue to serve until reappointed or replaced as provided by Missouri law.

STATE REVOLVING FUNDS PROGRAMS

The description of the Programs included in this section is intended to provide an overview of the mechanics of the Programs applicable to bonds issued by the Authority that are not refunding bonds.
Federal Authorization of State Revolving Funds

The Federal Clean Water Act provides for the establishment of state loan programs, the funds of which are used to provide financial assistance to various instrumentalities of the state for the construction of publicly owned systems for the storage, treatment, recycling and reclamation of municipal sewage and other water pollution control projects. The Federal Clean Water Act requires, as a condition for the receipt of certain federal financial assistance, that each state establish a state revolving loan fund to accept federal capitalization grants administered by the EPA and the required state matching funds, currently equal to 20% of the federal capitalization grants (the “Clean Water State Match”). In 1988, Missouri statutes created two state loan funds to meet the requirements of the Federal Clean Water Act: the Water and Wastewater Loan Fund (the “Water and Wastewater Loan Fund”) and the Water and Wastewater Loan Revolving Fund (the “Water and Wastewater Loan Revolving Fund”). The Water and Wastewater Loan Fund and the Water and Wastewater Loan Revolving Fund are administered pursuant to the Clean Water SRF Program.

The Federal Drinking Water Act provides for the establishment of state loan programs, the funds of which are used to provide financial assistance to various community water systems (including for-profit companies) and nonprofit non-community water systems in connection with the construction of drinking water projects. Under each state loan program, a state revolving loan fund is created to accept federal capitalization grants and required state matching funds, currently equal to at least 20% of the federal capitalization grants (the “Drinking Water State Match”). In 1998, amendments to State law created a revolving loan fund, the Drinking Water Revolving Fund, to meet the requirements of the Federal Drinking Water Act (the “Drinking Water Revolving Fund,” and collectively with the Water and Wastewater Loan Fund and the Water and Wastewater Loan Revolving Fund, the “State Revolving Funds”). The Drinking Water Revolving Fund is administered pursuant to the Drinking Water SRF Program.

Missouri State Revolving Funds Programs

The Clean Water SRF Program was established in 1988 pursuant to the Federal Clean Water Act and Missouri statutes and regulations implementing it (collectively, “State Clean Water Laws”) and the Act. The Drinking Water SRF Program was established in 1998 pursuant to the Federal Drinking Water Act and Missouri statutes and regulations implementing it (collectively, the “State Drinking Water Laws”) and the Act. The Clean Water SRF Program is a joint financing arrangement among DNR, the Clean Water Commission and the Authority designed to meet federal requirements for state revolving funds for wastewater treatment facilities. The Drinking Water SRF Program is a joint financing arrangement among DNR, the Clean Water Commission, the Drinking Water Commission and the Authority designed to meet federal requirements for state revolving funds for drinking water facilities. These entities have entered into an amended and restated Cooperation Agreement which establishes the roles of each in connection with the Clean Water SRF Program and the Drinking Water SRF Program.

In 1988, two state loan funds were created under the State Clean Water Laws: the Water and Wastewater Loan Fund, to accept federal capitalization grants and appropriated State matching funds, and the Water and Wastewater Loan Revolving Fund, to accept reserve funds released pursuant to master trust agreements executed in connection with the issuance of the 2004 Master Trust Bonds and repayments of other obligations under the Programs. In 1998, pursuant to State Drinking Water Laws, the Drinking Water Revolving Fund was created, as a subfund in the Water and Wastewater Loan Fund, to accept federal capitalization grants for the Drinking Water SRF Program. Monies in the State Revolving Funds are available to provide financial assistance for eligible projects on a revolving basis.

DNR, in cooperation with the Clean Water Commission, has developed and implemented the Clean Water SRF Direct Loan Program to make loans to political subdivisions of the State to finance publicly...
owned wastewater treatment facilities. DNR, in cooperation with the Drinking Water Commission, has
developed and implemented the Drinking Water SRF Direct Loan Program to make loans to political
subdivisions of the State and private corporations to finance publicly and privately owned drinking water
treatment facilities.

