

**358th MEETING OF THE
STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY
EIERA Office
425 Madison Street, Second Floor
Jefferson City, Missouri**

**April 18, 2023
10:00 a.m.**

[Join WebEx Meeting](#)

Teleconference Call Number: **1-650-479-3207**
WebEx Meeting Number (Access Code): **2461 555 2227**
Meeting Password: **E4bEB3mKMf2**

1. Call to Order
2. Approval of Minutes
 - A. Approval of the Minutes from the 357th Open WebEx Meeting of the Authority held February 17, 2023, in Jefferson City, Missouri
 - B. Approval of the Minutes from the 357th Closed WebEx Meeting of the Authority held February 17, 2023, in Jefferson City, Missouri
3. Springfield Landfill Gas Energy Project Update
4. Missouri Market Development Program
 - A. Program Update
 - B. Consideration of the Funding Recommendation for the Korte Enterprises, LLC Project and Authorizing the Director or Designee to Enter Into an Agreement on Behalf of the Authority
5. Selection of Audit Services Provider
6. Application to American Green Bank Consortium
7. Summary of Energy Project Proposals Received
8. Other Business
 - A. Opportunity for Public Comment (Limit of Four Minutes per Individual)
 - B. Next Meeting Date
 - C. Other
9. Closed Meeting Pursuant to Section 610.021(1), (3) and (11) RSMo. (as needed)

10. Adjournment of Closed Meeting and Return to Open Meeting

11. 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
Mark Pauley, Deputy Director
Kristin Allan Tipton, Development Director
Angie Powell, Missouri Market Development Director
Cathy Schulte, Fiscal Manager
Genny Eichelberger, Office Support Assistant

Legal Counsel to be Present:

David Brown, Lewis Rice LLC

**MINUTES OF THE 357TH MEETING OF THE
STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY**

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

**WebEx/In Person Meeting
February 17, 2023
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
Mark Pauley, Deputy Director
Angie Powell, Development Director
Cathy Schulte, Fiscal Manager
Genny Eichelberger, Office Support Assistant

LEGAL COUNSEL: David Brown
Lewis Rice LLC

**OTHER
PARTICIPANTS:** Eric Cowan
Tom Liu
BofA Securities, Inc.

Khaleen Dwyer
Columbia Capital Management, LLC

Guy Nagahama
Ramirez & Company

Larry Richardson
Huntington Capital Markets

Aly Gatwood
Lathrup GPM

(AGENDA ITEM #1) CALL TO ORDER

Chair Arthur called the 357th 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 356TH OPEN TELECONFERENCE MEETING MINUTES (NOVEMBER 17, 2022)

The next order of business was to review and approve the meeting minutes of the 356th meeting (November 17, 2022) of the Authority.

MOTION: Motion was made by Ms. Fontana Nichols and seconded by Ms. Gibler to approve the minutes of the 356th meeting of the Environmental Improvement and Energy Resources Authority. By roll call vote, Ms. Fontana Nichols, Ms. Gibler and Chair Arthur all voted in favor. Motion carried.

(AGENDA ITEM #2B) APPROVAL OF 356TH CLOSED TELECONFERENCE MEETING MINUTES (NOVEMBER 17, 2022)

The next order of business was to review and approve the closed teleconference meeting minutes of the 356th meeting (November 17, 2022) of the Authority.

MOTION: Motion was made by Ms. Fontana Nichols and seconded by Ms. Gibler to approve the closed teleconference minutes of the 356th meeting of the Environmental Improvement and Energy Resources Authority. By roll call vote, Ms. Fontana Nichols, Ms. Gibler and Chair Arthur all voted in favor. Motion carried.

(AGENDA ITEM #3) MISSOURI MARKET DEVELOPMENT PROGRAM

(AGENDA ITEM #3A) PROGRAM UPDATE

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

Ms. Powell stated that she had two applications for the Board’s consideration.

(AGENDA ITEM #3B) CONSIDERATION OF THE FUNDING RECOMMENDATION FOR THE ECOTIRE TREADING CO., LLC DBA ECOSHRED PROJECT AND AUTHORIZING THE DIRECTOR OR DESIGNEE TO ENTER INTO AN AGREEMENT ON BEHALF OF THE AUTHORITY

Ms. Powell reported to the Board that EcoTire Treading Co. LLC d/b/a EcoShred, located in Springfield, requested \$250,000 to purchase equipment costing \$1,250,000 that would enable the company to convert tire wire to briquettes for processing. The addition of this equipment will enable the company to increase its annual output and create a marketable product from an undesirable waste material.

Ms. Powell explained to the Board that EcoShred currently produces a variety of products from recovered tires, including rubberized mulch and material for athletic fields and rubberized asphalt. She said that wire in tires is a byproduct for which there is limited markets due to its light weight and “sponginess.” Metal recyclers will accept this material in only limited quantities if at all. Installation of a briquetting system will allow EcoShred to handle this material more efficiently and increase the processing of tires. Other tire processors in the state could also benefit by disposing of their unwanted tire wire through EcoShred.

EcoShred anticipates diverting 10,500 tons annually from the waste stream and creating 1 full time and 2 part time employees with this project.

Chair Arthur recused himself from voting as the owner of this company was his client and he wanted to avoid any possible conflict of interest.

Mr. Cherry entered the meeting and was given a quick update on EcoShred. Ms. Powell stated that the Missouri Market Development Program Steering Committee, which includes staff from the Missouri Department of Natural Resources, Missouri Department of Economic Development, the Solid Waste Advisory Board, and the Authority, recommends funding this project in the amount of \$250,000, not to exceed 50% of the cost of the equipment. This funding recommendation was unanimous.

