

Minnesota Public Facilities Authority

BOARD MEETING – Minutes

Teams Video

June 11, 2026, at 10:00 AM

MEMBERS AND DELEGATES PRESENT:

Kevin McKinnon, Chair, Department of Employment and Economic Development
Jennifer Hassemer, Minnesota Management and Budget
Myra Kunas, Minnesota Department of Health
Dana Vanderbosch, Minnesota Pollution Control Agency
Samuel Brown, Department of Transportation

ALSO PRESENT:

Chad Kolstad, Acting Executive Director MPFA
Melissa Ralph, Chief Financial Officer MPFA
Mary Jane Schultz, MPFA
Angela Berrens, MPFA
Melissa Wilwert, MPFA
Paul Perez, MPFA
Tee Reh, MPFA
Drew Brooksbank, MPFA
Laney Barhaugh, MPFA

Todd Johnson, MDH
Robert Smude, MDH
Pam Foster, MPCA
Gabriel Posteuca, MPCA
Benjamin Carlson-Stehlin, MPCA
Kyle Colvin, Met Council
Olivia Kloster, MN Senate

CALL TO ORDER:

Chair McKinnon called the meeting of the Public Facilities Authority to order on June 11th, 2026, at 10:00 am 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 Melissa to call roll after every agenda item including agenda, minutes, each resolution, and adjournment."

Roll call taken: DEED; MMB; MDH; PCA; DOT

Absent: MDA

A quorum was established.

APPROVAL OF NOVEMBER 12, 2025 MEETING MINUTES

Chair McKinnon called a motion to approve the minutes of the November 12, 2025, meeting. Motion made by Myra Kunas, seconded by Samuel Brown.

Roll call taken: DEED; MMB; MDH; PCA; DOT

Voting No: None

Absent: MDA

Approval of November 12, 2025, Meeting Minutes passed unanimously.

AUDIT REVIEW

Melissa Ralph and Christopher Knopik of CLA presented the fiscal year 2025 audit results.

The board was informed that MPFA received an unmodified (clean) audit opinion with no material weaknesses, internal control findings, or federal compliance findings. Auditors noted continued growth in program activity, with loan and grant approvals increasing significantly over the past three years.

CLA also reviewed upcoming Governmental Accounting Standards Board (GASB) requirements that will affect future financial reporting and disclosures. These changes are primarily reporting-related and are not expected to significantly impact operations.

Board members expressed appreciation for staff's continued commitment to strong financial management and internal controls.

FY 2027 ADMINISTRATIVE BUDGET AND INTERAGENCY AGREEMENTS

Interim Executive Director Chad Kolstad presented the proposed FY2027 administrative budget and interagency agreements. The budget supports MPFA operations, staffing, office relocation expenses, technology improvements, and administrative functions performed by MPCA and MDH staff.

Kolstad reported that program growth continues to increase staffing needs. MPFA is actively recruiting additional loan officers, accounting staff, and administrative support personnel. The board discussed balancing current staffing needs with long-term funding sustainability as federal Infrastructure Investment and Jobs Act (IIJA) funding decreases in future years.

Chair McKinnon called a motion to approve Resolution #2026-01

Motion made by Jennifer Hassemer, seconded by Dana Vanderbosch.

Roll call taken: DEED; MMB; MDH; PCA; DOT

Voting No: None

Absent: MDA

Approval of Resolution #2026-01 passed unanimously.

FY 2027 DELEGATION OF SIGNATURE AUTHORITY

Kolstad presented the annual delegation of signature authority resolution, which authorizes the Chair, Vice Chair, and Executive Director to execute project financing and program agreements on behalf of MPFA.

Chair McKinnon called a motion to approve Resolution #2026-02

Motion made by Myra Kunas, seconded by Dana Vanderbosch.

Roll call taken: DEED; MMB; MDH; PCA; DOT

Voting No: None

Absent: MDA

Approval of Resolution #2026-02 passed unanimously.

2026 LEGISLATIVE REVIEW AND PREPARATION FOR 2027

Kolstad provided an overview of the 2026 legislative session. He reported that the legislature appropriated \$19 million for State Revolving Fund matching funds, \$30 million for the Point Source Implementation Grant Program, \$56 million for the Water Infrastructure Fund, and \$15 million for lead service line replacement. The legislature also approved 69 direct appropriations totaling approximately \$283 million for local water infrastructure projects.

Additional legislative changes expanded eligibility under the Drinking Water Contamination Grant Program, increased the Credit Enhancement Program limit from \$1 billion to \$1.5 billion, and modified statutory provisions related to lead service line replacement funding.

Kolstad noted that implementation of the direct appropriations and continued funding for lead service line replacement will be major priorities moving forward.

Chair McKinnon called a motion to approve Resolution #2026-03

Motion made by Dana Vanderbosch, seconded by Myra Kunas.

Roll call taken: DEED; MMB; MDH; PCA; DOT

Voting No: None

Absent: MDA

Approval of Resolution #2026-03 passed unanimously.

Kolstad presented proposed statutory changes intended to strengthen MPFA's long-term administrative funding. The proposal would authorize application fees for legislatively directed appropriations, while exempting disadvantaged communities, and increase the Credit Enhancement Program application fee from \$500 to \$1,000.

Board members expressed support for ensuring sufficient administrative resources to manage growing program responsibilities and long-term project oversight.

Chair McKinnon called a motion to approve Resolution #2026-04

Motion made by Jennifer Hassemer, seconded by Myra Kunas.

Roll call taken: DEED; MMB; MDH; PCA; DOT

Voting No: None

Absent: MDA

Approval of Resolution #2026-04 passed unanimously.

NEXT BOARD MEETING

Chair McKinnon acknowledged the contributions of Interim Executive Director Chad Kolstad, Melissa Ralph, and MPFA staff during the leadership transition and legislative session. He noted that recruitment for a permanent Executive Director is underway and that interviews are expected to begin following the July 4 holiday.

Board members recognized the strong collaboration among MPFA, MDH, MPCA, DEED, and other partner agencies throughout the transition period. Members commended staff for maintaining operations, supporting legislative efforts, and continuing to deliver program services effectively.

Kolstad reported that MPFA recently completed its Intended Use Plan application cycle using a new online application process. More than 600 funding requests were received, and staff are reviewing submissions in preparation for development of the draft Intended Use Plan.

The next board meeting is expected to be held in September 2026 to consider approval of the draft Intended Use Plan.

Roll call taken: DEED; MDH; PCA; DOT

Absent: MMB; MDA

ADJOURN

Chair McKinnon called for a motion to adjourn. Motion made by Myra Kunas and seconded by Jennifer Hassemer.

Roll call taken: DEED; MMB; MDH; PCA; DOT

Absent: MDA

The meeting adjourned at approximately 11:16am.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Chad Kolstad".

Chad Kolstad, Acting Executive Director
Minnesota Public Facilities Authority