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## 2026 Preliminary Local Government Capital Budget Requests

July 2025  
\$ in Thousands

Page	Entity	Project Name	Rank	2026 Request Amount	2028 Request Amount	2030 Request Amount	Total Request Amount
<b>1</b>	<b>Albert Lea, City of</b>	<b>Project Summary</b>		<b>40,000</b>	<b>0</b>	<b>0</b>	<b>40,000</b>
2		Albert Lea Wastewater Treatment Facility Regulatory Updates	1	40,000	0	0	40,000
<b>7</b>	<b>Alexandria Lake Area Sanitary District</b>	<b>Project Summary</b>		<b>15,000</b>	<b>0</b>	<b>0</b>	<b>15,000</b>
8		ALASD Water Reclamation Facility Improvement Project	1	15,000	0	0	15,000
<b>13</b>	<b>Alpha, City of</b>	<b>Project Summary</b>		<b>4,703</b>	<b>0</b>	<b>0</b>	<b>4,703</b>
14		Alpha Wastewater Improvement Project	1	4,703	0	0	4,703
<b>19</b>	<b>Amboy, City of</b>	<b>Project Summary</b>		<b>9,634</b>	<b>0</b>	<b>0</b>	<b>9,634</b>
20		Amboy Infrastructure Improvements	1	9,634	0	0	9,634
<b>24</b>	<b>Anoka County</b>	<b>Project Summary</b>		<b>7,720</b>	<b>0</b>	<b>0</b>	<b>7,720</b>
25		Missing Link - Rice Creek North Regional Trail	1	7,720	0	0	7,720
<b>30</b>	<b>Anoka, City of</b>	<b>Project Summary</b>		<b>7,232</b>	<b>40,414</b>	<b>0</b>	<b>47,646</b>
31		Rum River Dam Modification and Reconstruction Project	1	7,232	40,414	0	47,646
<b>36</b>	<b>Apple Valley, City of</b>	<b>Project Summary</b>		<b>40,000</b>	<b>0</b>	<b>0</b>	<b>40,000</b>
37		PFAS Removal Upgrades to Water Treatment Plant	1	40,000	0	0	40,000
<b>42</b>	<b>Area Special Education Cooperative ISD #997-52</b>	<b>Project Summary</b>		<b>6,500</b>	<b>0</b>	<b>0</b>	<b>6,500</b>
43		Setting IV Educational Program Facility	1	6,500	0	0	6,500
<b>49</b>	<b>Arrowhead Regional Corrections</b>	<b>Project Summary</b>		<b>1,790</b>	<b>0</b>	<b>0</b>	<b>1,790</b>
50		Northeast Regional Corrections Center - Photovoltaic (PV) Solar Array	1	1,790	0	0	1,790
<b>55</b>	<b>Association of Metro Municipalities</b>	<b>Project Summary</b>		<b>10,000</b>	<b>0</b>	<b>0</b>	<b>10,000</b>
56		Inflow - Infiltration Assistance Capital Proposal	1	10,000	0	0	10,000
<b>60</b>	<b>Aurora, City of</b>	<b>Project Summary</b>		<b>5,000</b>	<b>0</b>	<b>0</b>	<b>5,000</b>
61		East Range Water System Improvements	1	5,000	0	0	5,000
<b>66</b>	<b>Babbitt, City of</b>	<b>Project Summary</b>		<b>2,500</b>	<b>0</b>	<b>0</b>	<b>2,500</b>
67		Revitalization of City Services and Amenities	1	2,500	0	0	2,500
<b>72</b>	<b>Baldwin, City of</b>	<b>Project Summary</b>		<b>9,191</b>	<b>0</b>	<b>0</b>	<b>9,191</b>
73		New City Hall   Fire Department	1	8,705	0	0	8,705
77		Fire Department Training Facility	2	135	0	0	135
81		Fire Department Substation	3	135	0	0	135
85		Remodel Current Public Works Building	4	216	0	0	216
<b>89</b>	<b>Benton County</b>	<b>Project Summary</b>		<b>21,000</b>	<b>0</b>	<b>0</b>	<b>21,000</b>
90		Mayhew Lake Road (CSAH 1) Safety Improvements	1	21,000	0	0	21,000
<b>94</b>	<b>Bethel, City of</b>	<b>Project Summary</b>		<b>3,500</b>	<b>0</b>	<b>0</b>	<b>3,500</b>
95		Bethel's Infrastructure Improvements	1	3,500	0	0	3,500
<b>100</b>	<b>Big Lake, City of</b>	<b>Project Summary</b>		<b>25,000</b>	<b>0</b>	<b>0</b>	<b>25,000</b>
101		Big Lake Wastewater Treatment Plant Improvements	1	25,000	0	0	25,000
<b>105</b>	<b>Bingham Lake, City of</b>	<b>Project Summary</b>		<b>119</b>	<b>0</b>	<b>0</b>	<b>119</b>
106		3rd Avenue Storm Sewer 2025	1	119	0	0	119
<b>111</b>	<b>Biscay, City of</b>	<b>Project Summary</b>		<b>2,625</b>	<b>0</b>	<b>0</b>	<b>2,625</b>
112		Water System Replacement Project	1	2,625	0	0	2,625
<b>117</b>	<b>Biwabik, City of</b>	<b>Project Summary</b>		<b>2,500</b>	<b>0</b>	<b>0</b>	<b>2,500</b>
118		City of Biwabik Public Safety Center	1	2,500	0	0	2,500
<b>122</b>	<b>Blooming Prairie, City of</b>	<b>Project Summary</b>		<b>4,035</b>	<b>0</b>	<b>0</b>	<b>4,035</b>

123		TH 218 Corridor Utility Improvement and Contamination Remediation	1	4,035	0	0	4,035
<b>128</b>	<b>Bloomington, City of</b>	<b>Project Summary</b>		<b>17,480</b>	<b>0</b>	<b>0</b>	<b>17,480</b>
129		North Central Sanitary Sewer Project	1	13,000	0	0	13,000
133		Old Shakopee Road - Aldrich Ave to 2nd Avenue	2	4,480	0	0	4,480
<b>139</b>	<b>Brainerd, City of</b>	<b>Project Summary</b>		<b>31,645</b>	<b>0</b>	<b>0</b>	<b>31,645</b>
140		Brainerd Public Utilities Water Treatment Facility	1	28,000	0	0	28,000
144		Pedestrian Bridge Crossing over TH 210	2	2,950	0	0	2,950
149		Cuyuna Lakes State Trail - East Segment	3	695	0	0	695
<b>154</b>	<b>Brooklyn Center, City of</b>	<b>Project Summary</b>		<b>4,500</b>	<b>0</b>	<b>0</b>	<b>4,500</b>
155		Opportunity Site Infrastructure	1	3,000	0	0	3,000
160		Brooklyn Center Public Works Maintenance Facility Reconstruction	2	1,500	0	0	1,500
<b>165</b>	<b>Brooten, City of</b>	<b>Project Summary</b>		<b>1,848</b>	<b>0</b>	<b>0</b>	<b>1,848</b>
166		Brooten Infrastructure Improvements	1	1,848	0	0	1,848
<b>170</b>	<b>Brownsville, City of</b>	<b>Project Summary</b>		<b>3,500</b>	<b>0</b>	<b>0</b>	<b>3,500</b>
171		Brownsville's Infrastructure Improvements	1	3,500	0	0	3,500
<b>176</b>	<b>Buckman, City of</b>	<b>Project Summary</b>		<b>2,467</b>	<b>0</b>	<b>0</b>	<b>2,467</b>
177		Buckman Infrastructure Improvements	1	2,467	0	0	2,467
<b>182</b>	<b>Buffalo-Red River Watershed District</b>	<b>Project Summary</b>		<b>24,200</b>	<b>0</b>	<b>0</b>	<b>24,200</b>
183		Buffalo Red River Water District Flood Mitigation Funding	1	24,200	0	0	24,200
<b>187</b>	<b>Buhl, City of</b>	<b>Project Summary</b>		<b>1,121</b>	<b>125</b>	<b>0</b>	<b>1,246</b>
188		City of Buhl - 2026 Community-Wide Alley Improvements	1	1,121	125	0	1,246
<b>194</b>	<b>Burnsville, City of</b>	<b>Project Summary</b>		<b>1,750</b>	<b>750</b>	<b>6,250</b>	<b>8,750</b>
195		Burnsville Water Treatment Plant - Investing for Future Generations	1	1,750	750	6,250	8,750
<b>201</b>	<b>Butterfield, City of</b>	<b>Project Summary</b>		<b>8,000</b>	<b>0</b>	<b>0</b>	<b>8,000</b>
202		Butterfield Infrastructure Project	1	8,000	0	0	8,000
<b>207</b>	<b>Carlton County</b>	<b>Project Summary</b>		<b>15,000</b>	<b>0</b>	<b>0</b>	<b>15,000</b>
208		Carlton County Transfer Station		5,000	0	0	5,000
212		Countywide Facility Safety and Accessibility Improvements		10,000	0	0	10,000
<b>216</b>	<b>Carver County</b>	<b>Project Summary</b>		<b>3,265</b>	<b>0</b>	<b>0</b>	<b>3,265</b>
217		Lake Waconia Regional Park Phase III	1	3,265	0	0	3,265
<b>224</b>	<b>Carver, City of</b>	<b>Project Summary</b>		<b>3,350</b>	<b>0</b>	<b>0</b>	<b>3,350</b>
225		Carver Levee	1	3,350	0	0	3,350
<b>230</b>	<b>Central Iron Range Sanitary Sewer District</b>	<b>Project Summary</b>		<b>1,400</b>	<b>0</b>	<b>0</b>	<b>1,400</b>
231		CIRSSD Wastewater Conveyance System Upgrade and Expansion	1	1,400	0	0	1,400
<b>236</b>	<b>Chanhassen, City of</b>	<b>Project Summary</b>		<b>22,000</b>	<b>0</b>	<b>0</b>	<b>22,000</b>
237		Chanhassen Bluffs Community Center	1	22,000	0	0	22,000
<b>241</b>	<b>Chaska, City of</b>	<b>Project Summary</b>		<b>11,675</b>	<b>0</b>	<b>0</b>	<b>11,675</b>
242		City Square West	1	7,825	0	0	7,825
247		Southwest Chaska Trunk Utility Extension	2	3,850	0	0	3,850
<b>252</b>	<b>Chatfield, City of</b>	<b>Project Summary</b>		<b>5,000</b>	<b>0</b>	<b>0</b>	<b>5,000</b>
253		Chatfield Wastewater Treatment Facility Update	1	5,000	0	0	5,000
<b>258</b>	<b>Chisholm, City of</b>	<b>Project Summary</b>		<b>1,500</b>	<b>0</b>	<b>0</b>	<b>1,500</b>
259		Chisholm Public Works Facility	1	1,500	0	0	1,500
<b>263</b>	<b>Clay County</b>	<b>Project Summary</b>		<b>47,700</b>	<b>0</b>	<b>0</b>	<b>47,700</b>
264		Clay County Flood Mitigation Funding	1	21,300	0	0	21,300
269		Non-Secure Juvenile Facility Project	2	26,400	0	0	26,400
<b>274</b>	<b>Cloquet Area Fire District</b>	<b>Project Summary</b>		<b>9,000</b>	<b>0</b>	<b>0</b>	<b>9,000</b>
275		Ambulance and Fire Public Safety Facility	1	9,000	0	0	9,000
<b>280</b>	<b>Cohasset, City of</b>	<b>Project Summary</b>		<b>3,000</b>	<b>0</b>	<b>0</b>	<b>3,000</b>

281		Cohasset Water Tower & Utility Extension	1	3,000	0	0	3,000
<b>285</b>	<b>Cold Spring, City of</b>	<b>Project Summary</b>		<b>29,861</b>	<b>0</b>	<b>0</b>	<b>29,861</b>
286		Wastewater Treatment Facility (WWTF) Improvements	1	29,861	0	0	29,861
<b>291</b>	<b>Coleraine, City of</b>	<b>Project Summary</b>		<b>7,000</b>	<b>0</b>	<b>0</b>	<b>7,000</b>
292		Coleraine City-wide Infrastructure Project	1	7,000	0	0	7,000
<b>296</b>	<b>Cologne, City of</b>	<b>Project Summary</b>		<b>23,412</b>	<b>0</b>	<b>0</b>	<b>23,412</b>
297		Wastewater Treatment Facility	1	23,412	0	0	23,412
<b>302</b>	<b>Columbia Heights, City of</b>	<b>Project Summary</b>		<b>14,000</b>	<b>0</b>	<b>0</b>	<b>14,000</b>
303		Columbia Heights Public Works Facility	1	14,000	0	0	14,000
<b>308</b>	<b>Coon Rapids, City of</b>	<b>Project Summary</b>		<b>10,000</b>	<b>0</b>	<b>0</b>	<b>10,000</b>
309		Highway 610 and East River Road Full Access interchange	1	10,000	0	0	10,000
<b>313</b>	<b>Cottonwood, City of</b>	<b>Project Summary</b>		<b>8,500</b>	<b>0</b>	<b>0</b>	<b>8,500</b>
314		Cottonwood Infrastructure Project	1	8,500	0	0	8,500
<b>321</b>	<b>Credit River, City of</b>	<b>Project Summary</b>		<b>12,800</b>	<b>0</b>	<b>0</b>	<b>12,800</b>
322		Country Court Sewer and Water Extension Project	1	12,800	0	0	12,800
<b>327</b>	<b>Dakota County</b>	<b>Project Summary</b>		<b>31,476</b>	<b>0</b>	<b>0</b>	<b>31,476</b>
328		Regional Household Hazardous Waste Collection and Recycling Facility	1	8,000	0	0	8,000
333		County Road 50 Improvements	2	10,800	0	0	10,800
338		Thompson County Park Inclusive Recreation Enhancements	3	4,000	0	0	4,000
343		County Building Energy Efficiency Improvements	4	8,676	0	0	8,676
<b>347</b>	<b>Dayton, City of</b>	<b>Project Summary</b>		<b>7,500</b>	<b>3,000</b>	<b>0</b>	<b>10,500</b>
348		Water Tower #2	1	2,000	0	0	2,000
352		Rush Creek Parkway and Fernbrook Intersection Improvement	2	1,000	1,500	0	2,500
356		Wellhead Treatment Plant #2	3	3,500	0	0	3,500
360		Pineview Lane and Dayton River Road Intersection Improvement	4	1,000	1,500	0	2,500
<b>364</b>	<b>Dodge County</b>	<b>Project Summary</b>		<b>1,500</b>	<b>0</b>	<b>0</b>	<b>1,500</b>
365		Restoration Park Expansion - Quarry Acquisition	1	1,500	0	0	1,500
<b>373</b>	<b>Duluth Airport Authority</b>	<b>Project Summary</b>		<b>4,000</b>	<b>0</b>	<b>0</b>	<b>4,000</b>
374		Air Traffic Control Tower Replacement	1	4,000	0	0	4,000
<b>379</b>	<b>Duluth Entertainment and Convention Center Authority</b>	<b>Project Summary</b>		<b>5,911</b>	<b>0</b>	<b>0</b>	<b>5,911</b>
380		DECC Accessibility and Energy Conservation upgrades	1	5,911	0	0	5,911
<b>383</b>	<b>Duluth North Shore Sanitary District</b>	<b>Project Summary</b>		<b>958</b>	<b>0</b>	<b>0</b>	<b>958</b>
384		DNSSD I&I Reduction Project	1	958	0	0	958
<b>388</b>	<b>Duluth, City of</b>	<b>Project Summary</b>		<b>36,481</b>	<b>0</b>	<b>0</b>	<b>36,481</b>
389		Duluth Water System Capital Improvements	1	25,636	0	0	25,636
394		Lot D Revitalization Project	2	10,845	0	0	10,845
<b>399</b>	<b>East Grand Forks, City of</b>	<b>Project Summary</b>		<b>6,419</b>	<b>0</b>	<b>0</b>	<b>6,419</b>
400		Industrial Park Street & Utility Reconstruction	1	6,419	0	0	6,419
<b>406</b>	<b>Eden Prairie, City of</b>	<b>Project Summary</b>		<b>2,233</b>	<b>0</b>	<b>0</b>	<b>2,233</b>
407		Eden Prairie Police & Fire Specialized Response Garage	1	2,233	0	0	2,233
<b>411</b>	<b>Elysian, City of</b>	<b>Project Summary</b>		<b>5,000</b>	<b>0</b>	<b>0</b>	<b>5,000</b>
412		Elysian Water Improvement Program 2026	1	5,000	0	0	5,000
<b>417</b>	<b>Excelsior, City of</b>	<b>Project Summary</b>		<b>12,622</b>	<b>0</b>	<b>0</b>	<b>12,622</b>
418		Excelsior Infrastructure Projects	1	12,622	0	0	12,622
<b>422</b>	<b>Fairmont, City of</b>	<b>Project Summary</b>		<b>6,161</b>	<b>0</b>	<b>0</b>	<b>6,161</b>
423		Public Safety Government Center	1	6,161	0	0	6,161
<b>429</b>	<b>Flensburg, City of</b>	<b>Project Summary</b>		<b>7,900</b>	<b>0</b>	<b>0</b>	<b>7,900</b>
430		Drinking Water and Sanitary Sewer Infrastructure Improvements	1	7,900	0	0	7,900

435	Floodwood, City of	<b>Project Summary</b>		<b>2,000</b>	<b>0</b>	<b>0</b>	<b>2,000</b>
436		Floodwood West Development Project	1	2,000	0	0	2,000
441	Frazee, City of	<b>Project Summary</b>		<b>2,450</b>	<b>0</b>	<b>0</b>	<b>2,450</b>
442		River Drive North Project	1	2,450	0	0	2,450
448	Fulda, City of	<b>Project Summary</b>		<b>4,000</b>	<b>0</b>	<b>0</b>	<b>4,000</b>
449		Fulda's Infrastructure Improvements Project	1	4,000	0	0	4,000
454	Gem Lake, City of	<b>Project Summary</b>		<b>6,820</b>	<b>0</b>	<b>0</b>	<b>6,820</b>
455		Gem Lake Water Distribution Improvements	1	6,820	0	0	6,820
459	Gilman, City of	<b>Project Summary</b>		<b>1,800</b>	<b>0</b>	<b>0</b>	<b>1,800</b>
460		Gilman Infrastructure Improvements	1	1,800	0	0	1,800
464	Golden Valley, City of	<b>Project Summary</b>		<b>6,300</b>	<b>0</b>	<b>0</b>	<b>6,300</b>
465		Phase 2: City of Golden Valley New Fire Station Construction Funding	1	6,300	0	0	6,300
470	Hanley Falls, City of	<b>Project Summary</b>		<b>6,400</b>	<b>0</b>	<b>0</b>	<b>6,400</b>
471		Drinking Water, Sanitary Sewer and Street Infrastructure Improvement	1	6,400	0	0	6,400
476	Harris, City of	<b>Project Summary</b>		<b>1,636</b>	<b>0</b>	<b>0</b>	<b>1,636</b>
477		Harris Infrastructure Improvements	1	1,636	0	0	1,636
481	Hastings, City of	<b>Project Summary</b>		<b>39,036</b>	<b>0</b>	<b>0</b>	<b>39,036</b>
482		Eastern Water Treatment Plant for PFAS and Nitrates	1	18,368	0	0	18,368
487		Western Water Treatment Plant for PFAS and Nitrates	2	20,668	0	0	20,668
491	Henderson, City of	<b>Project Summary</b>		<b>3,200</b>	<b>0</b>	<b>0</b>	<b>3,200</b>
492		Water Filter Plant	1	3,200	0	0	3,200
497	Hennepin County	<b>Project Summary</b>		<b>79,262</b>	<b>0</b>	<b>0</b>	<b>79,262</b>
498		Recycling Recovery Facility	1	26,000	0	0	26,000
502		West Broadway Safety and Mobility Improvements	2	10,100	0	0	10,100
507		Washington Avenue Multimodal Improvements Project	3	6,500	0	0	6,500
512		Avivo	4	26,662	0	0	26,662
517		St. David's Development & Therapeutic Services	5	10,000	0	0	10,000
522	Hibbing Public Utilities	<b>Project Summary</b>		<b>11,837</b>	<b>0</b>	<b>0</b>	<b>11,837</b>
523		Hibbing Water Access, Treatment, Expansion, & Reliability Projects (Hib-WATER)	1	11,837	0	0	11,837
529	Hibbing, City of	<b>Project Summary</b>		<b>10,573</b>	<b>0</b>	<b>0</b>	<b>10,573</b>
530		Sanitary Sewer Rehabilitation Project	1	2,216	0	0	2,216
534		Memorial Building Renovation	2	8,357	0	0	8,357
539	Hilltop, City of	<b>Project Summary</b>		<b>2,500</b>	<b>0</b>	<b>0</b>	<b>2,500</b>
540		Emergency Shelter City Hall Community Center Multipurpose Building	1	2,500	0	0	2,500
545	Holdingsford, City of	<b>Project Summary</b>		<b>1,300</b>	<b>0</b>	<b>0</b>	<b>1,300</b>
546		Holdingsford Lift Station Replacement	1	1,300	0	0	1,300
550	Hopkins, City of	<b>Project Summary</b>		<b>5,000</b>	<b>0</b>	<b>0</b>	<b>5,000</b>
551		Recreation and Resilience Hubs	1	5,000	0	0	5,000
556	Housing and Redevelopment Authority of Duluth Minnesota	<b>Project Summary</b>		<b>8,856</b>	<b>0</b>	<b>0</b>	<b>8,856</b>
557		Mission Engagement Center	1	8,856	0	0	8,856
562	Hoyt Lakes, City of	<b>Project Summary</b>		<b>900</b>	<b>0</b>	<b>0</b>	<b>900</b>
563		Standpipe Rehabilitation	1	900	0	0	900
567	Hutchinson, City of	<b>Project Summary</b>		<b>2,165</b>	<b>0</b>	<b>0</b>	<b>2,165</b>
568		Campbell and Otter Lakes Restoration Phase 2	1	2,165	0	0	2,165
572	Itasca County	<b>Project Summary</b>		<b>239</b>	<b>0</b>	<b>0</b>	<b>239</b>
573		Itasca County Fuel Tank Removal	1	239	0	0	239
577	Joint Powers Water Board of Albertville, Hanover and St. Michael	<b>Project Summary</b>		<b>10,000</b>	<b>0</b>	<b>0</b>	<b>10,000</b>
578		Joint Powers Water Board Water Treatment Plant Upgrade	1	10,000	0	0	10,000
583	Karlstad, City of	<b>Project Summary</b>		<b>9,700</b>	<b>0</b>	<b>0</b>	<b>9,700</b>

584		Karlstad Municipal Airport- New Airport	1	9,700	0	0	9,700
<b>588</b>	<b>Keewatin, City of</b>	<b>Project Summary</b>		<b>5,500</b>	<b>0</b>	<b>0</b>	<b>5,500</b>
589		Keewatin City-wide Infrastructure Project	1	5,500	0	0	5,500
<b>593</b>	<b>Kensington, City of</b>	<b>Project Summary</b>		<b>2,202</b>	<b>0</b>	<b>0</b>	<b>2,202</b>
594		Kensington Infrastructure Project	1	2,202	0	0	2,202
<b>598</b>	<b>La Crescent, City of</b>	<b>Project Summary</b>		<b>3,384</b>	<b>0</b>	<b>0</b>	<b>3,384</b>
599		La Crescent Public Safety-EOC Center	2	3,384	0	0	3,384
<b>605</b>	<b>LaPrairie, City of</b>	<b>Project Summary</b>		<b>2,500</b>	<b>0</b>	<b>0</b>	<b>2,500</b>
606		City of LaPrairie Infrastructure Improvements	1	2,500	0	0	2,500
<b>610</b>	<b>Lake Lillian, City Of</b>	<b>Project Summary</b>		<b>3,500</b>	<b>0</b>	<b>0</b>	<b>3,500</b>
611		Lake Lillian Infrastructure Improvements	1	3,500	0	0	3,500
<b>616</b>	<b>Laketown Township</b>	<b>Project Summary</b>		<b>12,900</b>	<b>0</b>	<b>0</b>	<b>12,900</b>
617		Sewer Collection Rehabilitation - Phase 1	1	6,400	0	0	6,400
621		Sewer Collection Rehabilitation - Phase 2	2	6,500	0	0	6,500
<b>625</b>	<b>Lamberton, City of</b>	<b>Project Summary</b>		<b>1,950</b>	<b>0</b>	<b>0</b>	<b>1,950</b>
626		Lamberton Infrastructure Improvements	1	1,950	0	0	1,950
<b>630</b>	<b>Lanesboro, City of</b>	<b>Project Summary</b>		<b>5,100</b>	<b>0</b>	<b>0</b>	<b>5,100</b>
631		MN Trunk Highway 250 - Lanesboro Sewer & Water Infrastructure Replacement	1	5,100	0	0	5,100
<b>636</b>	<b>Le Sueur County</b>	<b>Project Summary</b>		<b>1,000</b>	<b>0</b>	<b>0</b>	<b>1,000</b>
637		The Upper Cannon River Watershed Drainage Systems Flood Risk Reduction Project	1	1,000	0	0	1,000
<b>642</b>	<b>Little Falls, City of</b>	<b>Project Summary</b>		<b>3,200</b>	<b>0</b>	<b>0</b>	<b>3,200</b>
643		Design Assistance for TH27 Mississippi River Bridge Replacement	1	3,200	0	0	3,200
<b>647</b>	<b>Little Fork, City of</b>	<b>Project Summary</b>		<b>2,500</b>	<b>0</b>	<b>0</b>	<b>2,500</b>
648		Littlefork Public RV Campground	1	2,500	0	0	2,500
<b>652</b>	<b>Loretto, City of</b>	<b>Project Summary</b>		<b>2,700</b>	<b>0</b>	<b>0</b>	<b>2,700</b>
653		Loretto Water Infrastructure - Water, Waste Water, Storm Water	1	2,700	0	0	2,700
<b>658</b>	<b>Mahnomen County</b>	<b>Project Summary</b>		<b>40,000</b>	<b>0</b>	<b>0</b>	<b>40,000</b>
659		Mahnomen Hospital	1	40,000	0	0	40,000
<b>664</b>	<b>Mankato, City of</b>	<b>Project Summary</b>		<b>7,307</b>	<b>0</b>	<b>0</b>	<b>7,307</b>
665		Air Traffic Control Tower Construction	1	557	0	0	557
669		Southeast Water Quality	2	6,750	0	0	6,750
<b>674</b>	<b>Maplewood, City of</b>	<b>Project Summary</b>		<b>5,404</b>	<b>32,392</b>	<b>0</b>	<b>37,796</b>
675		East Metro Public Safety Expansion Project	1	5,404	32,392	0	37,796
<b>680</b>	<b>Marshall, City of</b>	<b>Project Summary</b>		<b>2,550</b>	<b>0</b>	<b>0</b>	<b>2,550</b>
681		MERIT Center Regional Training Facility with Live Burn Room	1	2,550	0	0	2,550
<b>686</b>	<b>Mendota Heights, City of</b>	<b>Project Summary</b>		<b>12,000</b>	<b>0</b>	<b>0</b>	<b>12,000</b>
687		City of Mendota Heights Public Safety and City Hall Facility	1	12,000	0	0	12,000
<b>692</b>	<b>Minneapolis Park and Recreation Board</b>	<b>Project Summary</b>		<b>67,900</b>	<b>0</b>	<b>0</b>	<b>67,900</b>
693		North Commons Regional Vision	1	12,000	0	0	12,000
697		Grand Rounds Missing Link Implementation	2	6,800	0	0	6,800
701		Climate Resiliency for Minnehaha Creek and Parkway	3	14,600	0	0	14,600
706		New Cedar Riverside Recreation Center	4	11,500	0	0	11,500
710		New Non-Vehicular Bridge Connection over Mississippi River Connecting North and Northeast Minneapolis	5	18,000	0	0	18,000
714		Upper St. Anthony Lock in Cooperation with Owamniyomni Okhodayapi	6	5,000	0	0	5,000
<b>718</b>	<b>Minneapolis, City of</b>	<b>Project Summary</b>		<b>81,463</b>	<b>0</b>	<b>0</b>	<b>81,463</b>
719		Structural Renewal of 36 inch Water Main	1	12,360	0	0	12,360
724		Community Safety Training and Wellness Facility (CHA)	2	19,000	0	0	19,000
729		13th Avenue NE Flood Mitigation	3	13,503	0	0	13,503
734		35th Avenue North Flood Mitigation	4	25,000	0	0	25,000

739		Aldrich Avenue South Sanitary Sewer Improvements	5	6,600	0	0	6,600
743		Pedestrian Access and Safety Improvements	6	5,000	0	0	5,000
<b>748</b>	<b>Minnesota Lake, City of</b>	<b>Project Summary</b>		<b>2,633</b>	<b>0</b>	<b>0</b>	<b>2,633</b>
749		Minnesota Lake Water Treatment System	1	2,633	0	0	2,633
<b>753</b>	<b>Minnesota Valley Regional Rail Authority</b>	<b>Project Summary</b>		<b>19,499</b>	<b>0</b>	<b>0</b>	<b>19,499</b>
754		MVRRRA Western Rail Corridor Modernization – Fairfax to Hanley Falls	1	19,499	0	0	19,499
<b>759</b>	<b>Minnetonka Beach, City of the Village of</b>	<b>Project Summary</b>		<b>5,811</b>	<b>0</b>	<b>0</b>	<b>5,811</b>
760		Streets and Utility Reconstruction	1	5,811	0	0	5,811
<b>765</b>	<b>Minnetonka, City of</b>	<b>Project Summary</b>		<b>5,330</b>	<b>0</b>	<b>0</b>	<b>5,330</b>
766		Ridgedale & I-394 Fire Station Construction	1	5,330	0	0	5,330
<b>771</b>	<b>Moorhead, City of</b>	<b>Project Summary</b>		<b>28,500</b>	<b>0</b>	<b>0</b>	<b>28,500</b>
772		City of Moorhead Flood Mitigation Improvements - Continuation	1	18,500	0	0	18,500
776		Moorhead Dewatering, Phosphorus, Facility & Lift Station Improvements	2	10,000	0	0	10,000
<b>781</b>	<b>Moose Lake, City of</b>	<b>Project Summary</b>		<b>1,575</b>	<b>0</b>	<b>0</b>	<b>1,575</b>
782		Moose Lake Inflow & Infiltration Reduction Project	1	1,575	0	0	1,575
<b>787</b>	<b>Mound, City of</b>	<b>Project Summary</b>		<b>29,869</b>	<b>0</b>	<b>0</b>	<b>29,869</b>
788		Water Treatment Facility	1	29,869	0	0	29,869
<b>792</b>	<b>New Auburn, City of</b>	<b>Project Summary</b>		<b>9,000</b>	<b>0</b>	<b>0</b>	<b>9,000</b>
793		City of New Auburn Water and Wastewater Improvement Project	1	9,000	0	0	9,000
<b>798</b>	<b>New Germany, City of</b>	<b>Project Summary</b>		<b>10,244</b>	<b>0</b>	<b>0</b>	<b>10,244</b>
799		New Germany Wastewater Treatment Project	1	10,244	0	0	10,244
<b>803</b>	<b>New Ulm Public Utilities Commission</b>	<b>Project Summary</b>		<b>2,011</b>	<b>0</b>	<b>0</b>	<b>2,011</b>
804		Front Street Gravity Sewer & Water Main Replacement Project	1	2,011	0	0	2,011
<b>809</b>	<b>Newport, City of</b>	<b>Project Summary</b>		<b>7,660</b>	<b>0</b>	<b>0</b>	<b>7,660</b>
810		Inflow & Infiltration Phase 2 Project	1	7,660	0	0	7,660
<b>814</b>	<b>Norman County</b>	<b>Project Summary</b>		<b>10,000</b>	<b>0</b>	<b>0</b>	<b>10,000</b>
815		West Central Regional Water District	1	10,000	0	0	10,000
<b>820</b>	<b>North Mankato, City of</b>	<b>Project Summary</b>		<b>15,500</b>	<b>0</b>	<b>0</b>	<b>15,500</b>
821		Caswell Park Improvements - Phase 2	1	15,500	0	0	15,500
<b>827</b>	<b>North Zumbro Sanitary Sewer District</b>	<b>Project Summary</b>		<b>44,800</b>	<b>0</b>	<b>0</b>	<b>44,800</b>
828		North Zumbro Sanitary Sewer District Wastewater System	1	44,800	0	0	44,800
<b>832</b>	<b>Northern Lights Academy</b>	<b>Project Summary</b>		<b>6,500</b>	<b>0</b>	<b>0</b>	<b>6,500</b>
833		Facility Project for the Northern Lights Academy (NLA)	1	6,500	0	0	6,500
<b>838</b>	<b>Northern Township</b>	<b>Project Summary</b>		<b>8,000</b>	<b>0</b>	<b>0</b>	<b>8,000</b>
839		Lake Bemidji Wastewater Project	1	8,000	0	0	8,000
<b>847</b>	<b>Northfield, City of</b>	<b>Project Summary</b>		<b>2,500</b>	<b>0</b>	<b>0</b>	<b>2,500</b>
848		Northfield Community Resource Center Improvement	1	2,500	0	0	2,500
<b>852</b>	<b>Oak Park Heights, City of</b>	<b>Project Summary</b>		<b>1,600</b>	<b>0</b>	<b>0</b>	<b>1,600</b>
853		PFAS Water Treatment	1	1,600	0	0	1,600
<b>857</b>	<b>Okabena, City of</b>	<b>Project Summary</b>		<b>3,741</b>	<b>0</b>	<b>0</b>	<b>3,741</b>
858		Okabena Infrastructure Improvements	1	3,741	0	0	3,741
<b>863</b>	<b>Olivia, City of</b>	<b>Project Summary</b>		<b>5,265</b>	<b>0</b>	<b>0</b>	<b>5,265</b>
864		City of Olivia Water Treatment Plant Centralized Softening (RO)	1	5,265	0	0	5,265
<b>869</b>	<b>Olmsted County</b>	<b>Project Summary</b>		<b>40,119</b>	<b>0</b>	<b>0</b>	<b>40,119</b>
870		Regional materials recovery facility	1	18,606	0	0	18,606
875		Proposed Interchanges at CSAH 3 and TH 14 and CSAH 5 and TH14	2	8,000	0	0	8,000
880		Community Reuse and Recycling Center	3	13,513	0	0	13,513

885	Otter Tail County	<b>Project Summary</b>		<b>1,050</b>	<b>0</b>	<b>0</b>	<b>1,050</b>
886		Transitional Youth Work Force Housing	1	1,050	0	0	1,050
891	Owatonna, City of	<b>Project Summary</b>		<b>25,089</b>	<b>0</b>	<b>0</b>	<b>25,089</b>
892		City of Owatonna - Public Safety Center	1	25,089	0	0	25,089
897	Pease, City of	<b>Project Summary</b>		<b>3,000</b>	<b>0</b>	<b>0</b>	<b>3,000</b>
898		Pease Water Supply PFAS Mitigation Project	1	3,000	0	0	3,000
902	Pine City, City of	<b>Project Summary</b>		<b>7,000</b>	<b>0</b>	<b>0</b>	<b>7,000</b>
903		Wastewater Treatment Pond System Update	1	7,000	0	0	7,000
907	Plymouth, City of	<b>Project Summary</b>		<b>26,000</b>	<b>0</b>	<b>0</b>	<b>26,000</b>
908		City Center Redevelopment and Revitalization	1	26,000	0	0	26,000
913	Proctor, City of	<b>Project Summary</b>		<b>3,500</b>	<b>0</b>	<b>0</b>	<b>3,500</b>
914		I-35 Commercial Development - Utility Extensions & Upgrades	1	3,500	0	0	3,500
919	Ramsey County	<b>Project Summary</b>		<b>26,600</b>	<b>0</b>	<b>0</b>	<b>26,600</b>
920		Park at RiversEdge	1	20,000	0	0	20,000
925		Aldrich Arena & Community Event Center	2	6,600	0	0	6,600
929	Ranier, City of	<b>Project Summary</b>		<b>554</b>	<b>0</b>	<b>0</b>	<b>554</b>
930		Ranier Public Works Maintenance Facility	1	554	0	0	554
934	Raymond, City of	<b>Project Summary</b>		<b>4,000</b>	<b>0</b>	<b>0</b>	<b>4,000</b>
935		Raymond Infrastructure Improvements	1	4,000	0	0	4,000
940	Red Lake County	<b>Project Summary</b>		<b>2,100</b>	<b>0</b>	<b>0</b>	<b>2,100</b>
941		Red Lake County Courthouse Project	1	2,100	0	0	2,100
945	Red Lake Falls, City of	<b>Project Summary</b>		<b>5,947</b>	<b>0</b>	<b>0</b>	<b>5,947</b>
946		2026 RLF Infrastructure Rehabilitation Project	1	5,947	0	0	5,947
952	Redwood Falls, City of	<b>Project Summary</b>		<b>4,686</b>	<b>0</b>	<b>0</b>	<b>4,686</b>
953		Redwood Falls Municipal Airport Runway and Lighting Replacement	1	3,386	0	0	3,386
958		Preservation of Historic Swayback Bridge	2	1,300	0	0	1,300
963	Revere, City of	<b>Project Summary</b>		<b>3,600</b>	<b>0</b>	<b>0</b>	<b>3,600</b>
964		Revere Storm Water Infrastructure Repair and Street Reconstruction	1	3,600	0	0	3,600
968	Rice Creek Watershed District	<b>Project Summary</b>		<b>6,840</b>	<b>0</b>	<b>0</b>	<b>6,840</b>
969		Jones Lake Climate Resiliency Improvement Project	1	6,840	0	0	6,840
974	Rice Lake, City of	<b>Project Summary</b>		<b>3,800</b>	<b>0</b>	<b>0</b>	<b>3,800</b>
975		Rice Lake Sewer and Water Extensions	1	3,800	0	0	3,800
980	Richfield, City of	<b>Project Summary</b>		<b>12,500</b>	<b>0</b>	<b>0</b>	<b>12,500</b>
981		Nicollet Avenue Reconstruction	1	10,000	0	0	10,000
986		Richfield Emergency Water Interconnect	2	2,500	0	0	2,500
990	Robbinsdale, City of	<b>Project Summary</b>		<b>20,000</b>	<b>0</b>	<b>0</b>	<b>20,000</b>
991		Public Works Facility	1	20,000	0	0	20,000
996	Rochester, City of	<b>Project Summary</b>		<b>14,657</b>	<b>15,767</b>	<b>9,778</b>	<b>40,202</b>
997		Airport Parking Infrastructure & Energy Components	1	3,308	0	0	3,308
1001		East Zumbro Sewer & Water for Housing Opportunities	2	9,224	10,892	9,778	29,894
1006		Planning for Civic Center Drive and South Broadway Ave	3	2,125	4,875	0	7,000
1011	Roseau, City of	<b>Project Summary</b>		<b>8,300</b>	<b>0</b>	<b>0</b>	<b>8,300</b>
1012		Roseau Community & Wellness Center	1	8,300	0	0	8,300
1017	Roseville, City of	<b>Project Summary</b>		<b>1,632</b>	<b>0</b>	<b>0</b>	<b>1,632</b>
1018		John Rose MN OVAL Updates	1	1,632	0	0	1,632
1024	Russell, City of	<b>Project Summary</b>		<b>4,000</b>	<b>0</b>	<b>0</b>	<b>4,000</b>
1025		Phase 2 Utilities Project	1	4,000	0	0	4,000
1030	Ruthton, City of	<b>Project Summary</b>		<b>3,900</b>	<b>0</b>	<b>0</b>	<b>3,900</b>
1031		Utilities Project	1	3,900	0	0	3,900
1036	Sacred Heart, City of	<b>Project Summary</b>		<b>8,894</b>	<b>0</b>	<b>0</b>	<b>8,894</b>
1037		Phase 3 Infrastructure Improvements	1	8,894	0	0	8,894
1042	Sandstone, City of	<b>Project Summary</b>		<b>1,740</b>	<b>0</b>	<b>0</b>	<b>1,740</b>
1043		Sandstone History Center	1	1,740	0	0	1,740