**Eligibility and Project Evaluation**

Each participant applying for financial assistance from the Programs first demonstrates that the
project it proposes to construct, rehabilitate, improve, or refinance is eligible for such assistance under the
terms of applicable provisions of federal and State law. DNR prepares an annual Clean Water IUP for the
Clean Water SRF Program and an annual Drinking Water IUP for the Drinking Water SRF Program, which
are adopted by the respective commissions. The IUPs identify projects determined to be eligible for
assistance, establish an order of priority for such projects on the basis of environmental or public health
significance and other factors, and establish the basis of funding commitments as provided in State
regulations.

DNR reviews the financial information submitted with each application and advises the potential
recipient of its eligibility for financial assistance pursuant to the Clean Water SRF Program or the Drinking
Water SRF Program, as applicable. Once a project is placed on either the Clean Water IUP or the Drinking
Water IUP, the potential loan recipient must file detailed project and financial information with DNR and
an application requesting the issuance of bonds or notes with the Authority.

In connection with each application for funding under the Clean Water SRF Direct Loan Program
or the Drinking Water SRF Direct Loan Program, an applicant submits a due diligence questionnaire to
DNR that details information on the applicant’s wastewater or drinking water system, financial information
and rate structure. DNR reviews the information supplied in the due diligence questionnaire. For each of
the DNR Participant Obligations, DNR obtained an opinion of local bond counsel regarding the validity of
the DNR Participant Obligation.

Prior to closing on each DNR Participant Obligation, DNR reviews and approves an application
submitted by each Participant. DNR monitors each Participant project, conducts environmental reviews and
approves construction disbursement requests submitted by each Participant in connection with project
construction.

**Method of Funding State Revolving Funds**

The Water and Wastewater Loan Fund and the Drinking Water Revolving Fund are funded
primarily through federal capitalization grants awarded by the EPA to the State and appropriated by the
State to fund such State Revolving Fund. To date $1,287,924,631 in federal capitalization grants for the
Water and Wastewater Loan Fund have been awarded by the EPA to the State and $397,311,331 in federal
capitalization grants for the Drinking Water Revolving Fund have been awarded by the EPA to the State.
DNR, as the recipient of the federal capitalization grants on behalf of the State, has executed separate
Capitalization Grant Agreements with the EPA regarding federal funding of the Clean Water SRF Program
(the “Clean Water Capitalization Grant Agreements”) and the Drinking Water SRF Program (the
“Drinking Water Capitalization Grant Agreements” and collectively with the Clean Water Capitalization Grant Agreements, the “Capitalization Grant Agreements”). The payment of grant
moneys to the State under the Capitalization Grant Agreements is initiated when a written payment request
is submitted by DNR to the EPA. Additional applications are anticipated to be submitted to EPA for
Capitalization Grant Agreements to finance additional projects under both the Clean Water SRF Program
and the Drinking Water SRF Program.
Pursuant to the Federal Clean Water Act, the Federal Drinking Water Act and related regulations (collectively, the “Federal Act”), DNR must provide EPA with an annual report which provides information regarding accounting, administrative, operating and financial matters with respect to the Programs. EPA uses such information to monitor DNR’s compliance with the requirements of the Federal Act. If EPA determines that DNR is not in compliance with the Federal Act, EPA may refuse to honor DNR’s requests for payment of grant moneys to the State under the Capitalization Grant Agreements.

Types of Participant Repayment Obligations

The Pledged Participant Obligations and the Authority Bond Participant Obligations and the security therefor take several different forms. The vast majority are system revenue bonds. Revenue bonds, which are approved by the requisite percentage of voters within the Participant, are special, limited obligations of the Participant payable from, and secured as to the payment of debt service by, a pledge of the net revenues derived from the operation of the described system. The system from which revenues are pledged may be the Participant’s sewerage system, combined water and sewerage system, water system or subdistrict of the Participant or other portion of a system. The taxing power of the Participants is not pledged to the payment of its revenue bonds. The Participant’s ordinance or resolution authorizing the revenue bonds typically contains a rate covenant obligating the Participant to establish, maintain and collect user rates and charges sufficient to pay debt service on the revenue bonds after covering costs of operation, maintenance and reasonable reserves. The revenue bonds included in the Programs often have a parity lien as to system revenues with prior bonds of the Participant but sometimes are subordinate to prior bonds of the Participant (when approved by DNR). Future parity lien revenue bonds of the Participant are permitted provided certain parity bond tests are met regarding past or future system performance. Typically the ordinance or the resolution prohibits the Participant from issuing future obligations with a superior lien on the applicable system revenues but permits subordinate obligations. In certain circumstances, Participants meeting certain credit ratings and policy criteria of the Authority may be permitted to issue future superior lien obligations, including The Metropolitan St. Louis Sewer District, a Material Master Trust Participant (as defined herein), which currently has $1,200,091,480 of senior bonds outstanding.