MOTION: Motion was made by Mr. Cherry 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 EcoTire Treading Co. LLC d/b/a EcoShred for an amount up to

\$250,000, not to exceed 50 percent of the cost of the equipment. By roll call vote, Ms. Fontana Nichols, Ms. Gibler and Mr. Cherry all voted in favor. Motion carried.

(Chair Arthur recused himself for this vote.)

(AGENDA ITEM #3C) CONSIDERATION OF THE FUNDING RECOMMENDATION FOR THE ADVANCED CONCEPTS TECHNOLOGY LLC PROJECT AND AUTHORIZING THE DIRECTOR OR DESIGNEE TO ENTER INTO AN AGREEMENT ON BEHALF OF THE AUTHORITY

Ms. Powell stated that Advanced Concepts Technology LLC, located in Springfield, requested \$250,000 to purchase equipment costing \$638,173 that would enable the company to increase production of railroad ties made from scrap tires.

The company is currently in the testing and prototyping phase and desires equipment to increase production so the product can be properly presented to railroad companies and other potential users.

Advanced Concepts Technology LLC was originally formed and incorporated in 2009. The company changed ownership in 2022 and since that time, no major accounts have been established. Currently, the only products in production are railroad ties made from scrap tires; however, this is still in the prototype stage.

While the Steering Committee is interested in this effort to address scrap tires, the Missouri Market Development Program requires that projects be based on technology that has been demonstrated beyond the research stage and that applicants can document end markets for created products. The Steering Committee did not feel the company could demonstrate adequate demand for its proposed product.

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 not funding this project at this time but

encourages the company to re-apply once testing is complete and end markets have been established.

This funding recommendation was unanimous.

Chair Arthur stated that he would entertain a motion.

MOTION: Motion was made by Ms. Fontana Nichols and seconded by Ms. Gibler to not fund the Advanced Concepts Technology LLC project at this time. By roll call vote, Ms. Fontana Nichols, Ms. Gibler and Chair Arthur all voted in favor. Motion carried.

(AGENDA ITEM #4) SOLID WASTE INFRASTRUCTURE FOR RECYCLING (SWIFR) GRANT PROGRAM APPLICATION

Mr. Pauley reported to the Board that SWIFR is a new Environmental Protection Agency (EPA) funding opportunity that was recently made available through The Infrastructure Investment and Jobs Act (IIJA), also referred to as the Bipartisan Infrastructure Law (BIL). This program will provide states and territories with grants to support their long-term planning and data collection needs to demonstrate progress toward the National Recycling Goal and Food Loss and Waste Reduction Goal and advance a Circular Economy for materials.

Mr. Pauley stated that the EPA anticipates awarding up to a total of \$30M in fiscal year 2023. This opportunity is open to all states and territories that “opt in”. The Authority has already submitted a Notice of Intent to Participate in December.

Mr. Pauley said that the non-competitive portion of the funding will be based on a formula that includes a minimum base amount for all states and territories that will be at least \$300,000 and could be up to \$500,000 per applicant. Then additional funds will be based on responses to the five programmatic factors that were outlined in the board memos. The Authority’s responses were submitted to EPA earlier this month.

Mr. Pauley noted that funds awarded under this grant can have up to a three-year project period. He noted that no state match was required.

Although the Authority won't know the exact amount of funding available until April, Mr. Pauley said that once awarded, some of the items that could be used for funding included: updating the State Solid Waste Management Plan, strengthening our data collection efforts and advancing post-consumer material management which includes market development.

Mr. Pauley said that, as mentioned before, the Authority submitted our Notice of Intent to Participate in December and our responses to the five programmatic factors earlier this month. Once the allocated amount of funding is known in April, staff will submit our final work plan and full application in May which is what we are asking the Board's approval for. Mr. Pauley offered to answer any questions.

MOTION: Motion was made by Ms. Fontana Nichols and seconded by Ms. Gibler to submit a full application to the SWIFR grant program. By roll call vote, Ms. Fontana Nichols, Ms. Gibler and Chair Arthur all voted in favor. Motion carried.

(AGENDA ITEM #5) OTHER BUSINESS

(AGENDA ITEM #5A) UPDATE ON REQUEST FOR PROPOSALS (ENERGY PROJECTS)

Mr. Boland stated that the Board had previously approved the Request for Proposals for Energy Infrastructure Projects to generate an inventory of potential projects. The RFP is intended to provide a better understanding of the number, size and type of projects that are currently seeking assistance and could be better served through the Energy Bank.

Mr. Boland said that projects can include, but are not limited to, energy efficiency, energy conservation, energy demand management, renewable energy development, or alternative transportation fuel projects. The RFP was issued in December 2022 and it closes at the end of February 2023. The Authority has heard from several firms as the RFP was broadly defined.

The Authority and MDNR-DE have identified the newly passed Inflation Reduction Act of 2022 (IRA) as a potential source of capital to support the Energy Bank. Mr. Boland gave a brief

summary of the initial implementation guidance provided by the EPA that was recently made public. He said staff would continue to refine the Authority's position to be more competitive. He stated that EPA expects to begin accepting applications for funding around September 2023.

Discussion ensued.

(AGENDA ITEM #5B) 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 #5C) NEXT MEETING DATE

Mr. Boland stated that the next meeting would be held in May 2023.

(AGENDA ITEM #5D) OTHER

Mr. Boland stated that no proposals had been received yet for the Audit Services RFP. The RFP was issued December 2022 and it closes at the end of February 2023.