<b>1050</b>	<b>Sartell, City of</b>	<b>Project Summary</b>		<b>22,750</b>	<b>0</b>	<b>0</b>	<b>22,750</b>
1051		City of Sartell Central MN Healthcare Hub Regional Infrastructure Project	1	22,750	0	0	22,750
<b>1057</b>	<b>Sauk Rapids, City of</b>	<b>Project Summary</b>		<b>4,600</b>	<b>0</b>	<b>0</b>	<b>4,600</b>
1058		PFAS Abatement and Mitigation	1	3,600	0	0	3,600
1063		Mayhew Creek Regional Sports Complex Access Improvements	2	1,000	0	0	1,000
<b>1067</b>	<b>Savage, City of</b>	<b>Project Summary</b>		<b>2,823</b>	<b>100,177</b>	<b>0</b>	<b>103,000</b>
1068		Highway 13 Reconstruction Project	1	2,823	100,177	0	103,000
<b>1074</b>	<b>Scott County</b>	<b>Project Summary</b>		<b>6,478</b>	<b>0</b>	<b>0</b>	<b>6,478</b>
1075		Merriam Junction Trail Phase 2-Louisville Segment	1	6,478	0	0	6,478
<b>1081</b>	<b>Shakopee, City of</b>	<b>Project Summary</b>		<b>7,000</b>	<b>0</b>	<b>0</b>	<b>7,000</b>
1082		Innovation Hub	1	4,000	0	0	4,000
1087		City of Shakopee - Downtown Quiet Zone Improvements	2	3,000	0	0	3,000
<b>1093</b>	<b>Sherburne County</b>	<b>Project Summary</b>		<b>7,500</b>	<b>0</b>	<b>0</b>	<b>7,500</b>
1094		Two Inlets at Bdé Hežáka - Omashkooz Zaaga'igaans Regional Park	1	2,500	0	0	2,500
1100		US 10 and CSAH 11 Highway and Railroad Crossing Safety Improvements		5,000	0	0	5,000
<b>1105</b>	<b>Silver Bay, City of</b>	<b>Project Summary</b>		<b>22,642</b>	<b>0</b>	<b>0</b>	<b>22,642</b>
1106		Pressure Reducing Valve Emergency Replacement Project	1	1,070	0	0	1,070
1111		Transmission Line Rehabilitation	2	1,962	0	0	1,962
1116		Road & Utility Improvement Project - Phase 2	3	14,488	0	0	14,488
1122		Mary MacDonald Center Rehabilitation	4	2,077	0	0	2,077
1127		City Center Park and Amphitheater	5	3,045	0	0	3,045
<b>1132</b>	<b>Silver Creek, Town of</b>	<b>Project Summary</b>		<b>6,000</b>	<b>0</b>	<b>0</b>	<b>6,000</b>
1133		The Town of Silver Creek Infrastructure Improvements	1	6,000	0	0	6,000
<b>1138</b>	<b>Silver Lake, City of</b>	<b>Project Summary</b>		<b>9,221</b>	<b>0</b>	<b>0</b>	<b>9,221</b>
1139		Silver Lake Infrastructure Improvement Project	1	9,221	0	0	9,221
<b>1144</b>	<b>Slayton, City of</b>	<b>Project Summary</b>		<b>2,000</b>	<b>0</b>	<b>0</b>	<b>2,000</b>
1145		Slayton Childcare Center Construction	1	2,000	0	0	2,000
<b>1149</b>	<b>South Haven, City of</b>	<b>Project Summary</b>		<b>3,500</b>	<b>0</b>	<b>0</b>	<b>3,500</b>
1150		Phase 3 Utilities Project	1	3,500	0	0	3,500
<b>1155</b>	<b>South St. Paul, City of</b>	<b>Project Summary</b>		<b>7,250</b>	<b>0</b>	<b>0</b>	<b>7,250</b>
1156		South St. Paul Family Aquatic Facility	1	2,250	0	0	2,250
1161		Public Works Facility	1	5,000	0	0	5,000
<b>1167</b>	<b>Spring Park, City of</b>	<b>Project Summary</b>		<b>3,316</b>	<b>0</b>	<b>0</b>	<b>3,316</b>
1168		Sunset Drive Utilities	1	3,316	0	0	3,316
<b>1172</b>	<b>St. Anthony, City of</b>	<b>Project Summary</b>		<b>12,963</b>	<b>0</b>	<b>0</b>	<b>12,963</b>
1173		Saint Anthony Village Public Safety Facility	1	12,963	0	0	12,963
<b>1177</b>	<b>St. Augusta, City of</b>	<b>Project Summary</b>		<b>20,000</b>	<b>0</b>	<b>0</b>	<b>20,000</b>
1178		Water System Improvements	1	20,000	0	0	20,000
<b>1183</b>	<b>St. Francis, City of</b>	<b>Project Summary</b>		<b>4,000</b>	<b>0</b>	<b>0</b>	<b>4,000</b>
1184		St. Francis Water and Sewer Improvement	1	4,000	0	0	4,000
<b>1190</b>	<b>St. Joseph, City of</b>	<b>Project Summary</b>		<b>2,250</b>	<b>0</b>	<b>0</b>	<b>2,250</b>
1191		Northland Business Center Phase II	1	2,250	0	0	2,250
<b>1195</b>	<b>St. Louis &amp; Lake Counties Regional Railroad Authority</b>	<b>Project Summary</b>		<b>4,086</b>	<b>0</b>	<b>0</b>	<b>4,086</b>
1196		Mesabi Trail Pedestrian Bridge over Hwy 53 Mtn Iron to Virginia	1	4,086	0	0	4,086
<b>1202</b>	<b>St. Louis County</b>	<b>Project Summary</b>		<b>16,000</b>	<b>0</b>	<b>0</b>	<b>16,000</b>
1203		Integrated Solid Waste Management Campus - Phase 2	1	6,000	0	0	6,000
1208		Courthouse Asset Preservation	2	2,000	0	0	2,000
1212		Waste Water Treatment and Collection System	3	8,000	0	0	8,000
<b>1217</b>	<b>St. Louis Park, City of</b>	<b>Project Summary</b>		<b>11,330</b>	<b>0</b>	<b>0</b>	<b>11,330</b>

1218		Oxford & Louisiana Area Infrastructure Investment	1	7,250	0	0	7,250
1224		Wayzata-Zarthan-16th Corridor Project	2	4,080	0	0	4,080
<b>1229</b>	<b>St. Paul, City of</b>	<b>Project Summary</b>		<b>583,281</b>	<b>0</b>	<b>0</b>	<b>583,281</b>
1230		RiverCentre Arena Renovations	1	333,025	0	0	333,025
1235		RiverCentre Convention Center Renovations	2	40,954	0	0	40,954
1240		Roy Wilkins Auditorium Renovations	3	87,788	0	0	87,788
1245		Mississippi River Learning Center Construction	4	10,000	0	0	10,000
1250		Como Zoo and Conservatory - Big Cat Habitat and Bridge Reconstruction	5	25,730	0	0	25,730
1254		Eastbound Kellogg RiverCentre Bridge Reconstruction	6	73,784	0	0	73,784
1259		Randolph Avenue Bridge Reconstruction	7	12,000	0	0	12,000
<b>1264</b>	<b>St. Peter, City of</b>	<b>Project Summary</b>		<b>1,524</b>	<b>0</b>	<b>0</b>	<b>1,524</b>
1265		Gorman Park Rehabilitation	1	1,524	0	0	1,524
<b>1269</b>	<b>Stephen, City of</b>	<b>Project Summary</b>		<b>8,000</b>	<b>0</b>	<b>0</b>	<b>8,000</b>
1270		Stephen Infrastructure Improvements	1	8,000	0	0	8,000
<b>1275</b>	<b>Stillwater, City of</b>	<b>Project Summary</b>		<b>36,450</b>	<b>0</b>	<b>0</b>	<b>36,450</b>
1276		Stillwater PFAS Water Treatment	1	2,500	0	0	2,500
1280		Myrtle Street Reconstruction	2	2,100	0	0	2,100
1284		Washington Avenue Intersection	3	4,300	0	0	4,300
1288		Recreation Center Expansion	4	27,550	0	0	27,550
<b>1292</b>	<b>Tamarack, City of</b>	<b>Project Summary</b>		<b>3,000</b>	<b>0</b>	<b>0</b>	<b>3,000</b>
1293		Tamarack Infrastructure Improvements	1	3,000	0	0	3,000
<b>1298</b>	<b>Thief River Falls Regional Airport Authority</b>	<b>Project Summary</b>		<b>10,300</b>	<b>0</b>	<b>0</b>	<b>10,300</b>
1299		Runway Extension	1	10,300	0	0	10,300
<b>1303</b>	<b>Thomson, Town of</b>	<b>Project Summary</b>		<b>3,500</b>	<b>0</b>	<b>0</b>	<b>3,500</b>
1304		Thomson Infrastructure Improvements	1	3,500	0	0	3,500
<b>1308</b>	<b>Three Rivers Park District</b>	<b>Project Summary</b>		<b>31,084</b>	<b>0</b>	<b>0</b>	<b>31,084</b>
1309		Coon Rapids Dam Improvements Project	1	7,084	0	0	7,084
1315		Regional Trail Network Safety, Stewardship and Expansion Project	2	24,000	0	0	24,000
<b>1320</b>	<b>Tower, City of</b>	<b>Project Summary</b>		<b>2,200</b>	<b>0</b>	<b>0</b>	<b>2,200</b>
1321		Tower Bonding Bill Project	1	2,200	0	0	2,200
<b>1326</b>	<b>Tracy, City of</b>	<b>Project Summary</b>		<b>7,334</b>	<b>0</b>	<b>0</b>	<b>7,334</b>
1327		Tracy Infrastructure Improvement Project	1	7,334	0	0	7,334
<b>1332</b>	<b>Trimont, City of</b>	<b>Project Summary</b>		<b>19,680</b>	<b>0</b>	<b>0</b>	<b>19,680</b>
1333		Trimont Infrastructure Improvements 2026	1	19,680	0	0	19,680
<b>1338</b>	<b>Two Harbors, City of</b>	<b>Project Summary</b>		<b>6,000</b>	<b>0</b>	<b>0</b>	<b>6,000</b>
1339		HWY 61 Infrastructure	1	6,000	0	0	6,000
<b>1344</b>	<b>Vadnais Heights, City of</b>	<b>Project Summary</b>		<b>1,000</b>	<b>5,000</b>	<b>0</b>	<b>6,000</b>
1345		Vadnais Boulevard Trail	1	1,000	5,000	0	6,000
<b>1350</b>	<b>Vesta, City of</b>	<b>Project Summary</b>		<b>9,568</b>	<b>0</b>	<b>0</b>	<b>9,568</b>
1351		Vesta Infrastructure Improvements	1	9,568	0	0	9,568
<b>1355</b>	<b>Victoria, City of</b>	<b>Project Summary</b>		<b>1,520</b>	<b>0</b>	<b>0</b>	<b>1,520</b>
1356		Commercial Avenue Improvement Project	1	1,520	0	0	1,520
<b>1361</b>	<b>Virginia, City of</b>	<b>Project Summary</b>		<b>4,000</b>	<b>0</b>	<b>0</b>	<b>4,000</b>
1362		Virginia Steam Plant Contamination Remediation & Infrastructure Replacement	1	4,000	0	0	4,000
<b>1368</b>	<b>Wabasha, City of</b>	<b>Project Summary</b>		<b>2,894</b>	<b>0</b>	<b>0</b>	<b>2,894</b>
1369		TRUNK HIGHWAY 60 REALIGNMENT	1	2,894	0	0	2,894
<b>1374</b>	<b>Waconia, City of</b>	<b>Project Summary</b>		<b>10,000</b>	<b>0</b>	<b>0</b>	<b>10,000</b>
1375		Highway 5 Phase II Reconstruction	1	5,000	0	0	5,000
1380		Water Treatment Plant No.4	2	5,000	0	0	5,000
<b>1385</b>	<b>Waite Park, City of</b>	<b>Project Summary</b>		<b>3,800</b>	<b>0</b>	<b>0</b>	<b>3,800</b>
1386		The Ledge Park Development Project	1	3,800	0	0	3,800
<b>1391</b>	<b>Waldorf, City of</b>	<b>Project Summary</b>		<b>4,889</b>	<b>0</b>	<b>0</b>	<b>4,889</b>
1392		Phase 2 Infrastructure   Capital Improvement Projects	1	4,189	0	0	4,189

1396		City of Waldorf Library Building	2	700	0	0	700
<b>1400</b>	<b>Waseca, City of</b>	<b>Project Summary</b>		<b>9,900</b>	<b>0</b>	<b>0</b>	<b>9,900</b>
1401		Sanitary Sewer Inflow   Infiltration Reduction and Conveyance Improvement	1	8,900	0	0	8,900
1406		Water Tower	2	1,000	0	0	1,000
<b>1411</b>	<b>Washington County</b>	<b>Project Summary</b>		<b>43,000</b>	<b>0</b>	<b>0</b>	<b>43,000</b>
1412		County Road 19A and 100th Street Realignment Project	1	22,500	0	0	22,500
1417		Washington County Southern Environmental Center and Public Works Campus	2	10,000	0	0	10,000
1421		Wood Recovery and Utilization Program	3	4,000	0	0	4,000
1425		CSAH 5 (Stonebridge Trail) and Brown's Creek State Trail Connection Project	4	3,000	0	0	3,000
1429		Cottage Grove Ravine Regional Park Trail Lights & Improvements	5	2,000	0	0	2,000
1433		Hardwood Creek Regional Trail Extension	6	1,500	0	0	1,500
<b>1438</b>	<b>Wayzata, City of</b>	<b>Project Summary</b>		<b>13,199</b>	<b>0</b>	<b>0</b>	<b>13,199</b>
1439		Panoway on Wayzata Bay	1	13,199	0	0	13,199
<b>1444</b>	<b>West St. Paul, City of</b>	<b>Project Summary</b>		<b>9,850</b>	<b>0</b>	<b>0</b>	<b>9,850</b>
1445		Pool and Poolside Park	1	2,000	0	0	2,000
1449		150 Thompson Park	2	3,000	0	0	3,000
1453		Sanitary Sewer Rehabilitation	3	1,100	0	0	1,100
1457		Southview Park	4	3,000	0	0	3,000
1461		Sanitary Sewer Mainline Replacement	5	750	0	0	750
<b>1465</b>	<b>West Union, City of</b>	<b>Project Summary</b>		<b>1,900</b>	<b>0</b>	<b>0</b>	<b>1,900</b>
1466		West Union Infrastructure Improvements	1	1,900	0	0	1,900
<b>1471</b>	<b>Western Lake Superior Sanitary Dist</b>	<b>Project Summary</b>		<b>20,000</b>	<b>0</b>	<b>0</b>	<b>20,000</b>
1472		Final Effluent Filtration Improvement Project	1	20,000	0	0	20,000
<b>1481</b>	<b>Wilder, City of</b>	<b>Project Summary</b>		<b>4,200</b>	<b>0</b>	<b>0</b>	<b>4,200</b>
1482		Wilder Sewer Project	1	4,200	0	0	4,200
<b>1487</b>	<b>Windemere Township</b>	<b>Project Summary</b>		<b>4,000</b>	<b>0</b>	<b>0</b>	<b>4,000</b>
1488		Utility Improvements	1	4,000	0	0	4,000
<b>1493</b>	<b>Windom, City of</b>	<b>Project Summary</b>		<b>790</b>	<b>0</b>	<b>0</b>	<b>790</b>
1494		Red Leaf Court Storm Sewer	1	790	0	0	790
<b>1499</b>	<b>Winona, City of</b>	<b>Project Summary</b>		<b>34,500</b>	<b>0</b>	<b>0</b>	<b>34,500</b>
1500		Winona Regional Public Safety Facility	1	18,000	0	0	18,000
1505		City of Winona Waste Water Treatment Project	2	12,000	0	0	12,000
1509		City of Winona Community Center	3	4,500	0	0	4,500
<b>1514</b>	<b>Winthrop, City of</b>	<b>Project Summary</b>		<b>4,000</b>	<b>0</b>	<b>0</b>	<b>4,000</b>
1515		Design for Regional Wastewater System Supporting Growth and Economic Development	1	4,000	0	0	4,000
<b>1523</b>	<b>Wood Lake, City of</b>	<b>Project Summary</b>		<b>4,525</b>	<b>0</b>	<b>0</b>	<b>4,525</b>
1524		Drinking Water, Sanitary Sewer, and Storm Water Improvements	1	4,525	0	0	4,525
<b>1529</b>	<b>Woodbury, City of</b>	<b>Project Summary</b>		<b>2,000</b>	<b>0</b>	<b>0</b>	<b>2,000</b>
1530		La Lake Park Restoration and Infrastructure Project	1	2,000	0	0	2,000
<b>1535</b>	<b>Wrenshall, City of</b>	<b>Project Summary</b>		<b>7,139</b>	<b>0</b>	<b>0</b>	<b>7,139</b>
1536		Wrenshall Infrastructure Project	1	7,139	0	0	7,139
<b>1541</b>	<b>Wright Technical Center</b>	<b>Project Summary</b>		<b>10,500</b>	<b>0</b>	<b>0</b>	<b>10,500</b>
1542		Wright Technical Center Maintenance and Modernization	1	10,500	0	0	10,500
<b>1547</b>	<b>Wyoming, City of</b>	<b>Project Summary</b>		<b>9,400</b>	<b>0</b>	<b>0</b>	<b>9,400</b>
1548		Wyoming Public Safety Building	1	9,400	0	0	9,400
		<b>Total Local Government Requests</b>		<b>2,714,400</b>	<b>197,625</b>	<b>16,028</b>	<b>2,928,053</b>

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Albert Lea Wastewater Treatment Facility Regulatory Updates	1	GO	40,000	0	0	0	0	0
<b>Total Project Requests</b>			40,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			40,000	0	0	0	0	0

**Albert Lea Wastewater Treatment Facility Regulatory Updates**

**AT A GLANCE**

**2026 Request Amount:** \$40,000

**Priority Ranking:** 1

**Project Summary:** Albert Lea is committed to economic growth and the environment. In order to meet a new NPDES permit limit for phosphorus, Albert Lea will need to update the Wastewater Treatment Facility infrastructure. These infrastructure updates are required to support area businesses and industries that produce food for the country and to maintain the City’s high standards for improving maintaining the area natural resources as well as to replace aging infrastructure and meet new NPDES phosphorus limits.

**Project Description**

The Albert Lea Wastewater Treatment Facility (WWTF) is an existing municipal wastewater treatment facility that was built in 1983. The facility treats wastewater from the communities of Albert Lea and Manchester. The existing treatment system consists of a main lift station, 23,000 linear feet of 36-inch force main, a Parshall flume, two aerated grit tanks, two pre-aeration tanks, two primary clarifiers, four secondary aeration tanks, two secondary clarifiers, four nitrification aeration tanks, two nitrification clarifiers, four effluent filters, four ultraviolet disinfection units, four anaerobic digesters, a sludge thickening unit, two sludge storage tanks, and an outfall sewer. This project will include updates to nearly all units at the facility including major infrastructure changes to remove phosphorus. This removal to improve the environment will create a significant increase biosolids requiring large improvements to this portion of the facility. Additionally, disinfection will be improved to ensure viruses and bacteria entering the Shell Rock River meet discharge standards.

**Project Rationale**

Albert Lea has a strong commitment to environmental stewardship. This project provides a opportunity to continue to improve and protect the environment. As part of this project, we will look for ways to improve energy efficiency, look for ways to generate green energy, and seek opportunities to provide green sustainable improvements which will benefit the community and State.

The Albert Lea WWTF has been assigned new total phosphorus limits. Due to this, the city is proactively planning a major facility upgrade to treat for phosphorus, upgrade disinfection, improve aging processes to ensure reliability and to rehab or replace other components as necessary to provide the community and it’s important companies a sustainable wastewater treatment plant.

This project is part an environmental regulatory requirement nearly doubling the costs of what otherwise would be a routine facility improvement and maintenance. Phosphorus levels in the Shell Rock River, including Albert Lea Lake need to be reduced and the brunt of the effort to reduce

phosphorus in the watershed has fallen upon the City's treatment facility. Our treatment facility serves 4 major producers (est. 1,250 jobs) and 7 supportive producers (est. 350 jobs) with expansion possibilities as new industries look at the community. If designed, funded and operated correctly this facility will be able to serve as an economic development engine providing much needed treatment of waste from these types of facilities.

Many of the jobs provided by these producers are entry level leading to livable wages with benefits such as health care. If the City were to pay for this project alone the rates necessary to cover construction costs would stifle and eventually reduce economic opportunities in the community. It would create significant rate increases in excess of the recommended percentage of net income for the average Albert Lea household. The full amount paid through rate increases would be damaging to the community and many struggling households. Improvements such as solar, biomass energy, and more are being investigated to improve environmental responsibility in the community, but they are limited without the funding necessary to make structural improvements first. With shared investment the proper foundations for an environmentally sound and economically beneficial facility can be met.

### **Project Timeline**

- 2022 - Facility Plan Complete.
- 2023 - \$6.2 million upgrade to grit building and pretreatment process underway.
- 2024 - Additional planning. No bonding received.
- 2025 - Additional planning. No bonding received.
- 2026 - Bonding received.
- 2027 - WWTP improvement Plans approved by June 30.
- 2026/2027- Application for PSIG and CWRP funding by July 31.
- 2028 - Construction begin by June 30.
- 2030 - Operational Facility meeting permit requirements by December 31.

### **Other Considerations**

The City of Albert Lea's primary economic driver is supported by food industries. The Albert Lea food industries ship food all over the state and country and are vital to the economy of Albert Lea and the State of Minnesota as well as the Country's food supply. This project will:

- Support area industries and economic development.
- Improve the environment by removing phosphorus from the Shell Rock River.
- Replace aging infrastructure to continue to protect the environment and meet the Community's and State's high regard for water quality.
- The community has committed to this project and has invested over \$5,000,000 thus far in planning and preliminary design and will continue to push forward to develop a shovel ready project over the next year.
- The facility also supports the area community of Manchester and will continue to provide them with an economically feasible solution for wastewater treatment.
- The Department of Natural Resources is also planning a project which would connect the Myre-Big Island State Park to the City of Albert Lea Wastewater Treatment Plant. This would allow the State to eliminate a lagoon system that they are currently operating.

### **Impact on State Operating Subsidies**

Albert Lea has not identified any new or additional state operating dollars that will be requested for this project request. Providing resources to complete this vital work will ensure economic growth and environmental gains into the future. By supporting this project, the State of Minnesota will quickly be paid back through sales tax revenue and income tax of food industry production.

**Who will own the facility?**

The City of Albert Lea

**Who will operate the facility?**

The City of Albert Lea

**Who will use or occupy the facility?**

The City of Albert Lea

**Public Purpose**

The Albert Lea Wastewater Treatment Facility is an existing municipal wastewater treatment facility that treats wastewater from the communities of Albert Lea and Manchester. The Department of Natural Resources is also planning a project which would connect the Myre-Big Island State Park to the City of Albert Lea Wastewater Treatment Plant. This would allow the State to eliminate a lagoon system that they are currently operating. The WWTF is vital to protect water quality and the local environment by effectively treating the community wastewater.

**Description of Previous Appropriations**

The City of Albert Lea has previously received \$2 million in State Appropriations for the Wastewater Treatment Facility in 2023. This \$6.2 million dollar project is currently under construction and will be completed late fall 2025.

**Project Contact Person**

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(\$ in thousands)

**Albert Lea Wastewater Treatment Facility Regulatory Updates**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$2,000	\$40,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$4,850	\$40,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$6,850</b>	<b>\$80,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$675	\$1,000	\$0	\$0
Project Management	\$994	\$0	\$0	\$0
Construction	\$5,181	\$79,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$6,850</b>	<b>\$80,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
ALASD Water Reclamation Facility Improvement Project	1	GO	15,000	0	0	0	0	0
<b>Total Project Requests</b>			15,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			15,000	0	0	0	0	0

**ALASD Water Reclamation Facility Improvement Project**

**AT A GLANCE**

**2026 Request Amount:** \$15,000

**Priority Ranking:** 1

**Project Summary:** ALASD is addressing nutrient impairments and capacity challenges due to peak wet weather events by providing an advanced treatment system that will also set up the treatment system for future upgrades to address emerging contaminants. The project consists of a Membrane Bioreactor Filtration (MBR) treatment system and includes the upstream and downstream components to address water quality and quantity requirements. ALASD is seeking \$15 million in total funding for Phase 2 of project.

**Project Description**

ALASD is a Regional Sewer District that protects the lakes in and around the City of Alexandria and covers over 100 square miles. ALASD serves 3 Cities, 8 townships and Carlos State Park, serving a population of 27,500. ALASD discharges treated water to Lake Winona. Lake Winona is part of a chain of 5 lakes, in which the water eventually flows to the Long Prairie River Watershed. ALASD has been a leader in addressing environmental impacts and has been removing phosphorous since the late 1970’s. This project is required to meet new regulatory limits of even lower phosphorus concentrations-some of the lowest in the state. The project will also reduce total nitrogen levels to protect the sensitive lake ecosystem.

The project will incorporate Membrane Bioreactors (MBR) with Biological Nutrient Removal (BNR) selectors. This design will ensure ALASD discharges the highest quality of water, removing micro plastics, viruses, bacteria, and making it possible to directly reuse the reclaimed water for other uses. Upgrades to existing treatment processes parallel new equipment installations. Phase 2 will incorporate solids handling capabilities.

Current estimated construction and engineering costs for the project exceed \$84 million. Utilization of Clean Water Revolving Fund low-interest loans, PSIG funds, and Green Project Reserves will be required to pay for the project.

**Project Rationale**

Protecting the Alexandria Chain of Lakes provides both financial and environmental stability for this regional area. The need for the project stems from a TMDL (completed 2021-Lake Winona) for phosphorus that require very low discharge limits. This facility will also remove total nitrogen to meet future state requirements in upcoming NPDES.

ALASD's project also includes capacity for the growing multifamily housing sector- including affordable senior housing. Demographic changes continues driving a demand for affordable senior housing, including Environmental Justice Areas within the City of Alexandria. The sustained job growth in trade/transportation/utilities and manufacturing sector in the Alexandria area is driving the demand for more affordable housing.

In addition to nutrient reductions (both phosphorus and nitrogen), future water reuse options will be considered due to extremely high-quality effluent from MBR treatment performance.

### **Project Timeline**

1. Facility plan was completed and submitted to MPCA in March 2023.
2. Facility Design was completed in March 2025 and submitted to the MPCA.
3. Phase 1: Construction will start in Summer 2025 and be completed 2028. The total project cost is estimated to exceed \$84 million.
4. Phase 2: Construction of Biosolids facility, digester upgrades, DAFT to SAFT conversion, relocation of centrifuge, demo of existing systems: \$15 million total funding

### **Other Considerations**

Over half of the project cost is due to nutrient reductions in MPCA NPDES permit. ALASD also needs to plan for expansion for the multifamily housing sector- including affordable senior housing. This sustained growth requires up-sizing existing treatment components.

The project is on the 2025 IUP- Part B. Only projects that were in the 2024 IUP were included in the 2025 Part A- Fund-able. IUP and PSIG (2026) are pending. Project will be funded through the Clean Water SRF loan and is also eligible to receive PSIG funding. Even with this funding, ALASD user rate increases are significant. ALASD user rates have been increased 10% percent each year for the past 3 years, 12% in 2025, and estimated to increase by 12% in 2026, in anticipation of this upgrade. However, due to steep inflation in materials, labor and equipment cost increases, additional funding is required to keep user rates affordable for all. Without additional funding from the state, user rates will double exceeding the affordable ratio standards.

### **Impact on State Operating Subsidies**

Unknown

### **Who will own the facility?**

Alexandria Lake Area Sanitary District (ALASD)

### **Who will operate the facility?**

Alexandria Lake Area Sanitary District (ALASD)

### **Who will use or occupy the facility?**

Users of the Alexandria Area Lake Sanitary District (ALASD) include residential, commercial and industrial customers. ALASD serves 3-Cities, 9-Townships, Carlos State Park, and 2-rest areas. ALASD is a true regional treatment system.

**Public Purpose**

Preservation of water resources in the Alexandria Lake Area and Long Prairie River as well as protection of public health. Keeping rates affordable in the ALASD/Alexandria service area will help address environmental justice issues and benefit the community as a whole, by providing affordable living opportunities, and support workforce development.

**Description of Previous Appropriations**

None

**Project Contact Person**

Scott Gilbertson  
Executive Director, ALASD  
218-234-8118  
scott@alasdistrct.org

(\$ in thousands)

**ALASD Water Reclamation Facility Improvement Project**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$59,000	\$0	\$0	\$0
General Obligation Bonds	\$0	\$15,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Other Local Government Funds	\$15,000	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$74,000</b>	<b>\$15,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$7,000	\$0	\$0	\$0
Project Management	\$5,000	\$0	\$0	\$0
Construction	\$62,000	\$15,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$74,000</b>	<b>\$15,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Alpha Wastewater Improvement Project	1	GO	4,703	0	0	0	0	0
<b>Total Project Requests</b>			4,703	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,703	0	0	0	0	0

## Alpha Wastewater Improvement Project

**AT A GLANCE****2026 Request Amount:** \$4,703**Priority Ranking:** 1

**Project Summary:** The City of Alpha urgently requests bonding bill support to address critical infrastructure issues in the amount of \$4.703M. The 30-year-old mound wastewater treatment systems and the storm sewer system are failing, causing backups, localized flooding, and posing imminent public health and safety risks. Additionally, the sanitary collection system suffers from mainline and septic tank failures due to poor design and construction, causing significant maintenance challenges.

**Project Description**

The City of Alpha is undertaking a comprehensive infrastructure improvement project aimed at addressing critical issues in its water, wastewater, storm sewer systems, and associated street improvements. The Water Improvements are fully funded through USDA Rural Development and the US EPA via grants and loans. However, the Wastewater Improvements, which include replacing the existing 30-year-old septic systems with a modern pond-type wastewater treatment system and upgrading the wastewater collection system, require additional funding. The new pond-type system will be more efficient and less maintenance-intensive, while the upgraded collection system will ensure proper collection and conveyance. Additionally, a new storm sewer system will be installed to address drainage issues, reducing localized flooding and improving overall drainage. Street reconstruction is also imperative as all streets are located above these conveyance and distribution systems, ensuring the longevity and functionality of the new utility systems beneath. This project is crucial for the City of Alpha to ensure the safety, health, and well-being of its residents while providing a sustainable and efficient infrastructure for the future. The benefits include mitigating public health and safety risks posed by failing septic systems, reducing maintenance challenges, minimizing environmental contamination, and protecting properties and infrastructure from flooding.

**Project Rationale**

The City of Alpha urgently needs to address its aging and failing infrastructure to ensure the health, safety, and well-being of its residents. The 30-year-old mound wastewater treatment systems are deteriorating, causing backups and posing significant public health risks. Additionally, the sanitary collection system suffers from mainline and septic tank failures due to poor design and construction, leading to maintenance challenges. The storm sewer system, comprised mainly of small diameter drain tile lines, results in localized flooding and poor drainage. Upgrading to a modern pond-type wastewater treatment system and replacing the wastewater collection system with properly graded, modern materials will enhance efficiency and reduce maintenance. Installing a new storm sewer system will mitigate flooding issues, and street reconstruction will ensure the longevity and

functionality of the new utility systems. This project is essential for creating a sustainable and safe environment.

### **Project Timeline**

**\*\*Design Phase\*\***: October 2026 - February 2027

-Detailed planning and design of the wastewater, storm sewer systems, and street improvements.

**\*\*Bidding Phase\*\***: March 2027 - April 2027

-Solicitation of bids from contractors and selection of the most suitable contractor.

**\*\*Construction Phase\*\***: May 2027 - December 2028

**\*\*2027\*\***: Begin construction of the wastewater treatment system, wastewater collection system, and initial storm sewer improvements.

**\*\*2028\*\***: Continue and complete construction of the storm sewer system, street improvements, and final touches on the wastewater systems.

**\*\*Completion and Final Inspections\*\***: January 2029 - March 2029

- Final inspections, testing, and commissioning of all systems to ensure they meet required standards and are fully operational.

### **Other Considerations**

Other considerations for the City of Alpha's infrastructure improvement project include ensuring minimal disruption to residents and businesses during construction. Effective communication and coordination with the community will be essential to manage expectations and address concerns. Environmental impact assessments should be conducted to ensure compliance with regulations and to minimize ecological disruption. Additionally, securing all necessary permits and approvals in a timely manner will be crucial to avoid delays. The project should also consider future growth and scalability, ensuring that the new systems can accommodate increased demand. Finally, establishing a robust maintenance plan post-completion will be vital to preserve the longevity and functionality of the new infrastructure.

### **Impact on State Operating Subsidies**

If the City of Alpha manages and operates the new infrastructure systems entirely, there could be an impact on state operating subsidies. Typically, state subsidies are provided to support municipalities in maintaining and operating essential services. By taking full control, the City might reduce its reliance on state funds, potentially leading to a decrease in the amount of subsidies received. However, this could also mean greater financial responsibility for the City, requiring careful budgeting and efficient management to ensure the systems are sustainably operated without compromising service quality.

### **Who will own the facility?**

City of Alpha

### **Who will operate the facility?**

City of Alpha

**Who will use or occupy the facility?**

City of Alpha

**Public Purpose**

The public purpose behind the City of Alpha's infrastructure improvement project is to ensure the health, safety, and well-being of its residents. By upgrading the aging and failing water, wastewater, and storm sewer systems, the project aims to prevent public health risks, reduce maintenance challenges, and mitigate flooding. Additionally, improving the streets will enhance overall community safety and accessibility, creating a more sustainable and resilient environment.

**Description of Previous Appropriations****Project Contact Person**

Kelly Soucek  
City Clerk  
507-847-3557  
cityofalphamn@gmail.com

(\$ in thousands)

Alpha Wastewater Improvement Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,703	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$1,750	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$2,953	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$9,406</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$129	\$0	\$0
Predesign Fees	\$0	\$140	\$0	\$0
Design Fees	\$0	\$2,162	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$6,975	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$9,406</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Amboy Infrastructure Improvements	1	GO	9,634	0	0	0	0	0
<b>Total Project Requests</b>			9,634	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			9,634	0	0	0	0	0

**Amboy Infrastructure Improvements**

**AT A GLANCE**

**2026 Request Amount:** \$9,634

**Priority Ranking:** 1

**Project Summary:** The City of Amboy needs massive improvements to its drinking, waste, and storm water systems. This is a large project that has been phased out and the most critical portions of the drinking, waste, and storm water systems will be improved in the first phase.

**Project Description**

The City of Amboy needs massive improvements to its drinking, waste, and storm water systems. This is a large project that has been phased out and the most critical portions of the drinking, waste, and storm water systems will be improved in the first phase. The needs in the community include replacement of 4” cast iron water mains, up sizing of the reverse osmosis plant prefilter, replacement of portions of the clay sewer collection systems, installation of line select sewer services, wastewater mechanical plant rehabilitation, and replacement of select storm sewer systems.

