

State of Minnesota
Lead Service Line Replacement Program
Master Loan (Bond Purchase) and/or Grant Agreement
Saint Paul_LSLR_00

This Master Loan (Bond Purchase) and/or Grant Agreement (“Master Contract”) is between the State of Minnesota, acting through its Chair of the Public Facilities Authority (“Authority”) and the City of Saint Paul (“Recipient”). The Authority and Recipient may be referred to jointly as “Parties.”

RECITALS

1. Pursuant to Minnesota Statutes § 446A.04, Subd. 6a: the Authority may make and contract to make loans and grants to eligible recipients to finance projects that the eligible recipient may construct or acquire. The Authority may acquire or contract to acquire notes and bonds issued by eligible recipients to finance those projects.
2. Pursuant to Minnesota Statutes §§ 446A.077 and 446A.081 the Authority is empowered to enter into this Master Contract and subsequent Project Orders to provide grants and zero percent loans to eligible recipients for eligible costs under the Authority’s Lead Service Line Replacement Program.
3. The Authority will issue a “Project Order” pursuant to this Master Contract to encumber specific loan and/or grant dollar amounts for each Project.
4. The Recipient represents that it is duly qualified and agrees to perform all services described in this Master Contract and all Project Orders to the satisfaction of the Authority. Pursuant to Minnesota Statutes § 16B.98, Subd. 1, the Recipient agrees to minimize administrative costs as a condition of this Master Contract. For this Master Contract, no administrative costs will be allowed without prior Authority approval.
5. The Recipient agrees to comply with the grants management policies and procedures created pursuant to Minnesota Statutes § 16B.97, Subd. 4(a)(1).
6. The Recipient acknowledges that payments by the Authority to the Recipient under this Master Contract may be made from federal funds obtained by the Authority through Section 1452 of the Safe Drinking Water Act as amended. The Recipient is responsible for complying with all federal requirements imposed from time to time on these funds and accepts full financial responsibility for any requirements imposed by the Recipient’s failure to comply with federal requirements. Exhibit A contains a not necessarily complete list of federal requirements.

DEFINITIONS

Defined Terms. As used in this Master Contract and each Project Order, each of the following terms will have the meaning set forth below after each term (each meaning to be equally applicable to both the singular and plural forms of the terms defined), unless the context specifically indicates otherwise:

“Act” means Minnesota Statutes, Chapter 446A, as amended.

“Authority” means the Minnesota Public Facilities Authority as created pursuant to the Act.

“Debt Grant” means a grant under a specific Project Order for Project Order Costs-Debt Service.

“Loan” means the portion of a specific Project Order paid out to the Recipient as a Loan under the Act that is evidenced by a Note and to be repaid by a Debt Grant.

“LSLR” means Lead Service Line Replacement.

“LSLR Substantial Completion Date” for a Project Order means the date the Recipient certifies to the MDH and the Authority, on a form prescribed by MDH, that no further Project Costs except Project Costs-Post Substantial Completion for the Project Order will be submitted.

“LSLR Program” means the program created pursuant to Minnesota Statutes §§ 446A.077 and 446A.081.

“Master Contract” means this Master Loan (Bond Purchase) and/or Grant Agreement, between the Authority and the Recipient as amended or supplemented by each Project Order for each Project that has been approved by the Authority for funding under the LSLR Program.

“MDH” means the Minnesota Department of Health.

“MDH Project Certification” means MDH’s approval to the Authority that all applicable technical requirements have been met in accordance with Minnesota Rules part 4720.9060, and includes the list of associated property addresses for lead service line replacement.

“Note” means each Taxable Grant Anticipation Revenue Note issued by a Recipient to the Authority, to evidence its obligation to repay the Loan from a specific Project Order, from proceeds of a Debt Grant from that same Project Order.

“Parties” means collectively the Authority and the Recipient.

“Project” means the LSLR activities spelled out under a specific Project Order.

