

# HENNEPIN COUNTY

## MINNESOTA

### FINAL COMMITTEE AGENDA

#### ADMINISTRATION, OPERATIONS AND BUDGET COMMITTEE

TUESDAY, FEBRUARY 25, 2025  
1:30 PM

Chair: Debbie Goettel, District 5  
Vice Chair: Heather Edelson, District 6  
Members: Jeff Lunde, District 1  
Irene Fernando, District 2  
Marion Greene, District 3  
Angela Conley, District 4  
Kevin Anderson, District 7

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#### 1. Minutes from Previous Meeting

1.A. February 4, 2025 Minutes

**Attachments:** [AdminOpsBudget-COMMITTEEMINUTES-04-Feb-2025](#)

#### 2. New Business

##### Items for Discussion and Action

2.A. [25-0068](#)

Agmt PR00007082 with Mid-Minnesota Legal Aid to provide Fair Housing Testing in suburban Hennepin County, 03/01/25-06/30/27, NTE \$120,000

2.B. [25-0069](#)

Reauthorization of a twenty-five-year commercial paper program; authorizing the issuance from time to time of tax-exempt or taxable commercial paper in an amount not to exceed \$400 million; and providing for the execution and delivery thereof

# HENNEPIN COUNTY

MINNESOTA

300 South Sixth Street  
Minneapolis, MN  
55487-0240

## Board Action Request

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**TMP-25-0129**

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**Item Description:**

February 4, 2025 Minutes

# HENNEPIN COUNTY

## MINNESOTA

### COMMITTEE MINUTES

#### ADMINISTRATION, OPERATIONS AND BUDGET COMMITTEE

TUESDAY, FEBRUARY 4, 2025  
1:30 PM

Chair: Debbie Goettel, District 5  
Vice Chair: Heather Edelson, District 6  
Members: Jeff Lunde, District 1  
Irene Fernando, District 2  
Marion Greene, District 3  
Angela Conley, District 4  
Kevin Anderson, District 7

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Commissioner Debbie Goettel, Chair, called the meeting of the Administration, Operations and Budget Committee for Tuesday, February 4, 2025 to order at 1:37 p.m.

**Present:** Commissioner Irene Fernando, Commissioner Marion Greene, Commissioner Angela Conley, Commissioner Debbie Goettel, Commissioner Heather Edelson, Commissioner Jeff Lunde and Commissioner Kevin Anderson

#### 1. Minutes from Previous Meeting

1.A. January 14, 2025 Minutes

#### APPROVE

**Commissioner Jeff Lunde moved, seconded by Commissioner Heather Edelson, to approve the Minutes.**

**Aye:** Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Goettel, Commissioner Edelson, Commissioner Lunde and Commissioner Anderson

#### 2. New Business

##### Routine Items

2.A. [25-0039](#)

Ratification of permits, leases, lease amendments, and related property agreements approved by the County Administrator, 10/01/24-12/31/24, total NTE \$15,000

#### CONSENT

**Commissioner Debbie Goettel moved, seconded by Commissioner Jeff Lunde, to approve the Resolution.**

**Aye:** Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Goettel, Commissioner Edelson, Commissioner Lunde and Commissioner Anderson

2.B. [25-0035](#)

Amd 2 to for Agmt PR00002275 with Parallel Technologies, Inc. for continued implementation of a countywide access control and video management system, software licenses, hardware and maintenance, extending the end date to 12/31/30, incr NTE by \$3,785,103.93 for a new total NTE of \$13,045,858.20

**CONSENT**

**Commissioner Jeff Lunde moved, seconded by Commissioner Heather Edelson, to approve the Resolution.**

**Aye:** Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Goettel, Commissioner Edelson, Commissioner Lunde and Commissioner Anderson

2.C. [25-0036](#)

Amd 1 to Agmt PR00004417 with Qwest Corporation for enterprise internet and telecom services, ext end date to 02/28/26, incr NTE by \$1,353,500.