Other forms of Pledged Participant Obligations and Authority Bond Participant Obligations are (1) general obligation bonds, which are backed by the full faith, credit and taxing power of the Participant; (2) neighborhood improvement district bonds, which are payable from special assessments on the real property benefiting from the improvements financed with the proceeds of the Participant’s bonds; (3) obligations secured by special revenues of a Participant, a pledge of special tax or revenues other than those of the Participant’s system; or (4) obligations which are subject to annual appropriation. The City of Springfield, Missouri, is the only Participant in the Programs with loans secured by an annual appropriation form of repayment obligation as the sole source of security for their loan obligations.

In the history of the Programs, no payment default on any Pledged Participant Obligation or Pledged Net Participant Payment has occurred.

SECURITY FOR THE ORIGINAL BONDS

General

Each Original Indenture pursuant to which a series of Original Bonds was issued creates a Reserve Fund, Construction Loan Fund and one or more Debt Service Funds (and within each such fund, a Reserve Account, Construction Account and Debt Service Account, respectively, for each Participant). Subsequent to the issuance of the Original Bonds, each time a Participant requested a disbursement from its Construction Account, DNR submitted a request to the Office of Administration of the State for a withdrawal of moneys from the Water and Wastewater Loan Fund or the Drinking Water Revolving Fund, as applicable, for deposit
to the applicable Participant’s Reserve Account. The amount deposited to the applicable Reserve Account was the applicable percentage established by DNR from time to time at 33%, 50% or 70% (collectively, the “Reserve Percentage”) of the amount of the disbursement from the Participant’s Construction Account. The amounts on deposit in the Participant’s Reserve Account and the Reserve Percentage of the remaining balance in the applicable Construction Account (or amounts transferred from the Construction Account to the Restricted Account of the Debt Service Fund upon completion of the Project), if any, are referred to herein as the “Reserve Security.”

Debt service on the Original Bonds is payable from two primary sources: (i) earnings on the Reserve Accounts and (ii) payments on Authority Bond Participant Obligations.

The Reserve Security is available to pay debt service on the Original Bonds allocable to each Participant if there are not sufficient moneys in the Participant’s Debt Service Account to do so on each date principal or interest is due on the applicable Original Bonds. The Bonds are not secured by the Reserve Accounts established with respect to the Original Bonds, other than, on a subordinate basis to the 2004 Master Trust Bonds and, on a parity basis to the 2010 Master Trust Bonds, by releases from Reserve Accounts pursuant to the 2004 Master Trust Agreement.

The Original Investment Agreements in Connection with the Original Bonds

Each bond trustee with respect to a series of Original Bonds entered into a collateralized investment agreement (individually, an “Original Investment Agreement” and collectively, the “Original Investment Agreements”) pursuant to the terms of the applicable Original Indenture. Each Original Indenture required the applicable bond trustee to invest moneys in certain funds established in the Original Indenture under an Original Investment Agreement. The Authority has terminated certain of the Original Investment Agreements and purchased United States Treasury or agency obligations in lieu thereof. The investment earnings on funds in the Reserve Account for each 2004 Master Trust Participant are available to such 2004 Master Trust Participant to pay a portion of the debt service on its Master Trust Participant Obligations. Accordingly, these investments are of significant financial benefit to the 2004 Master Trust Participants. The investment of such funds is made through the applicable bond trustee, at the direction of the Authority. Each provider of an Original Investment Agreement must have been rated at least “Aa” prior to the issuance of the Authority’s Series 1996E Bonds, and subsequent to that time must have been rated “Aa2” or equivalent by the Rating Agency (as defined in each Original Indenture) or such provider’s obligations must be guaranteed by an entity with such a rating. These contracts, and United States Treasury or agency obligations, to the extent applicable to investment of moneys in reserve funds or accounts, have terms equal to the maturity of the related series of 2004 Master Trust Bonds. The ratings of certain of the Original Investment Agreement providers or entities guaranteeing providers have been downgraded from time to time. If one or more of such investment providers encounter serious financial problems and are unable to repay all or some of the amount invested, the ability to pay debt service on Authority Bond Participant Obligations could be impaired.