“Project Costs” means eligible LSLR Program costs for a Project, within these categories:

1. “Project Costs-Construction” means costs related to construction activities, including but not limited to planning, design, and engineering, and site restoration, as described in Minnesota Statutes § 446A.077, Subd. 4(a)(1) and 4(a)(4).
2. “Project Costs-Debt Service” means the required debt service payments under a specific Project Order as pursuant to Minnesota Statutes § 446A.077, Subd. 4(a)(2) as required under the terms of the Note.
3. “Project Costs-Non-Construction” means costs under specific Project Orders related to providing information to residents on the benefits of removing lead service lines as pursuant to Minnesota Statutes § 446A.077, Subd. 4(a)(3) and other eligible non-

construction costs including but not limited to water testing and temporary lead abatement costs.

4. “Project Costs-Post Substantial Completion” means those Project Costs-Construction and Project Costs-Non-Construction incurred after the LSLR Substantial Completion Date.

“Project Grant” means a grant under a specific Project Order to reimburse the recipient for Project Order Costs-Construction and Project Order Costs-Non-Construction.

“Project Order” means a LSLR Program contract issued by the Authority to the Recipient pursuant to this Master Contract to:

- identify the scope of a Project (both budget and explicit property addresses),
- encumber dollar amounts for Project Costs,
- describe the Loan (if any) repayment terms,
- identify the Project Order Managers.

“Project Order Manager” means (i) for the Authority, the authorized representative(s) of the Authority identified in a Project Order, and (ii) for the Recipient, the authorized representative(s) of the Recipient identified in a Project Order.

“Recipient” means the City of Saint Paul.

“Recipient Resolution” means both (i) the resolution of the governing body of the Recipient authorizing the execution and delivery of this Master Contract, and (ii) a resolution of the governing body of the Recipient accepting a specific Project Order and authorizing the execution and delivery of a specific Project Order and providing for the issuance of the related Note and Loan for such Project related to such Project Order.

STANDARD TERMS AND CONDITIONS

1 Term of Master Contract

1.1 Effective date

September 3, 2024, or the date the Authority obtains all required signatures under Minnesota Statutes § 16C.05, Subd. 2, whichever is later. Per Minnesota Statutes § 16B.98, Subd. 7, no payments will be made to the Recipient until this Master Contract is fully executed.

1.2 Expiration date

June 30, 2033, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

1.3 Project Order Contracts

The term of work under Project Order contracts issued under this Master Contract may not extend beyond the expiration date of this Master Contract.

1.4 Survival of Terms

The following clauses survive the expiration or cancellation of this Master Contract: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 12.

Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15 Data Disclosure.

2 Recipient's Duties

The Recipient, who is not a state employee, will complete work under the LSLR Project as detailed in each Project Order issued pursuant to this Master Contract, in compliance with applicable federal and state laws, regulations or rules.

3 Time

The Recipient must comply with all the time requirements described in this Master Contract and each Project Order.

4 Consideration and Payments

4.1 Consideration

The Authority will pay for all services satisfactorily performed by the Recipient under each Project Order issued pursuant to this Master Contract as follows:

(a) Project Order disbursements

Each disbursement request and related invoice backup must be for a specific Project Order.

(b) Delivery of Note

If a Project Order includes a Loan, then no funds will be disbursed by the Authority to the Recipient until the Recipient has delivered its Note to the Authority for that Project Order.

(c) Reimbursement for Project Costs

(1) Construction

Reimbursement for costs related to Project Costs-Construction for each property address will be paid only after that property's LSLR has been fully completed including any publicly and privately owned portions.

(2) Non-Construction

Reimbursement for costs related to Project Costs-Non-Construction will be paid after the Authority approves the related disbursement request.

(3) Debt Service

The Debt Grant will be paid only after MDH and the Authority have accepted the Recipient's certification of the LSLR Substantial Completion Date for a Project Order, and arrangements are made for the Recipient to immediately pay to the Authority, upon receipt of the Debt Grant, the agreed upon amount to pay off the Loan.