**CONSENT**

**Commissioner Debbie Goettel moved, seconded by Commissioner Kevin Anderson, to approve the Resolution.**

**Aye:** Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Goettel, Commissioner Edelson, Commissioner Lunde and Commissioner Anderson

2.D. [25-0037](#)

Amd 3 to Agmt PR00003018 with Organizational Mental Health Solutions, PLLC, dba The Rising Workplace to provide virtual ergonomic services, ext end date to 02/29/28, incr NTE by \$90,000 for new total NTE of \$182,780

**CONSENT**

**Commissioner Angela Conley moved, seconded by Commissioner Irene Fernando, to approve the Resolution.**

**Aye:** Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Goettel, Commissioner Edelson, Commissioner Lunde and Commissioner Anderson

**Items for Discussion and Action**

2.E. [25-0038](#)

Agmt A2512745 with HUD to accept Healthy Homes Production Grant funding 03/01/25-12/31/28, (recv \$2,000,000)

**CONSENT**

**Commissioner Debbie Goettel moved, seconded by Commissioner Irene Fernando, to approve the Resolution.**

**Aye:** Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Goettel, Commissioner Edelson, Commissioner Lunde and Commissioner Anderson

**3. Old Business**

3.A. [25-0008](#)

2025 Community Advisory Board Applicants and Appointments - Adult Mental Health  
Local Advisory Council (LAC)

**PROGRESS**

**Commissioner Kevin Anderson moved, seconded by Commissioner Marion Greene, to progress the Resolution to the 2/11/25 Board meeting.**

**Aye:** Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Goettel, Commissioner Edelson, Commissioner Lunde and Commissioner Anderson

3.B. [25-0009](#)

2025 Community Advisory Board Applicants and Appointments - Human Resources  
Board

**PROGRESS**

**Commissioner Kevin Anderson moved, seconded by Commissioner Marion Greene, to progress the Resolution to the 2/11/25 Board meeting.**

**Aye:** Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Goettel, Commissioner Edelson, Commissioner Lunde and Commissioner Anderson

3.C. [25-0010](#)

2025 Community Advisory Board Applicants and Appointments - County Extension  
Committee - University of Minnesota

**PROGRESS**

**Commissioner Kevin Anderson moved, seconded by Commissioner Marion Greene, to progress the Resolution to the 2/11/25 Board meeting.**

**Aye:** Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Goettel, Commissioner Edelson, Commissioner Lunde and Commissioner Anderson

3.D. [25-0011](#)

2025 Watershed Board Applicants and Appointments - Minnehaha Creek Watershed  
District

**PROGRESS**

**Commissioner Kevin Anderson moved, seconded by Commissioner Marion Greene, to progress the Resolution to the 2/11/25 Board meeting.**

**Aye:** Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Goettel, Commissioner Edelson, Commissioner Lunde and Commissioner Anderson

3.E. [25-0012](#)

2025 Community Advisory Board Applicants and Appointments - Race Equity Advisory  
Council (REAC)

**PROGRESS**

**The following individuals left pre-recorded interview statements:**

**Ashle' Johnson  
Kayne Lussier  
Nathaly Maldonado  
Alejandro Orozco Medina  
Shanessa Saice  
Ocho Smith  
Michiah Van Syckel  
Maurice Ward**

**Commissioner Kevin Anderson moved, seconded by Commissioner Marion Greene, to progress the Resolution to the 2/11/25 Board meeting.**

**Aye:** Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Goettel, Commissioner Edelson, Commissioner Lunde and Commissioner Anderson

3.F. [25-0013](#)

2025 Community Advisory Board Applicants and Appointments - Workforce Innovation and Opportunity Act Board (WIOA)

**PROGRESS**

**The following individual left pre-recorded interview statements:**

**Kate Black**

**Commissioner Kevin Anderson moved, seconded by Commissioner Marion Greene, to progress the Resolution to the 2/11/25 Board meeting.**

