

SUBJECT

BOARD RESOLUTION NO. 22-376

Pertaining to an application to the Minnesota Public Facilities Authority for a loan to partially finance the replacement of private property lead services for a value of \$250,000.

BACKGROUND INFORMATION

In an effort to explore financing options for the replacement of lead water services in private property, Board staff has been in discussion with the Minnesota Public Facilities Authority (“MPFA”) which resulted in an opportunity to apply for a forgivable loan as a pass-through from the federal PFA Drinking Water Revolving Fund.

In order to encourage more lead water service replacements inside private property, and provide incentive with additional financial assistance, Board staff is requesting approval to make application to MPFA for a \$250,000 forgivable loan. The conditions of this loan require matching funds from the Board. Staff intends to have those matching funds financed through American Rescue Plan funds or other non-utility revenue sources. The total program funding will be \$500,000.

RECOMMENDATION

Board approval is recommended.