347th MEETING OF THE
STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY
EIERA Office
425 Madison Street, Second Floor
Jefferson City, Missouri

February 23, 2021
10:00 a.m.

Teleconference Meeting
Dial: 866-906-9888
PIN: 1703606#

1. Call to Order

2. Approval of Minutes

   A. Approval of the Minutes from the 346th Teleconference Meeting of the Authority held December 17, 2020, in Jefferson City, Missouri

3. Jefferson County Water Authority Inducement Resolution

   A. Resolution of Official Action Toward the Issuance of the Authority's Tax-Exempt Water Facilities Revenue bonds and its Taxable Water Facilities Revenue Bonds (Jefferson County Water Authority Project) to Provide Funds to be Loaned to Jefferson County Water Authority in an Aggregate Principal Amount Not to Exceed $13,500,000.

4. Other Business

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

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

6. Adjournment of Closed Meeting and Return to Open Meeting

7. 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:	Caleb Arthur, Chair Mary Fontana Nichols, Vice Chair Deron Cherry, Treasurer, Assistant Secretary Nancy Gibler, Secretary
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 346TH MEETING OF THE STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY
EIERA Office
425 Madison Street, Second Floor
Jefferson City, Missouri

Teleconference Meeting
December 17, 2020
10:00 a.m.

EIERA MEMBERS:	Caleb Arthur, Chair Mary Fontana Nichols, Vice Chair Deron Cherry, Treasurer/Assistant Secretary Nancy Gibler, Secretary
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:	Guy Nagahama Samuel A. Ramirez & Co., Inc. Dennis Lloyd Columbia Capital Management, LLC Shannon Creighton Gilmore and Bell, P.C Eric Cowan Tom Liu BofA Securities, Inc. Larry Richardson Huntington Securities, Inc. Jean Matzeder Hardwick Law Firm LLC Amanda Schultz Allison Strickland

Kristen Brown
Williams-Keepers LLC

Doug Crews

(AGENDA ITEM #1) CALL TO ORDER

Chair Arthur called the 346th meeting of the State Environmental Improvement and Energy Resources Authority (the "Authority") to order at 10:00 AM. Chair Arthur took roll call and asked that the meeting record reflect a teleconference quorum was present.

(AGENDA ITEM 2) APPROVAL OF MEETING MINUTES

(AGENDA ITEM #2A) APPROVAL OF 345TH TELECONFERENCE MEETING MINUTES (OCTOBER 7, 2020)

The next order of business was to review and approve the teleconference minutes of the 345th meeting (October 7, 2020) of the Authority.

> **MOTION:** Motion was made by Mr. Cherry and seconded by Ms. Gibler to approve the teleconference minutes of the 345th meeting of the Environmental Improvement and Energy Resources Authority. By roll call vote, Mr. Cherry, Ms. Gibler, Ms. Fontana Nichols and Chair Arthur all voted in favor. Motion carried.

(AGENDA ITEM #3) STATE REVOLVING PROGRAM

(AGENDA ITEM #3) SUMMARY OF 2020B TRANSACTION

Mr. Boland stated that he was extremely excited to get this transaction completed. He thanked the finance team for their hard work and said that he was pleased with the results. He called upon Mr. Liu to report on the synopsis of the market and to summarize the transaction.

Mr. Liu summarized the transaction and offered to answer questions from the Board.

Mr. Boland called upon Mr. Lloyd to comment on the transaction.

Mr. Lloyd reported to the Board on the transaction.

(AGENDA ITEM #4) PRESENTATION OF FISCAL YEAR 2020 AUDIT

Mr. Boland stated that copies of the Audit had previously been e-mailed to the Board in draft form. He announced that Ms. Schultz, Ms. Strickland and Ms. Brown, representing Williams-Keepers LLC, were in attendance and he called upon Ms. Schultz to present the audit results.

Ms. Schultz explained that the audit was performed remotely. She said there were three different reports 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. Schultz reported that the Authority's accounting records were in good order and that no transactions were found to be unusual or significant.

Mr. Boland asked if there were any issues with internal controls.

Ms. Schultz stated that there were no issues with internal controls and no material weaknesses found. She added that if there were issues, Williams-Keepers would have reported those to the Board with a separate letter.

The third report was the Market Development Program Schedule and the Authority was issued a "clean" opinion on the schedule of awards.

Chair Arthur asked if the audit was similar to an IRS audit.

Ms. Schultz stated that the Williams-Keepers audit was quite in-depth and that records were looked at extensively.

Ms. Schultz thanked Ms. Vaughan for her cooperation and the Authority for allowing them to perform the audit.

Chair Arthur asked if the audit was posted publicly.

Ms. Schultz stated that the audit would ultimately be published in the State Comprehensive Annual Financial Report (CAFR).

Mr. Boland asked Mr. Brown if any action was required by the Board.

Mr. Brown said that no action by the Board was necessary.

(AGENDA ITEM #5) MISSOURI MARKET DEVELOPMENT PROGRAM

(AGENDA ITEM #5A) PROGRAM UPDATE

Chair Arthur called upon Ms. Tipton to give an update on the Missouri Market Development Program.

Ms. Tipton stated that she had three applications for the Board's consideration.

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

Ms. Tipton reported to the Board that The Urban Lumber Company, LLC, located in Kansas City, requested $19,987.50 to purchase a sawmill costing $26,650 that will enable the company to mill larger logs and produce wider planks than their current capacity. The company has a mill that cuts logs thirty inches in diameter, but a larger mill would enable them to process logs up to fifty inches in diameter.

Ms. Tipton stated that The Urban Lumber Company, a past program participant, was one of her favorite projects because of the excellent work they do. The company takes logs from the waste stream, saws them, dries them, and makes them available for sale to the general public. By salvaging city trees, the company is able to produce live edged boards with unique grains and colors. In addition to lumber sales, the company also offers end projects, such as coffee tables and cabinets.

The company gets its logs from area tree service companies, municipalities, and Missouri Organic Recycling, a neighboring mulch and compost producer. The sheer variety of lumber harvested from the urban area that the company offers lures crafts people from all over to their show room or web based store.

The Urban Lumber Company, LLC anticipates diverting 100 tons annually from the waste stream and creating one full-time employee position with this project.

The Missouri Market Development Program Steering Committee, which includes staff from the Missouri Department of Natural Resources, Missouri Department of Economic Development, the Solid Waste Advisory Board, and the Authority, recommends funding this project in the amount of $19,987.50, not to exceed 75% of the cost of the equipment. This is the maximum amount for which they are eligible. This funding recommendation was unanimous.

> **MOTION:** Motion was made by Ms. Fontana 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 The Urban Lumber Company, LLC for an amount up to $19,987.50, not to exceed 75 percent of the cost of the equipment. By roll call vote, Mr. Cherry, Ms. Gibler, Ms. Fontana Nichols, and Chair Arthur all voted in favor. Motion carried.

(AGENDA ITEM #5C) <u>CONSIDERATION OF THE FUNDING RECOMMENDATION FOR THE ORMI DBA KANSAS CITY COMPOSTING PROJECT AND AUTHORIZING THE DIRECTOR OR DESIGNEE TO ENTER INTO AN AGREEMENT ON BEHALF OF THE AUTHORITY</u>

Ms. Tipton stated that ORMI d/b/a Kansas City Composting, located in Belton, requested $195,570 to purchase a mulch coloring machine costing $391,141, that will enable the company to accept pallet and other wood waste not suitable for composting and produce colored mulch. She said that the site is beautiful and she encouraged the Board to visit it.

Kansas City Composting is owned by the same man, Patrick Geraty, who owns St. Louis Composting, Inc. It was formerly known as Lawn Corps that recycled yard waste and other organics into high quality compost. The business also receives brush and logs that are ground to produce mulch. Mr. Geraty sells premium products and he always over-delivers.

Ms. Tipton explained that there is an eager market in the Kansas City area for black, brown and red dyed mulch. Coloring the mulch with a safe, water-based dye can make the material much more valuable. She added that there is a business with an unlimited source of pallets across the street from Kansas City Composting.

ORMI d/b/a Kansas City Composting anticipates diverting 15,000 tons annually from the waste stream and creating three full-time employee positions with this project.

The Missouri Market Development Program Steering Committee, which includes staff from the Missouri Department of Natural Resources, Missouri Department of Economic Development, the Solid Waste Advisory Board, and the Authority, recommends funding this project in the amount of $195,570, not to exceed 50% of the cost of the equipment. This is the maximum amount for which they are eligible. This funding recommendation was unanimous.

> **MOTION:** Motion was made by Ms. Gibler and seconded by Mr. Cherry to authorize the director or designee to negotiate and enter into an agreement on behalf of the Authority with ORMI dba Kansas City Composting for an amount up to $195,570 not to exceed 50 percent of the cost of the equipment. By roll call vote, Mr. Cherry, Ms. Gibler, Ms. Fontana Nichols, and Chair Arthur all voted in favor. Motion carried.

(AGENDA ITEM #5D) CONSIDERATION OF THE FUNDING RECOMMENDATION FOR THE FULL CIRCLE FOREST PRODUCTS LLC PROJECT AND AUTHORIZING THE DIRECTOR OR DESIGNEE TO ENTER INTO AN AGREEMENT ON BEHALF OF THE AUTHORITY

Ms. Tipton stated that Full Circle Forest Products, LLC, located in Rutlege, requested $100,000 to purchase equipment costing $190,443.46 that will enable the company to scale up their operation to produce finished lumber from logs that are currently burned or disposed of in landfills.