Chair Arthur asked if there was any other business to address. There was none. He asked for a motion to close the open portion of the meeting.

(AGENDA ITEM #6) CLOSED MEETING PURSUANT TO SECTION 610.021 (3), (12) AND (13) RSMO

MOTION: Motion was made by Ms. Fontana Nichols and seconded by Mr. Cherry to close the meeting to discuss hiring of employees, documents related to a negotiated contract, and records pertaining to employees pursuant to Sections 610.021(3), (12) and (13) Revised Statutes of Missouri. By voice vote, Ms. Fontana Nichols, Mr. Cherry, Ms. Gibler and Chair Arthur all voted in favor. Motion carried.

(AGENDA ITEM #7) ADJOURNMENT OF CLOSED MEETING AND RETURN TO OPEN MEETING

(AGENDA ITEM #8) ADJOURNMENT OF OPEN MEETING

There being no further business to come before the Board, there was a motion to adjourn.

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

Respectfully submitted,

(SEAL)

Chair of the Authority

Secretary of the Authority

State Environmental Improvement and Energy Resources Authority
358th Board Meeting
April 18, 2023

Agenda Item #3
SPRINGFIELD LANDFILL GAS ENERGY PROJECT

Issue:

The City of Springfield is expanding their landfill gas-to-energy system and has requested that the Authority assist with financing the project. This would be the initial project funded through the framework of the Authority's Energy Infrastructure Bank.

Action Needed:

Consideration and approval to authorize the issuance of bonds to finance the expansion of the City of Springfield's landfill gas recovery system, and to accept an interest free loan from the State Revolving Fund Program to serve as a reserve for said project.

Staff Recommendation:

Staff recommends that the Board approve the proposed financing to the City of Springfield.

Staff Contact:

Joe Boland or Mark Pauley

Background:

The City of Springfield operates a landfill biogas recovery system at their Noble Hill Sanitary Landfill and at their Southwest Wastewater Treatment Plant. Currently, the gas is used as a renewable fuel to generate electricity for their local operations. The City is looking to expand the recovery system at the landfill to generate even more renewable fuel for their own use and to sell on the open market.

To support this project the Authority has proposed to use an interest free loan from the Clean Water State Revolving Fund (CWSRF) for a reserve fund to provide additional security for the Authority bonds and to generate additional earnings to buy down interest cost of the project.

The Authority has been working with the Department of Natural Resources to develop this initiative in conjunction with the creation of the Authority's Energy Infrastructure Bank. The CWSRF can be used to fund any project that is proven to reduce non-point source water pollution; and most energy conservation, energy efficiency and renewable projects are considered non-point source projects since there is a proven link between the reduction in coal-generated electricity and the reduction of mercury deposition.

This is the first phase of a multi-phase capital improvement plan for the city's solid waste and wastewater utilities. Other possible phases include the expansion of the biogas recovery

system at the Southwest Wastewater Treatment Plant and the construction of a biogas treatment facility that would process and upgrade the quality of the biogas to make it more valuable on the national renewable market.

This will be a very unique financing structure but staff consider it to be an ideal pilot to begin financing energy-related projects through the framework of the Authority's Energy Infrastructure Bank. Springfield is already considered a very strong credit and the fact that the solid waste utility currently has no outstanding debt should make this transaction very attractive to the bond community.

JB:ge

Attachment

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

**RESOLUTION OF OFFICIAL INTENT OF THE STATE
ENVIRONMENTAL IMPROVEMENT AND ENERGY
RESOURCES AUTHORITY OF THE STATE OF MISSOURI TO
ISSUE THE AUTHORITY'S REVENUE BONDS TO PROVIDE
FUNDS TO BE LOANED TO THE CITY OF SPRINGFIELD,
MISSOURI TO FINANCE CERTAIN LANDFILL BIOGAS
FACILITIES.**

WHEREAS, the State Environmental Improvement and Energy Resources Authority of the State of Missouri (the "**Authority**") is a body politic and corporate and a governmental instrumentality authorized and empowered pursuant to the provisions of Sections 260.005 to 260.125, inclusive, and Appendix B(1) Revised Statutes of Missouri, as amended (the "**Act**"), to issue bonds and/or notes (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 demolition and removing any existing structures, interest expenses incurred during the construction of any such project, and any other expenses incurred for the engineering, research, legal consulting and other expenses necessary or incidental to determine the feasibility or practicability of any such project and in carrying out the same and to issue refunding bonds to refund any bond previously issued 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 City of Springfield, Missouri (the "**City**"), has requested the Authority to assist the City in providing funds to finance the costs of acquiring, constructing, improving and extending certain biogas facilities of the City located at its City-owned landfill including, without limiting the generality of the foregoing, expanding the City's existing gas recovery system to generate additional renewable fuel for the City's use and to sell on the open market (the "**Project**"), and the City has requested that the Authority (i) issue its revenue bonds and loan the proceeds thereof to the City for such purposes, and (ii) provide an interest free loan from moneys available from the Clean Water State Revolving Fund for a debt service enhancement fund (the "**Enhancement Loan**") as additional security for the revenue bonds, all as permitted under the Act ; and

WHEREAS, the Authority is authorized under the Act to (i) issue its revenue bonds to provide funds to be loaned to the City and (ii) to provide the Enhancement Loan as a means of accomplishing the foregoing;

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

Section 1. Findings and Determinations. The Authority hereby makes the following findings and determinations with respect to the City and the revenue bonds to be issued by the Authority, based upon representations made to the Authority:

- (a) The City operates a landfill biogas facility located in the State of Missouri;
- (b) The City has requested the Authority's assistance in funding the costs of the Project;
- (c) The bonds will be issued for a valid public purpose under and in accordance with the provisions of the Act.