(d) Total obligation of the Authority

Each Project Order will identify the total obligation of the Authority pursuant to that Project Order, detailing the portions of the total obligation for a) Project Costs-Construction, b) Project Costs-Non-Construction, and c) Project Costs-Debt Service.

4.2 Payment

All Recipient disbursement requests will be promptly paid after Authority approval and must be submitted on forms prescribed by the Authority and include all requested backup.

The Authority may withhold or disallow all or part of the amount requested if the Authority determines the request is not in compliance with this Master Contract and the applicable Project Order, and/or applicable federal and state laws, regulations or rules as then in effect.

4.3 State Contracting and Bidding Requirements

Pursuant to Minnesota Statutes § 471.345, grantees that are municipalities as defined in Subd. 1 must follow the law.

(a) For projects that include construction work of \$25,000 or more, prevailing wage rules apply pursuant to Minnesota Statutes §§ 177.41 through 177.44. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole.

(b) The grantee must not contract with vendors who are suspended or debarred in Minnesota:

<https://mn.gov/admin/osp/government/suspended-debarred/index2.jsp>

5 Conditions of Payment

All services provided by the Recipient under this Master Contract and each Project Order must be performed to the Authority's satisfaction, as determined at the sole discretion of the Authority's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Recipient will not receive payment for work found by the Authority to be unsatisfactory or performed in violation of federal, state, or local law.

6 Authorized Representatives and Project Order Managers

6.1 Authorized Representatives

The Authority's Authorized Representative is Drew Brooksbank, Loan Officer, 651-259-7131, drew.brooksbank@state.mn.us, or his/her successor, and has the responsibility to monitor the Recipient's performance and the authority to accept the services provided under this Master Contract. If the services are satisfactory, the Authority's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Recipient's Authorized Representative is Brent Marsolek, Principal Project Manager, 651-266-6810, brent.marsolek@ci.stpaul.mn.us. If the Recipient's Authorized Representative changes at any time during this Master Contract, the Recipient must immediately notify the Authority.

6.2 Project Order Managers

Project Order Managers will be identified in each Project Order.

The Authority's Project Order Manager will be the Authority's primary contact for the Project and will review disbursement requests.

The Recipient's Project Order Manager will be the individual authorized to sign off on disbursement requests. If the Recipient's Project Order Manager changes at any time during the Project Order contract, the Recipient must immediately notify the Authority.

7 Assignment Amendments, Waiver, and Master Contract Complete

7.1 Assignment

The Recipient shall not assign or transfer any rights or obligations under this Master Contract without the prior written consent of the Authority. The rights of the Authority may be approved by the same parties who executed and approved this Master Contract, or their successors in office.

7.2 Amendments

Any amendments to this Master Contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Master Contract, or their successors in office.

7.3 Waiver

If the Authority fails to enforce any provision of this Master Contract, that failure does not waive the provision or the Authority's right to enforce such provision in the future. Except where required by law, the Authority may waive any provision of this Master Contract or a Project Order in a writing signed by the Authority's Project Order Manager.

7.4 Contract Complete

This Master Contract and any Project Order contracts contain all negotiations and agreements between the Authority and the Recipient. No other understanding regarding this Master Contract and subsequent Project Order, whether written or oral, may be used to bind either party.

7.5 Nature of Project Orders

The Project Orders are supplements to this Master Contract. This Master Contract and the Project Orders shall be interpreted together. No other understanding regarding this Master Contract and subsequent Project Order, whether written or oral, may be used to bind either party.

8 Liability

Each party shall be responsible for its own acts and omissions and the results thereof to the extent authorized by law and shall not be responsible for the other party's acts and omissions and the results thereof. The Authority's liability is governed by the Minnesota Tort Claims Act, Minnesota Statutes § 3.736 and other applicable laws. The Recipient's liability shall be governed by the provisions of Minnesota Statutes, Chapter 466 or other applicable law.

