

**COMMITTEE MINUTES for
TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS
APPROPRIATIONS SUBCOMMITTEE**

Date: *February 1, 2017*

Location: *RM 102, Sup. Ct. Consult*

Convened: *10:10 AM*

Adjourned: *11:05 AM*

Attendance Roll Call:

Present: Senators Bertrand-CH, McCoy-RM, Anderson, Bowman; Representatives Wheeler-VC, Cohoon-RM, Carlson, Kerr, Mascher, Maxwell, Nielsen

Absent:

Excused: Senator Kapucian-VC; Representatives Huseman-CH, Smith, R.

Senator Bertrand, Co-chairman, called the meeting to order at 10:10 a.m. The roll call was dispensed with and a quorum declared present.

Minutes of the January 25, 2017, meeting were approved.

A group representing the Lewis and Clark group provided a presentation. Those participating were Troy Larson, Lewis & Clark RWS Executive Director; Murray Hulstein, Sioux Center Utility Manager; and Aaron Kooiker, Hull City Administrator. Because the federal cost share has been slow in coming, the Lewis & Clark Regional Water System is asking the three states where their members are located for “federal funding advances,” which are zero interest unsecured loans. Minnesota and South Dakota have already advanced a combined \$94.7 million. The federal government has never reneged on a rural water project, so there is every reason to believe the money will be paid back, but no guarantees can be made.

They explained how the advances will work. As soon as all 20 members are connected, but before the project is completed, Lewis & Clark will begin using federal funding to repay the state advances. Members of Lewis & Clark are deferring an estimated \$33 million of construction needed to complete the system until the advances have been repaid in full. Federal funding each year will be divided proportionally based on each state’s share of the overall advances. Lewis and Clark is a legacy-type project that will have lasting impacts for generations to come. They provided Federal, State and Member Funding summaries.

Following discussion and questions regarding this request of funds, Senator Bertrand thanked the presenters for sharing this information.

Representative Kerr moved to arise at 11:05 am.

Senator Rick Bertrand

Charlotte Mosher, Committee Secretary