Section 2. Declaration of Intent. The Authority hereby approves the City's Private Activity Bond Issuance Application dated April __, 2023 and determines and declares the intent of the Authority to (i) issue the revenue bonds of the Authority (the "**Bonds**") pursuant to the Act in a principal amount not to exceed \$15,000,000 to be determined by subsequent resolution of the Authority, to provide funds to finance the costs of the City's Project, including reimbursement of expenditures, said Bonds to be limited and special revenue obligations payable solely out of payments, revenues and receipts derived by the Authority pursuant to agreements to be entered into by the Authority with the City, and (ii) to provide the Enhancement Loan.

Section 3. Terms and Provisions. Subject to the conditions of this Resolution, the Authority will (a) enter into an indenture of trust with a bank or trust City, as corporate trustee, pursuant to which the Authority will issue the Bonds to pay the costs of financing the Project, including repayment to the City of advances made by it in connection with the Project, with such maturities, interest rates, redemption terms, security provisions and other terms and provisions as may be determined by subsequent resolution of the Authority, (b) enter into a loan agreement with the City which will provide for a loan of the proceeds from the sale of the Bonds to the City to enable the City to purchase, construct and equip the Project, such loan to be evidenced by a promissory note pursuant to which the City will make payments sufficient to pay the principal of and interest on the Bonds as the same become due and payable, (c) enter into a loan agreement or similar instrument for the purpose of making the Enhancement Loan, and (d) to effect the foregoing, adopt such resolutions and authorize the execution and delivery of such security agreements, deeds of trust and other instruments and the taking of such action as may be necessary or advisable for the authorization and issuance of the Bonds by the Authority and take or cause to be taken such other action as may be required to implement the aforesaid.

Section 4. Reimbursement of Expenditures. The City has made certain expenditures in connection with the purchase, construction and equipping of the Project, and expects to make additional similar expenditures after the date of this resolution and before the issuance of the Bonds, and the Authority desires and intends to reimburse the City, from proceeds of the Bonds, for such expenditures made not earlier than 60 days before the date of this Resolution.

Section 5. Sale of the Bonds. The Authority shall sell the Bonds, on a private placement or a public basis, to such financial institution(s), institutional investor(s) or general investors as the City shall identify, and the Authority shall approve, at such price as the City and the Authority shall approve, such Bonds to be issued upon receipt of an approving opinion by Gilmore & Bell, P.C. ("**Bond Counsel**"), in form and substance agreeable to the Authority, the City and the purchaser or purchasers of such Bonds. The City, in consultation with the Authority, may engage one or more placement agents or underwriters to market and sell the Bonds, and the Authority will cooperate with the underwriter(s) or the placement agent(s) in connection with the purchase and sale of the Bonds and the preparation of any offering document

to be used to market the Bonds. The sale of the Bonds shall be the responsibility of the City and any placement agent or underwriter engaged to sell the Bonds.

Section 6. Public Hearing and Approval. The Secretary of the Authority is hereby authorized to conduct a public hearing with respect to the issuance of the Bonds to finance the Project, if determined by Bond Counsel to be required by law, and to cause notice of such hearing to be published in accordance with the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended. The obligation of the Authority to proceed with the final issuance of the Bonds shall be subject to receipt of public approval for such issuance as required under said Section 147(f).

Section 7. Indemnity. By accepting the terms of this Resolution and proceeding with the Project, the City will be considered to have agreed to (a) indemnify and hold the Authority harmless against liability with respect to any destruction of or damages to property or any injury to or death of any person or persons occurring in connection with the Project (other than liability for any loss or damages that may result from the gross negligence or from intentional wrongful acts of the Authority), and (b) pay the fees and charges of the Authority for its services in connection with financing the Project as well as all of its expenses in connection therewith.

Section 8. Limited Liability. Any provision hereof to the contrary notwithstanding, nothing herein contained shall be construed to impose a charge against the general credit of the Authority or to impose any pecuniary liability upon the Authority except with respect to the proper application of the proceeds to be derived by the Authority from the sale of the Bonds and of the revenues and receipts to be derived by the Authority from any financing, leasing or sale of the Project. Nothing herein shall be deemed to restrict the Authority or the State of Missouri or any agency or any political subdivision thereof in determining the order or priority of the issuance of bonds by the Authority or to require the Authority to give the Bonds priority as to issuance or as to the time of issuance over any other bonds previously or subsequently approved by the Authority for issue.

Section 9. Further Authorization And Direction. The Authority hereby authorizes and directs Bond Counsel, the placement agent and their counsel, the Authority's Director, Financial Advisor and General Counsel, 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.

Section 10. Conditions. This Resolution is subject to the condition that any issuance of bonds will be subject to the then existing policies, procedures and practices of the Authority with respect to the same.

Section 11. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the Authority.

ADOPTED by the State Environmental Improvement and Energy Resources Authority of the State of Missouri this 18th day of March, 2023.

**STATE ENVIRONMENTAL IMPROVEMENT AND
ENERGY RESOURCES AUTHORITY**

By: _____
Chairman

ATTEST:

Secretary

State Environmental Improvement and Energy Resources Authority
358th Board Meeting
April 18, 2023

CONFIDENTIAL UNTIL DISCUSSED IN OPEN SESSION

Agenda Item #4
MISSOURI MARKET DEVELOPMENT PROGRAM
KORTE ENTERPRISES, LLC

Issue:

Korte Enterprises, LLC, requested \$250,000 to purchase a horizontal grinder and trommel screen costing \$500,000 that would enable the company to grind wood construction waste, including tree root balls and unusable pallets, into mulch and boiler fuel and further process grindings into compost.

