

MN PUBLIC FACILITIES AUTHORITY

BOARD MEETING - Minutes

Teams Video/Teleconference

October 11, 2024, at 9:00am

MEMBERS and DELEGATES PRESENT:

Kevin McKinnon, Chair, Department of Employment and Economic Development

Matt Varilek, Department of Employment and Economic Development

Dana Vanderbosch, Pollution Control Agency

Myra Kunas, Department of Health

Samuel Brown, Department of Transportation

Andrea Vaubel, Department of Agriculture

Also present:

Jeff Freeman, Executive Director MPFA

Karin Berkholtz, Deputy Director MPFA

Steve Walter, Chief Financial Officer MPFA

Chad Kolstad, MDH

Corey Mathisen, MDH

Todd Johnson, MDH

Bill Dunn, MPCA

Pam Foster, MPCA

Kyle Colvin, Met Council

Melissa Ralph, MPFA

Jennie Brown, MPFA

Angela Berrens, MPFA

Drew Brooksbank, MPFA

Peter Bradshaw, MPFA

Laney Barhaugh, MNIT/MPFA

I. CALL TO ORDER:

Chair McKinnon called the meeting of the Public Facilities Authority to order on October 11, 2024, at 9:02am and stated: "I now call the meeting of the Minnesota Public Facilities Authority to order. As Chair of the Minnesota Public Facilities Authority this meeting is being held in person and by electronic means in accordance with Minnesota Statutes, Chapter 13D. As is permitted under the Open Meeting Law, this meeting of the Minnesota Public Facilities Authority is being conducted over Audio Video Conferencing, and all votes will be counted with roll call. I will ask Jennie to call roll after every agenda item including agenda, minutes, each resolution, and adjournment."

Roll call taken; present: DEED; MPCA; MDH; MDOT

Absent: MDA; MMB

A quorum was established.

II. APPROVAL OF AGENDA

Chair McKinnon called for a motion to approve the agenda. Motion made by Dana Vanderbosch seconded by Andrea Vaubel.

Roll call taken; present: DEED; MPCA; MDA; MDH; MDOT
Voting No: none
Absent: MMB

Approval of the agenda passed unanimously.

III. APPROVAL OF JUNE 20, 2024, MINUTES

Chair McKinnon called for a motion to approve the minutes from the June 20, 2024, meeting. Motion made by Myra Kunas, seconded by Samuel Brown.

Roll call taken; present: DEED; MPCA; MDA; MDH; MDOT
Voting No: none
Absent: MMB

Approval of the June 20, 2024, Meeting minutes passed unanimously.

IV. 2025 INTENDED USE PLAN – CLEAN WATER REVOLVING FUND

Jeff Freeman, MPFA Executive Director, provided an overview of the draft 2025 Clean Water Revolving Fund Intended Use Plan (IUP) and the approval process. Jeff also summarized the process of preparing the IUP and reviewed the draft 2025 IUP which includes 55 carryover projects totaling \$366 million listed in Part A in the fundable range. Jeff noted that Part B of the IUP lists 45 new projects totaling \$361 million ranked within the historic fundable range of 40 or more. Due to the Legislature's failure to pass a 2024 bonding bill with state match funds, Part B projects are not included in the fundable range at this time. If appropriations for state match are received, with board approval the MPFA could amend the 2025 IUP to set a fundable range for new Part B projects.

Board Member Dana Vanderbosch spoke of her frustration and disappointment of an unpassed bonding bill and the severe effects on several communities across the state.

Steve Walter, MPFA Chief Financial Officer, also wanted to add to Dana's comment, much like the State Revolving Fund (SRF) program, the lack of bonding bill also effects the state grant funded appropriations such as Wastewater Infrastructure (WIF) and Point Source Implementation Grant (PSIG).

Steve walked Board Members through the CWRF capacity model confirming the CWRF has loan capacity to fund all the fundable range projects and showing how future sustainable capacity would be affected.

Chair McKinnon entertained a motion to approve Resolution 2024-05. Motion made by Dana Vanderbosch, seconded by Myra Kunas.

Roll call taken; present: DEED; MPCA; MDA; MDH; MDOT
Voting No: none
Absent: MMB

Approval of Resolution 2024-05 passed unanimously.

V. 2025 INTENDED USE PLAN – DRINKING WATER REVOLVING FUND

Jeff gave a quick overview of the draft 2025 Drinking Water Revolving Fund Intended Use Plan (IUP) and the approval process. Jeff also summarized the process of preparing the IUP and reviewed the draft 2025 IUP. Fundable range includes carryover projects in Part A, new emerging contaminant projects in Part B1, and all lead service line replacement projects (carryover and new). As with the Clean Water IUP, regular new projects are not listed as fundable at this time due to the lack of a 2024 bonding bill with state match funds.

Steve reviewed the DWRF capacity model for drinking water lending which confirms the DWRF has capacity to fund all the fundable range projects and shows how future sustainable capacity would be affected.

Chair McKinnon entertained a motion to approve Resolution 2024-06. Motion made by Andrea Vaubel, seconded by Dana Vanderbosch.

Roll call taken; present: DEED; MPCA; MDA; MDH; MDOT

Voting No: none

Absent: MMB

Approval of Resolution 2024-06 passed unanimously.

VI. LEAD SERVICE LINE REPLACEMENT PROGRAM

Karin Berkholtz, MPFA Deputy Director, stated the MPFA is required to submit a legislative report on the Lead Service Line Replacement Program (LSLR) by September 15 of each year. Karin quickly reviewed the report with board members.

Karin extended kudos to MDH and MPFA staff on their efforts to get this program up and running.

Roll call taken; present: DEED; MPCA; MDA; MDH; MDOT

Absent: MMB

VII. TRANSITION PLANNING

Karin briefly talked about the increased number of projects and program funding requests in recent years resulting in the need to add program staff along with a communications and outreach support position and mentioned the imminent retirements of long-time staff, Becky Sabie, and Jeff Freeman. Steve discussed the need to add another fiscal position along with the recent addition of a Minnesota IT Services (MNIT) IT Project Manager to facilitate development of a new loan, grant, and general data management system. Over the coming months, the MPFA will navigate many layers of change simultaneously. Statutory process to appoint a new Executive Director with concurrence by the full board; hiring actions to build and sustain staff capacity, and IT solutions to modernize and work smarter, not harder.

Kevin spoke of his long working relationship with Becky and Jeff and stated, “you will not find others as dedicated to this service as the two of them”.

Roll call taken; present: DEED; MPCA; MDA; MDH; MDOT

Absent: MMB

VIII. NEXT MEETING

The next MPFA Board meeting is expected to be in December to review the MPFA's 2024 independent audit report, amendment administrative budget, and review of draft reports to the Governor and Legislature.

Roll call taken; present: DEED; MPCA; MDA; MDH; MDOT
Absent: MMB

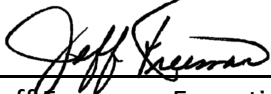
IX. ADJOURN

Chair McKinnon called for a motion to adjourn. Motion made by Myra Kunas, seconded by Dana Vanderbosch.

Roll call taken; present: DEED; MPCA; MDA; MDH; MDOT
Absent: MMB

The meeting adjourned at approximately 10:05 am.

Respectfully Submitted,



Jeff Freeman, Executive Director
Minnesota Public Facilities Authority