**Project Rationale**

The City of Amboy needs massive improvements to its drinking, waste, and storm water systems. This is a large project that has been phased out and the most critical portions of the drinking, waste, and storm water systems will be improved in the first phase. The needs in the community include replacement of 4” cast iron water mains, up sizing of the reverse osmosis plant prefilter, replacement of portions of the clay sewer collection systems, installation of line select sewer services, wastewater mechanical plant rehabilitation, and replacement of select storm sewer systems.

**Project Timeline**

- 06/2026 - Engineering & Design
- 08/2026 - Bid Advertising
- 09/2026 - Bid Closing
- 04/2027 - Construction Start
- 09/2028 - Construction End

**Other Considerations**

The proposed infrastructure improvements are critical but are not viable unless the City of Amboy receives state funding to leverage local and federal dollars. Over half of Amboy's households are Low to Moderate income earners. There is a great need for funding support to address the City's needs, which left undone, will continue to jeopardize the health and safety of the local residents.

**Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

**Who will own the facility?**

The City of Amboy will own the proposed utilities.

**Who will operate the facility?**

City staff will operate the proposed utility project.

**Who will use or occupy the facility?**

Residents and visitors of the City of Amboy will use the utility systems and pay utility fees.

**Public Purpose**

The public purpose served by this project is to provide clean and safe drinking water along with adequate wastewater service to Amboy residents. Thorough investigations of the City's infrastructure has been done to identify and correct all health and safety concerns in the most efficient and cost-effective time frame, and provide a strong foundation of infrastructure for the City and its residents in the foreseeable future.

**Description of Previous Appropriations**

No previous state appropriations.

**Project Contact Person**

Patty Smith  
Clerk-Treasurer  
507-674-3018  
patty@amboymn.com

(\$ in thousands)

Amboy Infrastructure Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$9,634	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$9,635	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$19,269</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$720	\$0	\$0
Design Fees	\$0	\$941	\$0	\$0
Project Management	\$0	\$2,488	\$0	\$0
Construction	\$0	\$15,120	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$19,269</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.**

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Missing Link - Rice Creek North Regional Trail	1	GO	7,720	0	0	0	0	0
<b>Total Project Requests</b>			7,720	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			7,720	0	0	0	0	0

**Missing Link - Rice Creek North Regional Trail****AT A GLANCE****2026 Request Amount:** \$7,720**Priority Ranking:** 1

**Project Summary:** A \$7,720,000 request in state funds to construct the last remaining 1.75-mile gap in the Rice Creek Regional Trail system. This important trail links Lino Lakes, Circle Pines, Blaine, Shoreview, Mounds View, New Brighton and Fridley to Minneapolis and the metro area via the Rice Creek Regional Trail system. The trail provides alternate transportation for commuters, scenic recreation for passive users, and better access to the surrounding resources in the community.

**Project Description**

The objective of this request is to complete the last 1.75-mile gap in the Rice Creek Regional Trail System (RCRT). The RCRT System provides safe multi-modal off-road access to local and regional parks and trails. It provides access to the Mississippi River Trail, a state trail and nationally recognized US Bike Route and the Mississippi National River Recreation Area, a 72-mile recreation corridor following the Mississippi River from the cities of Ramsey and Dayton south to Hastings. This trail provides access to schools, housing and businesses, the Rice Creek Chain of Lakes Park Reserve and Lino Lakes City Hall and Rookery Activities Center.

History of the trail dates to the early 1980's, when Anoka and Ramsey counties partnered to develop the first 5 miles of the 28-mile Trail Corridor. That trail run adjacent to Rice Creek from the Mississippi River in the City of Fridley to Long Lake Regional Park, in the City of New Brighton. Since that time, Anoka and Ramsey counties have been working to construct the rest of the trail. All but 1.75 miles of the trail in Anoka County has been constructed.

This project proposes to complete the last 1.75-mile section within the City of Circle Pines. Current use of the trail is limited due to this gap. The Rice Creek is a barrier as it bisects the community. Construction of this trail will remove that barrier and increase access for the community. Once constructed, the Rice Creek North Regional Trail within Anoka County will be complete and available to the public in the local and regional metro area.

The trail is supported throughout the community.

The new multi-modal off-road trail will be 1.75 miles long and constructed to a 10-foot width and includes two bridges over Rice Creek, approximately 1300 feet of boardwalk to minimize wetland impacts and about 7400 feet of paved trail in the upland areas. Since the trail can be used as a commuter trail, solar lighting is proposed in strategic locations along the trail to improve visibility during darker hours.

The County of Anoka will own and operate the trail upon completion of construction.

The County is proposing \$7,720,000 as a one-time funding request for this project. The nature of the construction of the trail and the potential impacts to the creek and surrounding wetlands are not

conducive to construction phasing. The County has already conducted design and engineering for the trail. The project is shovel ready.

**Project Rationale**

The rationale for completing the gap in the Rice Creek North Regional Trail would be to remove the creek as a barrier and provide multi-modal off-road access to a variety of local, regional, state and national destinations.

The County has invested significant funds to develop the trail within Anoka County. The Rice Creek and the proposed 1.75-mile trail gap is a significant barrier to accessing resources within local and regional communities. This segment is important for the connections it will make over Rice Creek and the increased access it will provide.

The State has previously provided funding for the design of the trail and will be shovel ready.

**Project Timeline**

Upon appropriation, the following timeline is anticipated:

Funding Appropriation - July 2026

Design & Engineering - Already completed

Construction Bid Documents – July 2026

Construction Bid Letting - August - October 2026

Construction Contracts - November/December 2026

Construction Start - January 2027

Construction substantial completion - December 2027

Project Closeout - June 2028

The above schedule assumes there will be no delays with materials and supplies.

**Other Considerations**

**Impact on State Operating Subsidies**

The County currently receives operating funds through the Metropolitan Council's Operations and Maintenance Grant for the Regional Parks and Trails System. There will be no new or additional state operating dollars that will be requested for this project.

**Who will own the facility?**

Anoka County will own the project.

**Who will operate the facility?**

Anoka County will operate the project.

**Who will use or occupy the facility?**

As this is a trail project, the public will use and occupy the project.

**Public Purpose**

This regional trail serves the public by being open and available for use by all and by providing access

to housing, schools, parks, businesses and other resources in the area. As part of the regional trail system, it links to other regional trails in Anoka and Ramsey County, which opens access to jobs, through the businesses and commercial and industrial areas in the metro.

**Description of Previous Appropriations**

2021 - \$500,000 for design  
2023 - \$200,000 for design

**Project Contact Person**

Jeff Perry  
Parks Director  
763-324-3409  
jeff.perry@anokacountymn.gov

(\$ in thousands)

Missing Link - Rice Creek North Regional Trail

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$500	\$7,720	\$0	\$0
General Fund Cash	\$200	\$0	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$700</b>	<b>\$7,720</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$700	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$7,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$720	\$0	\$0
<b>TOTAL</b>	<b>\$700</b>	<b>\$7,720</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Rum River Dam Modification and Reconstruction Project	1	GO	7,232	40,414	0	0	0	0
<b>Total Project Requests</b>			7,232	40,414	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			7,232	40,414	0	0	0	0

**Rum River Dam Modification and Reconstruction Project**

**AT A GLANCE**

**2026 Request Amount:** \$7,232

**Priority Ranking:** 1

**Project Summary:** The City of Anoka is requesting funding support for the costs related to engineering and final design development for the modification and reconstruction of the Anoka Rum River Dam. The City of Anoka has completed the Rum River Dam Improvements Report on Concept Development and Initial Feasibility Analysis. Engineering and design is based on the results of this study. City received legislative funding support for the feasibility study FY 2023, HF 2310 Ch 60, Art 10, Sec 2, Subd 4.

**Project Description**

The City of Anoka is requesting legislative financial support for engineering and design costs related to the modification and reconstruction of the Rum River Dam based on the results of the feasibility study. Costs included in this funding request are Preliminary Design, Survey, Public engagement/communication, Environmental Documents, & Create shovel ready plans for the proposed improvements. Future funding requests will made to support construction. This project is for a public purposes. The dam is publicly owned and operated by the City.

Safety enhancement and operation improvements are a main priority. The flashboard system is antiquated; the flash boards are installed/removed by hand; and they do not aid in flood control. Installation/removal of the flash boards requires city crews and equipment to be on the dam spillway platform. The Rum River Dam is ranked 18th on the MN DNR Dam Safety Priority Needs List. Automated crest gates would allow for predictive water level management to aid in mitigating spring flooding thus reducing upstream riverbank erosion, impacts to water quality, damage to aquatic habitat, damage to infrastructure and decreasing property values, and minimizing disruptions to riparian wildlife corridors.

Modification of the existing dam spillway into a navigation lock will allow pontoons and other watercraft to navigate to and from the upper Rum River. Residents upstream of the dam would gain boating access to the Mississippi River greatly enhancing recreational watercraft access and opportunities. The lock will enable water drawdowns to aid in the release of spring floodwaters, annual maintenance and dam inspections. An added ecological benefit includes the facilitation of the transfer of fish to support native fish spawning for the fisheries above and below the dam.

In-river recreational paddle courses provide an inland option for surfers, paddle boarders, and kayakers to catch a ride on a wave that either occurs in a riverbed or in an engineered channel. This feature would create a unique tourist attraction and economic stimulant for the region. The recreation feature would also be used to facilitate swift water rescue training to area public safety

agencies.

A fish passage allows fish to swim in a designated channel through a variety of low steps allowing access to the waters above and below the dam. A fish passage would improve the habitat of native fish and increase their spawning areas effectively restocking the Rum River/Mississippi River with native fish species.

Capital maintenance repairs to the dam structure lighting, stilling basin, ice breaker teeth, and water bypass Tainter Gate will occur with the dam modification project.

Findings of the Feasibility Report indicate that a hydroelectric power is not economically feasible due to infrastructure costs and FEMA permitting regulations. The City of Anoka is investigating other green power initiatives such as solar and heat pumps.

### **Project Rationale**

Dam upgrades would enable the City of Anoka to actively manage water levels for flood control, mitigate environmental impacts, create access to the recreational pool above the dam through a lock, and creates an innovative recreational activity below it through the construction of the River Surfing course. Automated crest gates removes safety hazards from seasonal flash board installation. Operating City infrastructure with green power (solar/heat pumps) reduces peak electric use from entire power grid, is free of hazardous fumes and greenhouse emissions, and aligns with MN's green energy goals. Navigational Lock and fish passage construction will aid the passage of native fish species for spawning from Mille Lacs to the Mississippi River.

### **Project Timeline**

2024 - Completed Rum River Dam Improvements Report on Concept Development and Initial Feasibility Analysis

2025/2026 - Preliminary Design, Survey, public engagement/communication, Environmental Documents, & Create shovel ready plans

2026 - Final Design, Geotechnical, & Complete public engagement/communication and Complete Grant Applications and solicit non-state funding

2027 - Apply for permits, Utility infrastructure/relocation

2028 - Begin construction

2030 - Construction substantially completed

### **Other Considerations**

It is anticipated that construction of dam improvements would occur in three phases and span a minimum of two construction seasons (2 years). Cofferdams will be required to divert Rum River flows and provide dry work areas for construction. The cofferdams maybe able to be designed to serve as permanent elements for certain features, thus saving on capital costs.

The City has determined that the the following permits and approvals from the following agencies will be required. Those agencies include: United States Army Corps of Engineers (USACE); United States Fish and Wildlife Service (USFWS); Minnesota State Historic Preservation Office (SHPO); Minnesota Department of Natural Resources (MnDNR); Federal Emergency Management Agency (FEMA); Minnesota Pollution Control Agency (MPCA); Lower Rum River Watershed Management Organization (LRRWMO); and Anoka County.

**Impact on State Operating Subsidies**

none, not applicable

**Who will own the facility?**

City of Anoka 2015 First Avenue Anoka, MN 55303

**Who will operate the facility?**

City of Anoka 2015 First Avenue Anoka, MN 55303

**Who will use or occupy the facility?**

General public/citizens including residents of the City of Anoka, Citizens that live on the Rum River and Mississippi River. The project is of regional significance to Andover, Ramsey, Coon Rapids, Brooklyn Park, Champlin, Dayton, Anoka County, and Hennepin County.

The recreational water feature for river surfacing will become a significant tourist attraction in the northwest Metro-area. And will support public safety training for agencies that respond to swift water emergencies statewide. The river recreation/surfing component will be a no-fee amenity.

**Public Purpose**

Lock feature will provide daily river recreation opportunities for Minnesotans opening up access for boaters to the Rum River from the Mississippi River and access to the Mississippi River for residents and recreational boaters above and below the dam.

River Recreation/Surfing feature will be a no-fee attraction.

**Description of Previous Appropriations**

- \$500,000 in 2023 State appropriation from bill Chapter 60 - MN Laws 2023, Item U, article 10, Section 2, Subdivision
- \$300,000 in 2025 State appropriation from HF0008 Article 1, Environmental & Natural Resources Appropriation, Section 3, Subdivision 5 Parks and Trail Management, Subsection k
- \$6,200,000 in 2025 State appropriation from Transportation Funds HF0014 Article 1 Transportation Appropriations, Section 19 Allocation; Rum River Dam Pedestrian Bridge

**Project Contact Person**

Lisa LaCasse  
Public Services Administrator  
763-576-2980  
llacasse@ci.anoka.mn.us

(\$ in thousands)

**Rum River Dam Modification and Reconstruction Project**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$7,232	\$40,414	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,232</b>	<b>\$40,414</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$2,650	\$0	\$0
Design Fees	\$0	\$3,450	\$0	\$0
Project Management	\$0	\$0	\$3,098	\$0
Construction	\$0	\$0	\$30,989	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$1,132	\$6,327	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,232</b>	<b>\$40,414</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	No
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	No
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
PFAS Removal Upgrades to Water Treatment Plant	1	GO	40,000	0	0	0	0	0
<b>Total Project Requests</b>			40,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			40,000	0	0	0	0	0

**PFAS Removal Upgrades to Water Treatment Plant**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$40,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	Request is for \$40 million in State funds to predesign, design, construct, furnish and equip a new addition/renovation to the City of Apple Valley’s existing Water Treatment Plant to address PFAS in the drinking water.

**Project Description**

This project will upgrade the City of Apple Valley’s existing Water Treatment Plant (WTP) to add treatment processes for PFAS removal from the drinking water. The chosen treatment process is membrane technology. The project will utilize as much of the City’s existing WTP and iron/manganese removal processes as possible. To most efficiently do this, the new membrane technology will be added after the existing iron/manganese sand filters in the WTP. The final WTP will have a capacity of 20 MGD (millions of gallons per day) of treated water which is an increase over the existing treatment capacity of 18 MGD. To accomplish this, additional iron/manganese sand filters will be installed along with an intermediate clearwell, membrane pumps, the membranes themselves and a remineralization system.

Total estimated project cost is \$106M. Funding is proposed to come from a mix of State, Federal and City funds. The State request is for a total of \$40M, leaving the remaining \$66M to come from City and Federal funds.

**Project Rationale**

Since the original construction in 1988 Apple Valley's WTP has served the City well and continues to deliver compliant drinking water. In order to continue this mission, Apple Valley is proactively seeking to address PFAS in the water. Per-and polyfluoroalkyl substances (PFAS) are man-made and are known as "forever chemicals" due to their persistence in the environment and human body and have been linked to serious health risks. To date, the City has diligently employed raw water well blending strategies to gain compliance, however the capacity to continue this blending is reaching its end. Currently, 8 of the City’s 16 wells exceed the EPA’s maximum contaminant level (MCL) for PFOS or PFOA, two common PFAS chemicals. This renders a long-term blending solution as very unlikely and suggests that modifications to the existing WTP will be necessary to achieve compliance.

Ensuring access to clean and safe drinking water is a fundamental public service and a cornerstone of public health. The State funding will allow the city to cost effectively plan/design/construct improvements to the existing WTP that will help ensure a safe drinking water supply for current and future generations.

## **Project Timeline**

The City anticipates beginning preliminary design in spring 2026 and moving into final design by fall 2026. Final design is expected to take a year until fall 2027. Project bidding would then occur with construction beginning late in 2027 or early 2028. Construction could take 2-3 years with project completion by 2030. Factors affecting this schedule could be supply chain/production issues along with weather once construction starts.

## **Other Considerations**

It should be noted that the City is committed to building resilient and energy efficient structures as publicly-owned facilities. Recently the City has utilized the Green Globes Certification process to ensure the resiliency and efficiency of newly constructed buildings under the City's ownership. Green Globes incorporates a range of rigorous criteria that encourage the use of design, construction, and operational practices that enhance performance, improve occupant wellness, and provide community benefit. It's anticipated that this project will follow the same process.

## **Impact on State Operating Subsidies**

None.

## **Who will own the facility?**

The City of Apple Valley, MN.

## **Who will operate the facility?**

The City of Apple Valley water utility staff.

## **Who will use or occupy the facility?**

The City of Apple Valley water utility staff.

## **Public Purpose**

The public purpose of the project is to provide clean and safe drinking water to the public residents and businesses of Apple Valley. Currently the city's ground water supply contains various man-made PFAS contaminants. These contaminants are regulated by the US Environmental Protection Agency and must be addressed. The treatment of PFAS is costly and local taxpayers will benefit from the project funding which will help offset some of the costs related to the project. In the end, the public will benefit through the provision of clean and safe drinking water, a basic necessity of life.

## **Description of Previous Appropriations**

None.

## **Project Contact Person**

Matt Saam  
Public Works Director  
952-953-2412

matt.saam@applevalleymn.gov

(\$ in thousands)

**PFAS Removal Upgrades to Water Treatment Plant**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$40,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Non-Governmental Funds	\$0	\$6,000	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$30,000	\$0	\$0
City Funds	\$0	\$30,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$106,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$1,100	\$0	\$0
Design Fees	\$0	\$3,000	\$0	\$0
Project Management	\$0	\$4,000	\$0	\$0
Construction	\$0	\$97,900	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$106,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
documents?	
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Setting IV Educational Program Facility	1	GO	6,500	0	0	0	0	0
<b>Total Project Requests</b>			6,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			6,500	0	0	0	0	0

(\$ in thousands)

**Setting IV Educational Program Facility**

**AT A GLANCE**

**2026 Request Amount:** \$6,500

**Priority Ranking:** 1

**Project Summary:** The Area Special Education Cooperative (ASEC) respectfully requests legislative support to obtain a bill relating to capital investment in the amount of 9.5 million dollars. This funding would be used to develop a Setting IV educational program facility in Northwestern Minnesota, designed to serve students with significant and specialized educational needs.

**Project Description**

ASEC was established in 1969 through an agreement among local school districts to provide a comprehensive range of specialized services for students at the district level. Currently, ASEC serves eleven member school districts that span across 5 counties and encompass an area over 3,300 square miles. The member school districts are listed as follows: Ada-Borup-West, Climax-Shelly, East Grand Forks, Fertile-Beltrami, Fisher, Fosston, Red Lake County Central, Red Lake Falls, Stephen-Argyle Central, Warren-Alvarado-Oslo, and Win-E-Mac.

ASEC is seeking funding to support the costs associated with predesign, design, construction, renovation, furnishing, and equipping a specialized educational programming facility that meets the needs of our region. Centrally located in Crookston, MN, the facility will serve as a central hub for the eleven school district members and possibly future member districts, offering comprehensive services in a Setting IV environment.

Over the years, ASEC has continually adapted to meet the evolving needs of its member school districts, consistently providing high-quality, essential programming. ASEC led correspondence and discussion with and among leadership (Superintendents) of the member school districts, which provided invaluable information on possible future programming solutions. In response to this ongoing feedback, it has become apparent that school districts, both large and small, are increasingly requesting ASEC to provide specialized programming designed to serve the most complex, low incidence students in the region with a Setting IV educational program facility.

Due to limited numbers within individual district, state funding constraints, favorable cost recovery rules for cooperatives, and challenges in staffing, ASEC and member school Superintendents determined the most efficient solution is to establish a joint powers agreement. This partnership will

allow districts to pool financial resources to provide the Setting IV programming most efficiently and cost-effectively.

The Setting IV Educational Learning facility will provide a safe, structured, and supportive learning environment tailored to student's birth to 22 years of age with significant and behavior challenges.

The facility will include:

- Intensive behavior intervention
- Life skills and transition services
- Therapeutic support
- Individualized academic instruction
- A home visiting center for early intervention

Students in Setting IV programs experience severe learning disabilities, such as autism, cognitive disabilities, emotional and behavioral disorders. ASEC currently serves 1,180 students with special education services, with more than 18% of the regional student population identified with disabilities.

The facility is planned for approximately 15,000 square feet that would include classrooms, restrooms, kitchen/dining space, breakout spaces for small groups, offices and mental health support spaces. The facility would have a parking lot and green space adjacent to the building.

The estimated total cost for completion for this 15,000 square foot facility is \$9,500,000 with the request to be included in the bonding for \$6.5 million. The remaining funds would come from an alternate funding source. One alternative for the remaining funds is the lease levy authority, \$65 per pupil unit, that would be generated by our eleven school district members.

This newly funded facility will provide inclusive, high quality educational programming for students with autism, cognitive disabilities, emotional and behavioral disorders, and other specific educational needs, including provisions for a Level IV setting. This initiative aligns with the requirements to Minnesota Statutes, section 16A.695, and will ensure access to appropriate and effective learning environments for some of the region's most vulnerable learners.

### **Project Rationale**

All children are entitled to an education that supports their growth and development. For some students with disabilities, their needs are so complex and challenging that they require highly individualized programs. Students with significant needs in rural Minnesota deserve access to the same high-quality educational facilities as students served in the metro areas.

Even the largest rural schools in the region, serve too few of students with significant needs to sustain a standalone program. ASEC's regional Setting IV program will offer shared, specialized services in one location, giving regional school districts access to programming to support their students.

This project directly benefits the students and districts by addressing the safety, lack of space, and programming concerns while providing a cost-effective solution. Member school districts can take advantage of this specialized programming in a safe and secure environment at a shared cost among the other districts.

**Project Timeline**

The Project Timeline below based on securing MN Legislative funding in June 2026:

<b>Phase:</b>	<b>Timeline:</b>	<b>Duration</b>
MN Legislative Funding	June 2026	START
Design	June 2026 - November 2026	6 months
Plan Review	November 2026 - February 2027	4 months
Bidding / Contract Award	March 2027 - April 2027	2 months
Construction	May 2027 - June 2028	14 months
Substantial Completion	June 2028	1 month
Occupancy	July 2028	1 month

Securing of funds when the timeline will start, so following the approval of legislative funding, the construction phase and duration estimates will follow the calendar starting with the date of approval.

The property acquisition is in process and will not cause any delay in start of construction.

**Other Considerations**

**Other Notes:**

- ASEC is a political subdivision organized as a joint powers board under Minn. Stat. §471.59. ASEC would be eligible of receiving General Obligation (GO) Bonds.
- Until funding is secured to construct a new facility, ASEC along with its consulting firm ICS, continues to seek out alternative options to support programming in the interim of having access to a facility with the appropriate features..
- Equity for all students with significant needs for both rural and metro school districts to have high quality facilities to be able to provide an exceptional education.

**Impact on State Operating Subsidies**

ASEC is not anticipating any additional impact on the state operating budget since ASEC will fund ongoing operations through a combination of:

- Tuition billing to member districts based on student enrollment and service needs
- Special education categorical aid and reimbursement from the Minnesota Department of Education (MDE)
- Member district contributions as part of the cooperative agreement
- Third-party billing for eligible services (e.g., MA billing)

However, ASEC may explore targeted supplemental funding sources to ensure long-term sustainability and equity in service delivery. These could include:

- Mental Health Grants or School-Linked Mental Health funding to support onsite therapeutic

services

- Early Childhood Special Education (ECSE) grants to support the birth-to-5 home visiting center
- Workforce stabilization or educator pipeline grants to support recruitment and retention of specialized staff (e.g., behavior analysts, licensed special education teachers, school social workers)
- Transition services innovation grants for age 18–22 programming, focused on employment readiness and life skills

### **Who will own the facility?**

Area Special Education Cooperative (ASEC), District No. 997-52

### **Who will operate the facility?**

The Area Special Education Cooperative (ASEC), District No. 997-52 will operate the project. ASEC has partnered with consulting firm, ICS, to support in the planning and construction of the new facility.

### **Who will use or occupy the facility?**

The Area Special Education Cooperative (ASEC), District No. 997-52 will occupy the project. The eleven school district members will have access to the services ASEC will offer within the new facility. And, possibly other access partners of two nearby school districts that have approximately 700 additional students receiving special education services.

### **Public Purpose**

The public purpose of this facility is to provide an equitable learning environment for the region's most vulnerable, high needs students. Currently, no local alternatives exist, forcing school districts to either integrate these students into unsuitable school settings or rely on home-based learning. A regional facility will allow districts to deliver the specialized services needed to ensure all students receive a fair and appropriate education.

### **Description of Previous Appropriations**

No previous state appropriations.

### **Project Contact Person**

Tiffany Litman  
Executive Director  
218-390-3276  
tlitman@asec.net

(\$ in thousands)

Setting IV Educational Program Facility

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$3,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$9,500</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$14	\$0	\$0
Design Fees	\$0	\$750	\$0	\$0
Project Management	\$0	\$1,076	\$0	\$0
Construction	\$0	\$7,290	\$0	\$0
Relocation Expenses	\$0	\$70	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$300	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$9,500</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

# Arrowhead Regional Corrections

# Projects Summary

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Northeast Regional Corrections Center - Photovoltaic (PV) Solar Array	1	GO	1,790	0	0	0	0	0
<b>Total Project Requests</b>			1,790	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,790	0	0	0	0	0

**Northeast Regional Corrections Center - Photovoltaic (PV) Solar Array**

**AT A GLANCE**

**2026 Request Amount:** \$1,790

**Priority Ranking:** 1

**Project Summary:** Install a 870 kilowatt Photovoltaic (PV) Solar array on the grounds of the Northeast Regional Corrections Center, a 3,200 acre working farm. The solar PV array will provide electricity to more than 40 NERCC buildings, including a 30,000 sq. ft. administration / residential building, meat processing facility, shops, garages, boilers, greenhouses, barns, and more than 15 storage buildings / sheds.

**Project Description**

The array size is based upon the energy usage at NERCC over the preceding 12 months (1,092,560 kWh). The estimated cost for the solar PV system is \$1,790,407. Annual cost savings will be used to stabilize operational costs, make further "green energy" improvements, and expand programming for residents.

**Project Rationale**

Electrical utility bills at NERCC continue to rise, despite numerous energy efficiency lighting and HVAC system measures implemented over the past few years. In 2024, NERCC's energy consumption totaled approximately 1.1 GWh, with peak demand reaching 262 kW in August. The installed system cost per watt has been estimated at \$1.92. A hayfield will be utilized for solar use which significantly reduces construction complexity and cost due to its proximity to the 12.47kV overhead distribution line and pre-cleared condition. There are potential long-term benefits worth considering. Utility electricity rates are expected to rise over the lifespan of the solar installation. The current utility rate is \$0.0801/kWh. Electricity bills totaled \$135,747 in 2024 compared to \$73,853 in 2014. Future utility cost escalations are anticipated at 3% annually. Energy costs need to be stabilized as the cost of incarcerated persons continues to rise (the U.S. average is more than \$33,000 per year). Energy savings could be used to stabilize costs, make further energy improvements, and expand resident programming. NERCC continues to be committed to increasing renewable energy; it has reduced its "carbon footprint" by continuing to raise its own food and recycling waste for compost. In 2024 NERCC raised nearly 60,000 lbs. of produce which was harvested and stored in a root cellar or frozen to last through the year, with 2,060 lbs. of this produce donated to the Second Harvest Food Bank. Residents at NERCC raised and processed nearly 4,000 turkeys and chickens. Once installed, the 1,500 solar panels will require minor maintenance and will have a system with the return on investment anticipated to begin in year 17.

**Project Timeline**

Through a contract with a local engineering firm, project designs have been completed. Within 30

days of the grant award, requests for proposals will be obtained, reviewed, and contracts approved by the Arrowhead Regional Corrections Board. An interconnection study application with Minnesota Power will be completed and submitted. St. Louis County Purchasing will solicit/review bids with contractor(s) selected and contracts prepared with ARC Board approval. Within one year, Minnesota Power will ensure the net meter utility is interconnected. Beyond net metering, Minnesota Power offers no further incentives. Net zero energy use is technically achievable within existing site infrastructure, especially with anticipated future electrification efforts that will increase site energy consumption.

### **Other Considerations**

The Education Department will incorporate a solar series while it is being built to educate the men on solar panels and how it could be an employment opportunity for them in the future.

### **Impact on State Operating Subsidies**

We are requesting \$1,670,000 in State bonding dollars for this project. Once the panels are installed and connected to the grid, there will be little if any annual costs associated with this project. NERCC residents will maintain the site that the panels will be placed on.

### **Who will own the facility?**

Arrowhead Regional Corrections provides community corrections services for Carlton, Cook, Koochiching, Lake, and St. Louis counties through a joint powers agreement and will own the project.

### **Who will operate the facility?**

Arrowhead Regional Corrections will operate the project under the direction of the Division Director at NERCC.

### **Who will use or occupy the facility?**

NERCC is a 144-bed correctional facility with a working farm, on 3,200 acres, serving 593 men in 2024 and will continue to provide services during and after the project is complete. A crew of incarcerated persons who will be staying at NERCC before the project begins will assist in clearing the 5-acre site, will be given the opportunity to observe the solar PV installation, and the crew will be responsible for keeping the panels clean of dust, debris, and snow.

### **Public Purpose**

NERCC is Minnesota's only correctional work farm, dating back to the 1930's. They provide substance use disorder treatment, mental health treatment, treatment for men who sexually abused, Domestic Abuse Intervention Project groups, cognitive programming, education (11 GEDs obtained in 2024), and vocational work opportunities in farming, animal care, maintenance, mechanics, food service, meat cutting, and horticulture.

### **Description of Previous Appropriations**

The 2012 Capital Budget allocated \$737,000 for a new pellet boiler at NERCC. The 2014 Capital Budget allocated \$1,000,000 to design, construct, remodel, furnish and equip improvements at NERCC for campus buildings that support farm operations, education programming,

work readiness, and vocational training.

The 2015 Capital Budget allocated \$1,200,000 to demolish an existing facility and to design, construct, furnish, and equip a replacement meat processing facility on the campus of NERCC.

The 2017 Capital Budget allocated \$3.25M for renovation, remodeling, and completion of other capital improvements to buildings that support vocational, education, and farm work programming and experiences.

**Project Contact Person**

Becky Pogatchnik

Executive Director

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pogatchnikb@arcmn5.org

(\$ in thousands)

Northeast Regional Corrections Center - Photovoltaic (PV) Solar Array

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$3,250	\$1,790	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$3,250</b>	<b>\$1,790</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$3,250	\$1,670	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$120	\$0	\$0
<b>TOTAL</b>	<b>\$3,250</b>	<b>\$1,790</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Inflow - Infiltration Assistance Capital Proposal	1	GO	10,000	0	0	0	0	0
<b>Total Project Requests</b>			10,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			10,000	0	0	0	0	0

**Inflow - Infiltration Assistance Capital Proposal**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$10,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The Association of Metropolitan Municipalities is requesting \$10 million in state bond funding to assist cities in the metropolitan area to correct inflow and infiltration problems in municipal wastewater collection systems.

**Project Description**

The Association of Metropolitan Municipalities is seeking a \$10 million capital bonding appropriation to assist metro area cities in mitigating inflow and infiltration (I/I) problems in municipal wastewater systems. Inflow and infiltration are terms for the ways that clear water (ground and storm) makes its way into sanitary sewer pipes and is then treated, unnecessarily, at regional wastewater treatment plants. I/I enters the system from a variety of sources including cracks, leaky pipe joints, deteriorated manholes, and through storm water that enters the system through rain leaders, or illegal foundation drains or sump pumps connected to sanitary sewer pipes.

Correcting the problem of excess I/I at the community level helps to alleviate the need for additional regional waster treatment capacity, the cost of which is upward of \$1 billion. These funds would assist in corrections that can help avoid potentially significant public health/safety and environmental consequences associated with this problem, including sanitary sewer overflows. Local communities have undertaken efforts to mitigate I/I at local sources, but corrections continue to need to be made to public systems for this problem to be adequately addressed.

**Project Rationale**

Many cities in the metropolitan area are identified by the Metropolitan Council as contributing excess levels of clean water (inflow and infiltration) into the regional wastewater system. This clean water, which does not need to be treated, uses capacity in the system designed to meet population growth. In 2007, the Metropolitan Council implemented a program to compel cities to correct I/I related problems in their infrastructure. Cities that are contributing excess levels of I/I are surcharged by the Council. The surcharge is waived if cities correct these problems.

The problem of excess I/I is regionally significant and can have health and safety and environmental consequences, including sanitary sewer overflows, if not corrected. Sanitary sewer overflows, for example, violate federal clean water standards and offenders are subject to fines.

This funding would assist cities with I/I mitigation. I/I corrections are more cost effective to do locally rather than adding regional wastewater capacity, but the corrections be complex and costly for local governments.

## **Project Timeline**

## **Other Considerations**

## **Impact on State Operating Subsidies**

## **Who will own the facility?**

The facilities that would be improved through this activity are owned and operated on public rights-of-way by metro area local units of government.

## **Who will operate the facility?**

Metro area local units of government.

## **Who will use or occupy the facility?**

## **Public Purpose**

## **Description of Previous Appropriations**

Previous appropriations include \$3 million in state bonding in 2010, \$4 million in state bonding in 2012, \$2 million in state bonding in 2014, \$3.7 million in bonding funding in 2017. as well as \$1 million in Clean Water funds in 2013, for mitigation on private properties.

## **Project Contact Person**

Patricia Nauman  
Executive Director  
651-215-4002  
patricia@metrocitiesmn.org

(\$ in thousands)

Inflow - Infiltration Assistance Capital Proposal

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds		\$10,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$8,700	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$18,700</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,540	\$0	\$0
Project Management	\$0	\$385	\$0	\$0
Construction	\$0	\$16,775	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$18,700</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

**Predesign Review (M.S. 16B.335 subd. 3):**

Does this request include funding for predesign?

Has the predesign been submitted to the Department of Administration?

Has the predesign been approved by the Department of Administration?

**Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?**

**Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?**

**Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?**

**Will the project meet public ownership requirements (M.S. 16A.695)?**

**Will a use agreement be required (M.S. 16A.695 subd. 2)?**

**Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?**

**Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?**

No

**Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?**

**M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required**

**M.S. 473.4485: Guideway Project**

Is this a Guideway Project?

Is the required information included in this request?

**Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?**

No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
East Range Water System Improvements	1	OT	5,000	0	0	0	0	0
<b>Total Project Requests</b>			5,000	0	0	0	0	0
<b>Other State Funding (OT) Total</b>			5,000	0	0	0	0	0

## East Range Water System Improvements

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$5,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	We are requesting \$5,000,000 in state funds for the design and construction of the East Mesabi Joint Water System.

**Project Description**

The City of Aurora, The City of Hoyt Lakes, and the Town of White, are requesting \$5,000,000 in state funding to construct a new water treatment plant and distribution system for their communities. The total estimated cost for the entire project is \$33,000,000. Aurora and the Town of White currently use the St. James Pit as their source for drinking water. Their existing facility needs major improvements if it is to continue to supplying drinking and fire protection to its residents. In addition, rising sulfate levels are forcing the community to switch its raw water source to the Embarrass Pit which is a mile to the west of town.

This project has been over a decade in the making with the communities of Aurora, Hoyt Lakes, Town of White, and Biwabik meeting since 2011 to discuss various options for a joint water system. The communities, through the East Range Joint Powers Board, have been successful in acquiring funds to get this project designed and certified by the Minnesota Department of Health and is considered shovel ready. Extensive water modeling has also been done on the Embarrass pit and the Department of Natural Resources is ready to issue the appropriation permit for all communities to use this body of water for their collective raw water source.

The project would have two separate phases. The initial phase would include the raw water pumping station, the treatment plant itself, and all necessary distribution and feeder lines for the new building locations. It would also include a new distribution line to the Scenic Acre's development in the Town of White which has its own current water supply shortcomings.

A later phase will include the City of Hoyt Lakes. This is a duplicate request from 2025, however today we now have Hoyt Lakes fully invested in this project having approved 1.5 Million in design to add onto the existing plant, as well as run water main from Aurora to Hoyt Lakes.

The existing independently owned and operated water supplies will be abandoned as drinking water sources. Individual treatment facilities will be decommissioned and either re-purposed or demolished based on each community's preference. Distribution systems that are currently in place will be used as part of the new systems infrastructure. Decommissioning and demolition of existing water supply facilities are still needed, as well as water metering for accurate usage and billing throughout the system.

**Project Rationale**

The completion of this project is very important for the communities in that it will allow all entities to meet new water quality standards with smaller financial impact for the residents, improved new

water source quality will result in less extensive treatment, it will allow all entities to address existing issues with their water supply, treatment and distribution demands, creates the potential with new economic development (Non-ferrous mining like NewRange, Nugget, Twin Metals and Wood Products/Biomass Expansions), improves and enhances the utilization of existing infrastructure, creates jobs in the short and long term, economies of scale in operating one plant and allows the member communities to work more closely together. These communities currently work cooperatively on economic development through the East Range Joint Powers Board joint staffing and emergency services (Ambulance/Fire/Police).

