



The Minnesota Higher Education Facilities Authority (the “Authority” or “MHEFA”) convened a regular Board meeting at 2:00 pm Central Time, Wednesday, January 19, 2022.

The Board is conducting this meeting subject to the Open Meeting Law by telephone and interactive technology as allowed by Minnesota Statutes. Members participating in the meeting can hear each other and all discussion; members of the public can hear all discussion and votes; and all votes are conducted by a roll call. The board has made provision for the public to monitor the meeting electronically from a remote location. The board has provided notice of the meeting location, the fact that some members may participate by interactive technology, and of the public’s right to monitor the meeting electronically from a remote location. Authority Chair Benson determined that an in-person meeting was not practical or prudent because of the health pandemic as defined according to current guidance from the Minnesota Department of Health, the Centers for Disease Control and Prevention, and the U.S. Department of Homeland Security.

The Authority Board meeting was held in the Conference Room at the Authority office, 380 Jackson St, Suite 450, St. Paul, MN 55101. Executive Director Fick and Authority Chair Benson were physically present, although not required due to the pandemic environment. Mr. Fick and Mr. Benson met the state’s requirement for COVID-19 safety through vaccination. The location and time of the meeting was duly published and posted on the Authority website and the door of the Authority office.

The public was able to monitor the meeting by calling a toll-free number.

Board members participated in the meeting using a video link. The meeting link was sent to Board members prior to the meeting. The use of a video link as an allowable way to hold the Board meeting was confirmed by the State of Minnesota’s Data Practices Office staff prior to the meeting, following Minnesota Statute 13D.015.

Executive Summary – Minnesota Higher Education Facilities Authority

Meeting on January 19, 2022

Board Actions Taken:

| Motions: | Result: | Vote: |
|--|----------------|--------------|
| Approval of Meeting Minutes of January 19, 2022 | Passed | Unanimous |
| Affirm Staff Recommendation on new office location, authorize staff to take action to negotiate a new space lease, and contact current lessor about end of lease options | Passed | Unanimous |
| Close regular meeting and move to Closed Session for Operations Manager Performance Review | Passed | Unanimous |
| | | |

| Resolutions | Result: | Vote: |
|--|----------------|--------------|
| Approve Second Supplemental Note Resolution for Augsburg University Series Eight-E | Passed | Unanimous |
| Adopt Resolution 01-2022-02 Authorizing a Performance-Based Salary Increase under Managerial Plan 2019-2021 for the Operations Manager | Passed | Unanimous |

The official meeting began with a roll call to determine who was attending the meeting. The following board members or their designees were participating and attending by video link (“V”) or telephone (“T”):

Board Members: Gary Benson – In-Person and V
 Mary Ives - V
 Michael Ranum - V
 Bonnie Anderson Rons - V
 David Rowland – V
 Nancy Sampair - V
 Mary Yang Thao – V
 Poawit Yang, Office of Higher Education, ex-officio - V
 Paul Cerkvenik, Minnesota Private College Council, ex officio w/o vote - V

Absent: Ray VinZant

Other Attendees: Peter Cooper, Bond Counsel – V
Mark LeMay – member of the public - V

Also Present: Barry W. Fick Executive Director MHEFA – In-person and V
Amanda Lee, Operations Manager, MHEFA – V

Gary Benson, Chair, called the meeting order at 2:02 pm CDT. Executive Director Fick confirmed that a quorum was present.

Agenda Item I – Minutes of the November 8, 2021, Board meeting.

The first item on the agenda is the review and consideration of the minutes of the November 8, 2021, Authority Board meeting.

A motion was made by Bonnie Anderson Rons to approve the November 8, 2021, minutes. The motion was seconded by David Rowland. Chair Benson asked if there were any questions, discussion, or changes to the minutes of the November 8, 2021 Board meeting. There were no questions or proposed changes to the minutes from Board members.

Chair Benson called for a vote regarding the approval of the minutes. A roll call vote was conducted, and the Board members voted as follows:

| | | |
|----------------|----------------------|---------|
| Board Members: | Gary Benson | Yes |
| | Michael Ranum | Yes |
| | Bonnie Anderson Rons | Yes |
| | Mary Ives | Yes |
| | David Rowland | Yes |
| | Nancy Sampair | Abstain |
| | Mary Yang Thao | Yes |
| | Poawit Yang | Yes |

There were no votes against the motion and the Minutes (as amended) of the November 8, 2021, MHEFA Board meetings were approved.