9 State Audits

Under Minnesota Statutes § 16B.98, Subd. 8, the Recipient's books, records, documents, and accounting procedures and practices of the Recipient or other party relevant to this Master Contract or transaction are subject to examination by the Commissioner of Administration, by the Authority and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Master Contract, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

10 Government Data Practices and Intellectual Property Rights

10.1 Government Data Practices

The Recipient and Authority must comply with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, as it applies to all data provided by the Authority under this Master Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Recipient under this Master Contract. The civil remedies of Minnesota Statutes § 13.08 apply to the release of the data referred to in this clause by either the Recipient or the Authority. If the Recipient receives a request to release the data referred to in this Clause, the Recipient must immediately notify the Authority. The Authority will give the Recipient instructions concerning the release of the data to the requesting party before the data is released. The Recipient's response to the request shall comply with applicable law.

11 Workers Compensation

The Recipient certifies that it is in compliance with Minnesota Statutes § 176.181, Subd. 2, pertaining to workers' compensation insurance coverage. The Recipient's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the Authority's obligation or responsibility.

12 Publicity and Endorsement, State Requirements

12.1 Publicity

Any publicity regarding the subject matter of this Master Contract must identify the Authority as the sponsoring agency and must not be released without prior written approval from the Authority's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Recipient individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Master Contract. All projects primarily funded by state grant appropriations must publicly credit the State of Minnesota, including on the Recipient's website when practicable.

12.2 Endorsement

The Recipient must not claim that the Authority endorses its products or services.

13 Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this Master Contract. Venue for all legal proceedings out of this Master Contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14 Termination

14.1 (a) Termination by the Authority

The Authority may immediately terminate this Master Contract with or without cause, upon 30 days' written notice to the Recipient. Upon termination, the Recipient will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

(b) Termination by The Commissioner of Administration

The Commissioner of Administration may unilaterally cancel this Master Contract if further performance under the agreement would not serve agency purposes or is not in the

best interest of the Authority.

14.2 Termination for Cause

The Authority may immediately terminate this Master Contract if the Authority finds that there has been a failure to comply with the provisions of this Master Contract, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The Authority may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

14.3 Termination for Insufficient Funding

The Authority may immediately cease awarding Project Orders under this Master Contract if:

- (a) Funding for federal grants to the Authority for the LSLR Program are withdrawn.
- (b) It does not obtain funding from the Minnesota Legislature or existing funding is withdrawn.
- (c) Or, if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Recipient. The Authority is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Recipient will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The Authority will not be assessed any penalty if the Master Contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The Authority must provide the Recipient notice of the lack of funding within a reasonable time of the Authority's receiving that notice.

15 Data Disclosure

Under Minnesota Statutes § 270C.65, Subd. 3, and other applicable law, the Recipient consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the Authority, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Recipient to file state tax returns and pay delinquent state tax liabilities, if any.

The remainder of this page is left blank intentionally

Recipient name: City of Saint Paul
Authority Contract ID: Saint Paul_LSLR_00

The Authority and the Recipient have caused this Master Contract to be duly executed by their duly authorized undersigned representatives. Statutory Cities must execute this Project Order contract as provided in Minnesota Statutes § 412.201, as amended. Home Rule Charter Cities must execute this Master Contract as provided in Minnesota Statutes, Chapter 410, as amended.

**MINNESOTA PUBLIC FACILITIES
AUTHORITY:**

RECIPIENT: We have read and we agree to all of the above provisions of this Master Contract.

By _____
Name/ Matt Varilek, or delegate
Title Chair
Date _____

By _____
Name/
Title _____
Date _____

ENCUMBERED: Individual signing certifies that funds have been encumbered as required by MN Statute § 16A and 16C.

By _____
Name/
Title _____
SWIFT N/A: no \$ encumbered for this
Date/ID Master Contract

By _____
Name/
Title _____
Date _____
By _____
Name/
Title _____
Date _____

Exhibit A, Additional State and Federal Requirements

In addition to requirements stated in the body of this Master Contract, the Recipient must comply with certain state and federal laws, rules and regulations, including but not limited to those identified in this exhibit.

State:

Minnesota Statutes § 181.59, Discrimination on Account of Race, Creed, or Color Prohibited in Contract.

