

**352nd MEETING OF THE
STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY
EIERA Office
425 Madison Street, Second Floor
Jefferson City, Missouri**

**February 23, 2022
10:00 a.m.**

[Join WebEx Meeting](#)

Teleconference Call Number: **1-650-479-3207**
WebEx Meeting Number (Access Code): **2466 389 3409**
Meeting Password: **t2MTFgAbd38**

1. Call to Order
2. Approval of Minutes
 - A. Approval of the Minutes from the 351st Open WebEx Meeting of the Authority held December 16, 2021, in Jefferson City, Missouri
 - B. Approval of the Minutes from the 351st Closed WebEx Meeting of the Authority held December 16, 2021, in Jefferson City, Missouri
3. Other Business
 - A. Opportunity for Public Comment (Limit of Four Minutes per Individual)
 - B. Next Meeting Date
 - C. Other
4. Closed Meeting Pursuant to Section 610.021 (1), (3) and (11) RSMo. (as needed)
5. Adjournment of Closed Meeting and Return to Open Meeting
6. 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, Executive Director
Kristin Allan Tipton, Development Director
Cathy Schulte, Fiscal Manager
Genny Eichelberger, Office Support Assistant

Legal Counsel to be Present:

David Brown, Lewis Rice LLC

**MINUTES OF THE 351ST MEETING OF THE
STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY**

**EIERA Office
425 Madison Street, Second Floor
Jefferson City, Missouri**

**WebEx/In Person Meeting
December 16, 2021
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, Executive Director
Kristin Allan Tipton, Development Director
Cathy Schulte, Fiscal Manager
Genny Eichelberger, Office Support Assistant

LEGAL COUNSEL: David Brown
Lewis Rice LLC

OTHER PARTICIPANTS: Dennis Lloyd
Khalen Dwyer
Columbia Capital Management, LLC

Sara Pringer
Department of Natural Resources

Guy Nagahama
Samuel A. Ramirez & Co., Inc.

Eric Cowan
Tom Liu
BofA Securities, Inc.

Kristen Brown
Jason Schmied
Williams-Keepers LLC

Larry Richardson
Huntington Securities, Inc.

Julie Wiegers
UMB Bank, N.A.

Rob Mellinger
Citigroup Global Markets Inc.

(AGENDA ITEM #1) CALL TO ORDER

Chair Arthur called the 351st 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 quorum was present via WebEx video conference.

(AGENDA ITEM 2) APPROVAL OF MEETING MINUTES

(AGENDA ITEM #2A) APPROVAL OF 350TH OPEN TELECONFERENCE MEETING MINUTES (AUGUST 5, 2021)

The next order of business was to review and approve the open teleconference meeting minutes of the 350th meeting (August 5, 2021) of the Authority.

MOTION: Motion was made by Ms. Fontana Nichols and seconded by Mr. Cherry to approve the open teleconference minutes of the 350th meeting of the Environmental Improvement and Energy Resources Authority. By roll call vote, Ms. Fontana Nichols, Mr. Cherry, Ms. Gibler and Chair Arthur all voted in favor. Motion carried.

(AGENDA ITEM #3) PRESENTATION OF FISCAL YEAR 2021 AUDIT

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

Ms. Brown explained that 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. She said that the Authority's accounting records were in great order and that no transactions were found to be unusual or significant. She stated that there were no issues with internal controls and no material weaknesses were found. Ms. Brown noted that the implementation of Governmental Accounting Standards Board (GASB) Statement No. 87, Leases, did not change the accounting for the funds.

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

Ms. Brown thanked Mr. Boland and Ms. Schulte for their cooperation and the Authority for allowing them to perform the audit.

Mr. Boland thanked Ms. Brown and Mr. Schmied for the reporting. He thanked Ms. Schulte for doing a fantastic job as the audit ran very smoothly this year.

Chair Arthur asked if there were any questions.

There were no questions.

(AGENDA ITEM #4) STATE REVOLVING PROGRAM

(AGENDA ITEM #4A) PROGRAM UPDATE

Chair Arthur called upon Mr. Boland to give an update on the SRF Program.

Mr. Boland stated that the Authority was fortunate to have Ms. Pringer attending the meeting. He said that Hannah Humphrey, former Director of the Financial Assistance Center (FAC), moved up to Deputy Director of the Department of Natural Resources (MoDNR) and that Ms. Pringer is the new Acting Director for FAC. He said that a lot of funding was coming through the American Rescue

Plan Act of 2021 (ARPA) and that the Authority would be assisting the department wherever possible.

Mr. Boland called upon Ms. Pringer for comment.

Ms. Pringer reported to the Board that the department had issued a Request for Information (RFI) to determine potential need for the ARPA funding and received 978 responses totaling over \$3 billion. However, the ARPA allocation is only estimated to be approximately \$135 million. She said the need is far greater than the available amount. She noted that it was required that the money be spent by 2026 and projects needed to be project ready.

Chair Arthur asked for insight on how projects will be prioritized.

Mr. Boland stated that the SRF programs already have priority point methodologies in regulation.

Chair Arthur asked when the last survey was taken.

Ms. Pringer stated that the last official needs survey was done in 2016.

Mr. Boland stated that the Clean Water survey was done on a detailed need basis while the Drinking Water survey was done on a statistical need basis.

Chair Arthur thanked Ms. Pringer for the update.