**Aye:** Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Goettel, Commissioner Edelson, Commissioner Lunde and Commissioner Anderson

3.G. [25-0014](#)

2025 Community Advisory Board Applicants and Appointments - Three Rivers Park District Board

**PROGRESS**

**The following individuals left pre-recorded interview statements:**

**Aaron Gregerson  
Anna Berend  
Christopher Knoth  
Jenny Mauricio  
Jesse Winkler  
Martha West  
Robb Meyers  
Thomas Skjaret**

**Declan McCrory**

**Commissioner Kevin Anderson moved, seconded by Commissioner Marion Greene, to progress the Resolution to the 2/11/25 Board meeting.**

**Aye:** Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Goettel, Commissioner Edelson, Commissioner Lunde and Commissioner Anderson

3.H. [25-0031](#)

2025 Community Advisory Board Applicants and Appointments - Library Board

**PROGRESS**

**Commissioner Kevin Anderson moved, seconded by Commissioner Marion Greene, to progress the Resolution to the 2/11/25 Board meeting.**

**Aye:** Commissioner Fernando, Commissioner Greene, Commissioner Conley, Commissioner Goettel, Commissioner Edelson, Commissioner Lunde and Commissioner Anderson

There being no further business, the Administration, Operations and Budget Committee for Tuesday, February 4, 2025 was declared adjourned at 2:23 p.m.

Maria Rose  
Clerk to the County Board

**Contracting opportunities can be found on the Hennepin County website:  
[www.hennepin.us](http://www.hennepin.us)**

# HENNEPIN COUNTY

## MINNESOTA

300 South Sixth Street  
Minneapolis, MN  
55487-0240

### Board Action Request

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**25-0068**

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**Item Description:**

Agmt PR00007082 with Mid-Minnesota Legal Aid to provide Fair Housing Testing in suburban Hennepin County, 03/01/25-06/30/27, NTE \$120,000

**Resolution:**

BE IT RESOLVED, that Agreement PR00007082 with Mid-Minnesota Legal Aid to conduct Fair Housing Testing for suburban Hennepin County during the period March 1, 2025 through June 30, 2027, with the amount not to exceed \$120,000, be approved; that the Chair of the Board be authorized to sign the agreement on behalf of the county; and that the Controller be authorized to disburse funds as directed.

**Background:**

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status, and disability.

Hennepin County and partnering suburban communities in the U.S. Department of Housing and Urban Development's (HUD) federal entitlement programs (Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG)) are required to affirmatively further fair housing in their communities.

In partnership with entitlement jurisdiction cities, the county proposes to contract with Mid-Minnesota Legal Aid to conduct Fair Housing paired tests on multifamily rental housing units. Fair Housing paired tests assess discrimination by having two testers assume the role of housing applicants with equivalent social and economic characteristics who differ only in terms of the characteristic being tested for discrimination, such as race, disability status, or marital status.

Mid-Minnesota Legal Aid is the only HUD-qualified Fair Housing Enforcement Organization conducting Fair Housing Testing within the state of Minnesota. Hennepin County contracted with Mid-Minnesota Legal Aid for similar services in 2013 (Resolution 13-0405) and 2019 (Resolution 19-0299).

**Current Request:** This request seeks approval of Agreement PR00007082 with Mid-Minnesota Legal Aid to conduct Fair Housing Testing of rental housing projects in suburban Hennepin County during the period March 1, 2025, through June 30, 2027, with a not to exceed amount of \$120,000.

**Impact/Outcomes:** The funding under this agreement will allow for 60 paired tests of properties within suburban Hennepin County to ensure that properties are adhering to the Fair Housing Act.

**Disparity Reduction Impact:** This funding will test violations of the Fair Housing Act, including disparate impacts on protected classes.