**Project Timeline**

Final Design Completed  
Project Bid - Completed  
Construction Start - May 2024  
Project Completion Initial Plant - April 2026  
Phase 2 Design (Hoyt Lakes addition, piping, and meters) Started June 2025  
Phase 2 Installation Winter 2026 (with full funding)

**Other Considerations**

This will regionalize three communities on the East Range and will provide reliable drinking water for years to come. While the total cost of all phases and additions will be over 50 Million, this will strengthen a region, provide development opportunities to areas that do not currently exist, and allow for more economical future capital projects and lower yearly operating costs.

**Impact on State Operating Subsidies**

The City of Aurora and the Town of White will provide all annual operation and maintenance costs for the life of the project.

**Who will own the facility?**

Cities of Aurora, Hoyt Lakes, and the Township of White

**Who will operate the facility?**

Cities of Aurora and Hoyt Lakes current licensed operators and staff.

**Who will use or occupy the facility?**

The Citizens of Aurora, Hoyt Lakes, and the Township of White.

**Public Purpose**

**Description of Previous Appropriations**

The City of Aurora received \$2,500,000 in 2018 and \$5,000,000 in 2020.

These funds are being used to construct the plant, raw water intake, and transmission and water lines for Aurora and the Town of White.

**Project Contact Person**

LUCAS HEKKILA  
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(\$ in thousands)

East Range Water System Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$0	\$5,000	\$0	\$0
General Obligation Bonds	\$0	\$0	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$3,000	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$25,000	\$5,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$28,000</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Revitalization of City Services and Amenities	1	GO	2,500	0	0	0	0	0
<b>Total Project Requests</b>			2,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,500	0	0	0	0	0

**Revitalization of City Services and Amenities**

**AT A GLANCE**

**2026 Request Amount:** \$2,500

**Priority Ranking:** 1

**Project Summary:** The funding requested- \$2,500,000.00- will directly support the revitalization of the city’s municipal building to promote health and wellness through the expansion of the facility’s Fitness Center in the city municipal building, the potential growth for the increasing need for childcare in the area, and city Public Beach infrastructure connections and necessary repairs and updates required for optimal functionality and potential economic growth for our area.

**Project Description**

Babbitt has reached a significant turning point in its development. We are feeling the pressures of an aging population alongside increasing demand for amenities and services from an influx of younger families. To create a livable and thriving community, immediate intervention is required for several key areas that directly affect our residents and their quality of life.

**Municipal Building Renovation to Allocate for Needed Amenities & Operation**

Before purchasing in 2012, the city’s municipal building was originally an elementary school for our community. The building now is the center of our town and its residents; it’s home to City Hall, the Police Department, the Public Library, the Youth Recreation Center, the health and wellness center, the Senior Center, the Council Chambers, the History Center, and so much more. Although already having had multiple renovations and repairs, our municipal building, along with our city as a whole, continues to grow and evolve, requiring further expansion and renovations.

In order to continue growth, the municipal building is in urgent need of funding for expansion and roof replacement. The roof of our city’s municipal building has been repaired on multiple occasions and has surpassed its lifespan, not allowing for further repairs, but rather, replacement.

The north end of the city’s municipal building currently houses the city’s History Center and Veterans Center which supplies area of operation to our Veterans, Lions Club members, and other volunteers that help support those causes. Currently, the wing of the building that they are operating under is only functional in the summer months due to lack of heating and insulation. Overall, the functionality of that entire end of the building is missing out on so much potential.

Also located in our city’s municipal building, our community health and fitness facility is no longer sufficient for the growing number of users. The health and fitness center requires additional space and modern equipment. A section of the city’s municipal building offers an ideal location for expansion, enabling us to promote health and well-being amongst our diverse age-range of residents while also meeting its growing demand.

With the growth in young families in our community and a continually increasing need for childcare for working families, our facilities offer an incredible economic opportunity for any entrepreneur

looking to start a service that is of urgent need in our community; childcare. Through the expansion of the north-wing of the Municipal Building and other renovations necessary to provide ample space to meet community needs, our city hopes to rehome the History Center and area of operation to our Veterans, Lions Club members, etc. into the main portion of the municipal building where more foot-traffic and hours of operation are had. This would allow the north-wing to be converted into a daycare facility, to be leased to any interested entrepreneur, to accommodate the ever-growing service need for working families in our area. These renovations would also allow the proper expansion for other businesses in need of a space, and our growing health and wellness Fitness Center.

**Revitalization to the Public Beach**

Along with the city’s municipal building, the Public Beach on Birch Lake has long been in dire need of revitalization, but funding restraints have delayed any efforts. With increased tourism fueled by a new campground and growing interest in our area, investing in the beach will enhance its appeal as a destination for residents and visitors, contributing to economic development. The upgrades needed to revitalize the facilities include repair work to the current Beach House to bring the building up to operational code, along with hookup to city utilities and removing the current holding tank and well water.

**Project Rationale**

**Project Timeline**

Project Design Completion: November 2026  
Project Bid: March 2027  
Construction Start: June 2027  
Project Completion: December 2029

**Other Considerations**

These renovations would allow exponential expansion for the city of Babbitt and economic prospects interested in our area. Repairs to the city’s municipal building would allow the expansion of current facilities to accommodate a private entity interested in occupying the space to provide a daycare facility for working families and employ several of the area’s residents.

The repairs necessary to bring the beach house up to code would allow for expansion in the city’s recreation department and/or a separate entity interested in providing recreational services out of a prime and heavy-trafficked area; the city’s public beach.

**Impact on State Operating Subsidies**

The completion of this project will not affect state subsidies as the city will provide all operation and maintenance costs.

**Who will own the facility?**

City of Babbitt

**Who will operate the facility?**

City of Babbitt

**Who will use or occupy the facility?**

Employees, Residents, Businesses, Local Communities, and Tourists/Visitors

**Public Purpose**

To provide publicly owned facilities for city operations and public use

**Description of Previous Appropriations**

Yes- In recent years the city was awarded bonding bill funds for the campground and West Babbitt Development project.

**Project Contact Person**

Kirsten Traut  
Administrative Assistant  
218-827-3464  
cityhall@babbittmn.gov

(\$ in thousands)

**Revitalization of City Services and Amenities**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$2,500	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$900	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$4,100	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
New City Hall   Fire Department	1	GO	8,705	0	0	0	0	0
Fire Department Training Facility	2	GO	135	0	0	0	0	0
Fire Department Substation	3	GO	135	0	0	0	0	0
Remodel Current Public Works Building	4	GO	216	0	0	0	0	0
<b>Total Project Requests</b>			9,191	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			9,191	0	0	0	0	0

**New City Hall | Fire Department**

**AT A GLANCE**

**2026 Request Amount:** \$8,705

**Priority Ranking:** 1

**Project Summary:** The City of Baldwin is requesting \$8.7 million dollars in state funding to pre-design, design, construct and furnish a new fire station/city hall for the Baldwin Fire Department/City of Baldwin. This would replace our current old and inadequate fire station and city hall with a larger facility. The new centralized location would enhance response times and accessibility for the benefit of the citizens of the City of Baldwin.

**Project Description**

The City of Baldwin is a newly incorporated city with a current population of over 7500 residents and the Baldwin Fire Department serves as first due emergency medical and fire service for over 11,000 residents with a mutual aid population of over 30,000. The new fire station/city hall would be a 6-bay station to adequately house the fire apparatus replacing the cramped and inadequate 3-by station we currently operate out of. A larger city hall needs replacing as this was our small former township hall. The City of Baldwin currently has undeveloped land at the intersection of 2 county roads where the new facility would be located. The total cost of the project is estimated to be \$16.114 million which would be funded with local bonding. The size of the new facility would be approximately 28,000 sq ft with the fire station, city hall offices and a community room. The new facility would be expected to last 50-100 years according to the pre-engineering designs that have been completed.

**Project Rationale**

The City of Baldwin provides full services to the community with additional fire, emergency medical, and all hazards protection services to Blue Hill Township and mutual aid fire protection to the surrounding area. The Baldwin Fire Department currently has to park equipment outside in inclement weather due to lack of space in the current facility. The current fire station has become a safety concern for the firefighters due to cramped quarters which can be dangerous during emergency incidents when putting fire gear on and apparatus leaving the station. The town hall, now city hall, was built in 1984 and is lacking room for voting as we had long lines of voters standing outside in the rain during the last fall election. The city hall has major security problems and ADA issues due to the small size and inadequate design. It doesn't have adequate storage for the required records that need to be saved, some of which are stored at the fire station which already has a lack of room.

**Project Timeline**

The pre-design has been tentatively completed with construction to be done on the land the City of Baldwin currently owns.  
 Tentative start date- 5/1/2026  
 Completion-10/1/2026

**Other Considerations**

The Fire Department has inadequate carbon monoxide air holding system which is hazardous to Baldwin's Volunteer Firefighters

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

The City of Baldwin along with the Baldwin Fire Department

**Who will operate the facility?**

The city hall area will be the City of Baldwin's main contact with the public and the fire station will be operated by the Baldwin Fire Department with oversight by the Mayor/City Council of Baldwin.

**Who will use or occupy the facility?**

Baldwin City Staff, members of the community and Baldwin Firefighters.

**Public Purpose**

The new facility would contain fire apparatus and equipment along with staff conducting day to day business of the city providing a point of entry for the general public and safe and critical fire/emergency medical services to the area thereby protecting health, safety, and property.

**Description of Previous Appropriations**

Baldwin became incorporated as a city November of 2024. We do not have any previous year appropriations.

**Project Contact Person**

Joan Heinen  
Clerk/Treasurer  
763-389-8931  
city.clerk@baldwinmn.gov

(\$ in thousands)

New City Hall | Fire Department

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$8,705	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$450	\$0	\$0	\$0
City Funds	\$180	\$7,409	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$630</b>	<b>\$16,114</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$450	\$0	\$0	\$0
Predesign Fees	\$180	\$0	\$0	\$0
Design Fees	\$0	\$840	\$0	\$0
Project Management	\$0	\$120	\$0	\$0
Construction	\$0	\$13,495	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$10	\$0	\$0
Occupancy Costs	\$0	\$760	\$0	\$0
Inflationary Adjustment	\$0	\$889	\$0	\$0
<b>TOTAL</b>	<b>\$630</b>	<b>\$16,114</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Fire Department Training Facility**

**AT A GLANCE**

**2026 Request Amount:** \$135

**Priority Ranking:** 2

**Project Summary:** The Baldwin Fire Department will build a low-cost fire training facility requesting \$135,000 to construct on existing city owned property. The facility will enhance fire ground safety by increasing the capability of local firefighters to train in controlled dedicated building for the purpose of having well trained emergency personnel.

**Project Description**

The Baldwin Fire Department is seeking to build a Conex box type dedicated facility with appx 3-4 box type rooms to be built by a organization that constructs fire training buildings. The structure would have the capability to train firefighters from the area in all types of fire and emergency operations and also be available for local law enforcement to use for various scenario-based training.

**Project Rationale**

Due to a lack of any training facilities in the area, firefighters often go without effective training especially during the winter months or in adverse weather.

**Project Timeline**

The Baldwin Fire Department would construct the training facility on city owned property in the 2026 fiscal year with completion and being operational by 2027.

**Other Considerations**

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

The City of Baldwin

**Who will operate the facility?**

Baldwin Fire Department

**Who will use or occupy the facility?**

Local fire departments and law enforcement.

**Public Purpose**

To enhance the training and capabilities of local volunteer firefighters.

**Description of Previous Appropriations**

None  
Baldwin just became a city November of 2024

**Project Contact Person**

Joan Heinen  
Clerk/Treasurer  
763-389-8931  
city.clerk@baldwinmn.gov

(\$ in thousands)

**Fire Department Training Facility**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$135	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$135</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$125	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$10	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$135</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Fire Department Substation****AT A GLANCE****2026 Request Amount:** \$135**Priority Ranking:** 3**Project Summary:** Acquisition of land and construction of a 3 bay fire station on the east side of Hwy 169 in the City of Baldwin to provide fire and emergency medical services to a growing population.**Project Description**

Baldwin Fire Department is requesting \$135,000 funding to help in the acquisition of land and the construction of a 3 bay fire station on the east side of Hwy 169 in the city of Baldwin. The station would be a simple structure to house fire apparatus and equipment to serve fire and emergency medical needs of residents in the area. As it would be a substation, Baldwin Fire Department would use low-cost construction and simple design to equip the station. It would consist of a insulated metal building with a water source for fire operations and crew lockers for nearby firefighter response.

**Project Rationale**

The growing population of the City of Baldwin and having a major north/south highway dividing the city, it has become increasingly difficult to respond effectively to emergencies east of Hwy 169. As Hwy 169 is being upgraded with fewer routes across and an increasing volume of traffic, the Baldwin Fire Department is seeking to build a fire substation for faster response capabilities during fire, EMS, and other emergencies. A substation in this location would cut the response times substantially for residents in this area of the city.

**Project Timeline**

The City of Baldwin will seek land acquisition in 2026 and construction of the fire station in 2027.

**Other Considerations**

This would be of substantial benefit to the residents in the area at a low cost.

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

The City of Baldwin and the Baldwin Fire Department.

**Who will operate the facility?**

The Baldwin Fire Department as directed by the fire chief in conjunction with the Baldwin City

Council.

**Who will use or occupy the facility?**

The Baldwin Fire Department

**Public Purpose**

To enhance emergency services to the local population in the area.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Joan M Heinen

763-389-8931

city.clerk@baldwinmn.gov

(\$ in thousands)

**Fire Department Substation**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$135	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$135</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$50	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$5	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$70	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$10	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$135</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Remodel Current Public Works Building**

**AT A GLANCE**

**2026 Request Amount:** \$216

**Priority Ranking:** 4

**Project Summary:** The City of Baldwin is requesting \$216,000 to renovate the existing Public Works building to ensure safety, workability and address structural deterioration of the current building. The current public works building is outdated and does not foster so that employees can continue to safely and efficiently complete the services that residents depend on every day.

**Project Description**

The City of Baldwin is requesting capital funding to remodel and expand its Public Works facility to meet growing operational needs, improve safety, and protect over \$2 million in fleet and equipment assets. The current facility lacks adequate space for maintenance, safe equipment storage, and staff work areas.

The proposed remodel includes at least eight full-size drive-through, double-deep bays, a dedicated wash bay for year-round equipment cleaning, and sufficient height to lift dump truck boxes for safe inspections and repairs. New office space will replace garage-based work areas, creating a safer, more professional, and efficient environment for staff.

Energy-efficient systems—including in-floor heating, LED lighting, clean air exchange and upgraded HVAC—will reduce long-term operating costs. This investment supports public safety, sustainability, reliable service delivery, protects valuable city assets and supports the essential work performed by public works staff every day.

**Project Rationale**

The City of Baldwin's public works garage was built in 1984 and built for vehicles that were smaller in size and with workplace environments that are minimal by today's standards. The current public works building does not meet acceptable industry and safety standards and is not adequate height for public works employees to work on the vehicles. There is poor ventilation, lighting and deterioration of the building itself. This remodel would protect the cities multi-million-dollar investment in vehicles and equipment. The City just recently had our Building Official prepare an evaluation of the buildings outdated and deteriorating building and recommended a list of remodeling projects to bring the building up to standards, safer and reorganized in order to be more sufficient in the work the Public Works Department performs daily to the residents of Baldwin.

**Project Timeline**

Tentative completion date of 9/1/2027 depending on funding.

## **Other Considerations**

### **Impact on State Operating Subsidies**

N/A

### **Who will own the facility?**

The City of Baldwin and its Residents

### **Who will operate the facility?**

The City of Baldwin

### **Who will use or occupy the facility?**

The Public Works Department

### **Public Purpose**

The Public Works Department maintains the City's roads, parks, wastewater facility, City property and the road right-of-way. Remodeling of this space would bring efficiencies, safety and preservation of the current building to be useable for a longer period of time.

### **Description of Previous Appropriations**

N/A

### **Project Contact Person**

Joan Heinen  
Clerk/Treasurer  
763-389-8931  
city.clerk@baldwinmn.gov

(\$ in thousands)

Remodel Current Public Works Building

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$216	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$216</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$200	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$16	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$216</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Mayhew Lake Road (CSAH 1) Safety Improvements	1	GO	21,000	0	0	0	0	0
<b>Total Project Requests</b>			21,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			21,000	0	0	0	0	0

**Mayhew Lake Road (CSAH 1) Safety Improvements**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$21,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	\$21 million in state funds are requested to reconstruct and improve Mayhew Lake Road (a.k.a. County State Aid Highway No. 1) in Sauk Rapids.

**Project Description**

Mayhew Lake Road is a minor arterial highway and the primary north-south route carrying traffic to Sauk Rapids-Rice High School and newer residential developments. The corridor contains a large number of closely spaced intersections; a majority of which have a crash rate above the critical crash rate. A St. Cloud APO study recommended transforming the current two-lane road into a four-lane urbanized section with roundabouts and the dangerous intersections. The funding we are requesting will go towards the construction of a roundabout at 1 of the dangerous intersections.

**Project Rationale**

The Mayhew Lake Road Corridor is 3 miles long with a posted speed limit of 55 miles per hour. Near the entrance to the High School and “School Zone” speed limit is posted as 45 miles per hour. The Annual Average Daily Traffic Ranges from 3,300 vehicles per day to over 5,800 vehicles per day. Future traffic volumes are projected to be as high as 32,000 vpd.

There are 8 primary intersections along the corridor and the distance between intersections is less than what is recommended to maintain a safe and well-functioning roadway. The recommended spacing for these types of intersections is 0.5 miles apart, whereas some intersections are as close as 300 feet apart. In addition, there are 9 secondary intersections that do not meet the recommended spacing of 0.25 miles. The close spacing of the intersections reduces safety along the corridor.

Five of the eight afore-mentioned intersections have crash rates above the “critical crash rate,” meaning that the intersections see a higher number of crashes than average of other, similar intersections. There is an immediate need to address and correct these safety deficiencies. One of the intersections is the entrance to the Sauk Rapids-Rice High School.

The current 2 lane, rural road, cannot safely or efficiently accommodate the projected traffic volumes. The road needs to be reconstructed to add additional traffic lanes, and pedestrian/bikeway facilities.

**Project Timeline**

**Other Considerations**

The project will benefit the community because it will correct immediate safety concerns. The safety concerns make it a priority for the community of Sauk Rapids and the entire Benton County. The proximity of the project to the Sauk Rapids-Rice High School prioritizes this project over others. The safety of children and students is paramount and cannot be ignored.

This project will construct a roundabout at a dangerous intersection. This project will greatly improve safety in the immediate area of the intersection. It will also help to lower speeds along the corridor and past the Sauk Rapids-Rice High School.

Additionally, the city of Sauk Rapids is developing a large regional park adjacent to the project, and next to the high school. The park development plan includes adding baseball fields, several multi-purpose fields, an ice arena, and an aquatic center. Once completed, this park development has the potential to bring thousands of additional vehicles and pedestrians to the area.

**Impact on State Operating Subsidies**

None.

**Who will own the facility?**

Benton County

**Who will operate the facility?**

Benton County

**Who will use or occupy the facility?**

Pedestrians/residents of Sauk Rapids, and motorists traveling through Benton County

**Public Purpose**

This project fulfills a public purpose because it will improve the safety of thousands of traveling motorists almost immediately once constructed. The project will be constructed such that safety is maintained throughout the life of the improvement while accommodating the large increases in traffic volume predicted. The project would also allow for the addition of pedestrian and bicycle facilities along the corridor. This is something the community has asked for during public input sessions.

**Description of Previous Appropriations**

None

**Project Contact Person**

Chris Byrd  
Public Works Director County Engineer  
320-968-5051  
cbyrd@co.benton.mn.us

(\$ in thousands)

**Mayhew Lake Road (CSAH 1) Safety Improvements**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$21,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$21,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$3,500	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$17,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$21,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Bethel's Infrastructure Improvements	1	GO	3,500	0	0	0	0	0
<b>Total Project Requests</b>			3,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,500	0	0	0	0	0

## Bethel's Infrastructure Improvements

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$3,500
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City proposes critical upgrades to its wastewater infrastructure, including lift station improvements, pond system repairs, and rehabilitation of the rapid infiltration basins to address aging components, safety concerns, and nitrate exceedances, ensuring regulatory compliance and supporting future growth.

**Project Description**

The City's wastewater system, originally constructed in 1982 with additions in 2004, includes a sanitary sewer collection system, four lift stations, and a wastewater treatment facility (WWTF) comprised of two aeration ponds, a stabilization pond, and a four-cell rapid infiltration basin (RIB) system. The proposed project involves upgrading aging and deficient components throughout the system to restore operational integrity, improve safety, ensure environmental compliance, and support community development.

Two of the four lift stations are over 40 years old, and none of them have alarm systems to alert operators of pump failures, creating a risk of sewage backup into homes. Moreover, inconsistent components across the lift stations complicate maintenance and repairs. The WWTF lift station, which includes a confined-space dry well, presents additional operator safety risks. The project will modernize the lift stations by updating electrical and control systems, standardizing components, installing alarms, and addressing safety concerns.

The WWTF's aeration and stabilization ponds are facing serious mechanical failures. Aeration piping is failing, and the valving system is entirely inoperable, preventing operators from managing pond flow and water levels—functions that are essential to proper wastewater treatment. The project will include repairs or replacements for these systems, restoring the City's ability to effectively manage treatment processes.

The rapid infiltration basins (RIBs) are also compromised. All four cells are overgrown with weeds and only two are currently functional. The media within the RIBs is not operating as designed, leading to nitrate contamination in the groundwater. This has resulted in two Notices of Violation from the MPCA—in 2016 and again in 2021—for exceeding nitrate limits. Rehabilitation of the RIBs will include vegetation removal, media replacement or repair, and restoration of operational capacity in all four cells to prevent further contamination and protect groundwater resources.

Currently, the WWTF is operating at 88% of its permitted capacity. Due to the system's deteriorating condition and regulatory noncompliance, the MPCA has placed a moratorium on any additional connections to the system. This restriction has effectively halted both commercial and residential

development within the City. The proposed improvements are essential to lift the development moratorium, protect public health and the environment, and ensure the long-term viability of the community's wastewater infrastructure.

### **Project Rationale**

The City's wastewater infrastructure is aging and in disrepair, creating operational inefficiencies, safety risks, and regulatory compliance issues. Lift stations lack alarms and have inconsistent parts, making maintenance difficult and increasing the risk of sewage backups. The WWTF's inoperable valving and failing aeration prevent proper treatment. RIBs are non-functional, leading to nitrate contamination and two MPCA violations. Upgrades are needed to restore system functionality, protect groundwater, and lift the MPCA development moratorium.

### **Project Timeline**

6/1/26 - Engineering/Design  
10/1/26 Bidding  
4/1/27 Start of Construction  
10/31/28 End of Construction

### **Other Considerations**

Without improvements, the City's infrastructure poses ongoing health and environmental risks, limits housing and economic development, and jeopardizes regulatory compliance. The MPCA's prohibition on new system users has stalled community growth. Safety concerns, such as confined space entry and pump failure risks, place operators and residents in jeopardy. The City lacks the financial capacity to fund these necessary upgrades without assistance and is pursuing state and federal funding opportunities.

### **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

### **Who will own the facility?**

The City of Bethel will own the proposed utilities.

### **Who will operate the facility?**

City staff will operate the proposed utility project.

### **Who will use or occupy the facility?**

Residents and visitors of the City of Bethel will use the utility systems and pay utility fees.

### **Public Purpose**

The project protects public health, groundwater quality, and environmental safety, ensures regulatory compliance, improves operational reliability, and supports community growth. It addresses failing infrastructure, mitigates safety risks, and restores the City's ability to accommodate new development.

**Description of Previous Appropriations**

None

**Project Contact Person**

Ginger Berg

Clerk-Treasurer

763-434-4366

info@bethelmn.gov

(\$ in thousands)

**Bethel's Infrastructure Improvements**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$7,389	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,889</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$397	\$0	\$0
Design Fees	\$0	\$657	\$0	\$0
Project Management	\$0	\$803	\$0	\$0
Construction	\$0	\$9,032	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,889</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Big Lake Wastewater Treatment Plant Improvements	1	GO	25,000	0	0	0	0	0
<b>Total Project Requests</b>			25,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			25,000	0	0	0	0	0

**Big Lake Wastewater Treatment Plant Improvements**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$25,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of Big Lake is requesting \$25,000,000 in funding for the design and construction of wastewater treatment facility improvements.

**Project Description**

The City of Big Lake is in need of improvements at their Wastewater Treatment Facility to address future growth in the City and aging infrastructure issues. The facility is currently at capacity and the recommended improvements provide the most cost-effective treatment alternative which puts the facility in the best position to meet future wastewater flow and load demand while reliably meeting effluent water quality limits. This is both environmentally responsible, fiscally informed, and operable by the facility staff. The recommended improvements also provide facilities and equipment which are user-friendly, align with the facility staffing level, and are responsive to the amount of staffing time required. By addressing the aging infrastructure at the facility, the risk of equipment and/or structure failures that could impact treatment performance is minimized. The recommended alternative includes:

- Modifications to secondary treatment to increase treatment capacity within existing infrastructure and improve biological phosphorus removal capabilities
- Rehabilitation of existing chemical feed and storage
- Add sludge thickening to reduce volume of solids requiring treatment
- Adding more aerobic digester capacity to provide adequate sludge treatment, biosolids storage, and operational flexibility
- Improving aeration and mixing for biosolids processes
- Other condition, capacity, and age-related improvements throughout the facility

The existing facility is around 29,000 square feet. Approximately 25,000 square feet of the existing facility will be renovated/reused and 6,200 square feet will be newly added structures and buildings.

Total estimated project cost: \$62.2 million

**Project Rationale**

The City is committed to this project and has begun engineering design to keep the project moving. Time is of the essence because this project will address infrastructure issues related to age and condition as some of the existing structures and equipment are in great need of repair or replacement. Age and condition issues can lead to failures that could impact the ability of the facility to provide adequate treatment. This project will also accommodate future growth within the City including residential, commercial, and industrial users.

**Project Timeline**

Preliminary Design - started in October 2024  
Final Design - September 2026  
Bid - December 2027  
Construction Starts - April 2028  
Construction Complete - November 2030

**Other Considerations****Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

City of Big Lake

**Who will operate the facility?**

City of Big Lake

**Who will use or occupy the facility?**

City of Big Lake

**Public Purpose**

Ensures current and future regulatory compliance and accommodates future growth.

**Description of Previous Appropriations**

None at this time.  
City will be pursuing Point Source Implementation Grant (PSIG) and Green Project Reserve (GPR) through the Public Facilities Authority (PFA).

**Project Contact Person**

Deb Wegeleben  
Finance Director  
763-251-2974  
dwegeleben@biglakemn.org

(\$ in thousands)

Big Lake Wastewater Treatment Plant Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$42,000	\$25,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$45,200	\$30,241	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$7,000	\$0	\$0
<b>TOTAL</b>	<b>\$87,200</b>	<b>\$62,241</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$6,040	\$6,200	\$0	\$0
Construction	\$81,160	\$44,725	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$11,316	\$0	\$0
<b>TOTAL</b>	<b>\$87,200</b>	<b>\$62,241</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	N/A
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.**

Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
3rd Avenue Storm Sewer 2025	1	GO	119	0	0	0	0	0
<b>Total Project Requests</b>			119	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			119	0	0	0	0	0

**3rd Avenue Storm Sewer 2025**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$119
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of Bingham Lake is requesting \$119,000 for the installation of 3rd Avenue Storm Sewer System.

**Project Description**

Installation of 1,250 ft. of pipe, 3 catch basins and 2 manholes to existing streets, ditches and culverts to direct storm water out of the residential and business areas towards property that has been acquired for a natural retention pond. This would allow the water to be held in the retention pond until the County tile is emptied and can accept the water runoff from Bingham Lake.

The City of Bingham Lake sits in a wetland area that has a high water table. The water runoff from spring snowpack melting and significant rain events creates flooding that damages public infrastructure (streets, ditches, culverts), creates infiltration into the wastewater system, and damages homes and businesses. The City's tile system is at the end of Cottonwood County's tile system. Due to this situation and the volume of water drainage through Cottonwood County's tile system, Bingham Lake's water runoff is the last water that can enter the tile system. The City Engineer has determined that a temporary water retainage area would help collect the runoff until the tile system can accept the water. A new storm sewer/tile system would be needed to direct the runoff to this retainage area. The new storm sewer/tile system will drain approximately 78 acres and benefit the entire City.

The City has been working on this project for several years. In 2022, the City purchased property for the retainage pond and also secured 40-foot-wide drainage easements along the proposed storm sewer route.

The plans and specs for the project have been completed. The proposed storm sewer system will begin at the retention pond purchased in 2021. A 24" perforated high density polyethylene (HDPE) dual wall pipe will be installed west along the easements purchased in 2021 to the intersection of 3rd Avenue and 11th Street. There will be several catch basins located at this intersection. The storm sewer will then extend south along 11th Street to the intersection of 11th Street and 2nd Avenue where there will be another catch basin. This will intercept the original tile system that crossed over south of 2nd Avenue. The line that crosses over 2nd Avenue will then be plugged and the north side of the tile system will be disconnected from the south side. One other tie-in of the north system to the south will be plugged at 9th Street and 2nd Avenue. The north system will then drain the proposed new storm sewer to the retention pond. This is phase 1 of the project. Phase 1 will disconnect the north from the south tile system. Refer to attached plans for storm sewer system. Phase 2 of the project will be to extend the storm sewer west along 3rd Avenue to the alley between 8th and 9th Street. This phase will provide access to the storm sewer for the additional homeowners

to connect their perimeter tile drains to the proposed storm sewer. The storm water that is discharged into the retention pond will slowly release into the tile that runs under county Road 2 to the ditch east of Bingham Lake. This slow release will provide relief to the entire original tile system.

### **Project Rationale**

Each year property owners suffer property damage and financial losses due to an insufficient storm sewer system. Completion of this project would eliminate or greatly reduce damage to residential and business properties and costs associated with this damage and damage to the City's infrastructure. Completion of this project would also reduce costs incurred by the City for unnecessary treatment of storm water that infiltrates the City's wastewater system and is processed by the City of Windom's wastewater treatment plant.

Insufficient capacity in the existing storm sewer system causes water infiltration into the wastewater treatment plant. This, in turn, causes sanitary sewer backups in homes and businesses creating unsanitary conditions and the potential for serious health issues. This insufficient capacity also increases the concentration in the water table and creates undue hydrostatic pressure on basement walls of residential and business properties which can cause failure of foundation walls and buckling of floors.

Insufficient capacity in the existing storm sewer system also impacts Windom's wastewater treatment plant. The City of Bingham Lake contracts with the City of Windom for wastewater treatment. The City experiences extreme increases in wastewater treatment costs each year from snow melt and large rain events. The reduction of storm water infiltration into the City's sanitary sewer will reduce the costs of unnecessary wastewater treatment and also allow Windom's plant more capacity for future wastewater treatment needs.

### **Project Timeline**

- 2022 - Property Acquisition
- 2022 - Property Drainage Easements
- August 2022 - Predesign/Design
- December 2022 - Plans and Specs
- June 2025 - Bonding Request
- February 2026 - Project Bidding
- April 2026 - Bid Award
- June-July 2026 Project Construction and Completion

### **Other Considerations**

### **Impact on State Operating Subsidies**

None. Project is a one-time local government construction project.

**Who will own the facility?**

City of Bingham Lake

**Who will operate the facility?**

City of Bingham Lake will be responsible for operation and maintenance.

**Who will use or occupy the facility?**

Storm water infrastructure will drain approximately 78 acres of property within the watershed around the City of Bingham Lake. The drainage area that is affected by the back-ups within the city limits of the City of Bingham Lake is approximately 19 acres.

**Public Purpose**

Mitigate damage to public infrastructure (streets, ditches and culverts), reduce water infiltration into the wastewater treatment plant thus reducing flow to the plant and unnecessary treatment and associated costs, eliminate or reduce damage to business and residential properties, and alleviate unnecessary treatment of storm water impacting Windom's wastewater treatment plant during high water events.

**Description of Previous Appropriations**

A previous request for funding was submitted in 2024 but funding was not award. There have not been any awards made for the 3rd Ave Storm Sewer Project.

**Project Contact Person**

Denise Nichols  
City Clerk  
507-831-1844  
Cityofbinghamlake@gmail.com

(\$ in thousands)

3rd Avenue Storm Sewer 2025

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$119	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$10	\$120	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$10</b>	<b>\$239</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$4	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$6	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$228	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$11	\$0	\$0
<b>TOTAL</b>	<b>\$10</b>	<b>\$239</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Water System Replacement Project	1	GO	2,625	0	0	0	0	0
<b>Total Project Requests</b>			2,625	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,625	0	0	0	0	0

**Water System Replacement Project**

**AT A GLANCE**

**2026 Request Amount:** \$2,625

**Priority Ranking:** 1

**Project Summary:** The City of Biscay seeks funding to replace its failing water system, including the well, treatment, storage, and distribution infrastructure. With only 48 households and one business, the City cannot afford these essential improvements on its own.

**Project Description**

The City of Biscay proposes a comprehensive replacement of its aging and failing municipal water system to ensure the continued health, safety, and sustainability of its community. The existing system—over 80 years old—includes a deteriorating well, outdated treatment equipment, inadequate storage, and a corroded distribution network. The water currently produced is extremely rusty and unsuitable for consumption, posing a significant public health risk. With only 48 households and one business, the City lacks the financial capacity to fund these essential improvements independently and is seeking capital support to move forward.

The proposed project includes the replacement of the existing well with either a new water tower or the addition of advanced treatment to the current well, depending on feasibility and funding. The City will also replace the outdated treatment facility equipment with modern systems that meet current health and safety standards. Additionally, the project will replace the entire water distribution system, including old and rusted water mains, to ensure reliable and safe delivery of potable water to all residents and the local business. The scope of work includes the design and full construction of the new system.

Preliminary planning conducted thus far has identified three alternatives: connecting to the City of Glencoe, connecting to the City of Hutchinson, or replacing the system within Biscay. After evaluating cost, control, and long-term sustainability, the City selected the third option—replacing the system locally—as the most cost-effective and resilient solution. This approach allows the City to maintain control over its water supply and avoid dependency on external sources.

The estimated total project cost is \$3.5 million, which includes \$850,000 for watermain replacement, \$1.15 million for a new water tower, \$900,000 for treatment upgrades, and \$600,000 in soft costs (engineering, contingency, and other related expenses).

This project is critical to the City’s future. Without intervention, the current system may fail entirely, leaving residents without access to safe drinking water. With external funding, the City is prepared to move forward with the necessary planning and implementation to secure a safe and sustainable water supply for generations to come.

**Project Rationale**

The City of Biscay’s water system is over 80 years old and has reached a critical point of deterioration,

producing extremely rusty water that is unsuitable for consumption and poses a serious public health risk. The system's core components—including the well, treatment facility, storage, and distribution network—are outdated and failing. Without immediate intervention, the City risks a complete breakdown of its potable water supply. Given the small population of just 103 residents, 48 households, and one business, the City lacks the financial capacity to fund these essential improvements independently. This project is not only necessary—it is urgent for the health, safety, and sustainability of the community.

The City has evaluated multiple alternatives, including connecting to nearby cities like Glencoe or Hutchinson. However, these options are more expensive and would create long-term dependency on external systems. Instead, the City proposes to replace its existing infrastructure locally, including the installation of a new water tower or enhanced treatment for the current well, modern treatment equipment, and a full replacement of the distribution system. This approach is the most cost-effective and sustainable, allowing the City to maintain control over its water supply and ensure long-term resilience. The project will include both design and construction phases, and will only proceed if capital funding is secured—making this request essential to moving forward.

### **Project Timeline**

Engineering Plans and Specifications Complete: July 2026

Bid Project: August 2026

Award Contract: September 2026

Begin Construction: September 2026

Substantial Completion: October 2027

Final Completion: June 2028

*Please note: This schedule is dependent on securing the necessary funding to proceed with the project.*

### **Other Considerations**

In addition to the urgent infrastructure needs, key considerations for this bonding bill application include the project's alignment with state priorities such as public health, environmental protection, and equitable access to essential services. The City of Biscay's aging water system poses a direct threat to the health and safety of its residents, making this project a strong candidate for state investment. The proposed improvements will ensure compliance with current water quality standards, reduce the risk of contamination, and support long-term environmental sustainability. Moreover, the project supports rural resilience by helping a small, underserved community maintain autonomy over its water supply, which aligns with broader state goals of supporting rural infrastructure and reducing regional disparities.

Another important consideration is the City's financial capacity. With only 48 households and one business, Biscay lacks the tax base to fund this critical infrastructure independently. Without bonding support, the City faces the real possibility of system failure and public health emergencies. The requested funding would not only address an immediate crisis but also represent a cost-effective investment in long-term infrastructure stability. The City is committed to responsible stewardship of state funds, with a clear project scope and a readiness to proceed upon funding approval. This project exemplifies the type of high-impact, community-centered investment that bonding dollars are intended to support.

### **Impact on State Operating Subsidies**

The proposed project is not expected to have a significant impact on state operating subsidies. Once

constructed, the new water system will be owned and operated by the City of Biscay, which will be responsible for its ongoing maintenance and operational costs. The project is designed to improve efficiency and reliability, potentially reducing long-term operational expenses and emergency repair needs. While the City may seek technical assistance or participate in existing state programs for small systems, no new or increased operating subsidies from the state are anticipated as a result of this capital investment.