The investment earnings on funds in each Reserve Account established for each of the Participants in connection with the issuance of the Original Bonds are available to pay debt service on the Original Bonds. The investment earnings on funds in the Reserve Accounts of the Participants whose Authority Bond Participant Obligations were part of a series of Original Bonds refunded or defeased with the proceeds of the 2004 Master Trust Refunding Bonds or 2010 Master Trust Refunding Bonds are available to pay debt service on the Bonds.
State Environmental Improvement and Energy Resources Authority  
340th Board Meeting  
January 28, 2020

Agenda Item #7  
RECOMMENDATION TO ENTER INTO A MEMORANDUM OF AGREEMENT WITH THE MISSOURI DEPARTMENT OF NATURAL RESOURCES TO PROVIDE CERTAIN SERVICES TO THE DEPARTMENT’S GENERAL COUNSEL’S OFFICE

Issue:

The Missouri Department of Natural Resources (the Department) has requested that the Authority enter into the attached Memorandum of Agreement to provide certain services to assist the Department’s General Counsel’s Office on a short-term basis during a period of transition.

Action Needed:

Authorize the Authority to enter into the attached Memorandum of Agreement with the Department.

Staff Recommendation:

Staff recommends that the Authority enter into the attached Memorandum of Agreement with the Department.

Staff Contact:

Rebecca McKinstry

Background:

Effective November 25, 2019, the Authority has employed Rebecca McKinstry as Deputy Director, who previously served as the Department’s legal counsel and is an attorney licensed to practice law in the State of Missouri. The Department’s General Counsel’s Office has requested the Authority make Ms. McKinstry available for the purpose of providing ongoing legal support in a few matters with which she was heavily involved prior to transferring to her new role. The arrangement would be temporary in order to assist the Department during a transition period, with Ms. McKinstry also assuming her new duties as Deputy Director of the Authority.

A resolution and draft Memorandum of Agreement between the Department and Authority are attached here as Attachments A and B. The Agreement provides that the Department will reimburse the Authority for Ms. McKinstry’s time and expenses associated with providing this support.

We recommend the Authority enter into the attached Memorandum of Agreement.

RKM:ge

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

RESOLUTION OF THE STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY AUTHORIZING THE AUTHORITY TO ENTER INTO AN AGREEMENT WITH THE MISSOURI DEPARTMENT OF NATURAL RESOURCES TO PROVIDE CERTAIN SERVICES IN SUPPORT OF THE DEPARTMENT’S GENERAL COUNSEL’S OFFICE.

WHEREAS, The Department has requested that the Authority enter into the attached Memorandum of Agreement to provide certain services to assist the Department’s General Counsel’s Office on a temporary basis.

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

Section 1. The Authority hereby authorizes its Director or his designee to enter into the attached Memorandum of Agreement with the Missouri Department of Natural Resources to provide certain services to assist the Department’s General Counsel’s Office on a temporary basis.

Section 2. This resolution shall take effect and be in full force immediately after its adoption by the Authority.

ADOPTED this ____ day of ______, 2020.