Agenda Item II – Augsburg University Extension of Mandatory Tender Date for Series Eight-E Revenue Note

This item was originally placed as Item 3 on the Agenda. Executive Director Fick requested to move consideration of this to Item II to efficiently deal with this matter, allow Augsburg representatives, and Bond Counsel to leave the Board meeting after their presentation and consideration of their request by the Board. The Board verbally agreed to Mr. Fick's request and the 2nd item for consideration at the January 19, 2022 MHEFA Board meeting is the Series Eight-E extension of the mandatory tender.

Augsburg University's outstanding Series Eight-E Revenue Note requires a mandatory tender on May 1, 2022. The mandatory tender requires that the bonds be put back to the Bank and the University either renegotiate the interest rate on the Note or pay off the existing note principal with University funds or refinance the Note with funds from a refinancing issue. The University has negotiated with the bank that holds the Series Eight-E Revenue Note, BMO Harris, to extend the Mandatory Tender date by 2 years to May 1, 2024. This will defer a Mandatory Tender for 2 years. The agreement with BMO Harris does not change any of the other terms of the Series Eight-E Revenue Note.

The University presented a written request to the Authority to approve the extension of the Mandatory Tender and undertake any action necessary to allow the extension to proceed. BMO Harris provided information confirming that the only change to the Series Eight-E Revenue Note as a result of the extension is the extension of time before a Mandatory Tender is necessary. BMO Harris confirmed there is no change to any other terms of the Series Eight-E Revenue Note, including no change to the interest rate, covenants or other terms and conditions.

Mr. Peter Cooper, Bond Counsel, was asked by Chair Benson to review the terms of the Resolution and to outline the review process of the Mandatory Tender. Mr. Cooper has served as Bond Counsel on the original Series Eight-E financing and on the first Supplemental Note Resolution in 2020. Mr. Cooper noted that he has reviewed the documentation related to the extension request and prepared a Second Supplemental Note Resolution for the Board to consider and act on. The extension of the Mandatory Tender date will be considered a reissuance of the Series Eight-E

Revenue Note. Bond Counsel has determined that there are no adverse tax consequences as a result of the extension and the reissuance remains a tax-exempt Note.

At the conclusion of Mr. Cooper's presentation, Chair Benson asked if there were any questions for Mr. Cooper. There were no questions.

A motion was made by Michael Ranum to approve the Second Supplemental Note Resolution for the extension of the Mandatory Tender Date of the Series Eight-E Revenue Note. The Resolution was seconded by Nancy Sampair.

Chair Benson called for a Roll Call vote regarding the approval and acceptance of the Second Supplemental Resolution for Augsburg University. A Roll Call vote was conducted, and the Board members voted as follows:

| | | |
|----------------|----------------------|-----|
| Board Members: | Gary Benson | Yes |
| | Michael Ranum | Yes |
| | David Rowland | Yes |
| | Bonnie Anderson Rons | Yes |
| | Mary Ives | Yes |
| | Mary Yang Thao | Yes |
| | Nancy Sampair | Yes |
| | Poawit Yang | Yes |

There were no votes against the motion and the Second Supplemental Resolution for Augsburg University was approved.

The Board returned to the regular Agenda order and moved to consider the status of the MHEFA office relocation process.

Agenda Item III – Recommendation on Office Relocation at end of Current Lease

Chair Benson asked Authority Executive Director Barry Fick to present the staff recommendation regarding relocation of the Authority office on or before the end of the current lease. Mr. Fick noted that the Authority is required to vacate their current office, where they have been since 1987, due to the building being sold and the new owner plans to convert the building to residential housing.

Mr. Fick reviewed the memorandum distributed to the Board that outlined the search process. Over 30 properties were located and reviewed. Staff narrowed down the initial list of candidates to 12 and visited them, some multiple times. Based on the discussions with lessors and our leasing consultant, 2 finalists were identified. After comparing the 2 finalists, the staff unanimously agreed to recommend to the Board that the Authority relocate to Grand Oak Business Park, 860 Blue Gentian Road, Eagan, MN. Prior to the Board meeting on January 19, 2022, the 2 finalists were discussed with a number of Board members to gain the benefit of their experience and to solicit additional input on the options and critique the staff recommendation.

Mr. Benson asked if there were any questions for Mr. Fick. Board members asked a number of questions about office size, amenities, room for expansion, Boardroom facilities, along with various questions about how the other sites compare to the recommended site. Mr. Fick and Operations Manager Amanda Lee provided responses to the Board member questions.