Ms. Tipton said that in the 22 years that she has been in the program, the Authority has never had a project in this area of the state.

Full Circle Forest Products began in 2019 as a part-time operation that quickly developed local patronage for custom lumber orders and is now expanding into regional, national and even international markets. A single owner operator has proven his ability to both produce high quality finished products and provide large orders of custom cut lumber.

The US Forests Service estimates reclaimed dead and diseased community trees could satisfy around 30% of annual hardwood consumption in this country. However, because these trees grow in unpredictable environments and have sometimes suffered damage, the size and appearance of the board they produce can vary greatly. Full Circle Forest Products' principal suppliers of logs are area tree service companies and municipalities. Typical sawmills will not accept trees that are salvaged from the waste stream because of the possibility of nails or other hidden things that can destroy sawblades. In rural areas, large trees are often left to rot or are burned. In urban areas they are sometimes converted into mulch.

A local "eco community" that has a covenant requiring locally harvested lumber is a major customer, but Full Circle is also supplying table tops to Oakwood Industries, Inc., a national furniture maker, and lumber to Owl Hardwoods' Chicago area lumber outlets.

Full Circle Forest Products, LLC is ready to expand the business and has recently constructed a pad for shop construction that will move the operation out of a barn and poise it for the expansion necessary to meet growing demand. The business anticipates diverting 355 tons annually from the waste stream, creating four full time and two part time employee positions with this project.

The Missouri Market Development Program Steering Committee, which includes staff from the Missouri Department of Natural Resources, Missouri Department of Economic Development, the Solid Waste Advisory Board, and the Authority, recommends funding this project in the amount of $95,216.73, not to exceed 50% of the cost of the equipment. This is the maximum amount for which they are eligible. This funding recommendation was unanimous.

> **MOTION:** Motion was made by Ms. Gibler and seconded by Ms. Fontana Nichols to authorize the director or designee to negotiate and enter into an agreement on behalf of the Authority with Full Circle Forest Products LLC for an amount up to $95,216.73 not to exceed 50 percent of the cost of the equipment. By roll call vote, Mr. Cherry, Ms. Gibler, Ms. Fontana Nichols, and Chair Arthur all voted in favor. Motion carried.

(AGENDA ITEM #5E) <u>OTHER</u>

Ms. Tipton said that due to the COVID 19 pandemic, she did not make as many site visits as she had in the past. She encouraged the Board to visit projects in their area when it is feasible to do so.

(AGENDA ITEM #6) <u>OTHER BUSINESS</u>

(AGENDA ITEM #6A) <u>OPPORTUNITY FOR PUBLIC COMMENT (LIMIT OF FOUR MINUTES PER INDIVIDUAL)</u>

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

Mr. Boland explained to the Board that the office lease would expire in 2021. He stated that the office was in a good location and that staff would like to continue working there. Mr. Boland asked Ms. McKinstry for the lease expiration date.

Ms. McKinstry stated that the lease will expire on October 31, 2021, and that the Authority would have to negotiate a new lease if staff was going to continue working there.

Mr. Boland added that the first lease took six months to negotiate. Staff would contact the lease manager in the next few months with the Board's approval.

The Board approved.

(AGENDA ITEM #6B) NEXT MEETING DATE

Mr. Boland stated that the next meeting date would be February or March 2021.

(AGENDA ITEM #6C) OTHER

(AGENDA ITEM #7) CLOSED MEETING PURSUANT TO SECTION 610.021 (12) OR (13) RSMO. (AS NEEDED)

(AGENDA ITEM #8) ADJOURNMENT OF CLOSED MEETING AND RETURN TO OPEN MEETING

(AGENDA ITEM #9) ADJOURNMENT OF OPEN MEETING

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

> **MOTION:** Motion was made by Ms. Fontana Nichols and seconded by Mr. Cherry to adjourn the meeting. By roll call vote, Mr. Cherry, Ms. Fontana Nichols, Ms. Gibler and Chair Arthur all voted in favor. Motion carried.

Respectfully submitted,

(SEAL)

____
Chairman of the Authority

____
Secretary of the Authority

State Environmental Improvement and Energy Resources Authority
347th Board Meeting
February 23, 2021

Agenda Item #3A
INDUCEMENT RESOLUTION FOR
JEFFERSON COUNTY WATER AUTHORITY
WATER FACILITIES REVENUE BONDS SERIES 2021

Issue:

The Jefferson County Water Authority (JCWA), Festus, Missouri, has requested the Environmental Improvement and Energy Resources Authority (EIERA) to issue taxable and tax-exempt Water Facilities Revenue Bonds in an amount not-to-exceed $13,500,000.

Action Needed:

Consideration and adoption of this resolution documenting the EIERA's intent to issue Water Facilities Revenue Bonds on behalf of the Jefferson County Water Authority.

Staff Recommendation:

Staff recommends the approval of the resolution on behalf of the Jefferson County Water Authority.

Staff Contact:

Joe Boland, Director

Background:

Jefferson County Water Authority is a nonprofit Missouri corporation that was organized for the purpose of providing wholesale potable water to the cities of Festus and Herculaneum. Their principal offices are located in Crystal Heights, Missouri.

JCWA has a governing board consisting of 3 members from each city. They are responsible for the construction, operation and maintenance of all water wells, the water treatment plant, pump stations, tanks, and transmission lines to each participating member.

They have been a past participant of the Drinking Water State Revolving Fund (DWSRF) program in Series 2001C and 2002A. However, they have chosen to issue private activity bonds directly through EIERA for this current project.

The proceeds from the EIERA transaction will primarily be used to fund construction of a new horizontal collector well and related improvements and equipment, including a pump house, electrical gear and well pumps. The remainder will be used to pay off the remaining balances of their 2001and 2002 SRF loans.

The Tax Equity and Fiscal Responsibility Act (TEFRA) requires that the issuer hold a public hearing to provide information regarding the project and to seek public input. After this hearing takes place, the results will be summarized and provided to the Governor's Office along with a Certificate of Approval for his signature. Once these approvals are obtained, the deal can be priced.

The resolution and a portion of the draft POS is included for your information and review.

A separate resolution approving the actual issuance of the bonds and approving the form of certain bond documents will be presented to you at a meeting scheduled after the TEFRA hearing is conducted.

JB:ge

Attachments

Attachment "A"

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

(STATE OF MISSOURI)

RESOLUTION OF OFFICIAL ACTION TOWARD THE ISSUANCE OF THE AUTHORITY'S TAX-EXEMPT WATER FACILITIES REVENUE BONDS AND ITS TAXABLE WATER FACILITIES REVENUE BONDS (JEFFERSON COUNTY WATER AUTHORITY PROJECT) TO PROVIDE FUNDS TO BE LOANED TO JEFFERSON COUNTY WATER AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $13,500,000.

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, under the provisions of Sections 260.005 to 260.125, inclusive, and Appendix B(1) R.S.Mo., as amended (the ***"Act"***), to issue bonds (the ***"revenue obligations"***) for paying or financing any part of the cost of any project authorized under the Act to be financed, acquired or constructed for the purpose of developing energy resources or preventing or reducing pollution or the disposal of solid waste or sewage or providing water facilities or resource recovery facilities including expenses incurred in acquiring or constructing any facility including land, disposal areas, incinerators, buildings, fixtures, machinery and equipment relating to any such project, including the cost of demolishing and removing any existing structures, interest expenses incurred during the construction of any such project, and other expenses incurred for engineering, research, legal, consulting and other expenses necessary or incidental to determining the feasibility or practicability of any such project and in carrying out the same and, further, to acquire, construct, reconstruct, enlarge, improve, furnish, equip, maintain, repair, operate, lease, finance and sell or lease such projects to any private person, firm or corporation or to any public body, political subdivision or municipal corporation; and

WHEREAS, the Act provides that any revenue obligations issued by the Authority shall be payable out of the revenues of the Authority which may be pledged for such payment including all rents, installment payments on notes, interest on loans, revenues, charges and other income received by the Authority in connection with any such project and any gift, grant or appropriation received by the Authority with respect thereto (except to the extent that, pending the issuance of bonds, the Authority may issue notes payable from the proceeds of such bonds), and authorizes and empowers the Authority to pledge all or any part of its revenues for such payment; and

WHEREAS, a Request for Financing dated January 21, 2021 (the ***"Application"***) was submitted to the Authority by Jefferson County Water Authority a nonprofit corporation organized and existing under the laws of the State of Missouri (the ***"Company"***) requesting the Authority to participate with the Company in the financing of the Company's ownership interest in certain facilities and to provide funds for the redemption of certain Company obligations issued in connection with the acquisition, construction and equipping of certain facilities, such facilities to be used by the Company to provide drinking water to the Company's service area (the ***"Project"***), at an estimated cost not to exceed $13,500,000; and

WHEREAS, the Project constitutes water facilities within the meaning of the Act; and

WHEREAS, the Authority desires to finance and refinance the cost of acquiring, constructing, reconstructing, installing and equipping the Project by the issuance of revenue obligations under the Act in an amount not to exceed $13,500,000, said revenue obligations to be payable solely out of the revenues and receipts derived from the Company;

WHEREAS, the Company represents that the Project will be in furtherance of applicable state and federal standards and regulations with respect to the provision of drinking water;

WHEREAS, the Authority has determined that it is necessary and desirable to declare the official intent of the Authority to advance or reimburse the Company for expenditures with respect to the Project from the proceeds of revenue obligations to be issued by the Authority; and

WHEREAS, the Authority is authorized under the Act to issue its revenue obligations for the purposes aforesaid and the Authority has determined that the public interest will be best served and that the purposes of the Act can be more advantageously obtained by the Authority's issuance of revenue obligations in order to provide funds to be loaned to the Company as a means of accomplishing the foregoing;

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

Section 1. The Authority hereby approves the Application and finds and determines that (i) the Company is a nonprofit corporation duly organized and validly existing and in good standing under the laws of the State of Missouri, which operates drinking water facilities located in the State of Missouri; (ii) the Company has requested the Authority's assistance in funding the costs of the Project; and (iii) the issuance of the revenue obligations of the Authority in the form of bonds under the Act for the purpose of providing funds to finance the costs of the Project will be in furtherance of the public purposes set forth in the Act and will be in furtherance of the public purposes set forth in the Act.