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

By: ____________________________________________________________

Chairman of the Authority

(SEAL)

ATTEST:

__________________

Assistant Secretary of the Authority
MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT (this “MOA”) is made and entered into as of this ___ day of ________, 2020, by and between the Missouri Department of Natural Resources (“Department”) and the State Environmental Improvement and Energy Resources Authority of the State of Missouri, a body corporate and politic and a government instrumentality of the State of Missouri (“Authority”);

WITNESSETH:

WHEREAS, the Department of is authorized by Section 640.010, RSMo to operate and manage the State Park system in accordance with Chapter 253, RSMo; and

WHEREAS, pursuant to Appendix B(1) of the Missouri Revised Statutes, the Authority is administratively “assigned” to the Department, but remains a separate governmental instrumentality of the state and constitutes a body corporate and politic; and

WHEREAS, the Authority is authorized and empowered pursuant to the provisions of Sections 260.005 through 260.125, inclusive, Revised Statutes of Missouri, as amended (“RSMo”) and Appendix B(1) thereto (the “Authority’s Act”) to enter into agreements or other transactions with any state agency to carry out the provisions of sections 260.005 to 260.125, RSMo; and

WHEREAS, effective November 25, 2019, the Authority has employed Rebecca McKinstry as Deputy Director, who previously served as legal counsel to the Department and is an attorney licensed to the practice law in the State of Missouri, and an active member of the Missouri Bar, license number 61069 (“Lawyer”); and

WHEREAS, The Department has requested that the Authority make Lawyer available for the purpose of providing ongoing legal support to the Department during the transition period, while also assuming her new duties as Deputy Director of the Authority; and

WHEREAS, pursuant to Sections 105.600 to 105.650, RSMo, any department, agency, or instrumentality of the state is authorized to participate in a program of interchange of employees with other departments, agencies, or instrumentalities and any details relating to such a program may be the subject of an agreement between the sending and receiving agencies; and

WHEREAS, by Resolution ___ adopted by the Authority on ________, the Authority authorized an agreement with the Department to allow Lawyer to continue providing such support, and authorized the Director of the Authority, or his designee, to execute an agreement for and on behalf of the Authority in connection therewith.

Agreement

NOW THEREFORE, the parties to this agreement mutually agree as follows:

1. **Scope of Legal Services.** The Authority agrees to make Lawyer available to provide legal services to the Department as reasonably requested, on an as needed basis, all subject to the terms and conditions set forth in this Agreement. The Authority agrees that Lawyer will take reasonable steps to keep the Department informed of progress and to respond to the Department’s inquiries. This Agreement does not cover litigation services of any kind, whether in court, arbitration, administrative hearings, or government agency hearings.
2. **Client.** Lawyer is representing the Department only in these matters. It is understood by the Department that Lawyer’s duty is to act in the best interest of the the Department, and Lawyer cannot share information about the Department with anyone other than the Department without express permission.

3. **The Department’s Duties.** The Department agrees to be truthful with Lawyer, to cooperate, to keep Lawyer informed of any information or developments which may come to the Department’s attention, to abide by this agreement, to pay all invoices for services and cost and expense reimbursement requests on time, and to assist Lawyer in providing information and documents necessary for the representation in the described matters.

4. **Authority Costs and Billing practices.** The Department agrees to compensate the Authority for all services provided by Lawyer under this Agreement by paying actual Authority staff costs (including without limitation, all wages, taxes, and fringe rate), plus an appropriate indirect rate. In addition, the Department shall reimburse to the Authority for all of the Authority’s reasonable out-of-pocket costs and expenses incurred by the Authority in providing services under this agreement. Out-of-pocket costs and expenses include, without limitation: travel expenses, cost of supplies, courier and other delivery charges, and photocopying charges.

5. **Billing statements.** The Authority will submit invoices for services and cost and expense reimbursement to the Department at least quarterly to be accompanied by reasonable documentation acceptable to the Department.

6. **Term.** The term of this agreement shall commence with the date Lawyer first performed services for the Department and shall remain in effect until April 30, 2020, but may be renewed for additional period(s) by mutual written agreement of the parties. The parties agree to meet and evaluate the need to renew or amend this agreement no later than one month prior to its expiration.

7. **Discharge and withdrawal.** The Department may terminate this Agreement at any time. The Authority may terminate this agreement and allow Lawyer to withdraw from representation with the Department’s consent or for good cause. Good cause includes the Department’s breach of this Agreement, refusal to cooperate or to follow Lawyer’s advice on a material matter, or any fact or circumstance that would render Lawyer’s continuing representation unlawful or unethical. When Lawyer’s services conclude, all unpaid charges will immediately become due and payable. After services conclude, the Authority will, upon the Department’s request, deliver the Department’s file, and property in Authority’s possession, whether or not the Department has paid for all services.