**Recommendation from County Administrator:** Recommend Approval



# HENNEPIN COUNTY

## MINNESOTA

300 South Sixth Street  
Minneapolis, MN  
55487-0240

### Board Action Request

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**25-0069**

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#### **Item Description:**

Reauthorization of a twenty-five-year commercial paper program; authorizing the issuance from time to time of tax-exempt or taxable commercial paper in an amount not to exceed \$400 million; and providing for the execution and delivery thereof

#### **Resolution:**

BE IT RESOLVED, by the Board of Commissioners of Hennepin County, Minnesota, as follows:

1. By Resolution No. 10-0524, dated November 30, 2010, this Board established a commercial paper program for cash flow management purposes (the "Original Commercial Paper Program," or as amended, the "Commercial Paper Program"), which authorized the issuance by the County of its general obligation indebtedness in the form of commercial paper certificates in anticipation of the collection of taxes levied for any fund and not yet collected in accordance with Minnesota Statutes, Section 383B.117. The maximum principal amount of such commercial paper certificates was limited to \$150,000,000 in aggregate outstanding at any time, and the Original Commercial Paper Program was set to expire on September 30, 2014.
2. By Resolution No. 12-0493, dated November 27, 2012, this Board increased the maximum principal amount of commercial paper certificates available for cash flow management purposes to \$200,000,000 and extended the duration of the Original Commercial Paper Program to December 31, 2017, by amending and restating the Original Commercial Paper Program.
3. By Resolution No. 16-0395, dated November 1, 2016, this Board increased the maximum principal amount of commercial paper certificates available for cash flow management purposes to \$250,000,000 and extended the duration of the Commercial Paper Program to December 31, 2021, by amending and restating the Commercial Paper Program.
4. By Resolution No. 20-0405, dated November 3, 2020, this Board extended the duration of the Commercial Paper Program to December 31, 2025, by amending and restating the Commercial Paper Program.
5. The Board hereby finds it is in the County's best interests to increase the maximum principal amount of commercial paper certificates available for cash flow management purposes to \$400,000,000 and extend the duration of the Commercial Paper Program to December 31, 2050, by amending and restating the Commercial Paper Program as set forth in paragraphs 6 through 14 below.
6. Pursuant to the Commercial Paper Program, this Board authorizes the issuance by the County of its general obligation indebtedness in the form of commercial paper certificates in anticipation of the collection of taxes levied for any fund and not yet collected in accordance with Minnesota Statutes, Section 383B.117 (the "Certificates").
7. This Board hereby delegates to the Chief Financial Officer authority to negotiate with up to three banks, investment banking firms or financial institutions acting as the dealers for the Certificates, the terms

and conditions upon which the Certificates shall be sold and issued, and to approve the terms of such sale and issuance, provided that the aggregate principal amount outstanding at any time of Certificates authorized and issued hereunder, in one or more series, shall not exceed \$400,000,000 at maximum rates to be determined by the Chief Financial Officer in accordance with Minnesota Statutes, Section 383B.117; and further provided that the total of all Certificates issued against any fund for any year with interest thereon until maturity, together with all orders outstanding against the fund, shall not exceed the total current taxes for the fund uncollected at the time of issuance plus the cash currently in the fund, or as otherwise limited by Minnesota Statutes, Section 383B.117. Certificates shall not be sold for less than the par amount thereof, plus accrued interest. Certificates shall mature not later than the earlier of: (i) 270 days from the date of issuance; (ii) the first day of April of the year following the year of issuance; or (iii) December 31, 2050. Each Certificate shall state upon its face the fund for which the proceeds of the Certificate shall be used, the total amount of the certificates so issued against the fund, and the total amount embraced in the tax levy for that fund. The proceeds of the taxes assessed on account of the fund against which Certificates are issued and the full faith and credit and taxing powers of the County shall be irrevocably pledged for the redemption of the Certificate in the order of issuance against the fund. The additional terms of the Certificates and the sale thereof shall be substantially as set forth in (i) the orders authorizing the issuance of Certificates, (ii) an issuing and paying agent agreement, and (iii) the dealer agreements, each of which the Chair and County Administrator are hereby authorized to approve.