Section 2. The Authority hereby determines and declares its intent that (i) it will issue its revenue obligations under the Act in an aggregate amount not to exceed $13,500,000, but to be finally determined by subsequent resolution of the Authority, to finance the cost of the Project, including repayment to the Company of any advances theretofore made by the Company in connection with the acquisition, construction, re-construction, improvement, installation and equipping of the Project which are made no earlier than 60 days prior to the date of this Resolution, and to enter into a contract, the revenues and receipts from which will be at least sufficient to pay the principal of and interest on such revenue obligations as the same shall become due and payable; (ii) it will adopt such orders and resolutions and authorize the execution and delivery of such instruments and the taking of such actions as may be necessary or advisable for the authorization, issuance and sale of such revenue obligations by the Authority and the execution and delivery of a contract with respect to the Project; and (iii) it will take or cause to be taken such other actions as may be required to implement the aforesaid, or as it may deem appropriate in pursuance thereof; *provided* that all of the foregoing and all documents to be executed by the Authority, the Company, or any other entity in connection with the consummation of the foregoing transactions, shall be mutually acceptable to the Authority and the Company and their counsel and shall be within the lawful powers of the Authority.

Section 3. The action taken by the Authority at this meeting is hereby declared to be an affirmative official act of the Authority taken toward the issuance of revenue obligations to provide financing for the Project.

Section 4. All of the acts of the members, officers, director, agents and employees of the Authority which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Section 5. The Authority hereby authorizes and directs bond counsel, the underwriter and its counsel (all as selected by the Company and approved by the Authority) and other officers and representatives of the Authority to prepare for submission to and final action by the Authority, all appropriate legal and financing documents necessary to effect the authorization, issuance and sale of the Bonds and any other actions contemplated hereunder in connection with the issuance and sale thereof and authorizes and directs the Director or the Deputy Director to conduct a public hearing in connection with the issuance of the Bonds pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended. Unless otherwise expressly provided by the Authority, the fees and expenses of bond counsel, the underwrites and its counsel and all other fees and expenses incident to the issuance of such Bonds shall be paid solely out of the proceeds of the sale thereof and not from any other funds of the Authority. In the event such Bonds are not issued, no fees and expenses will be deemed due and owing by the Authority and provided, further, that the Company shall remain responsible for the payment of any fees and expenses incurred by the Authority in connection with the proposed issuance of the Bonds.

Section 6. The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 7. This Resolution shall take effect as of the date adopted by the Authority and all resolutions in conflict herewith are repealed to the extent of the conflict.

Adopted by the State Environmental Improvement and Energy Resources Authority this 23rd day of February, 2021.

By: ______________________________________

Caleb Arthur
Chairman

ATTEST:

____

Nancy Gibler
Secretary

[SEAL]

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances may this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor may there be any sale of these securities in any jurisdictions in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED MARCH ___, 2021

NEW ISSUE
BOOK-ENTRY ONLY

MOODY'S RATING: "___"
See "BOND RATING."

*In the opinion of Gilmore & Bell, P.C., Bond Counsel, 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 Series 2021A Bonds (including any original issue discount properly allocable to an owner thereof) (1) is excludable from gross income for federal income tax purposes, 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 Series 2021A Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. The interest on the Series 2021B Bonds (including any original issue discount properly allocable to an owner thereof) is included in gross income for federal income tax purposes and is not exempt from State of Missouri income taxation. See **"TAX MATTERS"** in this Official Statement.*

STATE ENVIRONMENTAL AND ENERGY RESOURCES AUTHORITY
(STATE OF MISSOURI)

$[*Principal Amount-A*]*
Tax-Exempt Water Facilities Revenue Bonds
(Jefferson County Water Authority Project)
Series 2021A

$[*Principal Amount-B*]*
Taxable Water Facilities Revenue Bonds
(Jefferson County Water Authority Project)
Series 2021B

Dated: Date of Delivery **Due: July 1, as shown on the inside cover**

The Tax-Exempt Water Facilities Revenue Bonds (Jefferson County Water Authority Project), Series 2021A (the "Series 2021A Bonds"), and the Taxable Water Facilities Revenue Bonds (Jefferson County Water Authority Project), Series 2021B (the "Series 2021B Bonds" and, together with the Series 2021A Bonds, the "Series 2021 Bonds"), will be issued by the State Environmental Improvement and Energy Resources Authority (State of Missouri) (the "Authority") for the purpose of making a loan to the Jefferson County Water Authority (the "Corporation") to provide funds, together with other available funds of Corporation, to (1) finance the costs of the Project (defined herein), (2) prepay certain outstanding obligations of the Corporation and (3) pay the costs of issuing the Series 2021 Bonds, all as further described under **"PLAN OF FINANCE."**

The Series 2021 Bonds are issuable only as fully-registered bonds in the denomination of $5,000 or any integral multiple thereof. Principal of the Series 2021 Bonds will be payable on each July 1 in the years shown on the inside front cover. Interest on the Series 2021 Bonds will be payable on each January 1 and July 1, beginning on January 1, 2022.

The Series 2021 Bonds are subject to redemption prior to maturity as described herein. The Series 2021 Bonds are subject to certain risks. See **"BONDOWNERS' RISKS."**

The Series 2021 Bonds and the interest thereon are limited obligations of the Authority payable solely out of certain payments received under the Loan Agreement described herein between the Authority and the Corporation and other funds held under the Indenture described herein. **The Series 2021 Bonds do not constitute a debt or liability of the State of Missouri (the "State") or any political subdivision thereof, and neither the State nor any political subdivision thereof shall be liable on the Series 2021 Bonds. The issuance of the Series 2021 Bonds shall not, directly, indirectly or contingently, obligate the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The general faith and credit of the State and the Authority are not pledged to the payment of the principal of or interest on the Series 2021 Bonds. The Authority is not obligated to pay the principal of or interest on the Series 2021 Bonds, except from the revenues and receipts pledged therefor under the Indenture. The Authority has no taxing power.**

See inside cover for maturities, principal amounts, interest rates, prices and CUSIP numbers.

The Series 2021 Bonds are being offered by the Underwriter when, as and if issued by the Authority and accepted by the Underwriter, subject to the approval of legality thereof by Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Authority by Lewis Rice LLC, St. Louis, Missouri, and for the Corporation by Armstrong Teasdale LLP, St. Louis, Missouri. Certain legal matters relating to this Official Statement will be passed upon by Gilmore & Bell, P.C., St. Louis, Missouri. Certain legal matters will be passed upon for the Underwriter by Thompson Coburn LLP, St. Louis, Missouri. It is expected that the Series 2021 Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York, on or about April 6, 2021.

STIFEL

The date of this Official Statement is March ___, 2021.

* Preliminary; subject to change.

STATE ENVIRONMENTAL AND ENERGY RESOURCES AUTHORITY
(STATE OF MISSOURI)

$[*Principal Amount-A*]*	**$[*Principal Amount-B*]***
Tax-Exempt Water Facilities Revenue Bonds	**Taxable Water Facilities Revenue Bonds**
(Jefferson County Water Authority Project)	**(Jefferson County Water Authority Project)**
Series 2021A	**Series 2021B**

MATURITY SCHEDULE*

Base CUSIP: _____

SERIES 2021A BONDS

Serial Bonds

Maturity (July 1)	Principal Amount	Interest Rate	Price	CUSIP
2022	$	%	%	
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				

Term Bonds

Maturity (July 1)	Principal Amount	Interest Rate	Price	CUSIP
2032	$	%	%	
2034				
2037				
2041				

SERIES 2021B BONDS

Maturity (July 1)	Principal Amount	Interest Rate	Price	CUSIP
2024	$	%	%	

* Preliminary; subject to change.

REGARDING USE OF THIS OFFICIAL STATEMENT

THE SERIES 2021 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, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT.

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

No dealer, broker, salesperson or any other person has been authorized by the Authority or the Corporation to give any information or make any representations, other than those contained in this Official Statement, in connection with the offering of the Series 2021 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 Series 2021 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 Series 2021 Bonds hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Authority, the Corporation 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 AND THE CORPORATION ON THE DATE HEREOF, AND NEITHER THE AUTHORITY NOR THE CORPORATION ASSUMES ANY 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 IN THE CONTINUING DISCLOSURE AGREEMENT, THE FORM OF WHICH IS INCLUDED AS APPENDIX C.

TABLE OF CONTENTS

STATE ENVIRONMENTAL AND ENERGY RESOURCES AUTHORITY
(STATE OF MISSOURI)

$[*Principal Amount-A*][*]
Tax-Exempt Water Facilities Revenue Bonds
(Jefferson County Water Authority Project)
Series 2021A

$[*Principal Amount-B*][*]
Taxable Water Facilities Revenue Bonds
(Jefferson County Water Authority Project)
Series 2021B

INTRODUCTION

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement and the documents summarized or described herein. The offering of the Series 2021 Bonds to potential investors is made only by means of the entire Official Statement.