8. **Liability.** The parties understand and agree that the Authority does not procure or maintain professional liability insurance on behalf of Lawyer, but that Lawyer is an officer or employee of the state of Missouri, and the scope of services described in this agreement constitute her official duties on behalf of the state. Therefore, in accordance with Section 105.711.2(2), RSMo, moneys in the State Legal Expense fund would be available for the payment of any claim or any amount required by any final judgement rendered by a court of competent jurisdiction against Lawyer upon conduct of Lawyer arising out of and performed in connection with this agreement. This agreement shall be subject to all requirements in Sections 105.600 to 105.650, RSMo with regard to any disability or death benefit entitlements resulting from the performance of the duties described herein.
9. ** Entire agreement. ** This Memorandum of Agreement contains the entire Agreement of the parties. No other agreement, statement, or promise made on or before the effective date of this Agreement will be binding on the parties.

10. ** Severability in event of partial invalidity. ** If any provision of this Agreement is held in whole or in part to be unenforceable for any reason, the remainder of that provision and of the entire Agreement will be severable and remain in effect.

11. ** Modification by subsequent agreement. ** This Agreement may be modified by subsequent Agreement of the parties only by an instrument in writing signed by both of them or an oral agreement only to the extent that the parties carry it out.

THE PARTIES HAVE READ AND UNDERSTOOD THE FOREGOING TERMS AND AGREE TO THEM AS OF THE DATE LAWYER FIRST PROVIDED SERVICES.

MISSOURI DEPARTMENT OF NATURAL RESOURCES

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

______________________________  ______________________
Carol S. Comer, Director         Joe Boland, Director

Date: ______________________  Date: ______________________
RECOMMENDATION TO ENTER INTO A MEMORANDUM OF AGREEMENT WITH THE MISSOURI DEPARTMENT OF NATURAL RESOURCES TO PROVIDE CERTAIN SERVICES AS A PARTNER IN THE DEVELOPMENT OF A MISSOURI MARKET-BASED WATER QUALITY TRADING PROGRAM

Issue:

The Missouri Department of Natural Resources (the Department) has requested that the Authority enter into the attached Memorandum of Agreement to provide certain services to assist the Department as a partner in the development of a Missouri market-based water quality trading program.

Action Needed:

Authorize the Authority to enter into the attached Memorandum of Agreement with the Department.

Staff Recommendation:

Staff recommends that the Authority enter into the attached Memorandum of Agreement with the Department.

Staff Contact:

Joe Boland

Background:

Nutrient (aka nitrogen and phosphorus) pollution is one of America’s most widespread, costly and challenging environmental problems. It is caused by excess nitrogen and phosphorus in the air and water. The primary sources of nutrient pollution are fertilizer, animal manure, sewage treatment plant discharge, detergents, stormwater runoff, cars and power plants, failing septic tanks and pet waste. Nutrients can lead to a massive overgrowth of algae, known as an algae bloom, resulting in hypoxia (low oxygen levels in water). Missouri is a member of the Mississippi River/Gulf of Mexico Watershed Nutrient Task Force (Hypoxia Task Force) formed in 1997, made up of federal and state agencies and tribes. The Department of Natural Resources represents Missouri on the task force and its coordinating committee and has developed a state specific strategy for tackling nutrient pollution.

Missouri’s Nutrient Loss Reduction Strategy, identifies a number of goals, including the development of a market-based water quality trading program. A water quality trading program can serve as a mechanism for point source dischargers, such as wastewater treatment facilities, to achieve compliance with water quality standards by exchanging credits among themselves and with nonpoint source entities such as agricultural operations.
The EPA encourages and advocates this type of program when it is consistent with the goals of the federal Clean Water Act.

In 2016 the Missouri Clean Water Commission adopted the Missouri Water Quality Trading Framework, which sets forth the basic policy for water quality trading in Missouri. Authority staff participated in the development of this framework as part of a stakeholder work group. The framework recommends that the Authority, in conjunction with the Department’s Water Protection Program, be responsible for managing a clearinghouse for these trades using information on agricultural practices. The clearinghouse would collect funds from credit buyers and track trades to ensure the buyer had sufficient credits to fulfill its regulatory requirements.

