

MN PUBLIC FACILITIES AUTHORITY

BOARD MEETING - Minutes

Teams Video/Tele-conference

June 20, 2024 @ 10am

MEMBERS and DELEGATES PRESENT:

Kevin McKinnon, Chair, Department of Employment and Economic Development

Dana Vanderbosch, Pollution Control Agency

Myra Kunas, Department of Health

Samuel Brown, Department of Transportation

Also present:

Jeff Freeman, Executive Director PFA

Karin Berkholtz, Deputy Director PFA

Chad Kolstad, MDH

Corey Mathisen, MDH

Randy Thorson, PCA

Bill Dunn, PCA

Gabriel Posteuca, PCA

Pam Foster, PCA

Kyle Colvin, Met Council

Cory McCullough, Met Council

Mary Jane Schultz, PFA

Kathe Barrett, PFA

Melissa Ralph, PFA

Jennie Brown, PFA

Angela Berrens, PFA

Drew Brooksbank, PFA

Amanda Sowada, PFA

I. CALL TO ORDER:

Chair McKinnon called the meeting of the Public Facilities Authority to order on June 20, 2024 at 10:05am and stated: "I now call the meeting of the Minnesota Public Facilities Authority to order as Chair. As the Chair of the Minnesota Public Facilities Authority, I determined that an in-person meeting was not practical because of the current health pandemic declared under Chapter 12 of Minnesota Statutes. As is permitted under the Open Meeting Law in these conditions, 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 Amanda Sowada 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 Myra Kunas.

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

Voting No: none

Absent: MDA; MMB

Approval of the agenda passed unanimously.

III. APPROVAL OF JANUARY 23, 2024, MINUTES

Chair McKinnon called for a motion to approve the minutes from the January 23, 2024, meeting. Motion made by Myra Kunas, seconded by Sam Brown.

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

Voting No: none

Absent: MDA; MMB

Approval of the January 23, 2024, Meeting minutes passed unanimously.

IV. 2024 LEGISLATIVE REVIEW AND PREPARATION FOR 2025

Jeff explained that the proposed Resolution 2024-01 approves the PFA's FY 2025 budget and authorizes the Executive Director to prepare and execute Interagency Agreements with the PCA, MDH, DEED, MHFA, and other contracts, purchase orders, and agreements necessary and appropriate to manage and implement the funds and programs of the Authority and to prepare Clean Water Fund requests for the FY 2026-2027 biennial budget in the amounts of \$22,000,000 for the Point Source Implementation Grant program and \$200,000 for the Small Community Wastewater Treatment program.

Chair McKinnon entertained a motion to approve Resolution 2024-01. Motion made by Dana Vanderbosch, seconded by Myra Kunas.

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

Voting No: none

Absent: MDA; MMB

Approval of Resolution 2024-01 passed unanimously.

V. FY 2025 ADMINISTRATIVE BUDGET AND INTERAGENCY AGREEMENTS

Jeff explained that the proposed Resolution 2024-02 approves the Authority's administrative budget for FY 2025 is hereby approved in the total amount of \$2,760,000. The Executive Director is authorized to make line-item changes during the year as may be necessary within the overall budget; and is authorized to prepare and execute on behalf of the Authority interagency agreements for FY 2025 program administration expenses with the Pollution Control Agency in the amount of \$2,643,730 and the Department of Health in the total amount of \$3,194,520. The Executive Director is authorized to prepare and execute on behalf of the Authority a FY 2025 interagency agreement with the Department of Employment and Economic Development for administrative and technical services to support Authority staff and operations. The Executive Director is authorized to prepare and execute on behalf of the Authority a FY 2025 interagency agreement with the Housing Finance Agency for professional/technical services provided by Paula Rindels; and is authorized to sign contracts, purchase orders, and other agreements necessary and appropriate to manage and implement the funds and programs of the Authority and maintain compliance with state and federal program requirements, securities and tax laws and regulations.

Chair McKinnon asked Jeff to talk about the long-term sustainability regarding the budget and the staffing pattern supporting it. Jeff responded by stating the importance for all three agencies to start planning for what happens to administrative funding after the IJJA funding ends in three more years. Federal base capitalization grants (with a 4% admin set-aside from year 2 IJJA funds) will hopefully continue after that, but the base cap grant amounts are very uncertain given that they have declined by over 50% in the past three years due to congressional earmarks. PFA staff will prepare projections of fee revenues and estimates of federal set-asides for future budget planning discussions with our partner agencies.

Myra Kunas then asked Jeff to explain how much of the 4% set asides allowed for administrative purposes will the Authority be using and what for. Jeff explained that the full 4% from the Drinking water side of year 2 IJJA funds will be used between Lead Service Line and Emerging Contaminants.

Chair McKinnon entertained a motion to approve Resolution 2024-02. Motion made by Myra Kunas, seconded by Sam Brown.

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

Voting No: none

Absent: MDA; MMB

Approval of Resolution 2024-02 passed unanimously.

VI. DELEGATION OF SIGNATURE AUTHORITY FOR PROJECT AGREEMENTS

Karin explained that the proposed Resolution 2024-03 authorizes the Chair or, in his absence, the Vice-Chair to approve and sign project financing agreements for the WIF, PSIG, and the Small Community Wastewater Treatment program for eligible projects that are certified by another department or agency under each program's statutory requirements and recommended for funding by the Executive Director. The Chair or, in his absence, the Vice-Chair is authorized to approve and sign financing agreements for individual capital projects to receive funds appropriated by the Legislature. In addition, notwithstanding Authority Resolution 2023-08, for lead service line replacement projects, the Chair or, in his absence, the Vice-Chair is authorized to approve and sign Master Loan (Bond

Purchase) and/or Grant Agreements that are recommended by the Executive Director, and the Executive Director is authorized to approve and sign Project Order Agreements for municipalities that have an executed Master Agreement and eligible projects that are certified by the Minnesota Department of Health. The Executive Director is authorized to approve and sign program agreements for eligible applicants under the Credit Enhancement Program. Chair McKinnon voiced his support of the LSL delegation being given to the Executive Director.

Chair McKinnon entertained a motion to approve Resolution 2024-03. Motion made by Dana Vanderbosch, seconded by Myra Kunas.

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

Voting No: none

Absent: MDA; MMB

Approval of Resolution 2024-03 passed unanimously.

VII. MPCA CLEAN WATER PARTNERSHIP PROGRAM INTERAGENCY AGREEMENT

Jeff explained that the proposed Resolution 2024-04 approves the Executive Director's authority to enter into an Interagency Agreement with the Minnesota Pollution Control Agency to increase the Clean Water Revolving Fund allocation to the Clean Water Partnership loan program by \$2,000,000.

Chair McKinnon entertained a motion to approve Resolution 2024-04. Motion made by Myra Kunas, seconded by Sam Brown.

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

Voting No: none

Absent: MDA; MMB

Approval of Resolution 2024-04 passed unanimously.

VIII. NEXT MEETING

The next PFA Board meeting is expected to be in early September, where the agenda will include review and approval of the draft 2025 Intended Use Plans (IUPs) for the Clean Water and Drinking Water Revolving Funds.

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

Absent: MDA; MMB


IX. ADJOURN

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

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

The meeting adjourned at approximately 10:47am.

Respectfully Submitted,



Jeff Freeman, Executive Director
Minnesota Public Facilities Authority