General

This Official Statement, including the cover page, is provided for the purpose of setting forth information relating to (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 sale of the Authority's Tax-Exempt Water Facilities Revenue Bonds (Jefferson County Water Authority Project), Series 2021A, in the aggregate principal amount of $[*Principal Amount-A*][*] (the **"Series 2021A Bonds"**), and the Authority's Taxable Water Facilities Revenue Bonds (Jefferson County Water Authority Project), Series 2021B, in the aggregate principal amount of $[*Principal Amount-B*][*] (the **"Series 2021B Bonds"** and, together with the Series 2021A Bonds, the **"Series 2021 Bonds"**), (3) the Jefferson County Water Authority, a Missouri nonprofit corporation (the **"Corporation"**), and the Participating Members described below, (4) the Corporation's acquisition, construction, extension and improvement of the Corporation's facilities for the furnishing of water for community purposes (the **"Project"**), and (5) the prepayment of certain outstanding obligations of the Corporation. A more detailed description of the Project and the prepayment of certain of the Corporation's outstanding obligations is contained under **"PLAN OF FINANCE."**

The Authority

The Authority is a body corporate and politic and a governmental instrumentality of the State of Missouri (the **"State"**) duly organized and existing under the Constitution and laws of the State, particularly, Sections 260.005 through 260.125, inclusive, of the Revised Statutes of Missouri and Appendix B(1) thereto (collectively, the **"Act"**). The Authority is authorized under the Act to issue and secure the Series 2021 Bonds as herein described.

The Corporation and the Participating Members

The Jefferson County Water Authority is a Missouri nonprofit corporation that provides potable water to the cities of Festus and Herculaneum, Missouri (collectively, the **"Participating Members"** and individually, a **"Participating Member"**). Each Participating Member has entered into a water purchase contract with the Corporation (collectively, the **"Water Purchase Contracts"**) to purchase wholesale water from the Corporation for resale to each Participating Member's water customers.

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[*] Preliminary; subject to change.

The Corporation owns, operates and maintains drinking water treatment facilities, which include one horizontal collector well, a 3-million-gallon-per-day (GPD) water treatment plant, a 400,000-gallon clearwell and transmission lines (collectively, the **"Facility"**). See **"PLAN OF FINANCE – The Project"** for a discussion of the planned improvements to the Facility.

The Series 2021 Bonds

The Series 2021 Bonds are being issued pursuant to the Act and an Indenture of Trust dated as of April 1, 2021 (the **"Indenture"**), between the Authority and UMB Bank, N.A., St. Louis, Missouri, as trustee (the **"Trustee"**), for the purpose of providing funds to make a loan to the Corporation, pursuant to a Loan Agreement dated as of April 1, 2021 (the **"Loan Agreement"**), between the Authority and the Corporation. The Series 2021 Bond proceeds will be used, together with other available funds of the Corporation, to provide funds to (1) finance the costs of the Project, (2) prepay certain outstanding obligations of the Corporation and (3) pay the costs of issuing the Series 2021 Bonds. A description of the Series 2021 Bonds is contained in this Official Statement under **"THE SERIES 2021 BONDS."** All references to the Series 2021 Bonds are qualified in their entirety by the definitive forms thereof and the provisions with respect thereto included in the Indenture and the Loan Agreement. A description of the estimated sources and uses of the proceeds of the Series 2021 Bonds and a detailed description of the Project and the prepayment of certain outstanding obligations of the Corporation is contained in this Official Statement under **"PLAN OF FINANCE."**

The Indenture provides for the future issuance of additional bonds (**"Additional Bonds"**) which, if issued, would rank on a parity with the Series 2021 Bonds and any other bonds then-outstanding under the Indenture. See **"ADDITIONAL BONDS, ADDITIONAL NOTES AND ADDITIONAL OBLIGATIONS."** The Series 2021 Bonds and any future Additional Bonds issued under the Indenture are referred to collectively as the **"Bonds."**

Security for the Series 2021 Bonds

The Series 2021 Bonds and the interest thereon are special, limited obligations of the Authority, payable by the Authority solely from certain payments to be made by the Corporation under the Loan Agreement and certain other funds held by the Trustee under the Indenture and not from any other fund or source of the Authority. The Series 2021 Bonds are secured by the Indenture and the Loan Agreement and the Mortgage described herein. The Corporation's obligation to repay the loan made to it under the Loan Agreement is evidenced by the Series 2021A Note and the Series 2021B Note (together, the **"Series 2021 Notes"**). Payments under the Loan Agreement and the Series 2021 Notes are designed to be sufficient, together with other funds available for such purpose, to pay when due the principal of, premium, if any, and interest on the Series 2021 Bonds. The revenues of the Corporation that will be used to make payments under the Loan Agreement and the Series 2021 Notes are derived from rates and charges received by the Corporation from the sale of wholesale water by the Corporation to its Participating Members. The Corporation's obligations under the Loan Agreement and the Series 2021 Notes are on a parity with the Corporation's Promissory Note (State of Missouri – Direct Loan Program), Series 2012 (the **"2012 Note"**) to the Missouri Department of Natural Resources (**"MDNR"**), currently outstanding in the amount of $477,000 (the **"Outstanding Parity Obligations"**).

Pursuant to the Indenture, the Authority will assign to the Trustee, for the benefit and security of the Registered Owners (defined herein) of the Series 2021 Bonds, substantially all of the rights of the Authority in the Loan Agreement and the Series 2021 Notes, including all Loan Payments payable thereunder.

In conjunction with the issuance of the Refunded Obligations (defined herein), the Corporation granted a Deed of Trust, Mortgage and Security Agreement dated as of November 1, 2001 (the **"Mortgage"**) on certain real property (the **"Real Property"**) and a security interest in certain personal property (the **"Personal Property"** and, together with the Real Property, the **"Mortgaged Property"**) to secure the payment of the Refunded Obligations and any additional bonds or obligations issued pursuant to the terms thereof, including the Outstanding Parity Obligations, and the performance of the Corporation's obligations under the related loan agreements. The Real Property subject to the Mortgage consists of an approximately 19.01-acre site on which the water treatment plant is located. In connection with the issuance of the Series 2021 Bonds, the Corporation will execute a supplement to the Mortgage to add to the Personal Property all Unrestricted Receivables of the Corporation, including the Water Purchase Contracts.

The Series 2021 Bonds will not constitute a debt or liability of the Authority, the State or of any political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and will not constitute a pledge of the faith and credit of the State or of any political subdivision thereof, including the Authority. The issuance of the Series 2021 Bonds will not, directly, indirectly or contingently, obligate the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The Authority has no taxing power. See "SECURITY FOR THE SERIES 2021 BONDS."

Outstanding Obligations

The Corporation is presently obligated to make payments on the following bonds and notes:

- State Environmental Improvement and Energy Resources Authority Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust), Series 2001C, and the related promissory note dated November 1, 2001 from the Corporation to the Authority in the original principal amount of $10,435,000, of which $1,765,000 is currently outstanding (the **"Series 2001C Obligation"**). A portion of the proceeds of the Series 2021 Bonds will be used to prepay the Series 2001C Obligation. See **"PLAN OF FINANCE – Prepayment of the Refunded Obligations."**

- State Environmental Improvement and Energy Resources Authority Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust), Series 2002A, and the related promissory note dated May 8, 2002 from the Corporation to the Authority in the original principal amount of $8,230,000, of which $1,385,000 is currently outstanding (the **"Series 2002A Obligation"** and, together with the Series 2001C Obligation, the **"Refunded Obligations"**). A portion of the proceeds of the Series 2021 Bonds will be used to prepay the Series 2002A Obligation. See **"PLAN OF FINANCE – Prepayment of the Refunded Obligations."**

- The 2012 Note.

Financial Statements

Audited financial statements of the Corporation as of and for the year ended September 30, 2020, are included as ***Appendix A*** to this Official Statement. The financial statements have been audited by Hochschild, Bloom & Company LLP, Washington, Missouri, certified public accountants, to the extent and for the periods indicated in their report, which is also included in ***Appendix A***. The financial statements of the Corporation were prepared in conformity with accounting principles generally accepted in the United States of America.

Certain unaudited summary financial information for the Participating Members is included under **"THE PARTICIPATING MEMBERS – Summary Financial Data."** The audited financial statements of each of those Participating Members for their most recent fiscal year-end are available from the Corporation upon the request of any prospective purchaser of the Series 2021 Bonds during the initial offering thereof.

Continuing Disclosure

The Corporation will undertake to provide certain annual financial information and notices of the occurrence of certain material events, pursuant to a Continuing Disclosure Agreement dated as of April 1, 2021 (the **"Continuing Disclosure Agreement"**) between the Corporation and UMB Bank, N.A., as dissemination agent. The proposed form of the Continuing Disclosure Agreement is included in this Official Statement as ***Appendix C***.

Bondowners' Risks

Payment of the principal of and interest on the Series 2021 Bonds is dependent upon revenues to be derived from the operations of the Corporation. Certain risks are inherent in the production of such revenues. See **"BONDOWNERS' RISKS"** for a discussion of certain risks.

