



February 24, 2025

Dear Chair Pappas, Minority Lead Housley, and members of the Senate Capital Investment Committee,

We are writing to you as a diverse group of stakeholders—two trades unions, a statewide environmental organization, and a coalition of cities located throughout Greater Minnesota—to urge that as you pull together a bonding bill, you make a significant investment in water and wastewater infrastructure through the Public Facilities Authority (PFA). We also urge you to make several policy changes that will help communities tap into these funds.

Ensuring that Minnesota's waters are protected and supporting good-paying jobs is something almost every Minnesotan can get behind. That's why we—the Coalition of Greater Minnesota Cities (CGMC), LIUNA, the 49ers, and Conservation Minnesota—urge you to invest in improving and upgrading water and wastewater infrastructure throughout the state. In fact, we believe that this is so important we worked with Senators Johnson Stewart, Hauschild, Frentz and Jasinski to introduce legislation—S.F.862—appropriating \$299 million to the PFA for the EPA matching funds, the Point Source Implementation Grant (PSIG) program, the Water Infrastructure Fund (WIF) program, and the Emerging Contaminants Grant program. Language establishing the latter program is included in this legislation.

Although that may seem like a large request, the needs in our state are significant. The Minnesota Department of Health and the Minnesota Pollution Control Agency (MPCA) have estimated that \$16.7 billion is needed over the next 20 years to keep up with drinking water and wastewater needs statewide. Failure to adequately fund these programs means that sewer and water rates will likely skyrocket. Construction costs will increase as projects are delayed. Environmental concerns will persist, and there is the potential for drinking water safety risks.

We also urge this committee to increase the caps for grants from the PSIG and WIF programs. These vital programs help pay for much-needed infrastructure, but the caps have not kept pace with inflation. The PFA has urged that these caps be increased, and we agree.

In summary, passing a bonding bill with a robust investment in wastewater and drinking water infrastructure through the PFA programs should be a top priority for both parties. We look forward to working with all of you to make this happen.

Sincerely,

A handwritten signature in black ink, appearing to read "Bradley Peterson".

Bradley Peterson, Executive Director
Coalition of Greater Minnesota Cities

A handwritten signature in black ink, appearing to read "Joel A. Smith".

Joel Smith, President and Business Manager
LIUNA Minnesota & North Dakota

A handwritten signature in black ink, appearing to read "John Pollard".

John Pollard, Legislative Director
IUOE Local 49

A handwritten signature in black ink, appearing to read "Paul Austin".

Paul Austin, Executive Director
Conservation Minnesota