Minnesota Statutes § 16C.285, Responsible Contractor Requirements.

Minnesota Statutes § 574 .26 to 574.32, the Public Contractors' Performance and Payment Bond Act, as applicable.

Minnesota Statutes § 290.9705, Surety Deposits Required for Construction Contracts.

Minnesota Statutes § 363A.36, Certificates of Compliance for Public Contracts.

Federal:

Section 1452 of the Safe Drinking Water Act (Public Law 93-523) as amended.

Safe Drinking Water Act amendments of 1990 (42 U.S. Code § 7601). Encourages recipients to award construction, supply and professional service contracts to minority, women's business enterprises (MBE/WBE's) and small businesses and requires recipients to utilize affirmative steps in procurement.

Safe Drinking Water Act amendments of 2018 by America's Water Infrastructure Act that requires all of the iron and steel products used in the CWSRF and DWSRF Projects are to be produced in the United States ("Use of American Iron and Steel Requirement"), unless (i) the Borrower has requested and obtained a waiver from the Environmental Protection Agency pertaining to the Project or (ii) the MPFA has otherwise advised the Borrower in writing that the American Iron and Steel Requirement is not applicable to the project.

Safe Drinking Water Act amendments related to Federal Build America, Buy America (BABA): The Recipient is subject to the Buy America Sourcing requirements under the BABA provisions of the Infrastructure Investment and Jobs Act (IIJA) (PUBLIC LAW 117-58 §§70911-70917) unless the project has been granted a waiver from the EPA.

National Environmental Policy Act (PUBLIC LAW 91-190 (1970)); National Historic Preservation Act (PUBLIC LAW 89-665 as amended, 80 Stat. 917 (1966)); Archeological and Historic Preservation Act (PUBLIC LAW 93-291(1974)); Protection of Wetlands, Executive Order No. 11990 (1977), as amended by Executive Order No. 12608 (1997); Flood Plain Management, Executive Order No 11988 (1977), as amended by Executive Order No. 12148 (1979); Farmland Protection Policy Act (PUBLIC LAW No 97-98 (1981)); Coastal Zone Management Act (PUBLIC LAW 92-583 (1972), as amended); Coastal Barriers Resources Act

(PUBLIC LAW 97-378, 96 Stat 1653 (1982)); Wild and Scenic Rivers Act (PUBLIC LAW 90-542, 82 Stat. 913 (1968)); Endangered Species Act (PUBLIC LAW 93-205 (1973), as amended); Essential Fish Habitat Consultation Process under the Magnuson-Stevens Fishery Conservation and Management Act (PUBLIC LAW 94-265 (1976), as amended) and; Clean Air Act Conformity (PUBLIC LAW 95-95 (1977), as amended).

Title VI of the Civil Rights Act of 1964 (P.L 88-352), Section 13 of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. Sec. 1251), Section 504 of the Rehabilitation Act of 1973 (PUBLIC LAW 93-1123, 87 Stat. 355, 29 U.S.C. Sec. 794), The Age Discrimination Act of 1975 (PUBLIC LAW 94-135 Sec. 303, 89 Stat. 713, 728, 42 U.S.C. Sec. 6102), and subsequent regulations, ensures access to facilities or programs regardless of race, color, national origin, sex, age or handicap.

Federal Executive Order 11246, as amended by Executive Orders 11375 and 12086 and subsequent regulations. Prohibits employment discrimination on the basis of race, color, religion, sex or national origin. Inclusion of the seven clauses in Section 202 of E. O. 11246 as amended by E. O. 11375 and 12086 are required in all project related contracts and subcontracts over \$10,000.

Federal Executive Orders 11625, 12138 and 12432; 40 CFR part 33 Participation by Disadvantaged Business Enterprises in Procurement under Environmental Protection Agency (EPA) Financial Assistance Agreements; Section 129 of P. L. 100-590 Small Businesses Reauthorization & Amendment Act of 1988; Public Law 102-389 (42 U.S.C. 437d); a 1993 appropriations act ; Public Law 101-549, Title X of the Clean Air Acts.