Definitions and Summaries of Legal Documents

Definitions of certain words and terms used in this Official Statement are set forth in ***Appendix B***. Summaries of the Indenture, the Loan Agreement and the Mortgage are included in this Official Statement in ***Appendix B***. Such definitions and summaries do not purport to be comprehensive or definitive. All references herein to the specified documents are qualified in their entirety by reference to the definitive forms of such documents, copies of which may be viewed at the office of Stifel, Nicolaus & Company, Incorporated (the **"Underwriter"**), at 501 North Broadway, St. Louis, Missouri 63102 (314) 342-2000, or will be provided to any prospective purchaser requesting the same.

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 Series 2021 Bonds and to provide for the security of the Series 2021 Bonds as herein described. To accomplish such actions the Authority is authorized to enter into the Indenture, the Loan Agreement and the Mortgage.

The purpose of the Authority is to provide financial assistance 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:

Name[(1)]	Title	Term Expires[(2)]
Caleb Arthur	Chairman	January 1, 2023
Mary Fontana Nichols	Vice-Chairman	January 1, 2023
Nancy A. Gibler	Secretary	January 22, 2022
Deron L. Cherry	Treasurer and Assistant Secretary	January 22, 2007

(1) There is currently one vacancy on the Authority.
(2) 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, 2nd Floor, Jefferson City, Missouri 65102. The Authority's telephone number is (573) 751-4919.

Other Indebtedness of the Authority

The Authority has previously sold and delivered other bonds and notes secured by instruments separate and apart from those securing the Series 2021 Bonds. 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 Series 2021 Bonds are issued and the Owners (defined herein) of the Series 2021 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 will be secured by instruments, properties and revenues separate from those securing the Series 2021 Bonds.

PLAN OF FINANCE

General

The Authority will loan the proceeds of the Series 2021 Bonds to the Corporation pursuant to the Loan Agreement. The Corporation will use the proceeds of the Series 2021 Bonds, together with other available funds of the Corporation, to (1) finance the costs of the Project, (2) prepay the Refunded Obligations and (3) pay the costs of issuing the Series 2021 Bonds. Concurrently with the issuance and sale of the Series 2021 Bonds, the Corporation will issue and deliver to the Trustee its Series 2021A Note and its Series 2021B Note, which will bear interest at a rate and contain other payment terms and conditions equivalent to those contained in the Series 2021A Bonds and the Series 2021B Bonds, respectively. It is intended that the Corporation's payments required under the Series 2021 Notes and under the Loan Agreement will be sufficient to pay when due the principal of and interest on, and to redeem or pay at maturity, the Series 2021 Bonds. The Authority's interest in the Series 2021 Notes and the Loan Agreement will be pledged and assigned to the Trustee under the Indenture pursuant to which the Series 2021 Bonds will be issued, subject to certain rights of indemnification and payments solely for the benefit of the Authority. The Authority's interest in the Series 2021 Notes and the Loan Agreement so assigned will constitute security for the payment of the Series 2021 Bonds and the interest and the redemption premium, if any, thereon.

All payments by the Corporation on the Series 2021 Notes of principal, interest and the premium, if any, are required to be made prior to or on the dates when the corresponding payments are required to be made on the Series 2021 Bonds.

The Project

The Corporation obtains water from the Mississippi River using a horizontal collection well. A series of lateral water lines is located underneath the riverbed and draws water into a caisson. Two pumps transmit the water to a water treatment plant. The existing well does not produce enough water to meet the Participating Members' minimum purchase requirements under their respective Water Purchase Contracts. As a result, the Corporation frequently purchases raw water from its Participating Members, each of which has two wells. However, the Corporation believes drawing raw water from the Participating Members' existing wells is not a cost-effective solution to the Corporation's water needs because of the added cost (for manpower, maintenance and electricity) of operating those wells.

The Corporation's consulting engineer, Burns & McDonnell Engineering Co. Inc. ("Burns & McDonnell"), evaluated various alternatives to meet the Corporation's existing and long-term water needs. Based on the recommendation of Burns & McDonnell, the Corporation determined to proceed with the Project, which consists of constructing a second horizontal collector well and related improvements and equipment, including a pump house, electrical gear and well pumps. In September 2020, the Corporation entered into a Preliminary Design-Build Agreement with Burns & McDonnell for three phases of services. The first phase, which was completed in December 2020, consisted of developing a groundwater flow model for the proposed site of the second well. The second phase, which was completed in March 2021, consisted of hydrogeologic site investigations including drilling exploratory soil borings. Based on the results of those soil borings, Burns & McDonnell has advised the Corporation that the proposed site is a suitable location for the second well. On March ___, 2021, the Corporation entered into a ___-year lease agreement with the owner of that property.

Under the third phase of the Preliminary Design-Build Agreement, Burns & McDonnell will prepare a preliminary design, obtain permits and develop a price proposal for construction of the Project. [*What cost estimates have been provided? Why does the Corporation believe Bond proceeds will be sufficient to complete the Project?*]

The Corporation expects to enter into an agreement with Burns & McDonnell to design and construct the Project. That agreement has not yet been negotiated and the terms are unknown as of the date of this Official Statement. [*Will Stifel require this contract to be entered into before issuance of the Bonds?*]

Construction of the new horizontal collector well and other improvements is expected to begin by May 2021 and to be complete by May 2022. Following the completion of the Project, the Corporation believes it will have sufficient water to provide the Participating Members with the minimum water amounts required under their respective Water Purchase Contracts and to meet the Participating Members' future demands as their populations grow.

Burns & McDonnell is a full-service engineering, construction, environmental and consulting firm based in Kansas City, Missouri, with offices around the world. The firm has executed design-build contracts for municipally-owned water infrastructure projects throughout the United States. Similar projects include [*describe*].

Prepayment of the Refunded Obligations

A portion of the proceeds of the Series 2021 Bonds, together with other available funds of the Corporation, will be deposited with UMB Bank, N.A., as trustee for the Refunded Obligations, and used to prepay the Refunded Obligations on July 1, 2021.

Estimated Sources and Uses of Funds

The following sets forth the estimated sources and uses of the proceeds of the Series 2021A Bonds:

Sources of Funds:	
Series 2021A Bond proceeds	$
Net original issue premium	
Total	
Uses of Funds:	
Deposit to Project Fund	$
Costs of issuance[(1)]	
Total	

(1) Includes the Underwriter's discount and other costs of issuance of the Series 2021A Bonds.

The following sets forth the estimated sources and uses of the proceeds of the Series 2021B Bonds:

Sources of Funds:	
Series 2021B Bond proceeds	$
Net original issue premium	
Transfer from debt service funds for Refunded Obligations	
Total	
Uses of Funds:	$
Prepayment of Refunded Obligations	
Costs of issuance[(1)]	
Total	

(1) Includes the Underwriter's discount and other costs of issuance of the Series 2021B Bonds.

THE SERIES 2021 BONDS

The following is a summary of certain terms and provisions of the Series 2021 Bonds. Reference is hereby made to the Series 2021 Bonds and the provisions with respect thereto in the Indenture and the Loan Agreement for the detailed terms and provisions thereof.

General Terms

The Series 2021 Bonds are dated the date of delivery, will bear interest from the date thereof or from the most recent interest payment date to which interest has been paid at the rates per annum set forth on the inside cover page, payable semiannually on January 1 and July 1 of each year, beginning on January 1, 2022, and will mature on July 1 in the years and in the principal amounts shown on the inside cover page. The Series 2021 Bonds are being issued as fully-registered bonds in the denominations of $5,000 and any integral multiple thereof (**"Authorized Denominations"**) and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (**"DTC"**), New York, New York. Purchases of beneficial interests in the Series 2021 Bonds will be made in book-entry only form (as described below under **"Book-Entry Only System"**), in the denomination of $5,000 or any integral multiple thereof. Purchasers of the Series 2021 Bonds will not receive certificates representing their interests in the Series 2021 Bonds purchased.

The principal of and redemption premium, if any, on the Series 2021 Bonds are payable at the principal corporate trust office of the Trustee. The interest payable on any Series 2021 Bond is payable (1) by check or draft mailed by the Trustee to the person who is the registered owner (the **"Registered Owner," "Owner"** or **"Bondowner"**) of such Series 2021 Bond as of the close of business on the 15th day of the month preceding the respective interest payment date (the **"Record Date"**), as shown on the bond registration books maintained by the Trustee (the **"Bond Register"**), or (2) by electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Trustee no later than 10 days preceding the Record Date for such payment, containing the electronic transfer instructions including the name and address of the bank, the bank's ABA routing number and the account number to which such Registered Owner wishes to have such transfer directed, together with an acknowledgment that an electronic transfer fee may be applicable. If the specified date for any payment on the Series 2021 Bonds is a date other than a business day, such payment may be made on the next business day without additional interest and with the same force and effect as if made on the specified date for such payment.

So long as any of the Series 2021 Bonds are in book-entry form, the principal, redemption premium, if any, and interest on such Series 2021 Bonds are payable by check, draft or electronic transfer to Cede & Co. as Registered Owner thereof and will be redistributed by DTC and its participants, as described under **"Book-Entry Only System."**

Book-Entry Only System

General. DTC will act as securities depository for the Series 2021 Bonds. The Series 2021 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 Series 2021 Bond certificate will be issued for each maturity of the Series 2021 Bonds, each in the aggregate principal amount of such maturity.