EPA’s Office of Water recently announced it would make available $100,000 of Environmental Program Management funds to Missouri in federal fiscal year 2019 in the form of a noncompetitive grant, to fund high-impact actions to advance the state Nutrient Strategy for Hypoxia Task Force Goals. The Department developed a work plan in coordination with EPA, proposing to use the available grant to fund a short-term research project to establish a method of determining nutrient loads reduction from soil and water conservation practices funded over the last 5 years by the Missouri Parks, Soil, and Water Sales Tax. The findings from this research project are intended to serve as the foundation for the Department in the development of a market-based water quality trading program. EPA has indicated it may release an additional $100,000 to Missouri in federal fiscal year 2020.

In an effort to quickly and efficiently make use of these funds, the Department has requested that the Authority issue the request for proposals to procure a contract for the research project on its behalf. A resolution and draft Memorandum of Agreement between the Department and Authority authorizing the Authority to solicit proposals and contract with a qualified firm to complete the research project are attached here as Attachments A and B. The Agreement provides that the Authority will be responsible for making all required contract payments directly to the contractor, with the Department agreeing to reimburse the Authority out of available EPA HTF grant funds. The Agreement also authorizes the Authority to provide additional services in the future should additional HTF grant funds be released by EPA.

We recommend the Authority enter into the attached Memorandum of Agreement.

RKM:ge

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

RESOLUTION OF THE STATE ENVIRONMENTAL IMPROVEMENT AND
ENERGY RESOURCES AUTHORITY AUTHORIZING THE AUTHORITY TO
ENTER INTO AN AGREEMENT WITH THE MISSOURI DEPARTMENT OF
NATURAL RESOURCES TO PROVIDE CERTAIN SERVICES AS A
PARTNER IN THE DEVELOPMENT OF A MISSOURI MARKET-BASED
WATER QUALITY TRADING PROGRAM.

WHEREAS, The Department has requested that the Authority enter into the attached
Memorandum of Agreement to provide certain services to assist the Department as a partner in the
development of a Missouri market-based water quality trading program.

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

Section 1. The Authority hereby authorizes its Director or his designee to enter into the
attached Memorandum of Agreement with the Missouri Department of Natural Resources to
provide certain services to assist the Department as a partner in the development of a Missouri
market-based water quality trading program.

Section 2. This resolution shall take effect and be in full force immediately after its
adoption by the Authority.

ADOPTED this ____ day of _____, 2020.

STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY

By:______________________________
Chairman of the Authority

(SEAL)

ATTEST:

______________________________
Assistant Secretary of the Authority
MEMORANDUM OF AGREEMENT
BETWEEN
THE MISSOURI DEPARTMENT OF NATURAL RESOURCES
AND
THE STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES
AUTHORITY OF THE STATE OF MISSOURI

This MEMORANDUM OF AGREEMENT (this “MOA”) is made and entered into as of this ___ day of __________, 2020, by and between the Missouri Department of Natural Resources (“Department”) and the State Environmental Improvement and Energy Resources Authority of the State of Missouri, a body corporate and politic and a government instrumentality of the State of Missouri (“Authority”);

WITNESSETH:

WHEREAS, the Department represents Missouri as a member of the Mississippi River/Gulf of Mexico Watershed Nutrient Task Force (Hypoxia Task Force), which was established in the fall of 1997 to understand the causes and effects of eutrophication in the Gulf of Mexico; coordinate activities to reduce the size, severity, and duration; and ameliorate the effects of hypoxia; and

WHEREAS, the Hypoxia Task force recognizes that state Nutrient Reduction Strategies are the cornerstone for reducing nutrient loads to the gulf and throughout the Mississippi/Atchafalaya River Basin, and the Department has developed a state specific strategy for tackling nutrient pollution, including a plan for development of a market-based water quality trading program whereby credits issued to landowners that adopt certain soil nutrient runoff reduction practices can be traded to other landowners; and

WHEREAS, a component of the Department’s plan for a water quality trading program is the development of a clearinghouse to collect funds from credit buyers and track trades to ensure buyers have sufficient credits to fulfill regulatory requirements; and