Action Needed:

Consideration of the funding recommendations for Korte Enterprises, LLC, project.

Staff Recommendation:

Staff recommends funding this project in the amount of \$250,000, not to exceed 50% of the cost of the equipment.

Staff Contact:

Angie Powell, Market Development Program Director

Background:

Korte Enterprises, LLC, located in Jefferson City, requested \$250,000 to purchase equipment costing \$500,000 that would enable the company to process construction wood waste on a daily basis. Currently they have to schedule contract with outside companies to bring in a grinder to process this problem material.

The business was originally founded in 1996 as a part time outside maintenance company. Joshua Korte later formed Korte Enterprises, LLC in 2001 after graduating from the University of Missouri-Columbia and began full time operations. Joshua grew the tree care business and eventually sold the lawn care side of the operation.

Korte Enterprises, LLC, currently employs 14 full-time employees and had working relationships with Foster Brothers Wood Products for their end products. Korte Enterprises, LLC, also has existing relationships with several area construction and excavating companies who are

interested in expanding their scope of work if Korte Enterprises, LLC, can acquire a horizontal grinder and trommel screen.

Korte Enterprises, LLC, anticipates diverting an additional 2,600 tons annually from the waste stream and creating three full time employees 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 \$250,000, not to exceed 50% of the cost of the equipment. This funding recommendation was unanimous.

AP:ge

State Environmental Improvement and Energy Resources Authority
358th Board Meeting
April 18, 2023

CONFIDENTIAL UNTIL DISCUSSED IN OPEN SESSION

Agenda Item #5
SELECTION OF AUDIT SERVICES PROVIDER

Issue:

The Authority's audit services contract with Williams Keepers terminated after the fiscal year 2022 audit. Proposals were solicited from nine accounting/audit firms from throughout the state to provide audit services for the next three years with a possible three year extension.

Action Needed:

Approve the recommendation of the firm chosen by the Authority and authorization to enter into an agreement therewith.

Staff Recommendation:

Staff recommends that the Board select Williams-Keepers, LLC to provide audit services to the Authority.

Staff Contact:

Joe Boland/Cathy Schulte

Background:

During the 356th Board meeting on November 17, 2022, the board gave Authority Staff approval to release a Request for Proposals (RFP) seeking audit services for the Authority. The Authority's most recent agreement for audit services terminated with the completion of the FY2022 audit.

Nine firms from throughout Missouri were contacted and directed to the RFP. The RFP contemplates an agreement with a three-year term with an option to renew for an additional three years.

Only one response was received, and that was from the Authority's most recent audit firm, Williams-Keepers, LLC. Staff reviewed Williams-Keepers proposal and found it to be responsive to the RFP, demonstrating excellent experience and qualifications in the areas of importance to the Authority.

The proposal was evaluated at both the firm and assigned staff level. Pricing did increase over the firm's most recent rates. However, staff believes these rates are reasonable and consistent with market prices for similar services.

We recommend the selection of Williams-Keepers, LLC.

JB:ge

Attachment

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

RESOLUTION OF THE STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY APPROVING WILLIAMS-KEEPERS LLC TO PROVIDE AUDIT SERVICES TO THE AUTHORITY AND AUTHORIZING THE AUTHORITY TO ENTER INTO AN AGREEMENT IN CONNECTION THEREWITH.

WHEREAS, the Authority disseminated a Request for Proposals dated January 13, 2023 to provide audit services to the Authority (the "RFP"); and

WHEREAS, after evaluation of the proposals received by the Authority in response to the RFP, the Authority has determined that it is in the best interest of the Authority to (i) accept the proposal of Williams-Keepers LLC ("Williams-Keepers") dated February 24, 2023 (the "Proposal"), (ii) engage Williams-Keepers to provide audit services to the Authority and (iii) enter into a mutually satisfactory agreement with Williams-Keepers setting forth the duties and obligations of the parties.

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

Section 1. The Authority hereby accepts the Proposal and approves Williams-Keepers to provide audit services to the Authority, all subject to negotiation of a mutually-acceptable agreement among the parties.

Section 2. The Authority hereby authorizes its Director or his designee to negotiate and enter into a mutually acceptable Agreement with Williams-Keepers.

Section 3. This resolution shall take effect and be in full force immediately after its adoption by the Authority.

ADOPTED this 18th day of April, 2023.

STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY

By: _____
Chairman

(SEAL)

ATTEST:

Secretary of the Authority

State Environmental Improvement and Energy Resources Authority
358th Board Meeting
April 18, 2023

Agenda Item #6
APPLICATION TO AMERICAN GREEN BANK CONSORTIUM

Issue:

The Authority would like to become a member of the American Green Bank Consortium to further its efforts in the development, and pursuit of funding for the Energy Infrastructure Bank.

Action Needed:

Approve the recommendation by the Authority and authorization to enter into an agreement therewith.

Staff Recommendation:

Staff recommends that the Board approve the Authority to enter into a membership agreement with the American Green Bank Consortium, along with a non-disclosure agreement.

Staff Contact:

Joe Boland/Mark Pauley

Background:

The American Green Bank Consortium (AGBC) is managed and administered by the Coalition for Green Capital, a Washington, DC-based 501(c)(3) non-profit corporation. The AGBC's purpose is to directly support the expansion of Green investment as a means to reduce greenhouse gas emissions and other air pollutants while supporting disadvantaged communities in an equitable carbon to clean transition.