The following information concerning DTC and DTC's book-entry system has been obtained from DTC. The Authority, the Corporation and the Underwriter take no responsibility for the accuracy or completeness thereof and neither the Indirect Participants (defined herein) nor the Beneficial Owners (defined herein) should rely on the following information with respect to such matters, but should instead confirm the same with DTC or the Direct Participants (defined herein), as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

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, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (**"Direct Participants"**) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (**"DTCC"**). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (**"Indirect Participants"**). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Ownership Interests. Purchases of the Series 2021 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2021 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 Participants through which the Beneficial Owners entered into the transaction. Transfers of ownership interests in the Series 2021 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 Series 2021 Bonds, except in the event that use of the book-entry system for the Series 2021 Bonds is discontinued.

Transfers. To facilitate subsequent transfers, all Series 2021 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 Series 2021 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 Series 2021 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021 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 Series 2021 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2021 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2021 Bond documents. For example, Beneficial Owners of Series 2021 Bonds may wish to ascertain that the nominee holding the Series 2021 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. If less than all of the Series 2021 Bonds within a maturity 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 the Series 2021 Bonds unless authorized by a Direct Participant in accordance with DTC's Money Market Instrument 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 Series 2021 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of Principal, Redemption Proceeds and Interest. Redemption proceeds, principal and interest payments on the Series 2021 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 nor its nominee, 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, principal and interest 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 Series 2021 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, if a successor depository is not obtained, Series 2021 Bond certificates are required to be printed and delivered.

Redemption Prior to Maturity

Optional Redemption—Series 2021A Bonds. The Series 2021A Bonds maturing on or after July 1, 20___ may be redeemed at the option of the Authority, upon instructions from the Corporation, on or after July 1, 20___, in whole or in part at any time, at a redemption price equal to 100% of the principal amount of the Series 2021A Bonds called for redemption, plus accrued interest to the redemption date.

No Optional Redemption—Series 2021B Bonds. The Series 2021B Bonds are not subject to optional redemption and payment prior to their maturity.

Extraordinary Optional Redemption. The Series 2021 Bonds are subject to redemption and payment prior to the stated maturity thereof, at the option of the Authority, upon written direction from the Corporation, in whole or in part at any time, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date, without premium, upon the occurrence of any of the following events:

(1) all or a substantial portion of the Facility is damaged or destroyed by fire or other casualty, or title to, or the temporary use of, all or a substantial portion of such Facility is condemned or taken for any public or quasi-public use by any authority exercising the power of eminent domain (other than a Participating Member) or title thereto is found to be deficient, to such extent that in the determination of the Corporation (a) the Facility cannot be reasonably restored or replaced to the condition thereof preceding such event, or (b) the Corporation is thereby prevented from carrying on its normal operations of such Facility, or (c) the cost of restoration or replacement thereof would exceed the Net Proceeds of any casualty insurance, title insurance or condemnation awards with respect thereto; or

(2) if as a result of any changes in the Constitution of the State or the Constitution of the United States of America or of legislative or administrative action (whether State or federal) or by final direction, judgment or order of any court or administrative body (whether State or federal) entered after the contest thereof by the Corporation in good faith, the Indenture, the Loan Agreement or the Mortgage becomes void or unenforceable or impossible of performance; or

(3) if (a) the Corporation determines in good faith that continued operation of the Facility, or any substantial part thereof, is not financially feasible or is otherwise disadvantageous to the Corporation; (b) as a result thereof, the Corporation sells, leases or otherwise disposes of, to a person or entity unrelated to the Corporation, or changes or allows a change in the use of, all of such Facility or any substantial part thereof; and (c) there is delivered to the Authority and the Trustee an opinion of Bond Counsel addressed to the Authority and the Trustee to the effect that, unless the Series 2021 Bonds or a specified part thereof are redeemed and retired either prior to or concurrently with such sale, lease or other disposition, or change in use, or on a subsequent date prior to maturity, Bond Counsel is unable to render an unqualified opinion that such sale, lease or other disposition, or change in use, of all or any substantial part of such Facility will not adversely affect the excludability from

gross income, for federal and Missouri income tax purposes, of the interest on the Series 2021A Bonds.

Mandatory Sinking Fund Redemption. The Series 2021A Bonds maturing on July 1, 2032, July 1, 2034, July 1, 2037 and July 1, 2041 (the **"Term Bonds"**) are subject to mandatory sinking fund redemption and payment prior to maturity on July 1 in each of the years set forth below, at 100% of the principal amount thereof plus accrued interest to the redemption date, without premium:

Term Bonds Maturing on July 1, 2032

Year	Principal Amount
20___	$
20___*	

* Final Maturity

Term Bonds Maturing on July 1, 2034

Year	Principal Amount
20___	$
20___*	

* Final Maturity*

Term Bonds Maturing on July 1, 2037

Year	Principal Amount
20___	$
20___	
20___*	

* Final Maturity

Term Bonds Maturing on July 1, 2041

Year	Principal Amount
20___	$
20___	
20___	
20___*	

* Final Maturity*

Selection of Bonds to be Redeemed

The Series 2021 Bonds will be redeemed only in principal amounts equal to $5,000 or any integral multiple thereof, such that any Bond redeemed in part shall, after such redemption, be in an Authorized Denomination of the Series 2021 Bonds. When less than all of the outstanding Bonds of any series are to be redeemed and paid prior to maturity, such Bonds shall be redeemed from the maturities selected by the

Corporation and Bonds of less than a full maturity shall be selected by the Trustee in principal amounts equal to $5,000 or any integral multiple thereof in such equitable manner as the Trustee may determine, such that any Bond redeemed in part shall, after such redemption, be in an Authorized Denomination of the Series 2021 Bonds. The Trustee may, for purposes of selecting Bonds for redemption, treat all registered Bonds of the same maturity held by or for the benefit of an Owner as one Bond owned by such Owner and, upon such redemption and without charge to the Owner thereof, shall exchange a new Bond or Bonds for the unredeemed portion of the principal amount of all such Bonds in an amount equal to such Authorized Denominations as such Owner may direct.

If any Bond selected for redemption is to be redeemed only in part, then upon notice of intention to redeem such Bond, the Owner of such fully-registered Bond or his attorney or legal representative shall forthwith present and surrender such Bond to the Trustee (1) for payment of the redemption price (including the premium, if any, and interest to the date fixed for redemption) of the principal amount called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such fully-registered Bond in an amount equal to any Authorized Denomination of the Series 2021 Bonds. If the Owner of any such fully-registered Bond shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, said Bond shall, nevertheless, become due and payable on the redemption date to the extent of the principal amount called for redemption (and to that extent only).

Notice and Effect of Call for Redemption

Unless waived by any Owner of Bonds to be redeemed, official notice of redemption will be given by the Trustee on behalf of the Authority by mailing a redemption notice by first-class mail at least 30 days prior to the date fixed for redemption to each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register as of the date of the notice. Official notice of redemption having been given as aforesaid, the Series 2021 Bonds or portions of Bonds so to be redeemed shall, notwithstanding any defect in such notice or the failure of any Owner to receive the same, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Authority defaults in the payment of the redemption price), such Bonds or portion of Bonds shall cease to bear interest.

Any notice of optional redemption may be conditioned upon moneys being on deposit with the Trustee on or before 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 Series 2021 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 Series 2021 Bonds will not be redeemed.

So long as DTC is effecting book-entry transfers of the Series 2021 Bonds, the Trustee will provide the notices specified above to DTC. It is expected that DTC will, in turn, notify its participants and that the participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of DTC or a participant, or failure on the part of a nominee of a Beneficial Owner of a Series 2021 Bond (having been mailed notice from the Trustee, a participant or otherwise) to notify the Beneficial Owner of the Series 2021 Bond so affected, shall not affect the validity of the redemption of such Series 2021 Bond.

Registration, Transfer and Exchange

The Series 2021 Bonds will be issued in fully-registered form in denominations of $5,000 and any integral multiple thereof. Each Series 2021 Bond will be registered in the name of the Owner thereof on the registration books maintained by the Trustee. The Series 2021 Bonds are transferable by the registered holder thereof or by such holder's attorney duly authorized in writing upon presentation thereof at the principal corporate trust office of the Trustee. Any Series 2021 Bond may be exchanged at the principal corporate trust office of the Trustee for a like aggregate principal amount of Series 2021 Bonds of the same series and maturity, in Authorized Denominations, and bearing interest at the same rate. The Trustee and the Authority may charge a fee covering taxes and other governmental charges in connection with any exchange, change in registration or transfer of any Series 2021 Bond. The foregoing provisions for the registration, transfer and exchange of the Series 2021 Bonds will not be applicable to purchasers of the Series 2021 Bonds so long as the Series 2021 Bonds are subject to the DTC or other book-entry only system.

ADDITIONAL BONDS, ADDITIONAL NOTES AND ADDITIONAL OBLIGATIONS

The Authority may, at any time upon compliance with certain terms and conditions set forth in the Indenture and the Loan Agreement, issue Additional Bonds for certain purposes permitted under the Indenture. Pursuant to the Indenture, the Authority may at some time in the future issue Additional Bonds on a parity with the Bonds in order to provide for any Additional Project, refinancing outstanding mortgages or advances issued by the Corporation including Additional Obligations, repaying any series of Bonds if prepaid in full, obtaining funds for advance refunding the Bonds of any series outstanding regardless of whether such Bonds may be prepaid in full, or any other purpose permitted under the Act. Additional Bonds shall be equally and ratably secured by the Indenture on a parity with the Series 2021 Bonds. Concurrently with the issuance of any such Additional Bonds, the Corporation shall deliver to the Authority an Additional Note obligating the Corporation to make payments of principal and interest thereon in amounts and at times sufficient to provide for the timely payment of the principal of, premium, if any, and interest on such Additional Bonds. Any such Additional Note will be secured on a parity basis with the Series 2021 Notes and any other Additional Notes. See **"DEFINITIONS OF WORDS AND TERMS AND SUMMARIES OF CERTAIN LEGAL DOCUMENTS – SUMMARY OF THE INDENTURE – Authorization of Additional Bonds"** and **"DEFINITIONS OF WORDS AND TERMS AND SUMMARIES OF CERTAIN LEGAL DOCUMENTS – SUMMARY OF THE LOAN AGREEMENT – Conditions to Issuance of Additional Notes"** in ***Appendix B***.