8. In connection with the Commercial Paper Program and the issuance of the Certificates, the Chief Financial Officer is authorized to negotiate with one or more commercial banks, insurers or other credit support or liquidity facility providers, as applicable, the terms and conditions of any credit support or liquidity facility for the Certificates, and the Chair and County Administrator are authorized to execute and deliver any agreements of the County with the provider of any such credit support facility or liquidity facility. If the Chief Financial Officer determines in its discretion to appoint an issuing agent or paying agent, the Chief Financial Officer is authorized to negotiate with one or more commercial banks to serve as an issuing agent or paying agent with respect to the Certificates, and the Chair and County Administrator are authorized to execute and deliver any agreements of the County with such issuing agent or paying agent. All such agreements shall be in the form and contain such rights, obligations, covenants, agreements, representations and warranties of the County as may be approved by the Chief Financial Officer. The Chief Financial Officer is authorized and directed to obtain ratings of the Certificates from up to three nationally recognized credit rating services, to pay the reasonable and customary charges of such rating services, and to take such other actions as may be required so that the Certificates may be issued and sold as contemplated hereby.
9. The County Administrator and the Chief Financial Officer are authorized to execute and deliver on behalf of the County such covenants, agreements, representations and warranties of the County as may be deemed necessary by such officials. The County Administrator and the Chief Financial Officer are authorized to execute and deliver the Certificates in accordance with documents containing covenants, agreements, representations and warranties with respect thereto.
10. The Chief Financial Officer is authorized to approve any Official Statement, Offering Memorandum, Offering Circular or other offering material to be prepared and distributed periodically by the County to any purchaser or potential purchaser of any of the Certificates (however so entitled, an "Offering Memorandum"), and the Chief Financial Officer is authorized to execute and deliver an Offering Memorandum.
11. The appropriate County officers are authorized to execute and deliver all other documents and certificates and to take such action as may be necessary or appropriate in connection with the Commercial Paper Program and the issuance and sale of the Certificates consistent with this Resolution and Minnesota Statutes, Section 383B.117.

12. The County Administrator and Chief Financial Officer and other officials of the County are authorized and directed to prepare and furnish to any purchasers of the Certificates certified copies of all proceedings and records of the County as may be required or appropriate to evidence the facts relating to the legality of the Certificates and the Commercial Paper Program as such facts appear from the books and records in their custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the County as to the truth of all statements contained therein. The County Administrator and Chief Financial Officer are further authorized to take such other actions as may be required to effectuate the terms and intent of this Resolution.
13. The execution of any document by the appropriate officers of the County herein authorized shall be conclusive evidence of the approval of such documents in accordance with the terms hereof.
14. The Controller is hereby authorized to transfer and disburse funds consistent with documents executed above as necessary to carry out the intent of this Resolution.

**Background:**

The County Board first authorized a commercial paper program in 2010 to add an additional short-term financing strategy. To maintain investments paying higher interest and have cash to fund daily needs, taxable commercial paper issuance has given the County useful flexibility to manage cash. In November 2020, pursuant to Resolution 20-405, the County Board reauthorized a five-year commercial paper program (the "Program") in the amount of \$250 million and with a final term of December 31, 2025.

Commercial paper is a short-term financial instrument that has a maximum maturity of 270 days. Initially, the County issued taxable commercial paper certificates to provide working capital to avoid selling investments from its investment portfolio during low cash periods. Since 2023, the County has also issued tax-exempt commercial paper certificates to provide bridge funding for approved capital projects until such certificates could be repaid with the proceeds of long-term, fixed rate tax-exempt bonds. Based on the history of usage of the currently authorized \$250 million Program, staff recommends preserving about \$100-\$150 million of program capacity each for working capital and interim financing of approved capital projects, which completely claims all available commercial paper resources.