AGBC members are state Green Banks and other institutions with similar goals and mandates. Members may include fully operational Green Banks; new Green Banks; nascent Green Banks (similar to the Authority); creation initiatives led by states, regions, tribes or municipalities; Community Development Finance Institutions; credit unions; loan or investment funds; specialty finance companies; and others.

Membership in the AGBC will enable the Authority to be on track and to stay up to date on the latest information and potential sources of funding for Missouri's Energy Infrastructure Bank. Additionally, the Coalition for Green Capital is well situated to be one of a few recipients to receive funding from the \$20 billion allotment of the Greenhouse Gas Reduction Fund which can then potentially be awarded to members of the consortium. This funding will have

greater flexibility in uses versus the initial \$7 billion allotment, which is limited to rooftop solar for low-income and disadvantaged communities.

Attached is the Membership Agreement and Non-Disclosure Agreement, both of which have been vetted by the General Counsel to the Authority.

MP:ge

Attachments

American Green Bank Consortium Membership Terms and Conditions

1. Introduction and Purpose

The American Green Bank Consortium (AGBC) is managed and administered by the Coalition for Green Capital, a Washington, DC-based 501(c)(3) non-profit corporation. The AGBC's purpose is to directly support the expansion of Green investment as a means to reduce GHG emissions and other air pollutants while supporting disadvantaged communities in an equitable carbon to clean transition. The AGBC provides services, raises capital, seeks funding from all available sources (including federal grants), offers technical assistance, and helps deploy financing through collaboration with existing Green Banks and other institutions. This set of activities is intended to allow green finance institutions to capture the full value and scale of the Green Bank movement. The AGBC also facilitates rapid formation of new Green Banks and supports existing institutions as they look to begin or grow green lending practices by utilizing the know-how, support services, and capital available to the AGBC.

2. Background

The shared understandings upon which the AGBC exists are that:

- Financing can be a powerful tool for maximizing overall investment in clean energy deployment and ensuring that its benefits are shared in all communities;
- Green Banks were created in order to provide financing to environmentally and socially beneficial projects that could not obtain financing from other lenders;
- Low-to-moderate income communities, environmental justice communities, and otherwise underserved communities are in particular need of additional financing options and other forms of investment for these projects;
- Green Banks have been formed and are successfully operating across the United States and around the world, demonstrating how focused institutions with dedicated capital can pair public and private capital in innovative structures that catalyze private investment and equitable clean energy market growth;
- An increasing set of community-focused organizations, including Community Development Finance Institutions (CDFIs), loan funds, credit unions, nonprofits, tribal consortiums, specialty finance companies, relevant membership organizations, impact investors, foundations, venture capital funds, and others are interested in initiating or growing their levels of clean energy investment, and have the potential to expand certain clean energy finance markets through their involvement;
- Public and quasi-public organizations at the State, tribal, county, and municipal levels are committed to implementing new strategies and seeking out new sources of capital for reducing GHG emissions while supporting underserved communities and an equitable carbon to clean transition;
- Private actors such as developers, capital providers, and technology companies have expressed a desire to work through the broader set of green finance institutions in order to act with greater scale;

- A growing number of states, regions and municipalities have expressed a desire or are actively pursuing the creation of their own local Green Banks or working to support existing green finance institutions in new ways to increase clean energy investment in their markets;
- Existing, operational Green Banks and other green finance institutions have a vast amount of operational experience, knowledge and capital relationships, which can be leveraged to benefit the broader set of Green Bank actors;
- Existing Green Banks and other green finance institutions are actively considering ways to expand their own impact and support more clean energy investment, including by creating a national green bank;
- New and nascent Green Banks and other green finance institutions have sought direct operational support, technical assistance and the benefits of coordination with the broader set of Green Banks in order to more rapidly implement their own clean energy investment objectives and drive more clean energy deployment; and
- Financing can increase the deployment of emissions and pollution-reducing clean energy technology that can lower costs for energy users, increase energy reliability, and deliver other health and economic benefits to disadvantaged and low-to-moderate income communities.

3. Mission

The AGBC's mission is to:

- **Scale Green Lending and Investment** - Support the scaling and operation of existing Green Banks and other green financing institutions through direct consulting, services, advocacy, and sharing operational best practices.
- **Attract & Deploy Capital** - Attract new capital at scale from private, mission-driven, public, and philanthropic sources.
- **Product Design & Distribution** - Distribute existing or newly designed clean energy finance products and services.
- **Create New Green Banks** - Enable more rapid creation of new Green Banks with plug-and-play creation models to increase scale of the Green Bank "distribution system."
- **Advance an Equitable Transition** – Break down systemic inequities in financing by questioning business-as-usual practices, bring forward novel strategies for reaching undeserved communities, and continuously challenge ourselves and our members to do better.
- **Support Other Institutions as They Begin or Expand Green Lending and Investment** - Help existing institutions of all types that are interested in doing more green investment achieve those goals.
- **Harness the Force of Green Finance** - Create a more unified and interconnected movement of Green Banks and other green financial institutions to realize their full commercial and social collective force.

4. **Membership and Benefits**

AGBC members are Green Banks and other institutions with similar goals and mandates. Members may include fully operational Green Banks; new Green Banks; nascent Green Bank creation initiatives led by states, regions, tribes or municipalities; Community Development Finance Institutions; credit unions; loan or investment funds; specialty finance companies; and others.