The Corporation may also incur Additional Indebtedness and, in some circumstances, pledge property of the Corporation to secure the repayment thereof. The Loan Agreement limits the amount of the Additional Indebtedness which the Corporation may incur and the type and amount of additional property that may be pledged or mortgaged to secure the Additional Indebtedness. See **"DEFINITIONS OF WORDS AND TERMS AND SUMMARIES OF CERTAIN LEGAL DOCUMENTS – SUMMARY OF THE LOAN AGREEMENT – Restrictions on Incurrence of Additional Indebtedness"** in ***Appendix B***.

The Corporation may incur Indebtedness secured on a parity with the Series 2021 Notes, which may be issued to any Person including Persons other than the Authority (**"Additional Obligations"**) under certain conditions provided in the Loan Agreement. Such Additional Obligations shall have a security interest in all of the Corporation's Unrestricted Receivables, Revenues and the Water Purchase Contracts, and a mortgage lien on and security interest in the Mortgaged Property under the Mortgage, standing on a parity with the security interest granted to the Authority by the Loan Agreement and the mortgage lien and security interest granted by the Mortgage. See **"DEFINITIONS OF WORDS AND TERMS AND SUMMARIES OF CERTAIN LEGAL DOCUMENTS – SUMMARY OF THE LOAN AGREEMENT – Additional Obligations"** in ***Appendix B***.

SECURITY FOR THE SERIES 2021 BONDS

General

The Series 2021 Bonds are limited obligations of the Authority payable solely from the revenues of the Authority derived from payments by the Corporation under the Loan Agreement and from other moneys, if any, held by the Trustee under the Indenture. The Authority has assigned to the Trustee for the benefit of the Bondowners the Authority's rights under the Loan Agreement (but excluding the Authority's rights to payment of fees and expenses and indemnification, and any payment to be made to meet the rebate requirements of the Internal Revenue Code of 1986, as amended) and the Series 2021 Notes evidencing the loan from the Authority to the Corporation. The loan is secured by a mortgage of, a security interest in and a pledge of the Mortgaged Property.

The Series 2021 Bonds shall never constitute a debt or liability of the State or of any political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and will not constitute a pledge of the full faith and credit of the State but shall be payable solely from the funds provided for in the Loan Agreement and in the Indenture. The issuance of the Series 2021 Bonds will not, directly, indirectly or contingently, obligate the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The State will not in any event be liable for the payment of the principal of, premium, if any, or interest on the Series 2021 Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Authority. No breach by the Authority of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the State or any charge upon its general credit or its taxing power.

Mortgage and Assignment of Unrestricted Receivables and Water Purchase Contracts

Pursuant to the Mortgage, the Corporation has granted to the Authority a mortgage and security interest on the Real Property and the Personal Property to secure its respective obligations under the Outstanding Parity Obligations and the Series 2021 Bonds. In connection with the issuance of the Series 2021 Bonds, the Corporation will execute a supplement to the Mortgage to add to the Personal Property all Unrestricted Receivables of the Corporation, including the Water Purchase Contracts.

Pursuant to the Loan Agreement, the Corporation has granted to the Authority a security interest in all Unrestricted Receivables of the Corporation and all of its rights under the Water Purchase Contracts presently in effect or hereafter executed. See **"THE WATER PURCHASE CONTRACTS."** So long as the Corporation makes when due and payable all Loan Payments and Additional Payments under the Loan Agreement and all payments of principal of, premium, if any, and interest on the Additional Obligations, the Corporation will be entitled to utilize its Unrestricted Receivables and the revenues and receipts from the Water Purchase Contracts for its proper corporate purposes. See **"DEFINITIONS OF WORDS AND TERMS AND SUMMARIES OF CERTAIN LEGAL DOCUMENTS – Definitions – Unrestricted Receivables"** and **"Revenues"** in ***Appendix B***.

Parity Obligations

The Series 2021 Bonds are being issued on a parity basis with the Outstanding Parity Obligations. The Indenture provides for the future issuance of Additional Bonds on a parity with the Series 2021 Bonds and the Outstanding Parity Obligations. See **"ADDITIONAL BONDS, ADDITIONAL NOTES AND ADDITIONAL OBLIGATIONS."**

Rate Covenant

The Corporation has covenanted and agreed that it will, prior to the close of each Fiscal Year, set rates and charges such that the Net Revenues Available for Debt Service of the Corporation will not be less than the sum of **1.10** times the Average Annual Debt Service on the Series 2021 Bonds, any Additional Bonds and any Additional Obligations (the **"Rate Covenant Requirement"**). If the Net Revenues Available for Debt Service, as calculated at the end of any Fiscal Year, is less than the Rate Covenant Requirement, the Corporation covenants to retain a Consultant to make recommendations to increase the annual Debt Service coverage for subsequent Fiscal Years to at least the Rate Covenant Requirement. So long as the Corporation shall retain a Consultant and the Corporation shall follow such Consultant's recommendations and so long as the Net Revenues Available for Debt Service is in no event less than **1.00** times the Average Annual Debt Service with respect to the Series 2021 Bonds, any Additional Notes and any Additional Obligations, this covenant shall be deemed to have been complied with for such Fiscal Year and no Event of Default shall have occurred under the Loan Agreement even if the Average Annual Debt Service coverage is below the Rate Covenant Requirement.

The Corporation will not furnish or permit to be furnished by or from the Facility any free water or other free service of any kind. The Corporation will levy charges for all water service of any kind furnished at the rates at the time established therefor by the Corporation.

DEBT SERVICE COVERAGE

The following table sets forth for the fiscal years ended September 30, 2018, 2019 and 2020, (1) the income reflected in the financial statements of the Corporation available to pay debt service, (2) the extent to which such income covered the actual debt service requirements on the Outstanding Parity Obligations and the Refunded Obligations during those years, and (3) the extent to which such income would have covered the average annual debt service through maturity on the Outstanding Parity Obligations and the Series 2021 Bonds, had the Series 2021 Bonds (rather than the Refunded Obligations) been outstanding during those years. This summary should be read in conjunction with the financial statements of the Corporation included as ***Appendix A*** to this Official Statement. Reference is hereby made to such financial statements, including the notes thereto. There can be no assurance that the Corporation will generate the revenues set forth below in subsequent fiscal years.

	Year Ended September 30,		
	2018	**2019**	**2020**
Revenues	$3,106,396	$3,196,757	$
Less Total Expenses	935,426	938,613	
Net Revenues Available for Debt Service	2,170,970	2,258,144	
Annual Debt Service – Outstanding Parity Obligations and Refunded Obligations	1,666,729	1,677,651	________
Historical Debt Service Coverage Ratio(1)	1.303x	1.346x	___x
Average Annual Debt Service – Series 2021 Bonds and Outstanding Parity Obligations			
Historical Pro Forma Debt Service Coverage Ratio(2)			

(1) Debt service coverage for each of the years shown based on actual annual debt service on the Refunded Obligations and the Outstanding Parity Obligations.

(2) Shows what debt service coverage would have been for each of the years shown, based on average annual debt service through maturity, had the Series 2021 Bonds been outstanding rather than the Refunded Obligations.

DEBT SERVICE REQUIREMENTS

The Outstanding Parity Obligations consist of the 2012 Loan in the outstanding principal amount of $477,000.

The following table sets forth the scheduled debt service requirements of the Corporation, including the Series 2021 Bonds and the Outstanding Parity Obligations, and excluding the Refunded Obligations:

	Series 2021 Bonds							
Fiscal Year Ending September 30	Series 2021A Bonds		Series 2021B Bonds			Outstanding Parity Obligations	Total
	Principal*	Interest	Principal*	Interest	Total		
2021[(1)]	$	$	$	$	$	$ 43,609.60	$
2022						44,099.60	
2023						43,582.80	
2024						45,059.20	
2025						44,515.20	
2026						43,971.20	
2027						45,420.40	
2028						44,849.20	
2029						45,278.00	
2030						45,686.40	
2031						46,088.00	
2032						46,469.20	
2033						0.00	
2034						0.00	
2035						0.00	
2036						0.00	
2037						0.00	
2038						0.00	
2039						0.00	
2040						0.00	
2041						0.00	
Total						$538,628.80	

(1) Includes a $21,366.60 payment on the Outstanding Parity Obligations, which was paid on January 1, 2021.