(AGENDA ITEM #4B) TRANSFER OF GIC FROM FSA CAPITAL MANAGEMENT SERVICES, LLC TO MASSMUTUAL

Mr. Boland stated that the Authority was contacted in October by FSA Capital Management Services LLC (FSA), the provider for one of our remaining Guaranteed Investment Contracts (GIC) for SRF bonds, to request that we agree to a transfer of all assets under the GIC to Massachusetts Mutual Life Insurance Company (MassMutual). He explained that FSA had already negotiated an agreement for transfer to MassMutual and that there would be no change in the rates, returns or benefits to the Authority and the underlying borrowers. Staff believes this is a good opportunity for the Authority to mitigate any remaining risk associated with an unrated provider. Mr. Boland deferred to Mr. Brown for comment.

Mr. Brown stated two main points. First, FSA wants to get out of the business and if the Authority does not agree, the Authority will be dealing with a provider that is not focused on the best outcome for the remaining accounts. Secondly, MassMutual is a known entity and a highly rated agency. Overall, this would be a good thing for the Authority.

Mr. Boland stated that in 2015, there was a similar situation where Trinity desired to leave the GIC business and we worked out a similar transfer over to MassMutual. He reiterated that there would not be any difference in investment earnings we receive and that MassMutual is a more stable provider.

MOTION: Motion was made by Ms. Gibler and seconded by Mr. Cherry to approve the transfer of the State Environmental Improvement and Energy Resources Authority's Guaranteed Investment Contracts from FSA Capital Management Services, LLC to Massachusetts Mutual Life Insurance Company. By voice vote, Mr. Cherry, Ms. Fontana Nichols, Ms. Gibler and Chair Arthur all voted in favor. Motion carried.

(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 been very busy with telephone calls at the end of the year and that she had one application for the Board's consideration.

(AGENDA ITEM #5B) CONSIDERATION OF THE FUNDING RECOMMENDATION FOR THE CAPITAL MATERIALS 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 Capital Materials LLC, located in Jefferson City, requested \$100,000 to purchase a metering device costing \$174,200 that would enable the company to incorporate waste tire rubber into asphalt hot mix. She said that rubberized asphalt was not a new technology, but interest in it was increasing considerably. Capital Materials LLC was already doing business all over the Midwest.

Ms. Tipton stated that Capital Materials was a third-generation family-owned business that provides asphalt repair, sealing, paving and maintenance. Their projects range from heavy highway to state and local municipalities as well as residential and commercial.

Ms. Tipton listed several advantages of using waste tire rubber into asphalt hot mix including documented test results that show better ride performance, longer surface wear, reduced spray, and the ability to reduce lift thickness in some applications.

Capital Materials had been part of a test pilot, research project with the Missouri Department of Transportation (MoDOT) in the Columbia area. Last summer, asphalt mixes were produced with both plastics and rubber for use in the Columbia area using similar equipment. She said that the Columbia plant had already been retrofitted to accept the equipment and minimal modifications would be needed to modify several other plants in Missouri. Currently, MoDOT is working on rubberized asphalt specifications that will facilitate the adoption of the process statewide.

Capital Materials expects to start slowly and anticipates diverting 500 tons annually from the waste stream and creating one full time employee position with this project.

Ms. Tipton stated that the Missouri Market Development Program Steering Committee, which includes staff from the Missouri Department of Natural Resources, Missouri Department of Economic Development, the Solid Waste Advisory Board, and the Authority, reviewed the application and unanimously recommended that the Board approve funding this project in the amount of \$100,000, not to exceed 60% of the cost of the equipment. This is the maximum amount for which they are eligible.

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 Capital Materials LLC for an amount up to \$100,000, not to exceed 60 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) OTHER

Ms. Tipton announced another opportunity for the Board to attend an upcoming biochar event that will be held in Versailles on January 25, 2022.

Ms. Tipton explained to the Board that several businesses were getting together and finding different alternatives for biochar end uses. She attended a small private viewing in Versailles and found it to be interesting and informative. The group of businesses intends to repeat the event in January.

Chair Arthur, Ms. Gibler and Ms. Fontana Nichols voiced their interest in attending. Chair Arthur asked Ms. Tipton to send him information on the industry.

(AGENDA ITEM #6) OTHER BUSINESS

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

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

There were no comments.

(AGENDA ITEM #6B) NEXT MEETING DATE

Mr. Boland stated that the next meeting date could not yet be determined.

(AGENDA ITEM #6C) BANK ACCOUNTS

Mr. Boland explained to the Board that the Authority was currently using two banks, Central Trust Bank and Hawthorn Bank, for its transactions. He stated that it was not efficient or beneficial to use two banks. He gave examples and stated that staff reconciles accounts each month internally and with the Authority's auditor. He asked the Board if they had any strong opinions on the matter.

Discussion ensued and the Board agreed that it would be more efficient to use one bank.

(AGENDA ITEM #6D) BUILDING LEASE UPDATE

Mr. Boland reported to the Board that a 5-year lease had been signed with Regions Bank in October that included an amendment to address elevator repair.

Ms. Fontana Nichols asked if the elevator issue had be resolved.

Mr. Boland stated that the elevator is scheduled for repair in early 2022 and that Regions Bank has offered conference space on the first floor, if necessary, when the elevator is out of service.

Chair Arthur asked if there was any other business to address. There was none.

Chair Arthur asked for a motion to close the open portion of the meeting.

(AGENDA ITEM #7) CLOSED MEETING PURSUANT TO SECTION 610.021 (13) RSMO

MOTION: Motion was made by Ms. Fontana Nichols and seconded by Ms. Gibler to close the meeting for the purposes of discussing records pertaining to employees pursuant to Section 610.021(13) Revised Statutes of Missouri. By voice vote, Ms. Gibler, Ms. Fontana Nichols, Mr. Cherry and Chair Arthur all voted in favor. Motion carried.

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

Chair Arthur gave a brief summary of closed session discussion.

(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