**Who will own the facility?**

The City of Biscay

**Who will operate the facility?**

The City of Biscay

**Who will use or occupy the facility?**

The upgraded water system will serve and be used by all 48 households, one business, and the entirety of the population of the City of Biscay.

**Public Purpose**

The public purpose of the project is to protect the health and safety of the City of Biscay’s residents by ensuring access to clean, safe, and reliable drinking water. The current system is over 80 years old and poses a significant public health risk due to rust contamination, outdated treatment processes, and failing infrastructure. By replacing the well, treatment equipment, and distribution network, the project will eliminate these risks and bring the system into compliance with modern health and environmental standards.

**Description of Previous Appropriations**

None

**Project Contact Person**

Maple Mechtel  
City Clerk and Treasurer  
320-864-9599  
biscayclerk@gmail.com

(\$ in thousands)

**Water System Replacement Project**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,625	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$875	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,500</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$450	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$3,050	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,500</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
City of Biwabik Public Safety Center	1	GO	2,500	0	0	0	0	0
<b>Total Project Requests</b>			2,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,500	0	0	0	0	0

**City of Biwabik Public Safety Center**

**AT A GLANCE**

**2026 Request Amount:** \$2,500

**Priority Ranking:** 1

**Project Summary:** The City of Biwabik is requesting \$2,500,000 in state funds for site selection, predesign, design and construction of a multi-department public safety building.

**Project Description**

The building will house the City of Biwabik Fire Department, City of Biwabik Ambulance Department, and City of Gilbert Police Department which provides law enforcement services on a contract basis. The building will house Fire Department apparatus and equipment, ambulances and related equipment, and law enforcement vehicles. The building will include training and meeting spaces, as well as space for personnel who are on call as part of our 24/7 ambulance service.

**Project Rationale**

The current facility is aging, undersized and poorly located. The current public safety building is over 100 years old. It does not provide adequate space for modern equipment. The building has poor ingress and egress due to its location in a busy section of the business district and narrow streets and alleys.

**Project Timeline**

Design Completed - June 2027  
 Project Bid - August 2027  
 Construction Start - May 2028  
 Project Completion - December 2029

**Other Considerations**

Since 2014, the City of Biwabik has had to replace a large proportion of infrastructure and resurface most streets and alleys in town due to substandard conditions. The resulting debt has created a large financial burden on the taxpayers and residents of Biwabik.

**Impact on State Operating Subsidies**

There will be no impact on the State, as the City of Biwabik will be responsible for all operation & maintenance costs.

**Who will own the facility?**

City of Biwabik

**Who will operate the facility?**

City of Biwabik

**Who will use or occupy the facility?**

City of Biwabik Fire Department City of Biwabik Ambulance Department City of Gilbert Police Department

**Public Purpose**

Each of the three departments to be located in the proposed facility provide public safety services to the City of Biwabik and a number of neighboring communities. The City of Biwabik Fire Department provides fire protection to Biwabik as well as surrounding areas through mutual aid and simultaneous page agreements. The Biwabik Ambulance Department’s primary service territory includes neighboring townships and unorganized areas of St Louis County.

**Description of Previous Appropriations**

NA

**Project Contact Person**

jeff jacobson  
City Administrator  
218-865-4183  
administrator@cityofbiwabik.com

(\$ in thousands)

**City of Biwabik Public Safety Center**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$2,500	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$100	\$0	\$0
Design Fees	\$0	\$700	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$4,200	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
TH 218 Corridor Utility Improvement and Contamination Remediation	1	AP	4,035	0	0	0	0	0
<b>Total Project Requests</b>			4,035	0	0	0	0	0
<b>Appropriation Bonds (AP) Total</b>			4,035	0	0	0	0	0

**TH 218 Corridor Utility Improvement and Contamination Remediation**

**AT A GLANCE**

**2026 Request Amount:** \$4,035

**Priority Ranking:** 1

**Project Summary:** The City of Blooming Prairie is seeking \$4,035,000 in funding to address soil and groundwater contamination along the two-mile TH 218 corridor running through the City for this project that has been delayed for over five years due to the contamination and the lack of available funding. Despite the Minnesota Pollution Control Agency (MPCA) having oversight of contamination violations, no other funding opportunities are available to assist the City with this remediation effort.

**Project Description**

The City of Blooming Prairie is seeking a total of \$4,035,000 in funding to address significant soil and groundwater contamination along a two-mile corridor running through the city. The contamination, discovered during testing in 2018, has resulted in dangerous levels of pollutants seeping into both the soil and the groundwater. The project has been delayed for over five years due to the complexity of the contamination and the city’s struggle to secure adequate funding.

The scope of the project includes the removal of contaminated soils within the water and sewer utility trenching zones, replacement of those municipal utilities, the replacement of the contaminated soil with clean granular backfill, upgraded infrastructure materials to ensure no contamination can permeate through the pipes such as, the use of ductile iron piping in leu of PVC piping, mandated by the Minnesota Pollution Control Agency (MPCA) for the wastewater collection system and Minnesota Department of Health (MDH) for the water distribution system. The MPCA will provide oversight throughout the remediation process, ensuring the project meets environmental safety standards. The contamination has not only affected the land but also the local groundwater, which poses potential risks to public health and local ecosystems.

The City had worked in collaboration with the Minnesota Department of Transportation (MNDOT) for the Highway 218 project, which was slated for 2025. However, due to funding challenges and the City’s bills sponsored by Senator Dornink and Representative Mueller being declined at the State level and bills at the federal level, MNDOT had to walk away from the project. As a result, the city has had to invest taxpayer dollars to date for engineering fees and staffing. The City of Blooming Prairie is asking for new bills so we can move forward with the critical cleanup efforts in collaboration once again with MNDOT.

Despite the MPCA’s legal authority there has been no administrative fines reserved from violators to re-mediate this situation. The MPCA has an approximate 2,000 page documentation history of the violators who contaminated this corridor. The City has worked hard to find funding options for this

project without any success. There is simply no other funding sources available to the city at this time, leaving the full financial burden on Blooming Prairie. The city hopes this funding request will provide the necessary resources to finally address the environmental contamination and restore the two-mile corridor, which is crucial for public health and local development.

### **Project Rationale**

The rationale for the City of Blooming Prairie's request for \$4,035,000 in funding is based on the urgent need to address significant soil and groundwater contamination that has affected a two-mile corridor running through the city. This contamination shows there are dangerous levels of pollutants seeping into both the soil and groundwater, posing serious risks to public health, local ecosystems, and the environment.

Key elements of the rationale include:

**Public Health and Environmental Protection:** The contamination affects both the land and groundwater, which could threaten drinking water supplies and local ecosystems. Remediation is necessary to protect public health and ensure environmental safety.

**Delays and Funding Challenges:** The project has been delayed for over five years, primarily due to the complexity of the contamination and the city's inability to secure adequate funding. Critical infrastructure and development and allow collaborative work with MNDOT to replace the TH 218 corridor through the municipal limits.

### **Project Timeline**

Initially, MnDOT pushed this project from 2025 construction to an anticipated 2027 construction because of the lack of financial resources by the City of Blooming Prairie to address these contaminants and the required remediation. The latest correspondence from the Minnesota Department of Transportation relays a hope for letting in the Fall of 2025 for 2026 construction pending financial relief.

### **Other Considerations**

In addition to the primary rationale for requesting \$4,035,000 in funding for the contamination remediation project, there are several other considerations that further highlight the importance and urgency of this project:

**Economic impact on the City, community support and safety, addressing contamination in a timely and effective manner is also an issue of environmental justice.** Communities that face environmental degradation due to contamination are often marginalized, and delaying remediation only exacerbates the disproportionate impact on these communities. The city's request for funding is therefore critical to rectify an ongoing issue that has far-reaching consequences on local ecosystems and public health.

**Long-Term Sustainability:** The proposed project will not only clean up the contamination but also implement infrastructure upgrades to ensure that future contamination risks are minimized.

### **Impact on State Operating Subsidies**

None

**Who will own the facility?**

The public utility piping that is to be replaced is owned by the City of Blooming Prairie, however, the corridor in which those utilities are located, and where the contamination is being remediated is owned by the Minnesota Department of Transportation.

**Who will operate the facility?**

MnDOT and the City of Blooming Prairie will be the project owners, however the MPCA and MDH will have regulatory authority over the utilities and the contamination remediation process.

**Who will use or occupy the facility?**

MnDOT and the City of Blooming Prairie

**Public Purpose**

The public purpose of the City of Blooming Prairie's request in funding to address soil and groundwater contamination which aims to protect and improve the health, safety, and well-being of the local community, as well as the environment.

The key elements of the public purpose are:

Public Health Protection Environmental remediation and preservation, infrastructure improvement, community safety & quality of life, promote local economic development, environmental justice, & compliance with laws.

**Description of Previous Appropriations**

None

**Project Contact Person**

Terri Zwiener  
Interim City Administrator  
507-583-7573  
cbptzwiener@smig.net

(\$ in thousands)

**TH 218 Corridor Utility Improvement and Contamination Remediation**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Appropriation Bonds	\$0	\$4,035	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,035</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$11	\$0	\$0
Design Fees	\$0	\$153	\$0	\$0
Project Management	\$0	\$111	\$0	\$0
Construction	\$0	\$3,760	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,035</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
North Central Sanitary Sewer Project	1	GO	13,000	0	0	0	0	0
Old Shakopee Road - Aldrich Ave to 2nd Avenue	2	GO	4,480	0	0	0	0	0
<b>Total Project Requests</b>			17,480	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			17,480	0	0	0	0	0

**North Central Sanitary Sewer Project**

**AT A GLANCE**

**2026 Request Amount:** \$13,000

**Priority Ranking:** 1

**Project Summary:** The proposed North Central Sanitary Sewer Project includes adding sanitary sewer conveyance capacity through construction of new sanitary sewer pipes to accommodate increased flows due to redevelopment and densification of land use.

**Project Description**

The North Central Sanitary Sewer Project consists of construction of approximately 13,330 feet of 18-inch to 24-inch sanitary sewer pipe in north central Bloomington serving the Penn American District. The project limits extend from American Boulevard and Morgan Avenue to Syndicate Avenue and West 92nd Street and includes a crossing underneath Interstate 35W just south of the I-35W/I-494 interchange which is currently under construction.

This new infrastructure is necessary to accommodate new sanitary sewer flows expected to be generated by high-density redevelopment including housing in the Penn American District in the City of Bloomington. The Penn American District is adjacent to the Met Transit Orange Line bus rapid transit route as well as the I-35W/I-494 interchange. Development/redevelopment in this district are consistent with the City's Comprehensive Plan and City and regional goals.

**Project Rationale**

The majority of the City's sanitary sewer system was originally constructed in the 1950s, 1960s, and 1970s and designed to serve the projected land uses anticipated at that time. In the Penn American District land uses typically consisted of low-density residential, retail, and small manufacturing. Recently, the City has been striving for redevelopment that better meets the needs of the community and region that includes housing and mixed uses resulting in densification particularly around existing transportation infrastructure. Pending redevelopment in the Penn American District cannot be accommodated by the existing sanitary sewer utility and available City funds are limited. Additional funds are needed to support further community growth.

This project supports growth and provides the opportunity for housing, including affordable units in close proximity to robust transportation infrastructure offering regional benefit.

**Project Timeline**

Project design is taking place in 2025 with construction planned for 2026 and 2027.

**Other Considerations**

The City recently instituted a Sewer Availability Charge that assesses a fee to development and

redevelopment projects that generate new wastewater flows. That fee is based on the costs to add capacity to the sewer system while the remaining infrastructure costs are borne by the sanitary sewer utility ratepayers. The initiation of the Sewer Availability Charge is new in 2025 and funding is lacking for projects that are needed in the short term such as the North Central Sanitary Sewer Project.

Funding for this request would allow for construction of necessary infrastructure providing immediate sanitary sewer capacity for redevelopment in this critical area while maintaining established levels of core services and minimizing utility rate burden to ratepayers.

### **Impact on State Operating Subsidies**

None anticipated.

### **Who will own the facility?**

The City of Bloomington will own the North Central Sanitary Sewer Project. The City will administer, construct, and provide all future maintenance.

### **Who will operate the facility?**

The City of Bloomington Public Works Department will operate and maintain all sanitary sewer conveyance infrastructure installed as part of this project. The infrastructure will be integrated into the Utility Division's asset management program ensuring appropriate operation, maintenance, repair, and replacement mechanisms are employed. Funding for operations, maintenance, and replacement are accounted for in the City's wastewater utility fund.

### **Who will use or occupy the facility?**

The City of Bloomington's residents, businesses, and visitors will all utilize this project.

### **Public Purpose**

The project serves a public purpose by providing critical public infrastructure, on-going operations, and the capacity necessary to serve the demand for residential and other redevelopment currently forecast for this area.

### **Description of Previous Appropriations**

#### **Project Contact Person**

Scott Anderson  
Utilities Superintendent  
952-563-4867  
smanderson@bloomingtonmn.gov

(\$ in thousands)

North Central Sanitary Sewer Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$13,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$4,726	\$9,933	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$4,726</b>	<b>\$22,933</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$2,000	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$2,726	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$22,933	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$4,726</b>	<b>\$22,933</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	No
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

Old Shakopee Road - Aldrich Ave to 2nd Avenue

**AT A GLANCE**

**2026 Request Amount:** \$4,480

**Priority Ranking:** 2

**Project Summary:** The Old Shakopee Road (CSAH 1) from Aldrich Avenue to 2nd Avenue will include replacement of pavement, curb, stormwater structures, safety improvements, new multi modal facilities, construction of ADA compliant curb ramps and Accessible Pedestrian Signals. It will enhance safety by improving intersections along the corridor including construction of a three-quarter intersection that reduces the number of conflict points and provides missing bicycle facilities.

**Project Description**

Access and transportation along the Old Shakopee Road (CSAH 1) corridor and surrounding area has – and continues to be – focused on getting cars swiftly to their destinations, which poses a challenge to overall accessibility and the feeling of safety for community members. The proposed project along Old Shakopee Road (CSAH 1) from Aldrich Avenue to 2nd Avenue will address these needs, while also responsibly maintaining the existing infrastructure to include replacement of pavement, curb, stormwater structures and safety improvements

Components of this project may include:

- Reconstruction of the existing walk on both sides of the roadway, moving it from many segments of curb walk to one with a 5’ planting buffer to provide place for tree planting and less of an urban heat island.
  - Construction of a new bike lane on both sides of the road providing a critical missing facility that is currently shown as RBTN Tier 1 Corridor and connect within a third of a mile of the existing bike facility along Portland Ave which is also a RBTN Tier 1 Alignment.
  - Upgrading pedestrian crossings with ADA compliant ramps along with Accessible Pedestrian Signals (APS) at signalized intersections within the corridor.
  - Vehicle access and pedestrian modifications at the intersections of Aldrich Avenue, Pillsbury Avenue, Blaisdell Avenue and Kennedy High School to improve safety for drivers and pedestrians.
  - Signal system revisions at the intersections of Old Shakopee Road and Lyndale Avenue, along with the modifications of the existing right turn pork chop islands to slow vehicular traffic and to improve the bicycle/pedestrian experience.
  - Transitioning Lyndale Avenue to accommodate the narrower intersection of Old Shakopee Road and Lyndale Avenue along with construction of a trail segment along the east side of Lyndale Avenue to 99th Street which will eventually connect to the on-road bicycle facility that starts at 102nd Street and connects to Minnesota River Valley State Trail along with the 35W Minnesota River bridge crossing.
  - Utility revisions such as hydrant relocation to accommodate trail and sidewalk installation.
- The existing Metro Transit Station, located at Old Shakopee Road and I-35W, serves as a major transfer hub for connecting bus routes and as a small park and ride lot for commuters to downtown

Minneapolis via local routes and the Orange Line Bus Rapid Transit (BRT). The City views this area as a Transit Node Development opportunity. The node envisions more robust mobility options that include buses, bikeshare, micromobility options (scooters, etc.), and pedestrian friendly streets to ease access throughout the node. It also serves as a major east west transit facility for local routes 18 and 539 and is the location of the new Metro Micro shared ride service.

The corridor bisects five census blocks with a median household income of less than \$55,000. Four census blocks are also ranked at a high level of vulnerability using the CDC SVI ranking which includes categories of socioeconomic, household composition & disability, minority status and language, and housing type and transportation. Given its proximity to 35W, a portion of the corridor has a higher level of pollution from traffic along with the associated COPD hospitalization rates.

The new protected pedestrian and bicycle facilities will be provided on both sides of the roadway to promote accessibility, mobility and safety for multimodal users and help encourage use of travel modes that use less greenhouse gas. This project will improve the accessibility and safety of users along the corridor by providing ADA compliant facilities that meet current standards. The proposed project is within the walking boundary of multiple schools.

Hennepin County has calculated that the modal opportunities for the corridor are:

- An increase in pedestrian volume from 500 to 2,000
- An increase in transit volume from 700 to 5,000
- An increase in bicycle volume from 900 to 3,000
- A decrease in passenger vehicle from 15,000 to 10,000
- and a steady commercial vehicle volume of 4,500.

## **Project Rationale**

The existing pavement and sidewalks along Old Shakopee Road (CSAH 1) between Aldrich Avenue and 2nd Avenue are beyond their useful life. These facilities were reconstructed in 1987. Old Shakopee Road in this area is classified as an A-Minor Expander and carries an annualized average daily traffic (AADT) volume of up to 29,500 VPD at the west end and 17,000 VPD at the east end of the project area.

Both ends of the project limits, near the 35W corridor and Nicollet Avenue (CSAH 52) show significant crash hot spots. The project includes numerous modifications at the intersections of Aldrich Avenue, Pillsbury Avenue, Blaisdell Avenue and Kennedy High School and to address these known crash locations and improve safety for all users of the corridor.

The closest east-west bikeway to the corridor is along 86th Street. Bike riders and pedestrians feel unsafe along Old Shakopee Road given the traffic volume as you get closer to 35W and frequently request the installation of facilities to get them to major destinations along Lyndale Avenue, Old Shakopee Road and Kennedy High School. The vision of the corridor is one that fully accommodates pedestrians, bikes, and transit, as well as cars and commercial vehicles, and invites people of every age and ability to safely and conveniently access, move throughout, and enjoy the space.

A safe and comfortable path for walking and biking along the entire Old Shakopee Road corridor is critical for creating multi-modal access to the businesses today and in the future. The Minnesota River is less than a mile south of the intersection of Old Shakopee Road and Lyndale Ave. A major trailhead into the Minnesota Valley National Wildlife Refuge is located at the southern end of Lyndale that

connects to multiple trail systems. Sidewalk and/or trail connections should be extended south of Old Shakopee Road to connect to this incredible natural and recreational asset.

The City of Bloomington and Hennepin County are already partnering on two other projects in the vicinity to help with mobility and safety of the users and this project connects the two locations between Old Shakopee Road (CSAH 1) from Aldrich Avenue over 35W to the west where it ties into 98th Street and curves down towards St. Lukes Church parallel to the CP Railroad that is operated by Progressive Rail on the west end and Nicollet Avenue (CSAH 52) from Old Shakopee Road (CSAH 1) to American Blvd on the east end. The combination of these three projects will provide a fully connected multimodal system from the disadvantaged communities located near I-494 to the City Hall campus which includes Public Health and touches a variety of other uses like medical and grocery locations along the way.

### **Project Timeline**

Project design and easement acquisition will take place in 2026-2027 with construction planned for 2028-2029 and phased with the other two area projects to ensure mobility through the area.

### **Other Considerations**

This project is identified in the City of Bloomington Safe Routes to School, Active Transportation and Alternative Transportation Plans. Also, both Hennepin County and the City of Bloomington's ADA Transition Plans identify Old Shakopee Road as a corridor requiring ADA improvements. Reconnecting the Old Shakopee Road corridor with ADA compliant walk and multi-use facilities will help the City to meet its goals of providing equitable access to active transportation for users of all ages and abilities.

The project meets many of the needs outlined in Hennepin County Climate Action Plan and Complete and Green Streets Policy including the Safety Action Plan along with the update of the Toward Zero Deaths program.

Within a half mile of the project, there are subsidized rental housing units and naturally occurring affordable housing (NOAH). While affordable housing residents are less likely to have access to a vehicle, the project neighborhood is classified as car-dependent, meaning most errands require a car. The proposed facility improvements will provide multi-use access to groceries and other essentials from nearby retail and medical facilities.

### **Impact on State Operating Subsidies**

None.

### **Who will own the facility?**

Hennepin County will own the roadway, storm sewer catchbasins and signal systems. Bloomington will own the sidewalk and trail system along with mainline storm sewer infrastructure and other public utilities like water and sanitary sewer.

### **Who will operate the facility?**

Hennepin County will operate the roadway, storm sewer catchbasins and signal systems including

snow removal for the roadway. Bloomington will operate the sidewalk and trail system along including snow removal along with operation of the public utilities like water and sanitary sewer.

**Who will use or occupy the facility?**

The Hennepin County and City of Bloomington’s residents, businesses, and visitors will utilize this project.

**Public Purpose**

The project will reduce the crash potential and provide a much safer environment for all users. This project serves a public purpose by providing critical public non-motorized ADA compliant infrastructure to serve the demand for residential, commercial and other users.

**Description of Previous Appropriations**

None.

**Project Contact Person**

Julie M Long  
City Engineer  
952-563-4865  
jlong@bloomingtonmn.gov

(\$ in thousands)

Old Shakopee Road - Aldrich Ave to 2nd Avenue

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,480	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$0	\$17,922	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$22,402</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$1,820	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$4,458	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$16,124	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$22,402</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	No
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	No
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Brainerd Public Utilities Water Treatment Facility	1	GO	28,000	0	0	0	0	0
Pedestrian Bridge Crossing over TH 210	2	GO	2,950	0	0	0	0	0
Cuyuna Lakes State Trail - East Segment	3	GO	695	0	0	0	0	0
<b>Total Project Requests</b>			31,645	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			31,645	0	0	0	0	0

**Brainerd Public Utilities Water Treatment Facility**

**AT A GLANCE**

**2026 Request Amount:** \$28,000

**Priority Ranking:** 1

**Project Summary:** The City of Brainerd, in cooperation with Brainerd Public Utility Commission (BPU), is seeking \$28M dollars from the State of MN for the design and construction of a water treatment facility to address a copper corrosion, and chemical feed compliance required by Minnesota Department of Health and the Environmental Protection Agency.

**Project Description**

BPU has identified copper corrosion throughout the water distribution system above the federal drinking water standard from required testing. Raw water quality has proven challenging to provide clean, safe, stable water into the community distribution system. Centralized softening is necessary to reduce copper corrosion and prevent deposition of solids that may eventually clog the distribution system.

Asset investigation is underway to determine the best use of the Brainerd Water Treatment Plant (WTP) which was originally constructed in the early 1900’s and expanded in 1964. It is anticipated the addition of water softening technology is necessary in addition to the existing WTP. The project is estimated at \$58M and consists of reverse osmosis treatment to remove hardness, nitrates, and manganese. This treatment process will filter a portion of the water and blended with water from a conventional filter. The distributed water will be a stable, sustainable, and safe for the residents of and visitors to the Brainerd area.

**Project Rationale**

The water treatment project needed is a significant financial burden on the residents of Brainerd. State dollars will allow drinking water to be provided to residents at a more affordable price.

This project is a necessity to bring the water system into compliance with the MDH and EPA Lead and Copper Rule. Copper is a heavy metal similar to lead and manganese with known adverse health effects and an established primary drinking water standard. Protection of the Brainerd residents and visitors to the area is the responsibility of the City Council and BPU and it is a responsibility that is taken seriously.

**Project Timeline**

- a. Finalize Project - 11/2027
- b. Funding Agency Applications - 3/2028
- c. Preparation of Plans and Specifications - 12/2028
- d. Funding Agency Review - 03/2029

- e.Council/BPU Authorizes Advertising - 04/2029
- f.Council/BPU Considers Awarding Project - 06/2029
- g.Begin Construction - 07/2029
- h.Substantial Completion - 12/2030
- i.Final Completion - 05/2031
- j.Project Closeout - 07/2031

### **Other Considerations**

The City of Brainerd is a popular destination for hiking, fishing, boating, and other recreation activities for residents in the State of Minnesota. With the variety of lakes in the area, many tourists visit the area and invest money for tourism in Brainerd. This project will support local residents and businesses by providing clean drinking water, improve water efficiency and treatment efficiency, replace aging infrastructure and add new treatment infrastructure to meet the EPA Lead and Copper rules and the MDH compliance schedule to meet City goals and needs.

The City of Brainerd serves as the backup water supply for the City of Baxter as well.

### **Impact on State Operating Subsidies**

No additional State operating dollars will be requested for this project.

### **Who will own the facility?**

BPU and City of Brainerd

### **Who will operate the facility?**

BPU and City of Brainerd

### **Who will use or occupy the facility?**

BPU and City of Brainerd will occupy the facility and residents and visitors to the Brainerd and Baxter area will use the project through consumption of safe sustainable drinking water.

### **Public Purpose**

Provide safe stable drinking water that meets all state and federal requirements.

### **Description of Previous Appropriations**

Brainerd received \$5 million of Direct State Appropriation with the passing of the Bonding Bill in May of 2023. The intended use of the \$5 million will be used for design and construction of a new backwash reclamation system.

### **Project Contact Person**

Daniel Loch  
Finance Manager  
218-825-3213  
dloch@bpu.org

(\$ in thousands)

**Brainerd Public Utilities Water Treatment Facility**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$28,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$30,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$58,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$8,000	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$50,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$58,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Pedestrian Bridge Crossing over TH 210**

**AT A GLANCE**

**2026 Request Amount:** \$2,950

**Priority Ranking:** 2

**Project Summary:** The City of Brainerd requests \$2,950,000 to construct a new pedestrian bridge and trail access to Lum Park at TH 210 in Brainerd in 2027. The new grade-separated multi-use trail facility will increase multimodal usage, safely connect the trail networks, and enhance accessibility for all users.

**Project Description**

The City of Brainerd (herein known as the City) along with project partners Minnesota Department of Natural Resources (MnDNR) and Minnesota Department of Transportation (MnDOT) envision a new pedestrian bridge and trail access to Lum Park at Trunk Highway (TH) 210 in Brainerd, MN. With a population of over 14,000 residents, the City is home to several parks, local trails, and surrounding regional and state trail systems. Area trails include the Paul Bunyan State Trail (PBST) and Cuyuna Lakes State Trail (CLST) operated by MnDNR and the Buffalo Hills Trail (BHT) operated by the City.

The expansion of trail facilities in the Brainerd Lakes Area will increase the current number of regional and local bike/ped users as more communities, destinations, and resources are connected. Since tourism is a major driver of the economy of this region, a safe and enhanced trail system will provide further opportunities to attract visitors which in turn will support a robust regional economy. TH 210 is a principal east-west arterial highway that carries approximately 12,200 vehicles per day (vpd) to 29,100 vpd (2021), with a posted speed limit of 50 miles per hour (mph) in the project area. The project will provide for a safe, grade-separated pedestrian bridge crossing that removes TH 210 as a barrier by constructing Americans with Disabilities Act (ADA) compatible, multimodal infrastructure and improving access for users of all abilities.

The CLST segment nearest the project site extends from NE 5th Avenue to Lum Park Road located along the north side of TH 210. Various efforts are advancing that will improve and expand the trail systems throughout the City and surrounding area, including:

- 28th Street to NE 10th Avenue trail segment (MnDOT Hwy 25 project)
- CLST Mississippi Northwoods trail segment (Cuyuna Lakes Trail Assoc.)
- NE 10th Avenue trail segment between Hwy 25 and Hwy 210 (City)
- TH 210 Reconstruction (MnDOT 2026)

The project is scheduled to be constructed in 2027 provided the funding is fully secured by then. The City is requesting \$2,950,000 in 2026 General Obligation Bond funds towards the construction cost of the project. The total construction cost of the project including contingency and inflation is \$5.918 million. The City is committed to seeking 50 percent of the project cost in non-state matching funds

through City or federal funds. The Construction Cost Estimate is included as an attachment to this application.

The project will construct a multi-use trail bridge with approach ramps that parallel TH 210 consisting of a mix of short abutments, precast beam spans, and cast-in-place concrete slabs. The bridge main span is a 210-foot-long prefabricated steel truss which can be assembled on site then erected during a brief closure of the highway with minimal disruption to traffic. The 10-foot-wide bituminous at-grade trail segments occur along NE 10th Avenue from TH 25 to TH 210 and then along eastbound TH 210 from NE 10th Avenue to the south bridge approach. Further, a short trail section will then connect the north bridge approach ramp to the Lum Park trail facility. The project will create a total of 41,000 sq ft in new infrastructure consisting of 27,950 sq ft of multiuse trail and 13,050 sq ft of pedestrian bridge. The Project Map is included as an attachment to this application.

### **Project Rationale**

The project will enhance the trail system connectivity in Brainerd by constructing a new trail bridge over TH 210 and a multiuse trail. The trail will connect to existing local and state trails for the continued development of the area's trail systems and access to parks and other recreational resources.

The project will:

- Create safer connections between the local trail and the state trail system across the high-speed highway TH 210,
- Create ADA compatible, multimodal infrastructure that will be utilized by users of all abilities,
- Enhance the quality of life for residents of Brainerd,
- Attract visitors which will lead to enhancing the local economy and generating additional local taxes, and
- Supports healthy and active lifestyle for local residents and visitors alike, saving on healthcare costs to individuals, employers, insurance providers, and the State government.

### **Project Timeline**

The project timeline is as follows:

- Predesign and design complete: December, 2026
- Coordinating with other projects: March, 2027
- Construction start: March, 2027
- Construction complete: October, 2028
- Open to public: October, 2028

### **Other Considerations**

The City of Brainerd would like to secure funding in time to utilize the awarded Carbon Reduction Program (CRP) grant funding towards the project. If no additional funding can be secured, it is likely these funds would be turned back. If funding can be secured, the City of Brainerd would aim to

construct the project in collaboration with MnDOT's Hwy 210 construction project, which would extend into 2027.

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

Ownership determination for the proposed bridge will be determined per MnDOT policy.

**Who will operate the facility?**

The City of Brainerd will operate and maintain the project upon its completion.

**Who will use or occupy the facility?**

The project will be used by the members of the public. The user base will consist of a diverse mix of users including regional bike trail users, visitors to the campground, and local residents.

**Public Purpose**

This project will construct a public trail facility with the purpose of creating new recreational space and making safer connections.

**Description of Previous Appropriations**

None

**Project Contact Person**

Jessie Dehn  
City Engineer  
218-828-2307  
jdehn@ci.brainerd.mn.us

(\$ in thousands)

**Pedestrian Bridge Crossing over TH 210**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,950	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$1,336	\$0	\$0
City Funds	\$0	\$1,632	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,918</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$5,366	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$552	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,918</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

Cuyuna Lakes State Trail - East Segment

**AT A GLANCE**

**2026 Request Amount:** \$695

**Priority Ranking:** 3

**Project Summary:** The City of Brainerd requests \$695,000 to construct a segment of multi-use trail from the existing trail at Northern Pacific Center to 28th Street SE in Brainerd in 2027. The new multi-use trail facility will increase multimodal usage, safely connect the trail networks, and enhance accessibility for all users.

**Project Description**

The City of Brainerd (herein known as the City) along with Minnesota Department of Natural Resources (MnDNR) have been coordinating on constructing segments of the Cuyuna Lakes State Trail (CLST) within the City of Brainerd for several years. With a population of over 14,000 residents, the City is home to several parks, local trails, and surrounding regional and state trail systems. Other area trails include the Paul Bunyan State Trail (PBST) operated by the MnDNR and the Buffalo Hills Trail (BHT) operated by the City.

The expansion of trail facilities in the Brainerd Lakes Area will increase the current number of regional and local bike/ped users as more communities, destinations, and resources are connected. Since tourism is a major driver of the economy of this region, a safe and enhanced trail system will provide further opportunities to attract visitors which in turn will support a robust regional economy. Most recently, the City constructed a segment of the CLST - West and NP Center Segments, extending from South 9th Street to the Northern Pacific Center. This project was completed with a 2014 bonding appropriation and a private-public partnership with the owner of the NP Center. The project will provide for a safe, connected trail that connects the end of the trail segment in NP Center to the existing trail along 28th Street SE, removing an existing gap in the trail network.

The City has partnered with SEH to complete preliminary engineering studies and design for the CLST - East Segment project. Originally, the trail was intended to cross the railroad at 13th Street SE. However, due to challenges with BNSF, this option was not feasible and thus the current alignment was developed. Staff has been coordinating with MnDNR to develop the project to this point and progress the trail to completion, thus completing the CLST from the downtown Brainerd area to the east end of Brainerd. There have been other various efforts adjacent to this project that have continued to advance, improve, and expand the trail systems throughout the City and surrounding area, including:

- 28th Street to NE 10th Avenue trail segment (MnDOT Hwy 25 project)
- TH 210 Reconstruction (MnDOT 2026)

The project is scheduled to be constructed in 2027. The City is requesting \$695,000 in 2026 General

Obligation Bond funds towards the construction cost of the project. The total construction cost of the project including contingency and inflation is \$1.398 million. The City is committed to seeking 50 percent of the project cost in non-state matching funds through City or federal funds. The Construction Cost Estimate is included as an attachment to this application.

The project will construct a 10-foot-wide at-grade multi-use bituminous trail. The project aims to construct an additional 3,150 feet of trail or nearly 0.6 miles. The 60% plans are attached to this application.

### **Project Rationale**

The project will enhance the trail system connectivity in Brainerd by constructing a new trail connection between central Brainerd and existing facilities in east Brainerd. The trail will connect to local and state trails for the continued development of the area’s trail systems and access to parks and other recreational resources.

The project will:

- Create ADA compatible, multimodal infrastructure that will be utilized by users of all abilities,
- Enhance the quality of life for residents of Brainerd,
- Attract visitors which will lead to enhancing the local economy and generating additional local taxes, and
- Supports healthy and active lifestyle for local residents and visitors alike, saving on healthcare costs to individuals, employers, insurance providers, and the State government.

In addition, construction of this trail would provide for a contiguous trail network providing access for residents that live in the northeastern part of the city where rental housing is located and may lack access to motorized transportation, yet have need to access economic opportunities and social services that are located in the downtown heart of Brainerd. Among these service destinations is Crow Wing County Community Services, the Crow Wing County District Court, the Salvation Army, Northern Pines Mental Health Center, the Sharing Bread Soup Kitchen, and the Brainerd Housing and Redevelopment Authority (HRA).

### **Project Timeline**

The project timeline is as follows:

- Complete final design: December 2026
- Acquire final right-of-way and wetland permitting: February 2027
- Construction Start: May 2027
- Construction Complete: October 2027

### **Other Considerations**

None

### **Impact on State Operating Subsidies**

None

**Who will own the facility?**

The MnDNR will likely own the Cuyuna Lakes State Trail after completion.

**Who will operate the facility?**

The MnDNR will likely operate the Cuyuna Lakes State Trail after completion.

**Who will use or occupy the facility?**

The project will be used by the members of the public. The user base will consist of a diverse mix of users including regional bike trail users and local residents.

**Public Purpose**

This project will construct a public trail facility with the purpose of creating new recreational space and making safer connections.

**Description of Previous Appropriations**

2014 - \$1.1 million appropriated for CLST - West and NP Center Segments

**Project Contact Person**

Jessie Dehn  
City Engineer  
218-828-2307  
jdehn@ci.brainerd.mn.us

(\$ in thousands)

Cuyuna Lakes State Trail - East Segment

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$695	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$703	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,398</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$1,268	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$130	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,398</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Opportunity Site Infrastructure	1	GO	3,000	0	0	0	0	0
Brooklyn Center Public Works Maintenance Facility Reconstruction	2	GO	1,500	0	0	0	0	0
<b>Total Project Requests</b>			4,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,500	0	0	0	0	0

Opportunity Site Infrastructure

**AT A GLANCE**

**2026 Request Amount:** \$3,000

**Priority Ranking:** 1

**Project Summary:** The City has made significant investments in acquiring and demolishing properties within the approximately 80-acre Opportunity Site to support redevelopment goals outlined in the City's recently adopted Master Plan. This site includes the land between Summit Drive, Highway 100, Base Lake Road, and Shingle Creek Parkway. The City is requesting critical legislative funding that will fill gap funding necessary for the Infrastructure build out of Phase 1 of the Opportunity Site.

**Project Description**

The remnant of a former commercial center, the Opportunity Site has sat as a vacant, largely impervious paved site with minimal development, for the last decade. Despite this, the city recognizes the Opportunity Site as the most significant development and community-building opportunity within its borders.

The specific request is for infrastructure work needed to support the development of phase 1 of the opportunity site. The infrastructure needs are estimated at \$6,500,000. The city has approximately a \$3,000,000 gap in the funding for the project and the bonding could close the gap and allow for construction to start for phase 1 in 2025.

The City has made significant investment in the acquisition and demolition of properties within the approximately 80-acre "Opportunity Site", to achieve redevelopment goals laid out in the Opportunity Site Master Plan - a planning effort spanning more than 3 years of public and private input. Based on discussion with developers, and given the current interest rate and cost environment, near-term planned projects will have a financial gap to solve, primarily for necessary project infrastructure.

The first 15 acre phase of planned development, known as the "Phase 1 Development Site", will include:

- Up to 700 units of mixed income multifamily housing
- Locally-oriented commercial business spaces
- An events center
- Public gathering spaces

After years of planning and design, the city and its private development partners have identified a set of public infrastructure necessary to support the Phase 1 Development:

- New multimodal, pedestrian-oriented streets

- Regional stormwater ponds and park space
- Complete update of all area utilities

Macro economic changes and rising interest rates have led to a project gap in funding this public infrastructure.