Board members expressed appreciation for the thorough job of identifying, comparing and analyzing the options for relocation.

At the conclusion of his discussion about the office relocation recommendation, Mr. Benson asked if there were any additional questions from Board members. There were no additional questions from the Board.

Mr. Peter Cooper excused himself from the meeting at 2:52 pm.

A motion was made by Mary Ives to approve and accept the staff recommendation to move Authority offices to Grand Oak Business Park, Eagan, MN; enter into negotiations for Lease at Grand Oak Business Park; and work with the current lessor to terminate the current lease prior to its expiration. The motion was seconded by Bonnie Anderson Rons. Chair Benson asked if there were any questions, discussion, or changes regarding the Resolution. There were no other questions for Authority staff regarding the recommendation and proposed actions.

Chair Benson called for a Roll Call vote regarding the approval and acceptance of the staff recommendations related to the office relocation. A Roll Call vote was conducted, and the Board members voted as follows:

| | | |
|----------------|----------------------|-----|
| Board Members: | Gary Benson | Yes |
| | Michael Ranum | Yes |
| | David Rowland | Yes |
| | Bonnie Anderson Rons | Yes |
| | Mary Ives | Yes |
| | Mary Yang Thao | Yes |
| | Nancy Sampair | Yes |
| | Poawit Yang | Yes |

There were no votes against the motion and the motion to approve and accept the Staff Recommendation related to the Authority's new office location, commencing negotiations for a lease at the recommended location and begin discussions to leave the current office location was approved.

Bonnie Anderson Rons excused herself from the meeting at 3:04 pm.

Agenda Item IIIV – Legislative Update

Chair Benson called on Executive Director Barry Fick to provide the Board with an update on the status of the expansion legislation sponsored by the Authority.

Mr. Fick reported that staff have been working with McGrann Shea over the past months and met with many legislators to provide them information about the expansion proposal. We are changing the lead sponsor in the House to a member of the majority party and keeping the prior sponsor as a co-sponsor. We will be preparing a new Fiscal Note for legislators. The Fiscal Note will show that there is no revenue effect on any State of Minnesota function as a result of our proposed legislation. We are soliciting letters of support from schools and medical entities which will be provided to legislators upon request. We continue to coordinate with McGrann Shea on working with the 2022 legislature. A continuing challenge is that the legislature is not fully back to meeting in person, which results in more challenging communications with legislators and staff.

Chair Benson asked if there were questions for Mr. Fick. There were no comments or questions.

Agenda Item V – Old Business

Chair Benson asked if there were any Old Business items from Board members for discussion. Operations Manager Lee noted there was one old business item she wished to remind Board members about. She reminded Board members of the need to file Disclosure Forms with the State Campaign Board prior to January 31, 2022. There were no Old Business items from Board members for discussion.

Agenda Item VI – New Business

Chair Benson asked if there were any New Business items from Board members for discussion. Chair Benson also noted the need for filing disclosure. He also noted that the Covid Omicron variant is causing issues and we will continue to monitor that for impacts to borrower schools. Chair Benson encouraged the other Board Members to review the Omicron presentation included in the board packet that was originally presented by the State of MN for Board Chairs and agency contacts. There were no other New Business items from Board members for discussion.

Agenda Item VII – Other Business

Chair Benson called upon Executive Director Fick to discuss Other Business. Mr. Fick presented his Executive Director's report. It included the following items regarding staff and Authority activity and events and personnel changes at the schools.

Borrower Assistance and Financing Application Update

- We are working with MCAD on a private bank placement, expected to be before the Authority Board in February 2022
- We are working with William Mitchell on a private bank placement as part of an upcoming Mandatory Tender of an outstanding Note.
- We are working with multiple schools on Moody's rating updates, including
 - Concordia College
 - College of St. Benedict
 - Macalester College
 - Augsburg University

- We are working with St. Thomas to help determine their future capital needs and timing of funding for projects and have conducted a RFQ and RFP for underwriter. It is possible a financing will occur in Spring 2022
- We continue to support schools in their compliance with Continuing Disclosure obligations

Borrower Staffing Update

- Macalester College has selected interim CFO Patricia Langer as permanent CFO
- Macalester College has promoted Dave Berglund to Assoc. VP of Finance
- Hamline University is continuing with their CFO search
- Mitchell Hamline School of Law has selected Tressa Ries, CPA, as the next VP of Finance and Administration, CFO. She starts January 17 at Mitchell Hamline.

