

**MINUTES OF THE MEETING
OF THE EXECUTIVE COUNCIL OF THE STATE OF MINNESOTA
September 12, 2017
Minnesota State Capitol, Room G23 Senate Conference Room
Saint Paul, MN**

In attendance Governor Mark Dayton
 Lt. Governor Tina Smith
 Secretary of State Steve Simon
 Attorney General Lori Swanson
 State Auditor Rebecca Otto
 Commissioner of Administration Matt Massman

The meeting was called to order at 10:00 a.m. by Governor Mark Dayton. Governor Dayton moved to approve the May 31 and June 19, 2017 meeting minutes. State Auditor Otto requested the June 19 minutes be changed to reflect her vote as aye on the Master Lease Agreement Amending Leases Formerly Held by Essar Steel Minnesota, LLC. With the change, State Auditor Otto moved to approve the minutes of May 31 and June 19, 2017, and the minutes were unanimously approved.

MINNESOTA MANAGEMENT AND BUDGET

Susan Gurrola, program coordinator for Debt Management, presented two items before the Council as follows:

Approval of Collateral for State Funds as required by Minn. Stat., Sec. 9.031, section 3a.

- Attorney General Swanson made a motion to accept the request to approve collateral for state funds, State Auditor Otto seconded, and the motion was unanimously approved.

Approval of Refunding Bonds as required by Minn. Stat., 16A.66, subd. 1.

Governor Dayton questioned if the Executive Council is required to approve or consider the approval. Christie Eller, Deputy Attorney General, noted the statute requires the Executive Council to approve the issuance of refunding bonds before the State can issue such bonds.

- Governor Dayton called for a motion. Secretary of State Simon moved to approve Refunding Bonds as required by Minn. Stat., 16A.66, subd.1 and the motion was unanimously approved.

DEPARTMENT OF NATURAL RESOURCES

Tom Landwehr, Commissioner of the Department of Natural Resources, presented the Request to Approve Issuance of State Non-ferrous Metallic Mineral Leases as required by Minn. Stat. sec. 93.25, subd.1 and 2.

He asked the Executive Council to approve 284 non-ferrous metallic minerals leases to be issued as a result of bidding at public sale on June 9, 2017. Mr. Landwehr referenced key points in the meeting materials and pointed to Exhibit a.1., the detailed map that outlines the counties and land parcels and provided a detailed overview of the request.

Governor Dayton asked if the county boards were engaged; whether the boards had questions, and which watersheds are affected. Jess Richards, Director of Land and Minerals, indicated the

Department of Natural Resources hosts briefings with each county board and provides information and did so with no questions raised. Mr. Richards said there are various watersheds impacted however none are connect to Voyagers National Park or the Boundary Waters Canoe Area. Governor Dayton inquired about impact to the Superior National Forest. Commissioner Landwehr noted none of these lands are located in the Superior National Forest.

Governor Dayton asked if anyone wishes to speak on this matter. Several members of the audience responded as follows:

Dan Arnosti from the Izaak Walton League thanked the Governor for improving the public information dissemination process. Mr. Arnosti asked the Executive Council to suspend the issuance until a complete environmental study be conducted on the impact. Mr. Arnosti indicated the Environmental Quality Board Rules allow for a Generic Environmental Impact Statement (GEIS) and encouraged the Executive Council to make the request. Secretary Simon asked if his position would be different if the minerals were ferrous as opposed to mineral. Mr. Arnosti said his organization has not taken a position on ferrous mining. State Auditor Otto encouraged the Executive Council to consider a GEIS.

Bernard Booth, Togo area property owner, received a letter in mid-June that leasing is being sold and expressed concern. Skip Shiplebecker, Togo property owner also expressed concern. Kailey Hedbloom, daughter of Togo property owners, expressed concern for her aging parents. Joe Arger, near Togo property owner, asked a question regarding surface rights versus mineral rights and Jess Richards explained. Governor Dayton stated he will make a request that the Executive Council exclude the above-named property owners in today's vote.

- State Auditor Otto made a motion as follows: Not approve leases today, to suspend them, and to let the Environmental Quality Board know the Executive Council would like them to consider a GEIS. Executive Secretary Matt Massman conducted a roll call on the motion is as follows: Lt. Governor Smith, no. Secretary of State Simon, no. Governor Dayton, no. Attorney General Swanson, no. State Auditor Otto, yes. Motion did not prevail.
- Governor Dayton called for a motion to amend the resolution to exclude the three private properties of those who testified today. Executive Secretary Massman conducted a roll call on the motion is as follows: Governor Dayton, yes. Lt. Governor Smith, yes. Secretary of State Simon, yes. Attorney General Swanson, yes. State Auditor Otto, no. Motion prevailed.
- Governor Dayton called for a motion to approve Issuance of State Non-ferrous Metallic Mineral Leases as required by Minn. Stat. sec. 93.25, subd.1 and 2 ~~in~~ excluding the three private properties of those who testified today. Executive Secretary Massman conducted a roll call of the motion as follows: Governor Dayton, aye. Lt. Governor Smith, aye. Secretary Simon, aye. Attorney General Swanson, aye. State Auditor Otto, nay. The Motion prevailed.

Meeting was adjourned by Governor Dayton at 10:55 am.