Without additional funding for public infrastructure, the Phase 1 project will remain infeasible.

### **Project Rationale**

The remnant of a former commercial center, the Opportunity Site has sat as a vacant, largely impervious paved site with minimal development, for the last decade. Despite this, the city recognizes the Opportunity Site as the most significant development and community-building opportunity within its borders.

### **Project Timeline**

Phase 1 infrastructure construction would be anticipated to start in 2026 and end in 2027.

### **Other Considerations**

1. Have there been previous capital requests for this project? Yes, there was a request to the legislator in 2024.

1. If so, please list the years requests have been submitted - 2024 and 2025

2. Has there been a change in ownership/ requesting party since the original request was submitted? No Change

3. Please indicate reasons for an increase to cost from original request. (i.e. Change in scope, additional project elements, inflation) There is no anticipated increase in cost. However, the City has received additional grants since the 2024 request.

2. Please list previous Senate File and House File numbers with respective years for any past legislative requests for this project

2024 - HF5351 and SF5457

2025 - HF1068 and SF0087

### **Impact on State Operating Subsidies**

This project will not require ongoing state subsidies.

### **Who will own the facility?**

The City of Brooklyn Center

### **Who will operate the facility?**

The road and storm water areas will be maintained by the City of Brooklyn Center.

### **Who will use or occupy the facility?**

The general public will have access to the public road way and the storm water park. Also, the development adjacent to the public improvement will include a mix of housing and commercial spaces.

**Public Purpose**

The funding would be used to construct a public roads and a public storm water retention area, which will eventually be a public park area. Construction for the infrastructure will facilitate redevelopment of a critical area within the City.

**Description of Previous Appropriations**

There are no previous state appropriations.

**Project Contact Person**

Jesse Anderson

763-569-3420

[janderson@brooklyncentermn.gov](mailto:janderson@brooklyncentermn.gov)

(\$ in thousands)

Opportunity Site Infrastructure

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Other Local Government Funds	\$0	\$3,400	\$0	\$0
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$550	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,950</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$6,800	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$150	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,950</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	No
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.**

Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	No
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Brooklyn Center Public Works Maintenance Facility Reconstruction**

**AT A GLANCE**

**2026 Request Amount:** \$1,500

**Priority Ranking:** 2

**Project Summary:** The City of Brooklyn Center is seeking funds for pre-design, design, and engineering to plan a replacement for the City's 1970s era Public Works Maintenance Facility. The new facility will address operational inefficiencies, safety concerns, and lack of space for modern public works equipment and enable the city to provide essential services more effectively and support regional mobility.

**Project Description**

The proposed project involves pre-design, design, and engineering for a modern public works maintenance facility to replace Brooklyn Center's obsolete 50-year-old garage. The City's Public Works garage faces two main challenges: its outdated size and design hinder the safe, efficient operation of large, modern equipment, such as heavy-duty snowplows, and any minor building upgrade triggers required ADA improvements. Some other specific challenges include:

**Unsafe Traffic Patterns:** Modern snowplows, which provide the level of service our residents have come to expect, are large. The tight quarters in our garage mean that every time it snows, Public Works employees

must back up trucks within inches of each other before exiting the building. This can put staff in an unsafe position and risk damage to vehicles and surrounding equipment.

**Undignified Work Space:** The garage lacks separate meeting rooms, personal spaces, and workspaces. For example, to create a lactation room, required by law (Minnesota Statutes 181.939) staff had to create a sign-out system in a shared office space. This led to workflow inefficiencies, and does not provide a dignified private area. This created workflow inefficiencies and did not provide a dignified private area for a new mother.

The new facility will:

- \_ Include sufficient storage for the city's fleet, including space to help the City's goal of transitioning to electrified vehicles.
- \_ Provide safe and efficient working conditions for public works employees.
- \_ Support regional transportation by maintaining vital infrastructure and responding to emergencies.

The total cost of pre-design, design, and engineering for the project is \$3 million. The City is requesting \$1.5 million in state bonding to support this work. The City has also programmed \$1.5 million in local funds for the project.

### **Project Rationale**

Replacing the Public Works Garage is critical for the City of Brooklyn Center to:

- \_ Maintain essential infrastructure for the regional workforce. With nearly half of Brooklyn Center’s 33,000 residents commuting outside of the City for work, Public Works is critical to keeping the regional workforce moving. Furthermore, almost 50% of Brooklyn Center’s workforce is in essential sectors like healthcare.
- \_ Ensure safe, efficient operations for snow removal, road maintenance, and emergency response.
- \_ Support regional economic activity by maintaining access to key areas such as Shingle Creek Crossing.
- \_ Transition to sustainable practices, such as electrified fleet operations and modernized road salt application systems that will help protect the environment.

The outdated facility cannot meet these demands, posing risks to both employees and public infrastructure.

### **Project Timeline**

Pre-Design: 2026  
Design and Engineering: 2027 - 2029

### **Other Considerations**

1. Have there been previous capital requests for this project? Yes  
A. If so, please list the years requests have been submitted: 2025  
B. Has there been a change in ownership/ requesting party since the original request was submitted?  
N/A  
C. Please indicate reasons for an increase to cost from original request. (i.e. Change in scope, additional project elements, inflation): N/A
2. Please list previous Senate File and House File numbers with respective years for any past legislative requests for this project: HF1069 and SF0084

### **Impact on State Operating Subsidies**

The project will not require ongoing state operating subsidies.

### **Who will own the facility?**

The City of Brooklyn Center

### **Who will operate the facility?**

The Brooklyn Center Public Works Department

**Who will use or occupy the facility?**

Public Works employees will use the facility for fleet storage, equipment maintenance, and operational support.

**Public Purpose**

The facility supports critical public services, including snow and ice removal, street and utility maintenance, and disaster response. This ensures the safety and accessibility of transportation infrastructure for residents and commuters, contributing to regional economic stability and mobility.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Elizabeth Heyman  
Brooklyn Center Public Works Director  
763-569-3328  
eheyman@brooklyncentermn.gov

(\$ in thousands)

Brooklyn Center Public Works Maintenance Facility Reconstruction

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$1,500	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$3,000	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,000</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Brooten Infrastructure Improvements	1	GO	1,848	0	0	0	0	0
<b>Total Project Requests</b>			1,848	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,848	0	0	0	0	0

**Brooten Infrastructure Improvements**

**AT A GLANCE**

**2026 Request Amount:** \$1,848

**Priority Ranking:** 1

**Project Summary:** Immediate concerns for the City of Brooten are a lack of a backup water source and a deteriorating well house that is non-compliant. Improvements to the drinking water system include the construction of one (1) new municipal well and a new well house.

**Project Description**

The proposed improvements to Brooten’s drinking water system include the construction of one (1) new municipal well and a new well house. The age and condition of Brooten’s infrastructure does not meet the current needs of the City and its residents. Immediate concerns for the City of Brooten are the lack of an adequate backup water source and a deteriorating well house that is non-compliant. The new well will be constructed in accordance with Minnesota Department of Health (MDH) recommendations for quality and pumping capacity to accommodate the City’s current and future needs. A test well has been drilled and determined that water is of consistent quality to well #1 and contains levels of arsenic below the primary and secondary Drinking Water Standards. The construction of the new well house will include the housing structure, mechanical and electrical systems and controls, and piping connection to the new well and distribution system. The new well house will be built in place of the existing well house #1.

The improvement design is based on the requirements of RUS design policies (7 CFR 1780.57), local and state regulatory requirements, Occupational Safety and Health Administration (OSHA) standards, and accepted engineering practices.

**Project Rationale**

The City of Brooten draws its water from one well, which is one of two wells intended to provide water to the City. The main operating well was drilled in 1924 to a depth of 220 feet, has a capacity of 350 gpm, and currently pumps at a rate of 200 gpm. The casing pipe for well #1 is in fair to poor condition and is not a good candidate for lining due to its size. Well #2 was constructed in 1975, has a capacity of 500 gpm, and is only used as an emergency backup due to high levels of arsenic. Currently, there is no acceptable backup water source for the City of Brooten. The primary existing well house is over 100 years old and is constructed of load-bearing clay brick and tile masonry which is in need of extensive brick replacement and tuckpointing. The single-sloped wood joist roof structure is in poor condition and requires complete replacement of the insulation, roof membrane, and some structural repairs.

**Project Timeline**

06/2026: Prepare Plans & Specs  
10/2026: Submit Plans & Specs to MDH and MPCA  
10/2026: Submit Plans & Specs to RD  
01/2027: Advertise for Bids  
03/2027: Award Contract  
06/2027: Proposed Start of Construction  
09/2029: Proposed End of Construction

### **Other Considerations**

The public water system in Brooten is in failing condition. One well, that is the City's main source for drinking water, is producing an increasing amount of sand. Brooten has a second well as a back up but that water contains arsenic levels that are above standards.

### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

The City of Brooten will own the project.

#### **Who will operate the facility?**

The City of Brooten will operate the project.

#### **Who will use or occupy the facility?**

The residents and businesses of Brooten will use the utility system and pay utility fees.

### **Public Purpose**

Investing taxpayer dollars in water infrastructure projects is a prudent and essential endeavor for several reasons: 1. Public Health and Safety: Upgrading aging systems, repairing leaks, and enhancing drinking water source and distribution contribute to healthier communities and a healthier environment. 2. Economic Benefits: Infrastructure projects create jobs, stimulate local economies, and support industries that rely on water resources (such as agriculture, manufacturing, and tourism).

### **Description of Previous Appropriations**

None

### **Project Contact Person**

Jeanne Kinne  
City Clerk  
320-346-2524  
brooten@mchsi.com

(\$ in thousands)

**Brooten Infrastructure Improvements**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,848	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$3,100	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,948</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$189	\$0	\$0
Design Fees	\$0	\$253	\$0	\$0
Project Management	\$0	\$641	\$0	\$0
Construction	\$0	\$3,865	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,948</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Brownsville's Infrastructure Improvements	1	GO	3,500	0	0	0	0	0
<b>Total Project Requests</b>			3,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,500	0	0	0	0	0

## Brownsville's Infrastructure Improvements

**AT A GLANCE****2026 Request Amount:** \$3,500**Priority Ranking:** 1

**Project Summary:** The city seeks funding to upgrade its aging wastewater and stormwater infrastructure. Key improvements include replacing corroded components at six lift stations, installing an alarm system, and modernizing the treatment process with a 2-Cell Pond System or Recirculating Gravel Filter to improve efficiency and regulatory compliance. Stormwater improvements are also proposed to address flooding and erosion issues.

**Project Description**

The city is undertaking a comprehensive project to modernize its wastewater and stormwater infrastructure to improve operational efficiency, meet environmental regulations, and support future growth. The wastewater collection system is entirely composed of PVC and currently utilizes six lift stations, all of which suffer from corroded rails, mounts, and control panels. Additionally, there is no alarm system in place to alert staff to failures, posing risks of service disruptions and costly emergency repairs. The project will replace pumps, rails, and control panels at all lift stations and install an alarm system to enhance monitoring and response capabilities.

The city's wastewater treatment facility has seen multiple upgrades since its original sanitary sewer installation in 1986, including chlorination and dechlorination enhancements in 1994, sewer extensions in 2007 and 2017, and service expansions. Despite these efforts, significant challenges remain. The manual operation of moving PVC discharge piping between infiltration bed cells is inefficient and labor-intensive. Furthermore, only half a cell is utilized at a time due to limited flow, reducing treatment effectiveness. The city also struggles with meeting fecal coliform limits in the spring, which led to a Notice of Violation (NOV) in 2021.

To address these challenges, the city proposes installing a 2-Cell Pond System or Recirculating Gravel Filter (RGF). These upgrades will streamline operations, reduce labor costs, and improve the reliability and quality of treated effluent, ensuring compliance with environmental standards.

In addition to wastewater system upgrades, the city faces issues due to the absence of a formal storm sewer system. Localized flooding and erosion are frequent, damaging property and infrastructure. Investments in stormwater improvements will mitigate these risks, enhance the city's resilience to extreme weather, and support sustainable development.

Together, these infrastructure improvements will eliminate health and safety hazards, ensure reliable service, and promote long-term sustainability for residents and businesses.

## **Project Rationale**

The project addresses critical infrastructure deficiencies that threaten public health, environmental quality, and operational reliability. Corroded lift station components and the lack of an alarm system create risks of failure and costly repairs. Manual wastewater operations are inefficient, and treatment challenges have led to regulatory violations. Additionally, the lack of a storm sewer system causes flooding and erosion. Upgrading these systems is essential for compliance, safety, and community resilience.

## **Project Timeline**

6/1/26 - Engineering/Design  
10/1/26 Bidding  
4/1/27 Start of Construction  
10/31/28 End of Construction

## **Other Considerations**

If left unaddressed, the deteriorating lift stations and outdated treatment practices may lead to equipment failure, increased operational costs, and further regulatory penalties. The proposed improvements not only resolve current inefficiencies but also future-proof the city's infrastructure. These upgrades align with sustainable development goals and will provide long-term operational savings. The city is committed to maintaining the upgraded systems and continuing investment in resilient public infrastructure.

## **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

## **Who will own the facility?**

The City of Brownsville will own the proposed utilities.

## **Who will operate the facility?**

City staff will operate the proposed utility project.

## **Who will use or occupy the facility?**

Residents and visitors of the City of Brownsville will use the utility systems and pay utility fees.

## **Public Purpose**

The project enhances public health and safety by ensuring reliable wastewater treatment and reducing flooding risks. It promotes environmental compliance, reduces labor costs, and supports sustainable growth, directly benefiting residents, businesses, and future development within the city.

## **Description of Previous Appropriations**

None

**Project Contact Person**

Jenna Knight  
Clerk  
507-482-6732  
brownsvi@acegroup.cc

(\$ in thousands)

**Brownsville's Infrastructure Improvements**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$6,795	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,295</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$422	\$0	\$0
Design Fees	\$0	\$943	\$0	\$0
Project Management	\$0	\$491	\$0	\$0
Construction	\$0	\$8,439	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,295</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Buckman Infrastructure Improvements	1	GO	2,467	0	0	0	0	0
<b>Total Project Requests</b>			2,467	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,467	0	0	0	0	0

**Buckman Infrastructure Improvements**

**AT A GLANCE**

**2026 Request Amount:** \$2,467

**Priority Ranking:** 1

**Project Summary:** Buckman's drinking water system requires improvements due to its failing condition and elevated manganese levels. This project includes the construction of a new water treatment facility, the addition of a standby generator, a new municipal well, water tower rehab, and additional looping in the distribution system. These improvements will provide the residents and businesses of Buckman with a safe and reliable drinking water source.

**Project Description**

The City of Buckman's public water system consists of two municipal wells, a well house, and elevated storage tank, and a distribution system that serves most developed properties within the corporate city limits. The proposed project will improve Buckman's drinking water treatment, source, storage, and watermain distribution systems.

**Treatment:**

This project includes a new water treatment facility capable of filtering iron and manganese along with the addition of a standby generator.

**Source – New Well**

A new municipal well with 75gpm capacity will be drilled.

**Storage – 50,000 Gal. Tower**

The water tower will be re-coated, a tank mixer added, and other repairs and modifications as recommended by the water tower inspection.

**Watermain – Looping**

Elimination of four dead ends by connecting them with two loops, totaling 6,100 feet of 6-inch watermain along with the necessary gate valves and hydrants.

**Project Rationale**

**Treatment:** Manganese has routinely tested at elevated levels. The elevated manganese exceeds the Health-Base Value. Improving treatment or finding a new source is the only way to address this health concern.

**Source:** Well #1 is aging and has an impaired capacity. The city suspects that the casing may be cracked. The MDH sanitary survey discusses that the concrete base of the well head is cracked and that an electrical conduit must be sealed. The piping and electrical inside this well house is also corroded. This well is not a reliable backup source.

The primary well house near Well #2 has key deficiencies. The piping and electrical inside the well house is corroded and is not large enough to accommodate treatment filters. The MDH sanitary survey noted that the chlorine cabinets are corroded and that the facility lacks standby power. Storage: The tower is in need of a rehab. and safety upgrades to extend its useful life. Watermain: The MDH recommends the elimination of dead ends.

**Project Timeline**

06/2026: Prepare Plans & Specs  
10/2026: Submit Plans & Specs to MDH and MPCA  
10/2026: Submit Plans & Specs to RD  
01/2027: Advertise for Bids  
03/2027: Award Contract  
06/2027: Proposed Start of Construction  
09/2029: Proposed End of Construction

**Other Considerations**

Deficiencies in the City of Buckman's drinking water infrastructure have elevated health and safety risks for residents and businesses. The proposed infrastructure improvements are not viable unless the city receives additional support.

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

The City of Buckman will own this project.

**Who will operate the facility?**

The City of Buckman will operate this project.

**Who will use or occupy the facility?**

The residents and businesses of Buckman will use this project.

**Public Purpose**

Upgrading aging systems, repairing leaks, and enhancing treatment facilities contribute to healthier communities and a healthier environment. Water infrastructure projects create jobs, stimulate local economies, and support industries that rely on water resources (such as agriculture, manufacturing, and tourism). Improved water systems attract businesses and enhance property values, leading to economic growth and environmental sustainability.

**Description of Previous Appropriations**

None

**Project Contact Person**

Linda Brezinka

City Clerk  
320-237-4579  
cityofbuckman@gmail.com

(\$ in thousands)

**Buckman Infrastructure Improvements**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,467	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$2,976	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,443</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$30	\$0	\$0
Predesign Fees	\$0	\$277	\$0	\$0
Design Fees	\$0	\$342	\$0	\$0
Project Management	\$0	\$482	\$0	\$0
Construction	\$0	\$4,312	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,443</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Buffalo Red River Water District Flood Mitigation Funding	1	GO	24,200	0	0	0	0	0
<b>Total Project Requests</b>			24,200	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			24,200	0	0	0	0	0

**Buffalo Red River Water District Flood Mitigation Funding**

**AT A GLANCE**

**2026 Request Amount:** \$24,200

**Priority Ranking:** 1

**Project Summary:** The Buffalo Red River Watershed District Flood Mitigation Projects included within this grant application are all committed mitigation projects as part of the Fargo-Moorhead Diversion and Flood Risk Management Project (the FM Area Diversion Project). The Red River in the Fargo-Moorhead area has exceeded flood stage every year from 1993-2023 except 2012, 2016 and 2021. It has flooded 61 times in the past 120 years.

**Project Description**

The Wolverton project would construct a ring levee around town based off the alignment agreed upon by the settlement agreement between the Buffalo-Red River Watershed District (BRRWD) and the Metro Flood Diversion Authority (MFDA). This project would modify the drainage around the City and raise HWY 75 on the north and south sides of the City. The proposed project would also modify the BNSF Railway crossing north and south of town. A new stormwater lift station is proposed as well as modifying the existing sanitary lift station. Part of the city limits is currently in the 100-year floodplain from the Red River of the North.

The Georgetown project would complete the ring levee constructed in Georgetown, MN, in 2011. This ring levee is currently unaccredited by FEMA as it is incomplete. This will involve closing sections that are open in the current ring levee, raising roadways surrounding the town to allow for passive flood protection, and upgrading the storm pump stations to allow for electric pumps. The town is currently in the 100-year floodplain from the Red River of the North.

The Red River in the Fargo-Moorhead area has exceeded flood stage every year from 1993 to 2023 except for 2012, 2016, and 2021. It has flooded 61 times in the past 120 years. Both projects are a committed mitigation project as part of the Fargo-Moorhead Diversion and Flood Risk Management Project (the FM Area Diversion Project). Therefore, the information and responses within this grant application may also be reflective of the FM Area Diversion Project.

**Project Rationale**

The Buffalo Red River Water District Mitigation Projects included within this grant application are all committed mitigation projects as part of the FM Area Diversion Project. The FM Area Diversion project will protect approximately 260,000 residents in the Fargo-Moorhead area from flooding. The project saves \$1 to \$2 billion community dollars in flood protection and restoration costs.

## **Project Timeline**

**Wolverton Flood Protection Project:** Ideally this project would begin in 2025 and be completed in 2027. Pending funding allocation from 2025 MN Leg session

**Georgetown Flood Protection Project:** Ideally this project would begin in 2025 and be completed in 2027. Pending funding allocation from 2025 MN Leg session

## **Other Considerations**

### **Impact on State Operating Subsidies**

### **Who will own the facility?**

Wolverton Flood Protection Project - Buffalo Red River Watershed District  
Georgetown Flood Protection Project - Buffalo Red River Watershed District

### **Who will operate the facility?**

Wolverton Flood Protection Project - Buffalo Red River Watershed District  
Georgetown Flood Protection Project - Buffalo Red River Watershed District

### **Who will use or occupy the facility?**

Wolverton Flood Protection Project - Buffalo Red River Watershed District  
Georgetown Flood Protection Project - Buffalo Red River Watershed District

## **Public Purpose**

Wolverton Flood Protection Project - Protect the properties located inside the levee from flooding  
Georgetown Flood Protection Project - Protect the properties located inside the levee from flooding.

## **Description of Previous Appropriations**

No previous appropriations have been provided for these projects

## **Project Contact Person**

Kristine Goeden  
Executive Director - Buffalo Red River Watershed  
218-354-7710  
kgoeden@brrwd.org

(\$ in thousands)

**Buffalo Red River Water District Flood Mitigation Funding**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$24,200	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$24,200</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$24,200	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$24,200</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
City of Buhl - 2026 Community-Wide Alley Improvements	1	GO	1,121	125	0	0	0	0
<b>Total Project Requests</b>			1,121	125	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,121	125	0	0	0	0

City of Buhl - 2026 Community-Wide Alley Improvements

**AT A GLANCE**

**2026 Request Amount:** \$1,121

**Priority Ranking:** 1

**Project Summary:** The City of Buhl has been systematically and strategically identifying and hopefully addressing critical repairs needed to its aging municipal infrastructure, specifically roadways, along with concurrent planning for immediate and future residential, commercial, and industrial growth and expansion in the city.  
Current estimated project costs for the 2026 priority elements of community-wide infrastructure improvement needs/initiatives, including (alley) road/street rebuilding, total \$2,220,750.

**Project Description**

The project scope will consist of upgrades and improvements to the City’s core alley roadway and right-of-way network to meet current and anticipated future needs. Specifically, approximately 15,000 lineal feet of alleys in the city are in critical need of being paved for a myriad of reasons. Several positive outcomes are expected with this initiative, including, but not limited to: increased resident and stakeholder satisfaction; improved and heightened motorist and pedestrian safety; reduction in municipal services and costs in maintaining the alleyway system(s); enhanced roadway conditions; improved and enhanced snow removal capabilities; reduced environmental impact, primarily in the form of fugitive dust emissions and control; a potential decrease in city-exposed liability, and greatly improved stormwater management capabilities throughout the city.

The vast majority of the roadway areas identified for this initiative have never been paved; this reality has and continues to generate a negative reaction from the general residential and commercial public regarding the overall desirability of the city and the amenities and services it provides.

Paving of the remainder of the alleyway system will reduce, if not eliminate, these negative connotations and potentially stimulate new and additional interest in locating in the city.

Additionally, the design and construction of this additional highly-needed residential and commercial neighborhood support infrastructure will elevate the city’s position to attract and retain residential, commercial, and industrial users or constituents, leading to an anticipated higher desire to locate in the city, with subsequent increases in property valuations and the city general tax base.

The paving element would commonly be realized by sub-cutting the existing roadway surfaces approximately 1 foot, then adding back 9" of Class 5 engineered roadbed material and placing 3" of bituminous surface pavement. This would restore the alley elevations to their current position.

The addition of restoration, driveway work, drainage improvements, etc. results in an anticipated overall project estimate of \$150 per lineal foot of construction activity.

## **Project Rationale**

The City of Buhl has undertaken several refurbishment initiatives with regard to its municipal infrastructure in the last several years, resulting in noticeably improved municipal services, including roadways, for a substantial section of its constituency. However, these initiatives and improvements have only been a partial solution to the problems and issues. These initiatives have now exposed the critical and immediate need to improve and upgrade remaining roadways, primarily alleyways, to provide a level of municipal service expected, if not required, by the general and motoring public.

The first plat on the City of Buhl was recorded on October 6, 1900, with systematic municipal expansion of several neighborhood subdivision plats throughout the next several decades.

The original east-west main traffic artery from Virginia, Mn to Hibbing, Mn, U.S. Highway 169, passed through the central core of Buhl, with through-city traffic impacted at all times.

Traffic approached the city from the east where U.S. Highway 169 shared the roadway with Pennsylvania Avenue to Forest Street, where it turned south, then turned west again on Memorial Drive and continued westward as U.S. Highway 169 to Chisholm, Mn, and beyond.

This traffic flow guaranteed a great number of motorists interacting with the city on a daily basis.

U.S. Highway 169 was upgraded to four-lane and its right-of-way corridor realigned to the south, now skirting the city rather than bisecting it, in the 1970s – 1980s. This new and current traffic pattern significantly altered the activity and pulse of the city, as the vast majority of traffic now bypassed, and currently bypasses, the city rather than interacts with it. This traffic modification has resulted in a measurable downturn in the business and commercial activity in the city, and the resulting decrease in commercial and business enterprises have substantially and negatively affected the city tax base.

The reduction in tax base has resulted in economic conditions which have hampered, and continue to hamper, infrastructure maintenance and improvement opportunities, which have also contributed to the continued decline in growth. This has also placed the City into a compromising position when it comes to infrastructure maintenance and/or improvement, as the reduced and insufficient funds accessible for such initiatives have been and are in extreme competition with other, as or more immediate, City economic needs. Funding assistance is direly needed to help accomplish this continued very important civic and community goal, and to assist in bringing the city into the current societal infrastructure expectation of having adequate infrastructure and infrastructure conditions to support current life and commercial/business expectations and desires.

The city has exhausted all other identified potential funding alternatives and relies on support through the Capital Budget request process to aid accomplishing this reasonable expectation of the community and society.

The City must improve and expand, and continue to improve and expand, its infrastructure to be in a position to capitalize on these current societal interests and expectations in order to remain competitive and relevant in the area/region.

## **Project Timeline**

March 2026 - State Funding Awarded  
April 2026 - Project Bid Letting

May 2026 - Award of Project  
June 2026 - Project Commencement  
October 2026 - Project Completion

**Other Considerations**

Construction of infrastructure improvements in the form of paving of presently unpaved alleys and alley rights-of-way will significantly improve resident satisfaction and reduce operation and maintenance costs for the City relating to the ongoing and existing management of these roadways required at present. Improved roadway conditions and capabilities will also help mitigate negative environmental considerations, including fugitive dust emissions from traffic impacts. An additional benefit will be realized in more easily and effectually mitigating snow removal and ongoing snowplowing issues which are presently realized.

These infrastructure improvements would also include and result in a vastly improved city-wide stormwater management system to serve the existing residents, businesses, industry, and constituency. These improvements, further, will also allow this stormwater management system to be designed to adequately serve future commercial and industrial business activity and expansion in the city.

**Impact on State Operating Subsidies**

None Anticipated.

**Who will own the facility?**

City of Buhl

**Who will operate the facility?**

City of Buhl

**Who will use or occupy the facility?**

All residents, visitors, and businesses within and to the City of Buhl.

**Public Purpose**

Upgrades and improvements to current roadway infrastructure will ensure more reliable services for residents and commercial/industrial business interests. These upgrades and improvements will also promote additional economic development within the City by improving the access to all properties located within the city.

**Description of Previous Appropriations**

No previous appropriations are related to this phase of these activities.

**Project Contact Person**

Tony Jeffries  
Administrator  
218-258-3226

tjeffries@cityofbuhlmn.com

(\$ in thousands)

City of Buhl - 2026 Community-Wide Alley Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,121	\$125	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$250	\$0	\$0
City Funds	\$0	\$100	\$0	\$0
County Funds	\$0	\$250	\$0	\$0
Other Local Government Funds	\$0	\$500	\$125	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,221</b>	<b>\$250</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$210	\$0	\$0
Project Management	\$0	\$60	\$38	\$0
Construction	\$0	\$1,949	\$212	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$2	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,221</b>	<b>\$250</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Burnsville Water Treatment Plant - Investing for Future Generations	1	GO	1,750	750	6,250	0	0	0
<b>Total Project Requests</b>			1,750	750	6,250	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,750	750	6,250	0	0	0

## Burnsville Water Treatment Plant - Investing for Future Generations

**AT A GLANCE****2026 Request Amount:** \$1,750**Priority Ranking:** 1

**Project Summary:** The Burnsville Water Treatment Plant is in need of investments to support safe, clean and reliable drinking water for the Cities of Burnsville and Savage into the future. Phased investments are needed to address current high radium levels, taste and odor complaints, capacity restrictions, critical infrastructure and equipment in need of rehabilitation and securing site expansion needs to address future contaminants like PFAS.

**Project Description**

The Burnsville Water Treatment Plant (WTP) is composed of the Ground Water Treatment Plant (GWTP) and Surface Water Treatment Plant (SWTP) and combined process equipment. The GWTP was put into service in 1976. A lot of the GWTP has been rehabbed but significant portions have not. The SWTP was a groundbreaking project for Burnsville and Savage to address metro water concerns. It was put into service in 2009 and as an aging facility it has challenges as some components are reaching the end of life. Investments of this project are categorized into: High Radium Levels, Taste & Odor Complaints, Capacity Restrictions, Critical Infrastructure & Equipment Rehab and Site Expansion.

**High Radium Levels:**

The GWTP manages high radium levels with a blending plan. Blending is highly dependent on operators and testing and limits the use of investments already made in our wells. This investment of \$1.25M would add a chemical feed and change out the filter media in the GWTP process to remove radium from our water.

**Taste & Odor Complaints:**

Residents report concerns about the taste and odor of water supplied from the SWTP, even though these aesthetic issues do not affect the water's safety. However, for many residents, the perception remains a barrier. This \$2 million investment would upgrade treatment equipment to more effectively improve the water's aesthetic quality and reduce taste and odors in our product.

**Capacity Restrictions:**

The SWTP is a major environmental achievement taking water from Kraemer Mining and Materials (KMM) quarry that is discharged to the river and treating it to reduce pumping of wells that are connected to the fens in Savage and Burnsville. The SWTP is restricted from effectively using water from the quarry by the sediment load brought in with the water. This \$2 million investment would add a sedimentation stage to the treatment process, enhancing the plant's overall capacity and effectiveness.

**Critical Infrastructure & Equipment Rehab:**

Components of the GWTP are operating beyond their expected useful life and components of the SWTP are getting close to their expected life. An investment of \$1.925M would replace the header pipe at the discharge point of the WTP. A \$1.925M investment would replace electrical components at the SWTP pumping station and process components in the GWTP. A \$1M investment would replace HVAC components in the GWTP. A \$1M investment would replace the WTP roofs.

#### Site Expansion:

The WTP is surrounded by developed parcels. Adding a treatment process that requires footprint like a future treatment for PFAS is limited by the size of our current site. This \$6M investment would acquire a neighboring parcel, move a bulk water fill station off site, physically secure our entire site, add storage to receive bulk chemicals and leave room for a PFAS or another contaminant of emerging concern process that would require future footprint.

### **Project Rationale**

Funding Burnsville's Water Treatment Plant - Investing for Future Generations is compelling for several reasons. The City of Burnsville has a proven track record of forward thinking investments in water that many other communities have written off as too complex and costly. The construction and operation of the SWTP has documented positive environmental impacts of rebound in the Savage and Cliff Fens. In Burnsville, the State would share in all these environmental benefits while still helping deliver the core local government function of providing safe, clean and reliable drinking water for the communities of Savage and Burnsville that set the stage for overall economic development investments in these communities. With investments in Burnsville the State showcases positive conservation and use of this core resource of water in one project.

### **Project Timeline**

Managing project scope, time and price in a triangular give-and-take relationship is the essence of project management. The City has project management experts to manage all three. Managing timeline to get the best scope and price is critical, as well as monitoring milestone completion of each investment during construction. The radium and header pipe investments would take the least lead time and are currently the most shovel ready and will go first in 2025 and carrying into 2026. The site expansion investments will go second in 2026 and carrying into 2027 as negotiating with property owners will take some time to kick off and reach closure. The remainder of the investments in taste and odor complaints, capacity restrictions and critical infrastructure and equipment rehab are core construction projects that will just take time to design, bid and complete. All these investments will be encumbered and under contract before the completion of this bonding request at the end of 2029.

### **Other Considerations**

We envision the future of water treatment in Minnesota being shaped by collaborative agreements among local governments. The ongoing partnership between the cities of Savage and Burnsville serves as a compelling, real-world demonstration of this model in action. We propose that the State of Minnesota consider investing in this initiative, as it exemplifies a sustainable, cooperative approach to addressing regional water challenges. State support for this joint water treatment effort would send a strong signal to other communities facing water stress: collaborative, regional solutions are both viable and effective.

### **Impact on State Operating Subsidies**

This water treatment plant project will not impact State operating subsidies. This is a one time investment of critical upgrades and rehabilitation where the State assumes 50% of the bonding investment and the requesting agency assumes the other 50%. Operating these investments will be 100% supported by the City of Burnsville and our ratepayers without ongoing state subsidies. This is a perfect state investment opportunity as there are no ongoing state costs, implied or otherwise, to consider beyond the original bonds.

### **Who will own the facility?**

The City of Burnsville will continue to own the Water Treatment Plant. The City will bring in water treatment plant consultants, construction project administration experts and responsible contractors to carry out the investments. The City's ownership, coupled with external expertise, ensures successful completion and long term benefits to the residents of the cities of Burnsville and Savage.

### **Who will operate the facility?**

The City of Burnsville will continue to operate the Water Treatment Plant during and after the investment. As the owner, the City will closely oversee and manage the entire process and progress, ensure its successful completion and long-term operation. The City will bring in water treatment plant consultants, construction project administration experts and responsible contractors. The City of Burnsville has a good track record and reputation in delivering complex projects.

### **Who will use or occupy the facility?**

The City of Burnsville will utilize and occupy the water treatment plant following the investments. As the owner and operator of the facility, the City will assume responsibility for its day-to-day operations and maintenance and planning for needed capital investments to ensure safe, clean and reliable drinking water for the Burnsville and Savage communities long into the future.

### **Public Purpose**

The public purpose of Burnsville's Water Treatment Plant - Investing in Future Generations Project is to ensure safe, clean and reliable drinking water for the Cities of Burnsville and Savage. Safe, clean and reliable drinking water ensures public health, quality of life and sets the stage for all economic development within our communities. This project also offers environmental protection, resilience with multiple water sources and a good return on investment with unhindered water supply.

### **Description of Previous Appropriations**

The Cities of Burnsville and Savage, in partnership with Kraemer Mining & Materials (KMM), received prior State appropriations in the early 2000s to support the original construction of the surface water treatment plant. This public-private partnership has proven to be highly successful, and we are committed to building upon that success to meet the region's long-term water needs.

### **Project Contact Person**

BJ Jungmann  
Fire Chief  
952-895-4571

bj.jungmann@burnsvillemn.gov

(\$ in thousands)

**Burnsville Water Treatment Plant - Investing for Future Generations**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,750	\$750	\$6,250
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$1,750	\$2,000	\$5,000
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,500</b>	<b>\$2,750</b>	<b>\$11,250</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$1,750	\$0	\$0
Predesign Fees	\$0	\$0	\$107	\$438
Design Fees	\$0	\$0	\$179	\$727
Project Management	\$0	\$49	\$107	\$438
Construction	\$0	\$1,065	\$1,857	\$7,602
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$636	\$500	\$2,045
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,500</b>	<b>\$2,750</b>	<b>\$11,250</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	No
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Butterfield Infrastructure Project	1	GO	8,000	0	0	0	0	0
<b>Total Project Requests</b>			8,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			8,000	0	0	0	0	0

**Butterfield Infrastructure Project**

**AT A GLANCE**

**2026 Request Amount:** \$8,000

**Priority Ranking:** 1

**Project Summary:** The City of Butterfield is requesting \$8,200,000 in funding to design and construct infrastructure improvements, including rehabilitation of the wastewater treatment facility, lift stations, force main, sanitary sewer collection system, storm sewer collection system, water main distribution system, and the associated pavement restoration. This improvement is considered the first phase as nearly \$30,000,000 of needed improvements have been identified for the City of Butterfield's infrastructure.

**Project Description**

The City of Butterfield is in the western half of Watonwan County, Minnesota. The project extent is located in Sections 22 and 27, Township 106N, Range 33W. The surrounding land is primarily agricultural. The City is located just north of Trunk Highway 60, around 10 miles west of St James and 45 miles west of Mankato.

The existing sanitary collection system including force mains, sanitary sewer mains, sewer and water main services are aging and in need of replacement. The City has high inflow and infiltration, and parts of the system are over capacity during rain events. This has resulted in sewer backups at homes within the City. The water system has low flows and pressure in many areas. The wastewater treatment facility needs rehabilitation to meet upcoming permit requirements.

Improvements will generally be made through open-cut methods. Trenchless methods (lining, directional drilling, or pipe bursting) may be considered in areas with minimal services or other needs for improvements. The wastewater treatment facility will be rehabilitated to meet upcoming permit standards. The lift station and force main discharging to the wastewater treatment facility will be replaced.

The project will include reconstruction of streets associated with the water, sanitary and storm sewer improvements. Streets will typically be reconstructed to similar width to their current condition. Streets on the County State Aid Highway system may be adjusted in width to meet minimum design standards as required by MnDOT. Curbs and gutters may be added to some City streets to improve drainage.