Board Vacancy Update

We have received applications for the available Board position. We have identified a candidate who has agreed to serve if selected by the Governor. We plan to convene the Board membership Selection Committee in February to review the applicants and recommend a candidate to the Governor for the open public member position.

Nancy Sampair's term as a Board member concludes this year. She has applied to continue as a Board member.

Various Items of Interest

We continue planning for an in-person MHEFA Finance Conference on April 20, 2022. The location is yet to be determined. We have confirmed that representatives from Moody's will present at the conference. Other speakers are pending.

A number of articles of interest related to interest rate projections for 2022 was included with the Board packet for Board members to read. There were no questions from Board members about the articles.

Chair Benson asked if there was any Other Business to come before the Board. There was no Other Business for the Board to consider, and Chair Benson asked for a motion to Adjourn the regular Board Meeting and move to Closed Session to discuss the performance review of the Operations

Manager for FY2021. The motion to adjourn and move to closed session was made by Michael Ranum and seconded by Nancy Sampair.

Chair Benson called for a Roll Call vote regarding the adjournment of the regular meeting and move to closed session. A Roll Call vote was conducted, and the Board members voted as follows:

| | | |
|----------------|----------------------|-----|
| Board Members: | Gary Benson | Yes |
| | Michael Ranum | Yes |
| | David Rowland | Yes |
| | Bonnie Anderson Rons | Yes |
| | Mary Ives | Yes |
| | Mary Yang Thao | Yes |
| | Nancy Sampair | Yes |
| | Poawit Yang | Yes |

The Board voted unanimously to adjourn the regular Board Meeting at 3:25 pm, Central Time.

During the closed session, Operations Manager Amanda Lee was excused from the meeting while the Board considered her FY2021 Performance Review.

The Board returned from Closed Session and Mr. Benson asked for Board action on the Resolution Authorizing Performance-Based Salary Increase Under Managerial Plan 2019-2021 for Operations Manager Amanda G. Lee.

A motion was made by Michael Ranum to approve and accept the Resolution Authorizing Performance-Based Salary Increase Under Managerial Plan 2019-2021. The motion was seconded by Nancy Sampair. Chair Benson asked if there were any questions, discussion, or changes regarding the Resolution. Board members noted in discussing the Resolution that they continue to be very appreciative of and pleased with the Operations Manager's job performance. There were no other questions related to the Amended and Restated Resolution Authorizing Performance-Based Salary Increase Under Managerial Plan 2019-2021.

Chair Benson called for a Roll Call vote regarding the approval and acceptance of the Resolution Authorizing Performance-Based Salary Increase Under Managerial Plan 2019-2021. A Roll Call vote was conducted, and the Board members voted as follows:

| | | |
|----------------|----------------|-----|
| Board Members: | Gary Benson | Yes |
| | Mary Ives | Yes |
| | Mary Yang Thao | Yes |
| | Michael Ranum | Yes |
| | Nancy Sampair | Yes |
| | Poawit Yang | Yes |

There were no votes against the motion and the Resolution Authorizing Performance-Based Salary Increase Under Managerial Plan 2019-2021 was approved.

The Board Chair Closed the Executive Session and invited Operations Manager Amanda Lee to rejoin the meeting. The Board Chair asked if there were any additional items for discussion from Board members. Board members thanked Operations Manager Lee for her work over the past year.

There were no other items from the Board and the Board then acted by voice vote to adjourn the meeting at 3:45 pm, Central Standard Time.

Respectfully submitted,



Assistant Secretary

2- Minutes for 19 Jan 2022 FINAL

Final Audit Report

2022-02-17

| | |
|-----------------|--|
| Created: | 2022-02-17 |
| By: | Amanda Lee (agl@mnhefa.org) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAriZ_Pv1IHepLWtb5S1iU4st35LwWDeZD |

"2- Minutes for 19 Jan 2022 FINAL" History

-  Document created by Amanda Lee (agl@mnhefa.org)
2022-02-17 - 3:49:30 PM GMT- IP address: 47.232.49.72
-  Document emailed to Barry Fick (bwf@mnhefa.org) for signature
2022-02-17 - 3:49:43 PM GMT
-  Email viewed by Barry Fick (bwf@mnhefa.org)
2022-02-17 - 4:33:29 PM GMT- IP address: 71.82.135.37
-  Document e-signed by Barry Fick (bwf@mnhefa.org)
Signature Date: 2022-02-17 - 4:33:44 PM GMT - Time Source: server- IP address: 71.82.135.37
-  Agreement completed.
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