WHEREAS, the Department has been awarded a noncompetitive grant from the Environmental Protection Agency (the “EPA Hypoxia Task Force grant”) to fund a short-term research project to establish a method of determining nutrient loads reduction from soil and water conservation practices to serve as the foundation for the Department in the development of this market-based water quality trading program (the “Project”); and

WHEREAS, pursuant to Appendix B(1) of the Missouri Revised Statutes, the Authority is administratively “assigned” to the Department, but remains a separate governmental instrumentality of the state and constitutes a body corporate and politic; and

WHEREAS, the Authority is authorized and empowered pursuant to the provisions of Sections 260.005 through 260.125, inclusive, Revised Statutes of Missouri, as amended (“RSMo”) and Appendix B(1) thereto to enter into agreements or other transactions with any state agency to carry out the provisions of sections 260.005 to 260.125, RSMo; and

WHEREAS, the Authority, has participated in the development of the Missouri Water Quality Trading Framework as part of a stakeholder work group and could someday assist in managing the trading clearinghouse for the market-based water quality trading program; and
WHEREAS, The Department has requested that the Authority provide certain services to assist the Department with implementation of the Project; and

WHEREAS, by Resolution___ adopted by the Authority on _______, the Authority authorized an agreement with the Department to allow the Authority to provide such services.

Agreement

NOW THEREFORE, the parties to this MOA mutually agree as follows:

1. **Scope of Services.** The Authority agrees to continue working cooperatively with the Department as a partner in the development of a Missouri market-based water quality trading program, including, but not limited to the following activities:

   a. The Authority agrees to assist the Department in implementing its work plan for the use of Missouri’s share of the EPA Hypoxia Task Force grant funds by developing and issuing a request for proposals (RFP), selecting a contractor, and entering into a contract with a qualified firm for the Project. The Authority agrees to coordinate with and receive direction and assistance from the Department throughout this process. All contract costs will be paid directly to the contractor by the Authority and the Department agrees to reimburse the Authority for any contract costs from available EPA Hypoxia Task Force grant funds.

   b. If additional EPA Hypoxia Task Force Grant Funds become available to the Department in the future, the Authority agrees to provide additional assistance with implementation of the work plan upon request by the Department.

2. **Compliance with Laws.** All documents entered into, and activities undertaken, pursuant to this MOA shall be conducted in accordance with all federal, state, and local laws, ordinances, rules and regulations of any applicable governmental authority.

3. **Liability.** In undertaking the rights and responsibilities described in this MOA, each party agrees to be responsible for its own actions or negligence and will defend against any claims or lawsuit brought against it. There are no indemnity obligations between these parties. Nothing in this MOA shall be construed as a waiver by either or both parties of any rights, limits, protections, or defenses provided by law. Nor shall this MOA be construed, with respect to third parties, as a waiver of any governmental immunity to which a party to this MOA is otherwise entitled.

4. **Severability.** Any provision of this MOA which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions of this MOA or affecting the validity, enforceability or legality of such provisions in any other jurisdiction.

5. **Counterparts.** This MOA may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same MOA.

6. **Effective Date.** The effective date of this MOA shall be the date on which the last party to this MOA executes this MOA.
7. **Termination.** This MOA may be terminated by any party upon thirty (30) days written notice to the other party. The Department’s obligation to reimburse any contract costs incurred by the Authority related to the Project shall survive any such termination.

8. **Amendments.** This MOA may not be effectively amended, changed, modified, or altered, except by an instrument in writing signed by all of the parties hereto.

9. **Reservation of rights.** The parties hereto understand this MOA is not intended to create or waive any legal rights or obligations among the parties or any other person or entity not a party to this MOA.

10. **Notices.** All notices and other communications hereunder shall be deemed to have been given on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient.

10. **Governing Law.** This MOA shall be governed by and construed in accordance with the laws of the State of Missouri.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed and delivered by their respective officers thereunto duly authorized.

MISSOURI DEPARTMENT OF
NATURAL RESOURCES

STATE ENVIRONMENTAL
IMPROVEMENT AND ENERGY
RESOURCES AUTHORITY

_____________________________
Carol S. Comer, Director
Date: ______________________

_____________________________
Joe Boland, Director
Date: ______________________