**Project Rationale**

Infrastructure at the wastewater treatment facility is failing due to its age. Walkways located at the ponds are broken and have fallen in the water. The City's lift station that pumps all sewage collected from the City requires entry into a hazardous and unsafe confined space. The ponds will require

upgrades to meet upcoming permit requirements Wastewater within the City contains effluent from agricultural industry that is treated by the city's wastewater treatment system. Sanitary manholes in town are crumbling and cannot be driven over. Basement flooding is frequent due to the high amount of clear water entering the system. Water pressure is substandard and street flooding occurs due to limited storm sewer capacity. Both the wastewater treatment facility and storm water runoff from the City flow into the Butterfield Creek which is an impaired water with a TMDL for E.Coli and impairment for fish.

### **Project Timeline**

A preliminary engineering report has been prepared to seek funding from USDA-Rural Development. Final design of the project would begin after securing funding from all sources, including this funding request. The following schedule is proposed:

May 2026: Funding Secured  
June 2026: Begin Final Design  
June 2027: Bid Project  
September 2027: Begin Construction  
November 2028: Substantial Completion  
May 2029: Final Completion

### **Other Considerations**

The construction schedule as proposed aligns with funding to be made available from Watonwan County for reconstruction of County roads that have city utilities below. The project size is too large for USDA-Rural Development on its own and will need support from the Minnesota bonding bill to proceed.

The sanitary collection system collects sewage from in-town industry at high rates. Though this sewage is partially treated by the industry, it still leaves oils and residues within the city's pipes and has done so for many decades. A failure of the sanitary collection system, lift station, or force main would critically interrupt operations for the town's most significant employer.

### **Impact on State Operating Subsidies**

N/A

### **Who will own the facility?**

The City of Butterfield will own all sanitary sewer, water main, and wastewater treatment facilities with the Project along with local streets and storm sewer on those local streets. Multiple Streets within the Project Area are County State Aid Highways and under the jurisdiction of Watonwan County and will remain under its ownership for the street surface and storm sewer.

### **Who will operate the facility?**

The City of Butterfield will operate and maintain all sanitary sewer, water mains, and wastewater treatment facilities within the Project along with local streets and storm sewer on those local streets. Multiple Streets within the Project Area are County State Aid Highways and under the jurisdiction of Watonwan County for operation and maintenance of those streets and storm sewer on those streets.

**Who will use or occupy the facility?**

The City of Butterfield and its residents.

**Public Purpose**

This funding will help the city modernize their public infrastructure and reduce its operating costs. The town has a lower median household income and the outside grant funding is necessary for the City to afford the high costs involved. The upgrades at the wastewater treatment facility are needed to meet permit conditions and ensure outflow to the surrounding environment is clean and meets standards.

**Description of Previous Appropriations**

No funds have been appropriated for this project.

**Project Contact Person**

Kristina Rehnelt  
City Clerk  
507-956-2501  
clerk@butterfieldmn.com

(\$ in thousands)

Butterfield Infrastructure Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$8,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$0	\$1,900	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$4,000	\$0	\$0
Other Local Government Funds	\$0	\$600	\$0	\$0
Non-Governmental Funds	\$0	\$1,500	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$16,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$120	\$0	\$0
Design Fees	\$0	\$2,180	\$0	\$0
Project Management	\$0	\$200	\$0	\$0
Construction	\$0	\$13,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$16,000</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	N/A
Has the pre-design been submitted to the Department of Administration?	N/A
Has the pre-design been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Carlton County Transfer Station		GO	5,000	0	0	0	0	0
Countywide Facility Safety and Accessibility Improvements		GO	10,000	0	0	0	0	0
<b>Total Project Requests</b>			15,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			15,000	0	0	0	0	0

**Carlton County Transfer Station**

**AT A GLANCE**

**2026 Request Amount:** \$5,000

**Priority Ranking:** No Rank

**Project Summary:** The Carlton County Transfer Station is over 30 years old and is operating beyond capacity as solid waste management has changed significantly over that time period with an increased emphasis on recycling and diversion programs. The County is planning upgrades and/or replacement of the facilities at a time when the local solid waste landscape is undergoing major change with the closure of the City of Superior Landfill increasing the hauling distance from 30 miles to over 60 miles one-way.

**Project Description**

The current facilities are an MSW transfer station (SW-295) that also offers source separated recycling (glass, paper, aluminum, cardboard, etc), HHW, scrap metal, used oil, antifreeze, electronics, appliances, tires, mattresses, brush, food waste, and a minimal amount of reuse of HHW (paints, stains, etc). The facility has a total of 6 buildings and mostly are over 30 years old. The proposal is to replace the current recycling garage, HHW building, and appliance storage building with one new building to serve multiple purposes: new scale attendant office, new HHW facility, reuse store, general recycling, and storage for electronics, mattresses, and appliances. Improvements to transfer facilities to allow waste separation are included in our proposed plan and could either involved upgrading existing facilities or building new. The need to manage waste has changed significantly over the past 30+ years, and the facility has adapted to the changing needs. However, our need to divert waste from the landfill is now more pressing than ever as our regional landfill is closing in 2026 and the new destination for MSW will likely be at least 3x the hauling distance. The project is consistent with the NE MN Regional Solid Waste Management Plan by continuing and improving existing waste diversion and recycling programs as well as expanding reuse opportunities.

The County Board has approved the budget to hire a consultant to plan the project in summer of 2025.

A planning consultant is expected to be hired in June 2025 to plan the project and provide opinions of probably construction cost.

**Project Rationale**

With the anticipated closure of the regional landfill in Superior, Wisconsin, and the planned acceptance of Carlton County's waste at the regional landfill in Virginia, Minnesota, the County is evaluating how increased hauling distances will affect operations at the Carlton County Transfer Station. As part of that assessment, the County is also considering the feasibility of separating C&D from mixed waste to enable shorter hauls to the SKB Cloquet – Shamrock Environmental Landfill. In

addition, several smaller buildings on the solid waste campus are aging and lack key infrastructure, such as load-out bays for material storage and outbound shipping. The County is also exploring the potential development of a reuse center to support waste diversion and extend the life of usable materials.

**Project Timeline**

This Transfer Station Planning and Feasibility Study is anticipated to take approximately six months, and we anticipate hauling to Virginia beginning in July 2026. We would like to seek bids for upgrades/replacement to infrastructure in early 2026 pending the availability of funding to support project development.

**Other Considerations**

**Impact on State Operating Subsidies**

**Who will own the facility?**

Carlton County

**Who will operate the facility?**

Carlton County

**Who will use or occupy the facility?**

Carlton County Zoning & Environmental Services

**Public Purpose**

Enhance the County's integrated solid waste management program that addresses municipal solid waste (MSW), construction and demolition debris (C & D), mixed waste (a combination of MSW and C & D), household hazardous waste, and diverted materials such as source-separated recyclables, food waste, tires, brush, scrap metal, appliances, mattresses, and yard waste.

**Description of Previous Appropriations**

**Project Contact Person**

Ryan Pervenanze  
Economic Development Director  
218-900-7997  
ryan.pervenanze@carltoncountymn.gov

(\$ in thousands)

**Carlton County Transfer Station**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$0	\$5,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$1,000	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$2,000	\$0	\$0
Construction	\$0	\$7,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Countywide Facility Safety and Accessibility Improvements**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$10,000
<b>Priority Ranking:</b>	No Rank
<b>Project Summary:</b>	State funds are requested to accomplish multiple project activities related to county-wide capital improvements to enhance the safety and accessibility of public facilities.

**Project Description**

In order to enhance employee safety and wellness, improve the energy efficiency of public facilities, increase the accessibility of facilities to the public, and ensure the excellent management and good steward of materials, Carlton County is requesting state funds for the following capital improvements:

**\$1 Million** for Replacement of the roof at the Barnum Salt Shed

**\$6.5 Million** for Modernization work at the Historic Courthouse Campus

**\$2 Million** for Implementation of various energy efficiency upgrades across all or most county campuses

**\$500,000** for Replacement of the carport at the Community Services Building (CSB)

**Project Rationale**

Replacement of the Barnum Salt Shed roof would extend the useful life of the facility and protect critical materials.

Completed in 1924, the three-story Carlton County Courthouse Campus was built in the Renaissance Revival tradition. Listed on the National Register of Historic Places, the Historic Courthouse retains its original integrity and is the largest standing classical structure within Carlton County. With its distinctive cream colored brick and stone, the Historic Courthouse is a visually identifiable civic structure which has undergone only minor renovation work since its construction over a century ago.

The Historic Courthouse houses multiple government departments, including Carlton County’s:

- Assessor's Office
- Auditor / Treasurer's Office
- Information Technology
- Recorder's Office
- Zoning & Environmental Services

In order to enhance public accessibility and meet Minnesota’s climate resilience needs, the Historic Courthouse requires significant capital improvements to be made to its HVAC systems, to its exterior windows, for its bathrooms to be renovated to present ADA standards, for interior space remodeling to increase energy efficiency and improve the work environment, in addition to other capital improvements needed across the Historic Courthouse’s campus.

A facility assessment is underway by McKinstry to identify energy efficiency upgrades to be made across all or most of Carlton County's County buildings and campuses. Significant need for capital improvements have been identified during site walkthroughs.

Due to the hazardous conditions of its current location, including multiple slips and falls resulting from ice build up, a replacement of the carport at the Community Services Building is required.

**Project Timeline**

Project timelines are projected to be heavily dependent upon funding sources and availability.

**Other Considerations**

**Impact on State Operating Subsidies**

**Who will own the facility?**

Carlton County

**Who will operate the facility?**

Carlton County

**Who will use or occupy the facility?**

The general public would experience multiple uses and benefits from these projects. In addition, these projects will be used by multiple Carlton County departments, including the County: Assessor's Office Auditor / Treasurer's Office Information Technology Recorder's Office Zoning & Environmental Services Public Health and Human Services Transportation

**Public Purpose**

These sites see nearly daily use year round.

**Description of Previous Appropriations**

**Project Contact Person**

Ryan Pervenance  
Economic Development Director  
218-900-7997  
ryan.pervenance@carltoncountymn.gov

(\$ in thousands)

**Countywide Facility Safety and Accessibility Improvements**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$10,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$0	\$10,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$2,000	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$4,000	\$0	\$0
Construction	\$0	\$14,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Lake Waconia Regional Park Phase III	1	GO	3,265	0	0	0	0	0
<b>Total Project Requests</b>			3,265	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,265	0	0	0	0	0

**Lake Waconia Regional Park Phase III**

**AT A GLANCE**

**2026 Request Amount:** \$3,265

**Priority Ranking:** 1

**Project Summary:** \$3.265 million in state funds is requested to predesign, design, construct, furnish and develop Lake Waconia Regional Park. The project provides park development on the second largest lake of the metropolitan area. Recreation, tourism, physical and mental health attributes are provided through this project. The project utilizes existing investments in land, public utilities, site grading, roads, parking lots, and waterfront pavilion made by the State, Metropolitan Council and Carver County.

**Project Description**

The proposed Phase 3 project is consistent with local and regional planning documents. This investment would construct picnic areas, expanded beach, a creative playground, boarding dock, additional parking lot, trails, shade structures, landscaping, and provide site amenities to facilitate the use of public lakeshore property. The planned construction activities are consistent with services offered at other Metropolitan Regional Parks and State Parks. In addition, the site is well prepared having already acquired the land, completed work to install city sewer and water utilities, site grading, paved roadways and initial parking lots. The planned park area is shovel ready for the improvements proposed. Development of the park is focused on the waterfront of 3080-acre Lake Waconia, the 2nd largest lake in the Metropolitan area and of regional and statewide significance. Public demand is high for recreational experiences near lakes. Additionally, the boarding dock will facilitate boaters to the park from DNR public watercraft access locations and private marinas. Further this docking structure will facilitate access to Coney Island of the West, a historic site listed in the National Register of Historic places. This boarding dock also serves to separate our emergency services of the County Sheriff’s Department and our maintenance watercraft improving public safety. The water patrol boat will be conveniently located for efficient response time and lake patrol purposes.

**Project Rationale**

Lake Waconia Regional Park is in one of the fastest growing counties of the state, Carver County, and on the 2nd largest lake in the metropolitan area. The lake has very good water quality which is in tremendous demand for recreation. Currently, over 400,000 user visits are recorded annually at the park.

Planning for the park has been extensive, dating back to the 1970’s and planning approval has been achieved through public processes at local and regional levels. The approved park master plan is

incorporated into the Metropolitan Regional Parks and Open Space Policy Plan. To realize the benefits of past investments of acquiring 160 acres of park land, realigning roadways, and purchasing and constructing new sewer and water lines with local, county and state funds; continued and sequentially timed investment is needed to respond to public demand for services. The public will not understand why the basic infrastructure to provide picnic areas, playground, additional parking, trails, boarding dock and other site amenities are not completed. These facilities are needed to contribute to an overall enjoyable and fulfilling experience.

The request for state bonding addresses a need to provide close to home recreational services for the metropolitan area, public safety through water patrol and federal requirements for ADA access. The request is grounded in State Statutes for Regional Recreational Open Space and Regional Recreational Policy Plan 473.121, Subd. 14, & 473.147 Subd. 1. The Regional Parks System was created by the State. Together with the State, the Regional Park System is to meet the outdoor recreational needs of the public. There are just two State Parks in the Twin Cities metropolitan area which contains over half the state's population. The development of Lake Waconia Regional Park fulfills a need.

The park currently attracts over 400,000 annual user visits. The existing park service level does not provide the infrastructure needed to fulfill expectations for users to participate from outside the county boundary and to attract users of diverse racial, social and economic backgrounds. The requested funding would provide a compliment of services for families with youth and those who need ADA access to enjoy the park. An outdated and non-ADA compliant playground has been removed. A modern play facility is needed for the development of strength and social skills of youth. Without the playground, the park lacks a focal point which brings diverse groups together to be with their children. ADA walkways are planned to connect the existing picnic pavilion, waterfront area, and link with planned beach area expansion and a playground. Public safety would be improved by providing the boarding dock, which would separate the sheriff patrol boat and park maintenance barge from the public traffic which also uses the same docking facility.

A tremendous investment has already been made to assemble land on the shores of Lake Waconia for park purposes. This included the shifting of State Hwy 5 and realigning county roadways to improve transportation and create the physical space of 135-acres of shoreland next to the lake for Lake Waconia Regional Park. This project request aims to fully realize the investment into land, relocation of roadways and constructed public utilities.

Land acquisition is complete for the park and a development master plan for the park was approved March 8, 2017, by the Metropolitan Council. Construction of public utilities for the park and adjacent area was completed in June 2020. Work was completed for constructing a waterfront service center with public restrooms, rental concessions and an indoor event room February 2024. Carver County is willing to match State funds 50/50 for further planning and development of the park. Without state bonding assistance, needed development of the park is in jeopardy.

Carver County has done a great job partnering with MNDOT to relocate roadways, the DNR to construct an adjacent public water access, LCCMR for land acquisition, the City of Waconia for municipal utilities, and the Metropolitan Council to create the space for the park and initial services for recreation. State bonding will not only make the project possible but will be much more efficient.

Economies of scale can be realized for construction of a playground, parking lot, beach expansion, and trails by combining into one project. The capital investment makes sense as we deliver service timely to a growing population. We are taking care of what we have and utilizing investments of property and constructed infrastructure.

### **Project Timeline**

- **August 2026 – January 2027** Complete Plans and Specifications
- **February 2027 – March 2027** Bid Project
- **April 2027**- Award Contract
- **May 2027** – Begin Construction
- **October 2027**- Project is Substantially Complete
- **November 2027**- Project is Completed

### **Other Considerations**

To stretch resources and provide the public with needed services, Carver County worked collaboratively with the Minnesota Department of Natural Resources to provide space for a public watercraft access adjacent to Lake Waconia Regional Park. First, the County led master planning coordination of the watercraft access with the park. Second, the County acquired the parcel of land needed for the watercraft access. Third, the County has issued an easement across a portion of Lake Waconia Regional Park to provide ingress and egress to and from the watercraft launch site now owned by the state. Fourth, the County entered into a cooperative agreement with the State and led the design and construction of the public watercraft access. Carver County will continue to partner with the DNR to ensure operations and maintenance activities are well coordinated and cost effectively delivered for both the watercraft access and the park. Carver County has also worked collaboratively with the City of Waconia to provide municipal trunk water and sewer services to the park, and areas beyond the park boundary, ensuring septic systems were removed, infrastructure is well planned and constructed for the future. The City and County are working to connect the park's trail system to the city's trail system through local development plans and future park construction.

Other collaborative work includes working with the Metropolitan Council's environmental services division to construct a trunk sewage collector line. In consideration for providing the space for the sewer line on county park property, the Metropolitan Council graded and provided aggregate surface for a future bituminous trail through the park creating an economic win win for both parties.

Carver County led the relocation effort to remove a portion of TH 5 from the boundary of Lake Waconia Regional Park for the state. This work allowed for approximately 135 acres of public space to be located on the shores of the second largest lake in the metropolitan area. Second, at the time of the TH 5 relocation project, the City of Waconia funded a pedestrian underpass at TH 5 to connect the park to future development ensuring ease of access to area neighborhoods without the need to drive to the park. Carver County has and will continue to build partnerships for the completion of Lake Waconia Regional Park.

Further the park also includes 30 acres of Coney Island of the West, which is listed in the National Register of Historic places. The island is a key feature of Lake Waconia Regional Park. The park facilitates access to the historic island by providing parking, docking facility and rental watercraft. The island has a rich history of Native American or indigenous people use and has a fantastic history of early recreation before automobiles, as trains provided passengers rides out to Waconia and a ferry transported guests to and from the island resort. Carver County is progressing with an interpretive plan for the island and is working to secure funding for the implementation of an interpretive program highlighting Native American story through artifacts discovered. Additionally, the interpretive plan would describe early recreation on the island and the over 40 structures that once stood with the resort.

### **Impact on State Operating Subsidies**

Carver County currently operates Lake Waconia Regional Park and has staffing and a parks and trail operating budget which is programmed for ongoing operations and maintenance expenses for this park and other park and trail facilities within the Carver County parks and trails system. After the project is complete, Carver County will not be asking for operating subsidies from the state for this project.

### **Who will own the facility?**

Carver County will own the Lake Waconia Regional Park and the facilities therein. The County currently owns the land which the facilities would be constructed on. As a Regional Park Implementing Agency, Carver County owns and operates two other regional parks and several regional trails and trail corridors.

### **Who will operate the facility?**

Carver County will operate the facilities. The County currently operates two other regional parks and the facilities therein. Additionally, Carver County has demonstrated that it has the capacity to own and operate other regional parks and trails. Carver County is an Implementing Regional Park Agency of the Metropolitan Regional Park System.

### **Who will use or occupy the facility?**

The facilities will be staffed by Carver County and used by the public as a part of the Metropolitan Regional Park System. The County and the Metropolitan Regional Park System accept all visitors from inside and outside its jurisdictional boundary. Currently the park has over 400,000 annual user visits. Carver County does not charge an entrance fee.

### **Public Purpose**

The primary purpose is to provide public recreation. Additional benefits are also derived from outdoor education, environmental stewardship, social interaction, physical and mental health opportunities, and economic benefit in the form of tourism to the area. Facilities and grounds will be available to the public 365 days a year and provide essential services of potable water and restrooms,

along with traditional facilities of beaches, shelters, picnic grounds, playgrounds, docks, fishing piers, sledding hill, trails and natural areas.

### **Description of Previous Appropriations**

2018 - Phase I Development for Waconia Regional Park provided \$1.5 million in state bonds matched with \$1.5 million of County funds for site grading and the construction of infrastructure of municipal sewer and water utilities, roads, and parking lots.

2020 - Phase II Development provided a \$2.5 million to design, construct and equip a waterfront pavilion with restrooms, rental concession building and construct utility connections. State dollars for Phase II were matched with \$5.5 million of County funds.

We are very appreciative of receiving the state funding for Phases I & II.

The additional funding requested would complete Phase III Development of the park and brings a balance of recreational activities to the park for various ages and abilities to provide an enjoyable and fulling park experience.

### **Project Contact Person**

Martin Walsh  
Parks and Recreation Director  
952-466-5252  
mw Walsh@co.carver.mn.us

(\$ in thousands)

Lake Waconia Regional Park Phase III

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$2,500	\$3,265	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
	\$733			
Federal Funds	\$5,500	\$3,265	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$8,733</b>	<b>\$6,530</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$798	\$257	\$0	\$0
Project Management	\$871	\$257	\$0	\$0
Construction	\$7,064	\$6,016	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$8,733</b>	<b>\$6,530</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Carver Levee	1	GO	3,350	0	0	0	0	0
<b>Total Project Requests</b>			3,350	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,350	0	0	0	0	0

Carver Levee

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$3,350
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	\$3.350 million in state funding is requested to acquire land, pre-design, design, and to construct levee improvements for the City of Carver. These improvements will correct deficiencies to the existing system to provide public safety and protect property during periods of flooding on the Minnesota River.

**Project Description**

The primary goal of the proposed flood improvement project is to reestablish the integrity of the existing flood protection system for the City of Carver. This will increase public safety and protect the City’s Historic Downtown and infrastructure during the 100-year flood event. Several improvements are needed to address the deficiencies and ultimately receive an “acceptable” rating from the U.S. Army Corps of Engineers. The improvements are proposed to be constructed in the same location that the existing deficiencies are currently located.

This project is estimated at \$13 Million in which \$3.35M is currently being requested for this project to satisfy the remaining funding gap. Other funding sources secured for this project include \$6.15M in other state funds, \$2.5M in federal grants, \$100,000 from the local watershed district, and \$900,000 from the City of Carver.

**1. Correct Clear Zone Issues**

Removal of brush, trees, and other excess vegetation within 15 feet clear zone of the levee is proposed to allow for visual inspections of the levee. There are structures that have been identified within the 15 foot clear zone of the levee. Structures such as fencing, sheds, etc need to be identified and moved. Where buildings are identified within the clear zone sheet piling or alignment changes to the levee will be incorporated into the design. Addressing issues with the clear zone will minimize negative effects on the performance of the levee.

**2. Increase levee elevation to meet FEMA flood elevation**

The top elevation for nearly 50% (~2,200 lineal feet) of the levee will need to be increased to meet the minimum FEMA freeboard requirement of three feet.

**3. Correct Steep Slopes**

A majority of the side slopes in the existing levee are too steep to properly maintain. Fill will be added and slopes vegetated to ensure a maximum slope of 3:1 is achieved. Additionally, fill will be added to riprapped slopes to ensure a maximum slope of 2:1 is achieved.

**Project Rationale**

Flooding along the Minnesota River is repetitive. Prior to the construction of the levee in the 1960s,

flooding inundated parts of Carver and caused significant damage and financial burden on the area. Flood damages since the installation of the levee have been greatly reduced, however flooding is occurring more often. Deficiencies in the flood protection system need to be addressed to reduce the uncertainty of the existing system and to protect the City and Historic District against repetitive flooding on the Minnesota River. As seen with the new historic flood of 2024 surpassing the 1965 flood, these improvements are critical and necessary for the protection of the city.

### **Project Timeline**

The project is currently in the preliminary design phase with final design and land acquisition programmed for 2025. With receipt of additional state funds requested, this project would move to construction and begin as soon as Fall 2025.

### **Other Considerations**

Alternatives to levee improvements include:

1. Property buyout

Given the National Historic District of the area that is protected by the levee, there is no feasible location for relocating this district.

2. Flood proofing structures

Flood proofing the structures protected by the existing flood protection system would be costly. More importantly this option would not protect the City infrastructure from flooding and the detriments associated with flooding.

### **Impact on State Operating Subsidies**

Not Applicable

### **Who will own the facility?**

City of Carver

### **Who will operate the facility?**

City of Carver

### **Who will use or occupy the facility?**

Not Applicable

### **Public Purpose**

Flood Protection

### **Description of Previous Appropriations**

The project has previous received \$150,000 in State DNR Flood Hazard Mitigation funds in FY 2020 and \$6 Million in State DNR Flood Hazard Mitigation funds in FY 2023.

### **Project Contact Person**

Brent Mareck  
City Manager  
952-448-5353

bmareck@cityofcarver.com

(\$ in thousands)

Carver Levee

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$6,150	\$3,350	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$2,500	\$0	\$0	\$0
City Funds	\$1,000	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$9,650</b>	<b>\$3,350</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$180	\$180	\$0	\$0
Predesign Fees	\$165	\$165	\$0	\$0
Design Fees	\$390	\$390	\$0	\$0
Project Management	\$520	\$520	\$0	\$0
Construction	\$8,395	\$2,095	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$9,650</b>	<b>\$3,350</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	No
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
CIRSSD Wastewater Conveyance System Upgrade and Expansion	1	GO	1,400	0	0	0	0	0
<b>Total Project Requests</b>			1,400	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,400	0	0	0	0	0

(\$ in thousands)

**CIRSSD Wastewater Conveyance System Upgrade and Expansion**

**AT A GLANCE**

**2026 Request Amount:** \$1,400

**Priority Ranking:** 1

**Project Summary:** Phase 2 project: \$1.4 million in state funding is requested to perform, design, and construction activities, furnishing and equipping expanded infrastructure facilities to increase availability and capacity to proposed Centralized St. Louis County Maintenance Facility and for planned significant residential, commercial and light industrial development along and south of the Highway 169 corridor from Kinney to Chisholm, MN.

**Project Description**

Phase 2 Project will provide new sanitary infrastructure along the south side of the Hwy 169 corridor from Buhl to Chisholm to provide sanitary service to planned significant residential, commercial and light industrial development which includes the proposed St. Louis County Central Maintenance Facility at the junction of county Road 5 south and Hwy 169. It will also provide sewer service to homes on County Road 5 south with failing Septage systems. The project will also significantly increase the capacity of existing wastewater conveyance infrastructure from Buhl and Chisholm to the CIRSSD' Craig S.Polford Advanced Wastewater Treatment Facility. Project Phase 2 will build upon improvements made under phase 1 which provides additional conveyance from Kinney and within Buhl.

**Project Rationale**

Phase 2 project will build upon improvements made under phase 1 providing critically needed increased wastewater conveyance capacity to contain peak wastewater flows from Buhl ti the CIRSSD Treatment Facility; provide new sanitary sewer service to significant proposed residential, commercial and light development along the south and north side of Hwy 169 from Buhl to Chisholm; provide sanitary sewer service to current homes along the corridor and on county Road 5 south with failing septage systems; provide sanitary sewer service to the proposed St. Louis County Central Maintenance Facility on County Road 5 south.

Improvements for increased wastewater collection and conveyance are in part focused on "climate resiliency" a proactive response to current and documented significant in peak wastewater flows. Improvements needed to avert sanitary sewer sewer system overflows and backups, affecting public health and public and private property damage.

**Project Timeline**

Predesign/MNDOT and St. Louis county right of way Coordination 8/2025-10/2025

Design 11/2026-2/2027

Bidding/Procurement-2/2027-4/2027

Construction/Final Completion-5/2027-5/2028

**Other Considerations**

-Chisholm and the surrounding area is designated an Environmental Justice area under Minnesota State Statute.

-The CIRSSD Member Communities of Great Scott Township, Kinney, Buhl and Chisholm are designated Mining impacted communities.

-The CIRSSD Member Communities have significant aging and veteran populations, economically distressed with Median Household incomes averaging 13.6% under the Poverty Line.

-With these improvements member communities are attracting residential developers to construct much needed affordable housing for low and median income families. New housing is critical to supporting working families for new commercial and industrial facilities as well as providing a much needed increase in the tax base.

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

Central Iron Range Sanitary Sewer District

**Who will operate the facility?**

Central Iron Range Sanitary Sewer District

**Who will use or occupy the facility?**

Central Iron Range Sanitary Sewer District

**Public Purpose**

New wastewater collection infrastructure and expanded wastewater conveyance capacity will provide service to areas south and north of Hwy 169 which currently do not have sewer service. It opens proposed development parcels to critically needed planned residential, commercial and light industrial development. Such development will provide essential housing and jobs for mining, non-mining and support businesses. This project is a proactive Climate Resilience approach to eliminating future bypasses

**Description of Previous Appropriations**

For phase 1 of the overall project, receiving grant funds from IRRR Revenue Bonds issued per Minnesota Laws 2024, Chapter 127, Article 69, Sections 15-16. 2024 allocation \$850,000 2025 allocation \$350,000

**Project Contact Person**

Kenny Winkler  
218-780-6288  
kwinkler@cirssd.org

(\$ in thousands)

**CIRSSD Wastewater Conveyance System Upgrade and Expansion**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,400	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,400</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$75	\$0	\$0
Project Management	\$0	\$150	\$0	\$0
Construction	\$0	\$1,175	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,400</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Chanhassen Bluffs Community Center	1	GO	22,000	0	0	0	0	0
<b>Total Project Requests</b>			22,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			22,000	0	0	0	0	0

**Chanhassen Bluffs Community Center**

**AT A GLANCE**

**2026 Request Amount:** \$22,000

**Priority Ranking:** 1

**Project Summary:** The Chanhassen Bluffs Community Center is a proposed 300,000 square-foot facility designed to serve Chanhassen residents and the surrounding region. It will offer recreational, wellness, and community amenities for individuals of all ages and stages of life, creating a vibrant hub for gathering, health, and events.

**Project Description**

The Chanhassen Bluffs Community Center is a proposed 300,000 square-foot regional facility located at the southeast corner of the Avienda Development at the intersection of Highway 212 and Powers Boulevard. Designed to serve all ages, the Community Center will include an indoor walking track, two NHL-sized ice sheets, a 3500-seat multi-purpose arena, a field house with sports court and turf, an indoor playground, a fitness studio, a dance studio, community gathering spaces, and a restaurant. The total project cost is \$79.7 million, to be funded through a combination of a voter-approved 0.5% local option sales tax, a phased property tax levy, and additional sources such as naming rights, sponsorships, and proceeds from the sale of the existing recreation center. The University of Minnesota projects that 45% of the local option sales tax revenue will come from nonresidents, emphasizing the regional value of the facility. Construction is expected to begin in 2026, with an anticipated opening in 2028.

**Project Rationale**

The existing 30,000 square-foot recreation center, built in 1995, no longer meets the needs of Chanhassen's growing population, which has more than doubled since the facility's opening. Extensive public engagement highlighted a strong demand for enhanced amenities, including an indoor walking track, ice rinks, and expanded recreational spaces. This new facility will address those needs and serve as a regional hub for recreation, wellness, and community engagement.

**Project Timeline**

Planning for this project began with the 2017 Parks and Recreation System Plan, followed by extensive community engagement and refinement of the proposal. The referendum for project funding occurred in November 2024, design work began this year (2025), construction is expected to begin in 2026, and the facility is projected to open in 2028.

**Other Considerations**

N/A.

**Impact on State Operating Subsidies**

None.

**Who will own the facility?**

The Chanhassen Bluffs Community Center will be wholly owned by the City of Chanhassen, ensuring local control and accountability.

**Who will operate the facility?**

The facility will be operated by the City of Chanhassen, with some spaces, such as the restaurant, leased to private operators.

**Who will use or occupy the facility?**

The Community Center will serve Chanhassen residents, neighboring communities, and regional visitors, providing recreational, wellness, and event spaces for individuals and groups of all ages.

**Public Purpose**

The facility will promote health, wellness, and community engagement by providing accessible, modern amenities for recreation, education, and social connection. It will serve as a multi-generational gathering space and regional resource for events and activities.

**Description of Previous Appropriations**

None.

**Project Contact Person**

Laurie Hokkanen  
City Manager  
952-227-1119  
lhokkanen@chanhassenmn.gov

(\$ in thousands)

Chanhasen Bluffs Community Center

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$22,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$45,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$67,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$4,000	\$0	\$0
Project Management	\$0	\$3,000	\$0	\$0
Construction	\$0	\$58,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$2,000	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$67,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
City Square West	1	GO	7,825	0	0	0	0	0
Southwest Chaska Trunk Utility Extension	2	GO	3,850	0	0	0	0	0
<b>Total Project Requests</b>			11,675	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			11,675	0	0	0	0	0

## City Square West

**AT A GLANCE****2026 Request Amount:** \$7,825**Priority Ranking:** 1

**Project Summary:** \$7,825,000 in state funds is requested to acquire and clear property, design, construct, equip and furnish the public spaces for the City Square West redevelopment project located in Historic Downtown Chaska. The funds will be used for public parking, public paseo, public plazas, public restrooms, storage and maintenance facilities, a mercado, and related public infrastructure.

**Project Description**

The City Square West (CSW) Redevelopment project will redevelop an entire approximate 2-acre city block in the center of Historic Downtown Chaska. CSW was identified in the Chaska Downtown Master Plan as a catalyst redevelopment site in 2010. The Plan recognizes the survival of Chaska's historic downtown depends on investing in redevelopment that catalyzes regionally significant destinations. In December 2017, the City Council appointed a community Task Force to develop a CSW concept plan. The primary goal defined by the Task Force is to build upon the success of Chaska's Firemen's Park Curling and Event Center to catalyze greater economic value downtown through a mix of residential, retail, and regionally unique and significant programmable public space.

The ask for this request is \$7,825,000 in state funds (and to be matched by non-state funds) to acquire and clear property, design, construct, furnish and equip the public spaces for Phase 2 of the CSW project (Phase I was funded at \$5.425 million in the 2023 Legislative Session). These public spaces include a paseo, plaza, public parking, a mercado, public restrooms, storage and maintenance facilities, and related public infrastructure. While the public spaces are significant, there will be significant private redevelopment. The concept plan developed by the Task Force, and later adopted by the City Council by resolution in 2018 defines a multi-use redevelopment for this site. In addition to the public facilities supported by this request, the plan includes 120 units of mixed income housing, including 20% affordable to those earning 50% Area Median Income; commercial space for retail and restaurant uses; and privately owned parking to support the residential uses. The total City Square West Redevelopment project cost (both public and private redevelopment) is estimated at over \$100 million.

Specifically, the \$7,825,000 request will support:

- Acquisition, design and construction of a public paseo and public plaza. The signature public paseo will be a pedestrian-friendly, mid-block pathway connecting people to downtown destinations. The public plaza is a programmable space to support year-round activities and events.
- Acquisition, design and construction of public parking stalls, public restrooms to serve plaza visitors, and space to store equipment to support programming and maintenance of the public plaza.

- Acquisition, design and construction of a publicly owned building to house an indoor farmers market to create a hub for existing minority-owned vendors.
- Design and construction of the surrounding local streets to serve the redevelopment.

### **Project Rationale**

Downtown Chaska has a long history back to 1851, but Chaska has developed in areas outside of downtown. A downtown master plan was developed in 2012 setting a vision with principles and identification of redevelopment sites-including CSW. A task force was assembled to create objectives for the CSW redevelopment. These processes have guided the city with a plan for a public-private partnership to redevelop CSW and address community needs.

- The project creates new housing with 20% affordable at 50% area median income.
- Other recent downtown redevelopment project demonstrate how public spaces attract people.

The CSW block builds on this creating new public space.

• The paseo creates a midblock alternative to walking along a highway corridor, and connects pedestrians to local and and regional destinations.

• Hispanic and ethnic businesses are looking for affordable spaces to locate and grow their business. The mercado creates this opportunity.

### **Project Timeline**

- Land acquisition: Spring-Fall 2026
- Construction commencement: Fall 2026
- Excavation/below grade work: Fall/Early Winter 2026
- Building framing: Winter 2027
- Buildings enclosed: Summer 2027
- Paseo/plaza commencement: Summer 2027
- Paseo/plaza completion: Fall/Early Winter 2027
- Roadway reconstruction commencement: Spring 2028
- Roadway reconstruction completion: Summer 2028

### **Other Considerations**

While the focus of this request is on the public portion of the project, the City of Chaska has been working with a developer on the private portion of the project simultaneously. In Spring 2020, the City Council initiated a preferred developer selection process. This process was done through a Request for Qualification. Submissions were received, reviewed, and interviewed by a team of staff and city councilmembers. The City continues to work with a private developer on this project and places importance on this public-private partnership.

Additionally, in this process, the City Council has placed a high priority on the successful outcomes for the existing businesses located on the redevelopment site. Many of these existing businesses are owned and operated by local Hispanic residents. A mercado will not only create a new, stable, and affordable place for their business, it will also keep it in a location that their customers are already familiar with.

### **Impact on State Operating Subsidies**

No operating funds will be requested from state agencies to support this project.

### **Who will own the facility?**

All components of the project that will be supported by the state funding will be owned by the City of

Chaska:

- Paseo
- Plaza
- Public parking/restrooms/storage and maintenance facility
- Mercado facility
- Public right of way

### **Who will operate the facility?**

The City of Chaska will operate all of the public components of the project.

### **Who will use or occupy the facility?**

- The public plaza will be used by the City for events such as parks and recreation programming, concerts and farmer's markets. - The Chaska Library has expressed interest in the public plaza for programs and events they regularly put on in downtown Chaska. - The businesses will utilize the outdoor space and public parking to attract customers and enhance their business. - The general public will use and traverse through the space, creating an energy not seen on the site today.

### **Public Purpose**

This request for funds is to support the public spaces and facilities that will be integrated in the City Square West redevelopment project. This site was identified over 10 years ago as a catalyst redevelopment site in the Downtown Master Plan. When complete, the project will take a block that is currently privately held and tired and redevelop it into a vibrant mixed use site that will become not only a local, but also a regional destination.

### **Description of Previous Appropriations**

\$5,425,000 to acquire property and construct a plaza and paseo, public parking, and mercado and arts space. Appropriated in 2023.