Federal Executive Orders 12549 and 12689, Subpart C of 2 CFR Part 180 and 2 CFR Part 1532 entitled "Responsibilities of Participants Regarding Transactions (Doing Business with Other Persons)." Prohibits entering into contracts or sub-contracts with individuals or businesses that are debarred or suspended. Borrowers are required to check and keep a record of the status of all contractors (construction and professional services) and must require contractors to check and keep a record of the status of subcontractors for contracts expected to be equal to or over \$25,000 via this internet address below (or search the internet for System for Award Management):

SAM.gov | [Home](#)

2 CFR part 200, Subpart F, which establishes audit requirements for state and local units of governments receiving federal funds.

2 CFR part 200.216 which prohibits the use of certain telecommunications and video surveillances services or equipment.

40 CFR Part 35, Subpart L, Section 35.3550(i) require Borrowers to maintain project accounts in accordance with generally accepted government accounting standards (GAAP), and to issue annual financial statements that include the reporting of infrastructure assets in accordance with GASB 34.

Section 504 of the Federal Rehabilitation Act of 1973, the Americans with Disabilities Act. Requires that all public spaces and programs be designed and constructed to be accessible to the physically handicapped.

Section 1450(e) of the Safe Drinking Water Act (42 U.S.C. 300j-9(e)). Requires that all laborers and mechanics employed by contractors or subcontractors be paid wages at rates not less than those prevailing for the same type of work as determined by the U. S. Secretary of Labor in accordance with the federal Davis-Bacon Act (46 Stat. 1494; 40 U.S.C., sec. 276a through 276a-5). Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Davis-Bacon Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276c).

To be eligible for LSLR Program funding, the lead service lines must be replaced in their entirety.

The Recipient will post a physical sign at the project site during the construction phase to inform the public that the project funding was made available by the State of Minnesota and the Federal Infrastructure Investment and Jobs Act.

State of Minnesota
Lead Service Line Replacement Program
Project Order ID Saint Paul_LSLR_01
MDH Project ID 1620026-25

This Project Order contract is issued under *Master Loan (Bond Purchase) and/or Grant Agreement ID Saint Paul_LSLR_00* between the Authority and the City of Saint Paul (“Recipient”). Capitalized terms used but not defined in this Project Order have the meaning ascribed to them in the Master Contract. All of the duties, obligations, policies, procedures, and terms of the Master Contract associated with this Project Order are incorporated herein by this reference.

1 Term of Project Order

1.1 Effective date:

September 3, 2024, or the date the Authority obtains all required signatures under Minnesota Statutes § 16C.05, Subd. 2, whichever is later. Per Minnesota Statutes § 16B.98 Subd. 7, no payments will be made to the Recipient until this Project Order is fully executed. Notwithstanding the effective date of this Project Order, the Authority shall reimburse the Recipient for all eligible Project Order costs incurred by the Recipient on or after July 1, 2023.

1.2 Expiration date:

September 3, 2027, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

2 Scope of Project Order

2.1 Activities:

Reimbursement is limited to the project activity identified in Exhibit A attached hereto.

2.2 Total Obligation:

The total obligation of the Authority for all reimbursements to the Recipient under this Project Order will not exceed \$22,500,000 as detailed in Exhibit A.

3 Loan Repayment Terms

Unless repaid earlier, the Recipient must repay the Loan (if any), in the amounts and on the dates set forth in Exhibit B attached hereto (notwithstanding the rate of disbursement of the Loan).

4 Project Order Managers

The Authority’s Project Order Manager is Drew Brooksbank, Loan Officer, 651-259-7131, drew.brooksbank@state.mn.us.

The Recipient’s Project Order Manager is Brent Marsolek, Principal Project Manager, 651-266-6810, brent.marsolek@ci.stpaul.mn.us.

