

SUBJECT

BOARD RESOLUTION NO. 24-1250

Providing for the issuance of a grant anticipation note in an original aggregate principal amount not to exceed \$7,500,000.

STRATEGIC PLAN GOALS: Quality Water

At its March 8, 2022 meeting, the Board of Water Commissioners directed staff to initiate a 10-year enhanced lead service line replacement plan (“Lead Free SPRWS”). Subsequently, SPRWS, initiated Lead Free SPRWS aimed at improving water quality and safety.

At its April 11, 2023 meeting, the Board directed staff to apply for funding from the Minnesota Public Facilities Authority (MNPFA) to finance the replacement of lead services, which was certified by the Minnesota Department of Health.

At its September 12, 2023 meeting, the Board accepted funding from the MNPFA totaling \$15,000,000 for Lead Free SPRWS, pending the execution of a Master Loan and Grant Agreement governing the financing of such funding.

At its July 9, 2024 meeting, the Board authorized the issuance of 0% interest Grant Anticipation Notes in an aggregate principal amount not to exceed \$7,500,000 to be sold in direct placement to the MNPFA to provide funding for Lead Free SPRWS Phase III.

With loan terms agreed upon by SPRWS staff, City staff, and the MNPFA, all that remains necessary to issue the Grant Anticipation Notes and execute the Master Loan and/or Grant Agreement is the adoption of this proposed Concurring Resolution approving the issuance and the agreement by the Board and the approval of a similar resolution by the Saint Paul City Council.

See attached Saint Paul City Council Resolution and the Master Loan and/or Grant Agreement between the Board and the Minnesota Public Facilities Authority.

RECOMMENDATION

Approval