Members enjoy the following benefits:

- Consultation and collaboration concerning the creation and operation of finance and lending activities dedicated generally to expanding green investment;
- Use of CGC's "Green Bank User's Manual" and other knowledge-building materials;
- Access to information provided by other AGBC members and knowledge sharing, subject to confidentiality requirements;
- Partnership with the AGBC to seek grants and other sources of funding to support the green bank movement, including through the creation of a national green bank;
- Invitation to at least two annual in-person or telephone meetings of AGBC members to discuss financing and other developments in the subject markets; and
- Raising the profiles of AGBC members through AGBC publications, activities, communications and resources acknowledging Member as a member of AGBC.

5. **Membership Obligations**

There are no fees associated with membership in the AGBC.

AGBC Members provide the following commitments to CGC and their fellow members of the AGBC:

- Member's personnel shall be made available for reasonable consultation about the Member's activities;
- Members will reasonably lend their expertise and experience to others;
- All information exchanged between the Member and the AGBC shall be managed in a manner appropriate for the information exchanged. All information identified as confidential, understood by the receiver as confidential, or customarily treated as confidential will be subject to the terms and conditions of a mutual non-disclosure agreement between each Member and CGC, the form of which is attached to this Membership Agreement as Attachment 1.
- Members shall make reasonable efforts to brand their activities as supported by AGBC.

The AGBC will actively work with Members to identify and develop additional products, services, operational support and capital that will support the entire AGBC Membership, including those that could be offered by a national green bank.

6. Term

Member's membership in the AGBC shall commence upon mutual acceptance of these Terms and Conditions and shall remain in effect until the earlier of: (i) expiration of the CGC's operation of the AGBC; (ii) such time as Member elects to voluntarily withdraw as a member upon written notice to CGC given at any time; or (iii) upon CGC's written notice to Member of its failure to materially comply with its obligations under these Terms and Conditions. Upon such termination, Member shall have no right to receive any further benefits of membership in the AGBC.

Member

Signature: _____
Name: _____
Title: _____
Organization: _____
Date: _____

Coalition for Green Capital

Signature: _____
Name: _____
Title: _____
Organization: _____
Date: _____

ATTACHMENT 1

[See attached form of CGC Mutual NDA]

Non-Disclosure Agreement

This Non-Disclosure Agreement ("Agreement") is by and between the entity identified below, ("Member"), and the Coalition for Green Capital, a District of Columbia nonprofit corporation ("CGC"), for itself and its Affiliates. In consideration of the receipt of certain Confidential Information (as defined below), Member and CGC (each, a "Party", together, the "Parties") agree to protect Confidential Information according to the terms of this Agreement.

1. **Confidential Information.** "Affiliate" means, with respect to any entity, any other entity that directly or indirectly controls, is controlled by or is under common control with that entity. "Confidential Information" means all nonpublic information disclosed by a Party (the "Discloser") under this Agreement relating to Discloser or disclosed by Discloser or its Affiliates to the receiving party, its Affiliates or agents of any of the foregoing (collectively, "Recipient") that is designated as confidential or that, given the nature of the information or the circumstances surrounding its disclosure, reasonably should be considered as confidential.

2. **Exclusions.** Confidential Information excludes information that (i) is or becomes publicly available without breach of this Agreement, (ii) can be shown by documentation to have been known to the Recipient at the time of its receipt from the Discloser, (iii) is disclosed to Recipient from any third party who did not acquire or disclose such information by a wrongful or tortious act, (iv) can be shown by documentation to have been independently developed by Recipient without reference to any Confidential Information, (v) is required to be disclosed by Member in accordance with applicable open meeting and "sunshine" laws, including, without limitation, Section 610.010 et seq. of the Revised Statutes of Missouri, as amended, or (vi) is disclosed by Member to another state or federal governmental body or entity in the normal course of carrying out its duties as a public instrumentality of the State of Missouri.

3. **Use of Confidential Information.** The Recipient will use the Confidential Information only for the purpose of and in connection with the Parties' business relationship. Except as provided in this Agreement, Recipient will not disclose Confidential Information to anyone without the Discloser's prior written consent. The Parties will take all reasonable measures to avoid disclosure, dissemination or unauthorized use of Confidential Information, including, at a minimum, those measures they take to protect their own confidential information of a similar nature.

4. **Recipient Personnel.** Recipient will restrict the possession, knowledge and use of Confidential Information to each of its employees and subcontractors who (i) has a need to know the Confidential Information, and (ii) is legally obligated to protect the Confidential Information to the same or greater degree as required under this Agreement. Recipient will ensure that its employees, subcontractors, subsidiaries, and affiliates comply with this Agreement.

5. Intentionally omitted.

6. **Ownership of Confidential Information.** All Confidential Information will remain the exclusive property of the Discloser. The Discloser's disclosure of Confidential Information will not constitute an express or implied grant to Recipient of any rights to or under Discloser's patents, copyrights, trade secrets, trademarks or other intellectual property rights. Recipient will not use any trade name, trademark, logo or any other proprietary rights of the Discloser (or any of its affiliates) in any manner without prior written authorization of such use by the Discloser.

7. **No Representation or Warranty.** Each Discloser warrants that it has the right to disclose Confidential Information, but makes no

representation or warranty regarding the accuracy or completeness of the Confidential Information.

8. **Notice of Unauthorized Use.** Recipient will notify Discloser immediately upon discovery of any unauthorized use or disclosure of Confidential Information or any other breach of this Agreement. Recipient will cooperate with Discloser in every reasonable way to help Discloser to regain possession of such Confidential Information and prevent its further unauthorized use and disclosure.

9. **Return of Confidential Information.** Recipient will return or destroy all tangible materials embodying Confidential Information (in any form and including, without limitation, all summaries, copies and excerpts of Confidential Information) promptly following Discloser's written request.