Recipient name: City of Saint Paul
Authority Contract ID: Saint Paul_LSLR_01

The Authority and the Recipient have caused this Project Order contract to be duly executed by their duly authorized undersigned representatives. Statutory Cities must execute this Project Order contract as provided in Minnesota Statutes § 412.201, as amended. Home Rule Charter Cities must execute this Project Order contract as provided in Minnesota Statutes, Chapter 410, as amended.

**MINNESOTA PUBLIC FACILITIES
AUTHORITY:**

RECIPIENT: We have read and we agree to all of the above provisions of this Project Order contract.

By _____
Name/ Jeff Freeman
Title Executive Director
Date _____

By _____
Name/
Title _____
Date _____

ENCUMBERED: Individual signing certifies that funds have been encumbered as required by MN Statute § 16A and 16C.

By _____
Name/
Title _____
SWIFT
Date/ID _____

By _____
Name/
Title _____
Date _____
By _____
Name/
Title _____
Date _____
By _____
Name/
Title _____
Date _____

Exhibit A: Scope of Project Order ID Saint Paul_LSLR_01

Project-related cost (may be combination of grant and loan):

1. Project Order Costs-Construction	\$13,640,000
Replacing lead drinking water service lines for the property addresses listed in the MDH Project Certification, as amended, including any related design and engineering, inspection, project compliance costs, and other eligible items.	
2. Project Order Costs-Non-Construction	\$1,360,000
Providing information to residents on the benefits of replacing lead service lines; post-construction testing, abatement, and site restoration efforts.	
Total reimbursable Project-related costs under this Project Order	<u>\$15,000,000</u>

Debt Grant to repay the Project Order Costs-Debt Service: \$7,500,000

Total obligation of the Authority: \$22,500,000

Original Encumbrance worksheet for this Project Order (specific funding sources are subject to change):

Description	Allotment	BFY	Fund	Appr	BusFinID	Account	Amount
Loan for Project Order Costs	DW LOA Federal IJJA-1 LSLR	2025	8201	B241710	B243F222	140004	\$7,500,000
Grant for Project Order Costs	DW LOA Federal IJJA-1 LSLR	2025	8201	B241710	B243F222	441352	9,000,000
Grant to repay the Loan	LSLR State	2024	1000	B241720	B2439000	441352	7,500,000
Total							\$22,500,000

Note: This Project Order encumbers \$22,500,000 for the Authority to pay out to the Recipient. This includes the approved budget for project costs of \$15,000,000, plus a grant of \$7,500,000 from the Authority to be used by the Recipient to repay the portion of the project costs paid out as a loan.

Exhibit B: Pro Forma Loan Schedule for Project Order ID Saint Paul_LSLR_01

Saint Paul_LSLR_01 MPFA-LSLR-L-___-FY__ 7,500,000.00
 Rate: 0% *[insert Project Description-short]*
 Date:
 Maturity: 09/03/27 final loan amount: 7,500,000.00

Date	Effective	Source	Disbursement	Repayment	Interest	Principal	Loan Balance
projected	09/25/24		3,500,000.00				3,500,000.00
projected	10/23/24		1,000,000.00		-		4,500,000.00
projected	11/27/24		1,000,000.00		-		5,500,000.00
projected	12/25/24		1,000,000.00		-		6,500,000.00
projected	01/29/25				-		6,500,000.00
projected	02/25/25				-		6,500,000.00
projected	03/25/25				-		6,500,000.00
projected	04/22/25		1,000,000.00		-		7,500,000.00
	09/03/27			7,500,000.00	-	7,500,000.00	-
totals			7,500,000.00	7,500,000.00	-	7,500,000.00	

Notes:

Per 446A.081 Subd. 8. Loan conditions: (h) The interest rate for loans to replace lead service lines shall be zero percent with principal payments commencing not later than 18 months after completion of the project.

This will be backed by a temporary-obligation Grant Anticipation Note. The award of the grant to repay the loan will occur simultaneously, and in the same contract, with the loan.

When disbursement of the loan portion of this Project Order is complete: that is when the Recipient would request disbursement of the grant to repay the loan.

Upon receipt of that grant, the Recipient will immediately repay the loan.