However, in the past two years, a different financing tool used by the County - variable rate bonds - has experienced challenges. The two banks providing liquidity (US Bank and TD Bank) for our two series of outstanding general obligation variable rate demand bond issues from 2017 and 2018 have been downgraded by one or more credit rating agencies. In addition, TD Bank has recently pled guilty to federal charges increasing headline risk to the County by being associated with that institution. The existing liquidity agreements with those two banks both expire in October 2026.

As a result, staff is recommending that the Board increase the maximum Program size from \$250 million to \$400 million and extend the term of the Program to December 31, 2050 to create capacity in the Program for a floating rate debt structure that will have similar characteristics as our current variable rate bonds.

The County has a long history of issuing variable rate bonds which allow much greater flexibility to repay principal more rapidly than is possible with a fixed rate bond structure; variable rate bonds are historically a lower cost financing tool compared to long-term fixed rate bonds as those interest rates, which are reset weekly, are based on short-term interest rates. To be attractive to investors, both commercial paper and variable rate bonds need to be backed by a source of liquidity since investors have the ability to "put" their investment - which means to demand repayment - in both types of bonds. If the dealer is unable to remarket the issue to new investors, liquidity must be available to pay off the investor that is "putting" back their

investment.

The County sees the use of commercial paper secured by self-liquidity (through investments it owns) and our general obligation pledge as an option to replace variable rate bonds, providing an effective tool to reduce Program costs by eliminating liquidity fees; increase interest rate stability; gain additional flexibility in determining repayment dates; and mitigate liquidity risk and reputational risks.

Certificates issued under the Program are general obligations of the County and are currently rated A-1+ by S&P Global Ratings and F1+ by Fitch ratings - the highest possible short-term ratings - based upon the size, quality and liquidity of the County's investment portfolio. Commercial paper certificates may be issued as either tax-exempt or taxable obligations, depending upon the use of proceeds. Since the inception of the Program, the County has issued a total of \$2.825 billion of commercial paper certificates, including rolls of previously issued certificates, at various times and in various amounts. Of that total, \$405 million have been issued as tax-exempt certificates providing interim financing of capital projects, with the balance issued as taxable certificates to support maintenance of the County's investment portfolio. Currently, there are no commercial paper certificates outstanding.

On December 17, 2024, the County issued a Request for Information to 13 local and national banks and broker-dealer firms, all of which are experienced with commercial paper programs, to obtain data about their experience and interest in serving as a commercial paper dealer to the County, as well as the costs associated with acting as a dealer for the Program. The County received responses from eight (8) firms on January 14, 2025. Staff reviewed those responses with representatives of the County Attorney's Office, and PFM Financial Advisors LLC, the County's municipal advisor. Staff recommends that JP Morgan Securities LLC (JPM) and RBC Capital Markets, LLC (RBC) be named as dealers for the Program. JPM has the largest combined tax-exempt and taxable commercial paper portfolios of all of the firms that submitted responses; they offered the lowest fee; and they have performed well as a dealer for the County's Program since being retained to serve in that role in 2020. RBC also has substantial tax-exempt and taxable commercial paper portfolios, a significant local presence in downtown Minneapolis and has provided helpful advice and services as a dealer on the County's Program since 2016.

The resolution authorizes the County Administrator and the Chief Financial Officer to execute and deliver certain necessary documents related to the Program, and the Chief Financial Officer to approve the Commercial Paper Offering Memorandum which is prepared and updated at least twice a year. Further, the resolution authorizes the Chief Financial Officer to engage one or more commercial banks, insurers or other credit support, or liquidity facility providers as may be necessary or desirable during the term of the Program, as well as request up to three credit rating agencies to rate the certificates issued under the Program. It is staff's expectation that the County will continue to provide self-liquidity for the Program, as well as seek confirmation of the existing Program ratings from S&P and Fitch.

**Recommendation from County Administrator:** Recommend Approval