10. **Injunctive Relief.** Each Party acknowledges that injury for improper disclosure of Confidential Information may be irreparable; therefore, the injured Party is entitled to seek equitable relief, including a temporary restraining order, a temporary injunction, and a preliminary injunction without the posting of any bond or other security, in addition to all other rights and remedies available at law or in equity. The obligations and duties imposed by this Agreement with respect to any Confidential Information may be enforced by the Discloser of such Confidential Information against any and all Recipients of such Confidential Information.

11. **Scope; Termination.** This Agreement covers Confidential Information received by Recipient prior and subsequent to the date hereof. This Agreement is effective as of the date Confidential Information is first received and will continue for 3 years, after which it automatically renews unless either party terminates this Agreement by providing at least 90 days prior written notice to the other party, provided, that Recipient's obligations with respect to Confidential Information will survive for 5 years following termination of this Agreement, and Sections 6, 10, 11, and 12 will survive indefinitely and the confidentiality obligations of this Agreement will continue to apply to the Confidential Information for as long as the information continues to constitute a trade secret or does not otherwise fall within an exclusion described in Section 2.

12. **Miscellaneous.** This Agreement constitutes the entire agreement between the Parties relating to the matters discussed herein and may be amended, modified, or waived only with the mutual written consent of the Parties. Neither Party may assign this Agreement without the other Party's written consent. If a provision of this Agreement is held invalid under applicable law, such invalidity will not affect any other provision of this Agreement that can be given effect. This Agreement will be governed by internal laws of the District of Columbia, without reference to its choice of law rules. Exclusive jurisdiction over and venue of any suit arising out of or relating to this Agreement will be in the courts in the District of Columbia, and each of the parties hereto consents to the personal jurisdiction of, and venue in, those courts. All notices hereunder will be in writing and will be sent by overnight courier, email, or certified mail. Notices to the Parties will be delivered to their respective address set forth below. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes.

MEMBER: State Environmental Improvement and Energy Resources Authority

By: _____
Name: Caleb Arthur / Joseph Boland
Title: Chairman / Director
Address: 425 Madison Street, 2nd Floor
City, State, ZIP: Jefferson City, Missouri
Email: joe.boland@eiera.mo.gov

COALITION FOR GREEN CAPITAL

By: _____
Name: _____
Title: _____
Address: 1201 Connecticut Avenue, Suite 511
City, State, ZIP: Washington, D.C., 20036
Email: _____

State Environmental Improvement and Energy Resources Authority
358th Board Meeting
April 18, 2023

Agenda Item #7
SUMMARY OF ENERGY PROJECT PROPOSALS RECEIVED

Issue:

The Authority received seven responses to the RFP for Energy Infrastructure Projects, which was issued in December 2022 and closed February 28, 2023.

Action Needed:

No action needed.

Staff Recommendation:

No action needed.

Staff Contact:

Joe Boland/Mark Pauley

Background:

For the state of Missouri to be better prepared to compete for the IRA Greenhouse Gas Reduction Funds coming available, the Authority and MDNR-DE issued a Request for Proposals (RFP) to generate an inventory of potential projects. The RFP was intended to provide a better understanding of the number, size and type of projects that are currently seeking assistance and could be better served through the Energy Bank.

Below is summary of each response received.

1. **Enervue** – Enervue is proposing to run a statewide energy efficient consumer product financing program in partnership with EIARA. Customers can purchase energy efficient appliances and HVAC systems outright or they can finance them with an expedited process. This proposal requests an unspecified amount of funding to create a loan loss reserve to cover 90% of eligible losses on consumer loans and a 15% contribution amount on each enrolled loan.
2. **Old Missouri Bank** – This proposal is seeking \$100 million to provide subsidized financing to low income and disadvantaged community residents for the purchase and installation of rooftop solar. The Authority would provide low cost capital and Old Missouri Bank would provide the underwriting and loan processing services.

3. **Missouri Public Utility Alliance – Missouri Electric Commission (MPUA-MEC)**
This was a broad ranging proposal that focused on the development of a centralized mechanism to fund energy projects for their 70+ associated member utilities. The three main areas emphasized were; (1) small utility distribution hardening/resiliency; (2) modernizing small utility technology and communications networks; and (3) small utility smart grid applications and advanced metering infrastructure (AMI). A specific funding amount was not requested.
4. **St. James Winery** – This proposal requests \$245,000 to pay for energy efficiency upgrades and \$815,000 for the installation of solar arrays to produce carbon-free energy for the winery facilities and other projects to make the campus a model of energy sustainability.
5. **Building Energy Exchange** – This was a joint proposal submitted by the Kansas City and St. Louis Building Energy Exchanges. There was not a defined project proposed but more of a conceptual possibility of partnering with them as they identify and educate building owners about energy efficiency and low cost financing to upgrade existing, older building stock. No specific amount of funding was requested.
6. **Show Me Solar** – This proposal provided a very general summary of the need for renewable energy in the state, citing the Stanford Solutions Project. It also outlined the need for retrofitting buildings to withstand earthquake damage that could be caused as a result of seismic activity related to the New Madrid Fault. Project requested \$131,250 to complete all services. However these “services” were not detailed and there is no specific outline of project objectives.
7. **Ryan Kneedler** – This was a proposal to develop and market a used fishing line collection box that can be attached to one’s fishing gear. There appears to be no relevance to the Energy Infrastructure Bank.

To date, none of the funding outlined in the IRA has been made available through the federal agencies yet; however, the responses received can be used to supplement our request for funding when the time to submit an application does arrive.

We have been in contact with each of the respondents and will keep the lines of communication open for when additional information becomes available.

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