BONDOWNERS' RISKS

The following is a discussion of certain risks that could affect payments to be made by the Corporation with respect to the Series 2021 Bonds. This discussion is not, and is not intended to be, exhaustive and should be read in conjunction with the rest of this Official Statement and should not be considered as a complete description of all risks that could affect such payments. Prospective purchasers of the Series 2021 Bonds should analyze carefully the information contained in this Official Statement, including the Appendices hereto, and additional information in the form of the complete documents summarized herein and in ***Appendix B****, copies of which are available as described herein.*

General

The Series 2021 Bonds are limited obligations of the Authority, payable by the Authority solely from payments to be made by the Corporation pursuant to the Loan Agreement and certain other funds held by the Trustee under the Indenture. No representation or assurance can be given that the Corporation will realize revenues in amounts sufficient to make such payments under the Loan Agreement and the Series 2021 Notes with respect to the Series 2021 Bonds. The realization of future revenues is dependent upon, among other things, water purchases from the Corporation by the Participating Members, government regulations, and future changes in economic and other conditions that are unpredictable and cannot be determined at this time.

* Preliminary; subject to change.

Construction Risks

[*To be discussed/revised depending on when design-build contract will be executed*]

Project Completion. The Corporation has made arrangements that it believes will be sufficient to assure the timely completion of the Project. No assurance can be given, however, that those arrangements will prove sufficient. The construction of the Project is subject to the usual risks associated with construction. Although the Corporation believes that the construction will be completed on schedule, circumstances or events beyond the control of the Corporation may occur. Those circumstances may include, among others, the inability of the Corporation to obtain permits to construct the Project, strikes or other labor disputes, shortages in various labor trades, material shortages, adverse weather conditions, fire or other casualty damage, unanticipated subsoil conditions, unanticipated construction difficulties or the financial failure of the general contractor or various subcontractors, any of which may affect the timely construction of the Project.

Cost Overruns and Availability of Additional Project Funds. The Corporation may experience construction cost overruns beyond the normal construction contingencies built into the estimated Project costs. Any costs exceeding the Project costs funded with Series 2021 Bond proceeds would either require additional borrowing or would need to be funded out of revenues generated by the Corporation's operations. In either case, construction cost overruns may have an adverse impact on the availability of revenues to pay debt service on the Series 2021 Bonds. The Corporation may have difficulty borrowing additional amounts ultimately needed to complete the Project as a result of future credit market conditions or otherwise, which would have an adverse impact on the completion of the Project and may adversely impact the availability of revenues to pay debt service on the Series 2021 Bonds.

Environmental Regulation

Water utilities are subject to continuing environmental regulation. The Corporation is subject to continuing regulation by the MDNR with respect to water supply, the purity of water and plans and specifications for the construction, improvement, alteration and operation of public water supply systems and by the Environmental Protection Agency (**"EPA"**) as to the purity of water supplied to customers and the quality of any effluent from filter plants. Federal, state and local standards and procedures that regulate the environmental impact of water utilities are subject to change. These changes arise from continuing legislative, regulatory and judicial action regarding such standards and procedures. The Corporation has experienced increased compliance costs associated with environmental regulations in the past and anticipates that future regulation will likewise increase the environmental compliance costs of the Corporation in the future. Consequently, there is no assurance that the Corporation will always be in compliance with further regulations or will always be able to obtain all required operating permits. An inability to comply with environmental standards could result in reduced operating levels or the complete shutdown of facilities not in compliance. Legislative, regulatory, administrative or enforcement action involving environmental controls could adversely affect the operation of the facilities of the Corporation and the operating expenses of the Corporation.

Business of the Corporation

The operation of the Corporation's water system is subject to numerous inherent risks, some of which may affect the Corporation's ability to meet its obligations under the Loan Agreement, and are dependent upon its ability to collect revenues from its Participating Members with which to operate its system and to make payments on the Series 2021 Bonds and other obligations. Each Participating Member has entered into a Water Purchase Contract with the Corporation from which revenues of the Corporation are derived. The rates and charges to be paid to the Corporation under the Water Purchase Contracts may be adjusted, such that if one or more Participating Members default, the other Participating Members will be required to provide sufficient funds to operate the system and to pay debt service on the Series 2021 Bonds. However, a default by one

Participating Member could adversely affect the ability of the Corporation to make timely debt service payments on the Series 2021 Bonds. See **"THE WATER PURCHASE CONTRACTS."**

Although the Corporation has agreed to charge rates sufficient to pay, among other things, the principal of, premium, if any, and interest on the Series 2021 Bonds, there is no assurance that the Corporation will be successful in collecting sufficient revenues to pay debt service on the Series 2021 Bonds on a timely basis. The ability of the Corporation to collect revenues from Participating Members could be adversely affected by matters such as adverse economic conditions affecting the ability of Participating Members to pay amounts owed to the Corporation under their respective Water Purchase Contracts, unexpected repairs, replacements or improvements to the system or the systems of the Participating Members, delays in construction, increased construction requirements imposed by State or federal law or other unanticipated circumstances.

Certain information about the Corporation and its Participating Members is summarized under **"THE CORPORATION"** and **"THE PARTICIPATING MEMBERS."** The revenues of the Corporation are derived from payments received from Water Purchase Contracts with Participating Members to which water is provided.

Rates Charged by Participating Members

The obligation of the Participating Members to make payments under their respective Water Purchase Contracts is limited to revenues from the Participating Members' waterworks system or combined waterworks and sewerage system. The Participating Members are not obligated to levy a tax for such purpose. The Water Purchase Contracts require the Participating Members to take all necessary action to establish, maintain and collect rates and charges for the waterworks services provided by them so as to provide revenues at least sufficient, together with available reserves, to enable each Participating Member to make all payments required under its Water Purchase Contract and to pay all other lawful charges or liens on its waterworks system. There can be no assurance, however, that Participating Members will in fact be able to continue to collect such rates and charges as they have agreed to under the Water Purchase Contracts. The inability of a Participating Member to collect such rates and charges could adversely affect the ability of that Participating Member to make its payments to the Corporation under its respective Water Purchase Contract and, therefore, the ability of the Corporation to pay principal of, premium, if any, and interest on the Series 2021 Bonds.

Loss or Damage of Facility Property

Under the Loan Agreement, the Corporation has agreed to obtain insurance with respect to its property which is commercially and reasonably insurable. At the present time, and as is the case for most utility operations, casualty insurance for the transmission lines is not obtainable at reasonable costs. In the event of loss or damage to Facility property, insurance proceeds will be used first to the extent feasible for the purpose of restoring or replacing the property lost or damaged in accordance with the Indenture, and any remainder will be used for either future property acquisition or to pay debt service on the Series 2021 Bonds. There can be no assurance either as to the adequacy of or timely payment of insurance benefits in effect in the event of loss or damage to Facility property. If the transmission lines are damaged or destroyed, no insurance proceeds are available for repair or replacement thereof and such lack of insurance proceeds could adversely affect the ability of the Corporation to make timely payments of the principal of, premium, if any, or interest on the Series 2021 Bonds.

In the event of loss or damage to other Facility property for which insurance benefits are insufficient to restore the Facility, the ability of the Corporation to make timely payments of the principal of, premium, if any, or interest on the Series 2021 Bonds could be adversely affected.

Availability of Raw Water

The Project is being undertaken to serve the current and future needs of the Participating Members. If the Corporation is unable to complete the Project in a timely manner, there is no assurance that the Corporation will be able to maintain a source of water to supply the Participating Members. The Water Purchase Contracts with the Participating Members provide that a Participating Member is not relieved of its obligation to make payment thereunder if the Participating Member acquires water supply from an alternate source during the existence of emergency conditions. Any delay or inability to receive payments under the Water Purchase Contracts in that event would adversely affect the Corporation's ability to make timely payments of principal of, premium, if any, and interest on the Series 2021 Bonds.

Loss of Participating Members

There can be no assurance that one or more Participating Members will not leave the Corporation for alternate sources of water from new or existing water suppliers. The loss of existing Participating Members could adversely affect the future operations of the Corporation. As discussed herein under **"THE WATER PURCHASE CONTRACTS,"** however, the Corporation may commence enforcement action for damages or specific performance against Participating Members to enforce the Water Purchase Contracts. There can be no assurance that if the Corporation enforced the Water Purchase Contracts, payments would be received at the times necessary to make timely payments of debt service on the Series 2021 Bonds. If the Corporation is unable to receive revenues under the Water Purchase Contracts or those revenues are not received on a timely basis, the ability of the Corporation to make timely payments of the principal of, premium, if any, or interest on the Series 2021 Bonds could be adversely affected.

Competition

Each of the current Participating Members maintains two wells to provide a source of water in case the Corporation's water plant fails for any reason. The Project is being undertaken because the Corporation's existing well does not produce enough water to meet the current water needs of the Participating Members. Due to this shortage, each Participating Member is drawing water from its backup wells to supplement its water supply and meet the demands of its customers. Competition from other water systems may limit the ability of the Corporation to attract new Participating Members or could induce one of the Participating Members to seek to default on its Water Purchase Contract with the Corporation (or seek to set aside the "take-or-pay" provisions in its respective Water Purchase Contract).

No Reserve Fund or Credit Enhancement

No debt service reserve fund, financial guaranty insurance policy, letter of credit or other credit enhancement will be issued to insure payment of the principal of or interest on the Series 2021 Bonds. Accordingly, any potential purchaser of the Series 2021 Bonds should consider the financial ability of the Corporation to pay amounts under the Loan Agreement sufficient to provide payments of the debt service for the Series 2021 Bonds.

Tax-Exempt Status of the Series 2021A Bonds

The failure by the Corporation to comply with certain legal requirements could cause the inclusion of interest on the Series 2021A Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2021A Bonds. See **"TAX MATTERS." The Indenture does not provide for the mandatory redemption of the Series 2021A Bonds or the payment of any additional interest or penalty if the interest on the Series 2021A Bonds becomes includable in gross income for federal income tax purposes.**