### **Project Contact Person**

Matt Podhradsky  
City Administrator  
952-227-7523  
mpodhradsky@chaskamn.gov

(\$ in thousands)

City Square West

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$5,425	\$7,825	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$5,425	\$7,825	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$10,850</b>	<b>\$15,650</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$4,000	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$6,850	\$15,650	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$10,850</b>	<b>\$15,650</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

## Southwest Chaska Trunk Utility Extension

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$3,850
<b>Priority Ranking:</b>	2
<b>Project Summary:</b>	\$3,850,000 in state funds is requested to acquire right of way and construct trunk water and sewer utilities into undeveloped properties in southwest Chaska. The properties will be developed as a new business park and anticipated to add over 8,000 high tech manufacturing jobs.

**Project Description**

The Southwest Chaska Trunk Utility project will extend trunk sanitary sewer and trunk water main into approximately 350+ undeveloped acres of Chaska. In 2013, the city approved the Southwest Chaska Growth and Development Plan. The plan was completed to guide growth and development in southwest Chaska to ensure environmental, fiscal, and social sustainability as well as contribute to the revitalization of historic downtown Chaska. The southwest Chaska area offers a major opportunity to attract a desirable mix of new development to the community that can meet the City's goals for long-term growth, economic development, job creation, downtown revitalization and overall community building.

The ask is for this request is \$3,850,000 in state funds (to be matched by non-state funds) to acquire easements for and construct a trunk sanitary sewer line, a trunk water main, and new water tower.

Specifically, the \$3,850,000 request will support:

- Acquisition of an easement for construction of the trunk utilities
- Construction of 4000 linear feet of gravity trunk sewer
- Construction of trunk water main

**Project Rationale**

Southwest Chaska is the last undeveloped area in the city-and last planned for industrial growth. Within Chaska there is an existing business park, which has been at capacity for some time. These businesses have remained in Chaska and expanded their facilities where possible; however, there are few vacancies and the city continues to hear from companies and brokers about the demand from industrial and manufacturing businesses wishing to locate or expand here and that would contribute to Minnesota's critical bio-tech sector. The majority involve precision manufacturing, with high paying jobs.

A first phase of trunk utilities into the Southwest Chaska area was completed by the city in 2024. This extension allowed for the construction of over 545,000 square feet of industrial and manufacturing development, which has generated over 300 new jobs to the area. This utility extension will open 350+ undeveloped acres for community growth, including high paying manufacturing/biotech jobs.

## **Project Timeline**

Property acquisition-June 2026  
Construction commencement-July 2026  
Construction completion-November 2026

## **Other Considerations**

Southwest Chaska has sensitive and unique natural features that will need to be considered during the extension of utilities. The utility extension will require traversing a ravine with wooded steep slopes, wetlands, and other natural areas. The project will take into consideration these areas so that they are sustained and not damaged during the process, and also subsequent development. Additionally, during the development of the property, a greenbelt on the city's western edge will be established preserving 100 acres of native prairie, steep slope, high quality wetlands, and big woods remnant.

## **Impact on State Operating Subsidies**

No operating funds will be requested from state agencies to support this project.

## **Who will own the facility?**

All components of the project that will be supported by the state funding will be owned by the City of Chaska.

## **Who will operate the facility?**

The City of Chaska will operate all of the components of the project.

## **Who will use or occupy the facility?**

The project will be used by the residents and businesses within the city of Chaska. Because these are trunk sewer and water mains, they will be used by a larger percentage of the population than regular lines.

## **Public Purpose**

Orderly development benefitting the community relies on city utilities being in place. The project will support Chaska residents and businesses to ensure the utilities that are relied upon are available. Given the area these utilities will traverse (ravine, wooded steep slopes, and wetlands), the project will also be done in a way so that environmental damage is not sustained. Additionally, development of the property will grow the community and support economic development and job creation.

## **Description of Previous Appropriations**

### **Project Contact Person**

Matt Podhradsky  
City Administrator  
952-227-7523

mpodhradsky@chaskamn.gov

(\$ in thousands)

Southwest Chaska Trunk Utility Extension

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,850	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$3,850	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,700</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$200	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$7,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,700</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Chatfield Wastewater Treatment Facility Update	1	GO	5,000	0	0	0	0	0
<b>Total Project Requests</b>			5,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			5,000	0	0	0	0	0

**Chatfield Wastewater Treatment Facility Update**

**AT A GLANCE**

**2026 Request Amount:** \$5,000

**Priority Ranking:** 1

**Project Summary:** The City of Chatfield is upgrading its wastewater treatment facility in order to replace the invasive reed species currently used in filtration. The project aims to enhance ecological sustainability, improve treatment efficiency, and comply with environmental regulations. To do this we will be modernizing infrastructure and processes to ensure compatibility into the future.

**Project Description**

Chatfield implemented Reed Beds as recommended by the MPCA 20 years ago to treat and process their biosolids. In 2021, the MPCA then declared that Chatfield can no longer use the reed beds as the plant material is an invasive species and therefore are mandating that we remove the reed beds.

Our proposed project is to remove the Reed Beds and biosolids solids process as required, replace the biosolids process with a new process that meets the MPCA guidelines and treats the biosolids, as well as upgrading the other ancillary pieces of equipment and processes as part of the Wastewater Treatment Facility upgrade. The requested State funding (\$5,000,000 grant) will therefore be used for the planning, engineering, and construction of this project as described above.

**Project Rationale**

Updating the biosolids treatment process is essential to improve environmental sustainability, operational efficiency, and regulatory compliance. The current Reed Beds are vulnerable to seasonal changes, and therefore inconsistent performance. By upgrading the system will then improve the treated wastewater entering the environment. Modern systems are more resilient to extreme weather events.

The upgrades will include replacement of aging pipes, tanks, and pumps. This will then help to prevent failures, which cause expensive repairs and potentially environmental violations. The goal is that the upgrades will also reduce operational costs.

The upgraded facility will use less energy in operations, consideration is being given to incorporating renewable energy resources. The new facility will also be more resilient to increased stormwater volumes, which will then reduce overflow events protecting water quality.

By investing in infrastructure upgrades we are investing in our community and economic development. Having reliable wastewater infrastructure is critical for attracting and retaining businesses in our rural community.

Modernizing the infrastructure will help ensure clean water and safer environments which are foundational for making Minnesota a great place for children and families. To accomplish our goals we will develop the project with local input and support.

Transitioning to an updated system ensures long-term viability, protects local ecosystems, and supports community health and environmental stewardship.

### **Project Timeline**

The proposed timeline would begin with the Planning & Assessment, continue on to Design and Permitting. From this point we would enter into Procurement and Mobilization, following with the Reed Bed Removal. Finally we would begin construction and installation, and at completion testing and commissioning. The goal would be to close out the project within a 36 month period of time.

### **Other Considerations**

**Environmental Impact:** Removing the invasive species and restoring native habitat, and upgrading the treatment process.

**Regulatory Compliance:** Ensuring alignment with state and federal regulations.

**Public Health and Safety:** Improved treatment process enhancing community health.

**Operational Efficiency:** Newer systems require less manual labor and maintenance. A newer system can potentially also use less energy.

**Community Engagement:** A great opportunity to involve the public through education and outreach. This will then increase transparency and will build community support for sustainable practices.

### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

The City of Chatfield is the official owner of the project. As the project sponsor, the City is responsible for overseeing planning, funding, implementation, and long-term maintenance of the upgraded biosolids treatment system and the removal of invasive Reed Beds. This ensures alignment with the city's goals, environmental regulations, and community interests.

#### **Who will operate the facility?**

The City of Chatfield will operate the project. As the project operator, the City will be responsible for managing the day-to-day functions of the upgraded biosolids treatment system, including system monitoring, maintenance, regulatory reporting, and ensuring environmental compliance. City staff will be trained to operate the new system efficiently and sustainably.

#### **Who will use or occupy the facility?**

The City of Chatfield will occupy the project. As the end user and beneficiary, the City will utilize the upgraded biosolids treatment facility to manage municipal wastewater byproducts in a more sustainable and efficient manner. The facility will serve the community's environmental and public health needs while supporting long-term infrastructure goals.

### **Public Purpose**

The purpose of this project is to protect public health, enhance environmental quality, and ensure sustainable wastewater management for the residents of the City of Chatfield. By upgrading the biosolids treatment process and removing invasive Reed Beds, the City will improve operational efficiency and comply with environmental regulations. This project supports long-term community

resilience, and promotes responsible stewardship of public infrastructure and natural resources.

**Description of Previous Appropriations**

There have been no other state appropriations for this project.

**Project Contact Person**

Steven Schlichter  
Wastewater Superintendent  
507-867-3810  
sschlichter@ci.chatfield.mn.us

(\$ in thousands)

Chatfield Wastewater Treatment Facility Update

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$5,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$1,000	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$9,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Chisholm Public Works Facility	1	GO	1,500	0	0	0	0	0
<b>Total Project Requests</b>			1,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,500	0	0	0	0	0

(\$ in thousands)

**Chisholm Public Works Facility****AT A GLANCE**

<b>2026 Request Amount:</b>	\$1,500
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of Chisholm, Minnesota, seeks state funding to construct a new Public Works Facility and Utilities Garage to replace its outdated facility.

**Project Description**

The City of Chisholm, Minnesota, seeks state funding to construct a new Public Works Facility and Utilities Garage to replace its outdated facility. The current facility, located on prime real estate along Long Year Lake, was built over 50 years ago and no longer meets the operational needs of the city's growing public works and utilities departments. The proposed project involves constructing a modern, energy-efficient facility in a more suitable location, allowing for increased operational efficiency, improved safety, and better protection of city assets.

The proposed project will construct an **18,000-square-foot Public Works Facility** and a **5,000-square-foot Public Utilities Garage** on a city-owned site better suited for operations. The new facility will include; adequate vehicle and equipment storage, administrative and operational space, maintenance bay, and energy efficient practices.

The benefits of relocating and upgrading the facility include improved operational efficiency with a thought-out design and layout to streamline workflows and reducing operational costs. Enhancing adequate storage to ensure equipment is stored and maintained properly.

The relocation of the property opens up valuable lakefront for economic development and creating new opportunities for tourism and community growth. The current facility will be demoed and the site will be prepared for a new multifamily housing development. Developers are already interested in the current site.

The project has strong support from local city elected officials, city staff and regional partners. The new facility will not only enhance municipal service, but also contribute to the long-term economic vitality of the community by facilitating responsible land use and development.

**Project Rationale**

The project is important to update the current public works and utilities facility in Chisholm. Also, the lot of the current facility will allow for additional housing units to be built on the site. The current facility is located on Long Year Lake, which is a prime area in town to attract new residents.

**Project Timeline**

The timeline is to start construction summer 2026, complete construction summer 2027.

**Other Considerations**

**Impact on State Operating Subsidies****Who will own the facility?**

The city of Chisholm

**Who will operate the facility?**

The city of Chisholm

**Who will use or occupy the facility?**

City of Chisholm staff

**Public Purpose**

The public purpose is to construct a public works facility to serve the citizens of Chisholm.

**Description of Previous Appropriations**

There is no previous state appropriation for this project. There are IRRR mineral tax funds.

**Project Contact Person**

Stephanie Skraba  
City Administrator  
218-254-7960  
sskraba@ci.chisholm.mn.us

(\$ in thousands)

Chisholm Public Works Facility

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Non-Governmental Funds	\$0	\$1,200	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,700</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$2,700	\$0	\$0
Construction	\$0	\$0	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,700</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	No
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	No
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Clay County Flood Mitigation Funding	1	GO	21,300	0	0	0	0	0
Non-Secure Juvenile Facility Project	2	GO	26,400	0	0	0	0	0
<b>Total Project Requests</b>			47,700	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			47,700	0	0	0	0	0

Clay County Flood Mitigation Funding

**AT A GLANCE**

**2026 Request Amount:** \$21,300

**Priority Ranking:** 1

**Project Summary:** The Clay County Flood Mitigation Projects (the Clay County Projects) included within this grant application are all committed mitigation projects as part of the Fargo-Moorhead Diversion and Flood Risk Management Project (the FM Area Diversion Project) totaling \$21.3M. The Red River in the Fargo-Moorhead area has exceeded flood stage every year from 1993-2023 except 2012, 2016 and 2021. It has flooded 61 times in the past 120 years.

**Project Description**

The Clay County Mitigation Projects included within this grant application are all committed mitigation projects as part of the FM Area Diversion Project. The Clay County Mitigation Projects are listed below along with a list of the documents in which they are committed. Project exhibits are attached. 1. Clara Cemetery Flood Protection Project - MDNR Permit, Settlement Agreement, PRAM, Cemetery Agreement 2. CR 2 Reconstruction & Drainage Improvements Project - Settlement Agreement, Clay County MOU 3. Comstock, MN Lagoon Improvements Project - Settlement Agreement, City of Comstock MOU 4. Clay County 37-foot Road Raise Projects - Clay County MOU 5. Holy Cross Township SE-4 New Access Road Project - Holy Cross Township MOU

**Project Rationale**

The Clay County Mitigation Projects included within this grant application are all committed mitigation projects as part of the FM Area Diversion Project. The FM Area Diversion project will protect approximately 260,000 residents in the Fargo-Moorhead area from flooding. The project saves \$1 to \$2 billion community dollars in flood protection and restoration costs.

**Project Timeline**

**Clay County CR 2 Reconstruction & Comstock Drainage Improvements Project**

Project Timeline: Construction to begin in either late 2025 or early 2026 and will be completed in one construction season.

**Clara Cemetery Project** Timeline: Construction to begin and be completed in 2026.

**Comstock Lagoon Improvements Project** Timeline: Actual timeline will likely be a two-year project due to permitting requirements. 2026 start date, pending funding.

**Clay County 37-Foot Road Raise Projects** Timeline: 2026 Start - There are five separate road raise projects that would be constructed over several years.

**Holy Cross Township SE-4 New Access Road Project** Timeline: Ideally this project would be constructed in 2026, pending fundinghe availability of MN funding.

## **Other Considerations**

### **Impact on State Operating Subsidies**

### **Who will own the facility?**

Clara Cemetery Project - Clay County Clay County CR 2 Reconstruction & Comstock Drainage Improvements Project - Clay County Comstock Lagoon Improvements Project - City of Comstock Clay County 37-Foot Road Raise Projects - Clay County Holy Cross Township SE-4 New Access Road Project - Holy Cross

### **Who will operate the facility?**

Clara Cemetery Project - Metro Flood Diversion Authority Clay County CR 2 Reconstruction & Comstock Drainage Improvements Project - Clay County Comstock Lagoon Improvements Project - City of Comstock Clay County 37-Foot Road Raise Projects - Clay County Holy Cross Township SE-4 New Access Road Project - Holy Cross

### **Who will use or occupy the facility?**

Clara Cemetery Project - The Moorhead Clay County Joint Powers Association (MCCJPA) owns the property on which the levee will be located. Clay County CR 2 Reconstruction & Comstock Drainage Improvements Project - Clay County Comstock Lagoon Improvements Project - City of Comstock Clay County 37ft -Foot Road Raise Projects - Clay County Holy Cross Township SE-4 New Access Road Project - Holy Cross

### **Public Purpose**

Clara Cemetery Project - The flood protection project consists of a levee that will provide flood protection to the Clara Cemetery. Clay County CR 2 Reconstruction & Comstock Drainage Improvements Project - County Road 2 is a roadway providing transportation to the traveling public. The drainage improvements to and around CR 2 will improve storm water drainage improvements to the City of Comstock and their citizens. Comstock Lagoon Improvements Project - The Comstock Lagoon serves the sanitary sewer treatment for the City of Comstock, MN and is in need of rehabilitation. Clay County 37-Foot Road Raise Projects - The roadways provide transportation to the traveling public and would keep them from flooding up to a river stage of 37-feet. Holy Cross Township SE-4 New Access Road Project - Allow farmers access to farming parcels do to southern embankment construction.

### **Description of Previous Appropriations**

There have been no other state appropriations for these projects.

### **Project Contact Person**

Stephen Larson  
Stephen Larson  
218-299-7333  
stephen.larson@claycountymn.gov

(\$ in thousands)

Clay County Flood Mitigation Funding

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$21,300	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$21,300</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$21,300	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$21,300</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Non-Secure Juvenile Facility Project**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$26,400
<b>Priority Ranking:</b>	2
<b>Project Summary:</b>	Clay County is requesting an appropriation through MMB for design, construction, furnishing, and equipping of a new 40-bed Non-Secure Facility in the city of Moorhead. The existing Non-Secure Facility would be renovated and repurposed into an 18-bed psychiatric residential treatment facility (PRTF).

**Project Description**

Clay County proposes the construction of a new 32,800 gross square foot (gsf) Non-Secure Juvenile Facility to meet the growing needs of youth residential treatment services in the region. The proposed facility will be designed to accommodate up to 40 male and female youth residents and is estimated at a total project cost of \$26,398,437.42 (2026 estimate).

The facility will include:

- Two (2) 8-bed housing units licensed by the Minnesota Department of Corrections (MN DOC) as Non-Secure Children’s Residential Facilities, designed to provide trauma-informed care consistent with Qualified Residential Treatment Program (QRTP) standards.
- Two (2) 8-bed housing units also licensed by the MN DOC to support transitional living services.
- Two (2) 4-bed housing units licensed by the MN DOC with enhanced security features and additional DOC security staffing to serve youth requiring more structured supervision.

All units will serve youth ages 10 to 21 and provide 24-hour supervision by trained staff. In addition to residential space, the facility will include dedicated areas for therapy, education, recreation, visitation, medical services, food preparation, and laundry, supporting a holistic and rehabilitative approach to youth care.

This project is a critical first step in a broader continuum of care strategy. Once the current non-secure juvenile program is relocated to this new facility, Clay County intends to renovate the existing Non-Secure Juvenile space at 729 11th Street N, Moorhead, MN into a Psychiatric Residential Treatment Facility (PRTF). The future PRTF is planned as an 18-bed facility, comprising three (3) 6-bed units, including one unit designed to meet secure-level care standards. This facility will be licensed by the Minnesota Department of Human Services to serve youth ages 8 to 21, also with 24-hour supervision and full wraparound services.

Importantly, this grant request is solely for the construction of the new Non-Secure Juvenile Facility. Clay County is not seeking state funding for the PRTF renovation. That project is expected to be

financed through alternative funding mechanisms. However, the relocation of the non-secure program is essential to enabling the cost-effective development of a PRTF in the existing space—offering a significantly more affordable alternative than constructing a new standalone PRTF facility.

This integrated plan aligns with Minnesota’s goals for improving access to residential treatment beds, including QRTP and PRTF-level care and enhances Clay County’s capacity to provide responsive, therapeutic, and developmentally appropriate residential services for youth in our region and state-wide.

**Project Rationale**

The Clay County Board of Commissioners is dedicated to supporting those in needs of mental health services. Minnesota in the needs for the additional beds addressing different levels of the continuum of care for mental health that it has committed over \$175,000 in predesign for this facility, understanding that these funds will likely not be eligible for reimbursement. A March 2021 article in the Minnesota Physicians Journal indicated “Minnesota ranks 50 out of all states on having the fewest number of psychiatric beds per capita (3.5 beds per 100,000). An article in The Minnesota Star Tribune October 2024, stated that, “281 kids were referred for placement in the four such facilities (PRTFs) in the state, according to Department of Human Services (DHS) data, but only 66 got in. While the facilities are licensed for 150 kids, they were only serving 85 as of June, according to the therapeutic provider association AspireMN.”

**Project Timeline**

The timeline is subject to receiving state funding.  
Funding: August 2026  
Site Acquisition: N/A - County owns the site proposed  
Design: August 2026 - March 2027 (7 months)  
Bidding and Award: April 2027 (1 month)  
Construction: May 2027 – May 2028 (12 months)  
Mid-Point of Construction: November 2027  
Occupancy: June 2028  
\*If construction can start in the fall/winter of 2025 the county is open to do so.

**Other Considerations**

**Impact on State Operating Subsidies**

The Non-Secure Juvenile Facility does not utilize state subsidies for operations

**Who will own the facility?**

Clay County

**Who will operate the facility?**

Clay County will continue with operations of the Non-Secure Juvenile Facility.

**Who will use or occupy the facility?**

The facility will be licensed by the MN Department of Corrections to serve youth ages 8-21 in all units

and provide 24-hour supervision. The Non-Secure Juvenile Facility will positively impact all youth, including BIPOC communities as access to services will be enhanced with expanded bed capacity allowing all family's the ability to remain engaged in the treatment planning and service process thus increasing family and extended family involvement.

### **Public Purpose**

Clay County is seeking funding for a new Non-Secure Juvenile Facility to address the growing gap in Minnesota's continuum of care for youth requiring residential services, including mental health treatment. The facility will provide trauma-informed care, transitional housing, and enhanced supervision for youth ages 10–21. It serves not only local needs but also supports youth from across the state, playing a vital role in Minnesota's broader care system.

### **Description of Previous Appropriations**

Clay County requested Capital GO Bonds during both the 2024 and 2025 Legislative session. While the request was well received and acknowledged throughout the sessions, Clay County was not successful in obtaining funds.

### **Project Contact Person**

Stephen Larson  
218-299-7333  
stephen.larson@claycountymn.gov

(\$ in thousands)

Non-Secure Juvenile Facility Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$26,400	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$26,400</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$26,400	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$26,400</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Ambulance and Fire Public Safety Facility	1	GO	9,000	0	0	0	0	0
<b>Total Project Requests</b>			9,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			9,000	0	0	0	0	0

(\$ in thousands)

**Ambulance and Fire Public Safety Facility**

**AT A GLANCE**

**2026 Request Amount:** \$9,000

**Priority Ranking:** 1

**Project Summary:** Cloquet Area Fire District’s (CAFD) new ambulance and fire public safety facility & administration building will be built to replace an undersized, failed building with a modern, safe, and effective emergency services headquarters. Serving a large region in North Eastern Minnesota, it will be the base for all advanced life support ambulance response for 275 square miles and fire/rescue services in two cities and two townships.

**Project Description**

A new ambulance and fire station public safety facility will be the base of emergency operations, administration, and community risk reduction programs for two cities and all or parts of seven townships in Northeastern Minnesota. Our new facility will house 4 advanced life support ambulances, a full compilation of fire and rescue apparatus, administration and training staff, on-site health and wellness components, and built-in emergency response training, and is located near our population center and main industry. We will have space for community risk reduction programs such as car seat installation clinics, home safety programs, fall and fire prevention for the aging population, and CPR/First Aid community training.

Our current facility was built in 1960 and was meant for a much smaller service demand from our community. While adapting to the aging demographic, mental health epidemic, and the increased substance abuse issues in our community, we have added staff and equipment to better meet the needs of our district. The building we operate from now is inefficient, undersized, and lacks many modern health and safety features needed to promote wellness in our organization. Recruitment, retention, and wellness all suffer from a lack of space to improve our staff’s physical and mental health. The new facility will include safety and health features for the betterment of mental and physical health, along with systems that mitigate the spread of contagious disease, vehicle exhaust fumes, and carcinogens that are introduced into our station from firefighting responses.

The Cloquet Area Fire District is innovative in our efforts to combat the issue of shrinking volunteer firefighters, the inequity in funding ambulance service, and the reduction of redundancy in EMS and fire/rescue emergency response. By consolidating 4 fire departments and an ambulance service into one organization, we have eliminated 1 fire station, 5 large apparatus, and two mid-sized vehicles, as well as 3 administrations, training programs, and retirement systems. We have created a system that provides a structured response over our entire district instead of relying on 4 smaller departments to maintain independent emergency services. Our transition from 4 departments into one special taxing district has allowed for a system that shares the cost of providing ambulance services to all taxpayers within our district. The state of Minnesota supported this effort through legislation that now allows any group of communities to form a special district, though there is an

unintended consequence to this change. As a special district, we do not qualify for most external funding opportunities. We did not receive CARES or ARPA funding other than a small amount of COVID relief for supplies, and we do not receive MN state aid on an annual basis. Our efforts to ensure a consistent and highly capable emergency response to ambulance, fire, and rescue incidents have solved many challenges in our region, yet they leave us with a significant funding shortfall for facility replacement. While a city or township has decades or centuries to establish reserve funds, our district only has a handful of years that have been laced with inflation and growth in service demand, resulting in a lack of available funds for capital projects. Our region has not experienced economic growth on the same scale, and remains mostly stagnant about the emergency response system growth and demand.

Our efforts to construct a 50-plus-year lifespan building that will be a base of operations through natural disasters, pandemics, shifting demographics and health care challenges, and fire or rescue incidents will ensure that we remain a fixture of community health and safety in our region. Being a regional asset, we will have the ability to share training, equipment, and supplies, and we will continue to look towards the consolidation of neighboring communities as they struggle to staff and equip their fire and EMS services.

### **Project Rationale**

The CAFD is a pillar of reliability in our region, providing a full-time, immediate response for our communities, as well as advanced life support ambulance intercept services to many hundreds of square miles in Carlton and St. Louis counties.

Our new facility will directly contribute to the health and wellness of our staff, which in turn provides a more effective emergency response. Ambulances cannot be cleaned, and stretchers and equipment cannot be properly decontaminated in our current space. The new building will have adequate room to sanitize, re-stock equipment, and store supplies to be prepared for the thousands of emergency responses we are called to each year. The health and wellness of our responders is a major concern in our old building. We need space for physical fitness, which leads to better mental health and, in turn, resilience. Fitness rooms, quiet spaces, rooms for educational activities and training, and space to clean up and return to service after an emergency incident will all be designed into a new facility.

Changing demographics have caused our emergency response incident volume to increase drastically over the last 10 years. Aging populations, mental health challenges, and substance abuse have caused a marked increase in 911 calls. We have adjusted by increasing staffing, equipment, and apparatus. These changes have caused our current facility to become significantly undersized for our operation. Adequate space is a primary consideration for our current operational needs and future growth. We can increase our regional impact on emergency services by building training components into a new building that will be a resource for our neighboring agencies to improve their knowledge and capabilities.

As a special district, we have regionalized services with a resulting improvement to all in our area. The basis behind consolidation and regionalization will work well for many other emergency services organizations in Minnesota and should be supported by the federal government to encourage this positive change in other communities.

### **Project Timeline**

The Cloquet Area Fire District began the planning and design process in 2017, though the project was

paused due to funding instability. In 2024, planning and design efforts began again, with the CAFD investing in architects and engineering services, site testing, and a community information campaign. Due to the condition and space challenges of our existing facility, the CAFD is moving forward with plans to begin construction in the fall of 2025. We anticipate that construction documents will be completed by the architects in July 2025, and after the public bid process, we will begin construction in August to September 2025, with project completion about November of 2026.

**Other Considerations**

No other external funding has been secured to date. The Cloquet Area Fire District has submitted a request for state bonding in Minnesota every year there back to 2018. The CAFD has applied for Congressionally Directed Spending, and state and federal grants. We have also engaged large industry, such as South African Pulp & Paper Industry (SAPPI) in Cloquet, asking for a financial contribution to our facility project.

**Impact on State Operating Subsidies**

TEST

**Who will own the facility?**

Cloquet Area Fire District

**Who will operate the facility?**

Cloquet Area Fire District

**Who will use or occupy the facility?**

Cloquet Area Fire District

**Public Purpose**

Funds will be utilized to construct an ambulance and fire public safety facility that serves a large region in NE Carlton County and Southern St Louis County. The regional

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Jesse Buhs  
Fire Chief  
218-499-4258  
jbuhs@cloquetafd.com

(\$ in thousands)

**Ambulance and Fire Public Safety Facility**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$9,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Other Local Government Funds	\$0	\$9,880	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$18,880</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$50	\$0	\$0
Design Fees	\$0	\$1,350	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$16,780	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$700	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$18,880</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	N/A

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	
Has the predesign been submitted to the Department of Administration?	
Has the predesign been approved by the Department of Administration?	
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Cohasset Water Tower & Utility Extension	1	GO	3,000	0	0	0	0	0
<b>Total Project Requests</b>			3,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,000	0	0	0	0	0

**Cohasset Water Tower & Utility Extension****AT A GLANCE****2026 Request Amount:** \$3,000**Priority Ranking:** 1**Project Summary:** The City of Cohasset is requesting \$3,000,000 in state funds to upgrade their existing water tower and to extend utilities throughout the community including water, sanitary sewer, storm sewer and associated street reconstruction.**Project Description**

The City of Cohasset and its Infrastructure Committee has recently completed an infrastructure analysis to determine the need for utility extensions throughout the city. The City and the Committee identified a large number of areas in the city that are in dire need to access municipal utilities. The city has broken out their overall needs for extensions into 16 phases. This project (Application) consists of Phases 1&2. The infrastructure extension in phases 1&2 include Chisholm Trail, Old Still Road and County Road 76. These phases also include the cleaning, repairing, & painting their 200,000-gallon elevated water reservoir. Improvements for the utility extensions include water mains, sanitary sewer lines and street reconstruction. Streets will be constructed to meet a state and local regulations and ADA standards, including proper widths, grades, and accessible ramps. Utilities will be constructed to provide many years of continued service for the citizens of Cohasset. The total cost of this projected is estimated to be \$6,000,000.

**Project Rationale**

This project is a priority to the City of Cohasset residents as improved streets, utilities and water tower will not only allow for better mobilization, but will also improve the appearance of the city, reduce reduces repairs and maintenance costs, and instills a greater sense of pride in the community.

**Project Timeline**

Project Design Completed - Spring 2027  
 Project Bid - Summer 2027  
 Project Start - Fall 2027  
 Project Completion - Fall 2029

**Other Considerations**

Cohasset, like many small cities throughout Minnesota, are unable to complete projects like this without financial assistance.

**Impact on State Operating Subsidies**

The City of Cohasset will be responsible for annual operation/maintenance and any debt payments.

**Who will own the facility?**

City of Cohasset

**Who will operate the facility?**

City of Cohasset

**Who will use or occupy the facility?**

The residents and businesses in the community.

**Public Purpose**

The public purpose is to provide quality municipal infrastructure for the citizens.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Josh Casper  
Mayor  
218-259-7339  
joshc@cohasset-mn.com

(\$ in thousands)

**Cohasset Water Tower & Utility Extension**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$3,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$800	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$5,200	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	No
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Wastewater Treatment Facility (WWTF) Improvements	1	GO	29,861	0	0	0	0	0
<b>Total Project Requests</b>			29,861	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			29,861	0	0	0	0	0

**Wastewater Treatment Facility (WWTF) Improvements****AT A GLANCE****2026 Request Amount:** \$29,861**Priority Ranking:** 1

**Project Summary:** Improvements are needed to the City's WWTF to address the aging infrastructure and provide continued reliable treatment for the City. Major proposed changes at the WWTF include replacing the existing 60-year-old trickling filter process with an expanded biological nutrient removal activated sludge process, as well as significant changes to the biosolids treatment and management infrastructure.

**Project Description**

The City operates a Wastewater Treatment Facility (WWTF) and is authorized to discharge treated wastewater into the Sauk River under National Pollutant Discharge Elimination System/State Disposal System permit number MN0023094 issued by the Minnesota Pollution Control Agency.

The WWTF components range in age from 20 to 60 years and are in need of replacement or repair. The WWTF is currently operating near its design organic loading capacity. The WWTF consists of two biological treatment systems, or "trains" that operate in parallel. The older system, originally built in 1963, has been upgraded twice, in 1990 and in 2003. The new biological treatment system was constructed in 2003 and consists of a single-stage nitrification Activated Sludge system with biological nutrient removal.

Two flow equalization basins, each with a volume of 1 million gallons, currently receive flow in excess of 1.15 MGD. Operations staff have found that the available equalization volume is never fully utilized. Because of the large surface area of the basins, stored wastewater will occasionally freeze during winter. The City desires a more compact equalization storage structure, such as an above ground storage tank, that could better keep the wastewater mixed to prevent freezing and settling issues.

The treatment train currently treats approximately 30 percent of the influent flow to the plant. This treatment train consists of some of the oldest structures at the facility and is nearing the end of its useful life. The City desires to remove the treatment train in favor of expanding the activated sludge train.

The City provides wastewater treatment service to the Cold Spring Brewing Company (CSBC) and the City of Rockville under separate agreements. The City, in partnership with CSBC, recently constructed an Industrial Pretreatment Facility (IPF) for the Brewery's wastewater.

Improvements at the WWTF will include replacing the existing 60-year-old Trickling Filter process with an expanded biological nutrient removal activated sludge process, as well as significant changes to

the biosolids treatment and management infrastructure, including: headworks building, influent equalization, biological nutrient removal, chemical addition for phosphorus removal, UV disinfection, anaerobic digestion & dewatering land application of cake biosolids, effluent water pump station, modernized electrical service panel, a new generator, and updated Supervisory Control and Data Acquisition (SCADA) computers and software in the public works building.

**Project Rationale**

The City of Cold Spring's wastewater treatment facility (WWTF) components range in age from 20 to 60 years and many are in need of replacement or repair. Additionally, the WWTF is currently operating near its design organic loading capacity. Additionally, the improvements are needed not only for the residents of Cold Spring (4,305) and Rockville (2,458) but also the retention and expansion of industry in each City, including Pilgrim's (1,350 employees) and Cold Spring Brewing Company (600+ employees).

**Project Timeline**

- March 2024: Facility Plan and Supplemental Information submitted to MPCA
- June 2026: Apply for PFA Intended Use Plan
- July 2026: Point Source Implementation Grant application submittal
- July 2026: Design
- May 2027: MPCA Review of Plans and Specs
- June 2027: Advertise for Bids and Award Contract
- July 2027: Start Construction
- July 2029: Construction complete

**Other Considerations**

This is a regionally significant project as Cold Spring and Rockville regionalized their wastewater treatment facilities; however, they would endure economic hardship if bearing the complete burden of this estimated \$51.4 million project. The wastewater system has approximately 2,143 users; spreading the full costs of the proposed improvements would mean \$23,985.07 per user, which is unaffordable to most and impossible for the low-income residents, with 11% of Cold Spring families living in poverty.

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

City of Cold Spring

**Who will operate the facility?**

City of Cold Spring

**Who will use or occupy the facility?**

City of Cold Spring, its residents and businesses, and Rockville residents and businesses.

**Public Purpose**

Public purpose: municipal wastewater system.

**Description of Previous Appropriations**

No previous state appropriations associated with this project.

**Project Contact Person**

Kris Dockendorf  
City Administrator  
320-685-3653  
kdockendorf@coldspring.govoffice.com

(\$ in thousands)

Wastewater Treatment Facility (WWTF) Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$29,861	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$30,020	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$59,881</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$6,680	\$0	\$0
Project Management	\$0	\$1,010	\$0	\$0
Construction	\$0	\$43,710	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$8,481	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$59,881</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Coleraine City-wide Infrastructure Project	1	GO	7,000	0	0	0	0	0
<b>Total Project Requests</b>			7,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			7,000	0	0	0	0	0

## Coleraine City-wide Infrastructure Project

**AT A GLANCE****2026 Request Amount:** \$7,000**Priority Ranking:** 1**Project Summary:** The City of Coleraine is requesting \$7,000,000 in state funds to replace existing infrastructure throughout the city. Secured funds will be used to design and replace (construct) this old and outdated infrastructure.**Project Description**

The City of Coleraine and Infrastructure Committee has recently completed an infrastructure analysis to determine the city-wide condition of our existing infrastructure. The City and Committee identified a large number of areas in the city that need serious improvements. Improvements needed include replacement and reconstruction of water mains, sanitary sewer lines, storm sewer system, streets/lighting and sidewalks, and installation of water meters.

Many of the utility mains, pipes and connections to water and sanitary sewer are old and deteriorated. In many instances, the utilities are beyond the intended life span of their original design and installation. Inflow and infiltration was apparent due to the poor condition of storm water and sewer connections to the City mains. The streets/alleys, sidewalks, and utilities are badly deteriorated and generally in poor condition. The project is not only necessary to extend the life of the roads and utilities, but also bring the various elements back within acceptable design standards.

Proposed improvements to the roads include a full reconstruction of the subgrade, base, curb and gutter, ditching (where applicable), and surface. The roads will be surfaced with bituminous pavement. The overall width of the road will be designed to meet typical design standards. Perforated polyethylene (PE) drain tile pipe will be installed at the bottom of the road section to allow for subgrade and base drainage to help keep water out of the road bed and significantly reduce possible failures (i.e., settlement, heaving, cracking, etc.).

Total project is estimated at \$14,000,000. The city has the ability to phase this project as needed.

**Project Rationale**

Sidewalks will be reconstructed to meet current ADA standards, including widths, grades, and accessible pedestrian ramps. Utilities (storm sewer, sanitary sewer, and water main) will be upgraded to provide many years of continued service to the citizens of Coleraine.

This is a priority to the City of Coleraine residents as improved streets not only allow for better mobilization, but it also improves the appearance of the city, reduces repairs and maintenance costs, and instills a greater sense of pride when one can traverse a street safely. Coleraine is a small city, with a low median household income and a high percentage of low to moderate income residents.

**Project Timeline**

Engineering design and permitting start - August 2026  
Project Bid - March 2027  
Award Contract - April 2027  
Construction Start - May 2027  
Project Completion - December 2030

**Other Considerations**

The City of Coleraine is a small city with a low median household income and a large percentage of low to moderate income residents.

**Impact on State Operating Subsidies**

The City of Coleraine will not seek state grants for the operation and maintenance regarding this project.

**Who will own the facility?**

City of Coleraine

**Who will operate the facility?**

City of Coleraine

**Who will use or occupy the facility?**

The project will be used by the residents and businesses of Coleraine.

**Public Purpose**

To provide safe and modern infrastructure for the city.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Briana Anderson  
City Clerk/Treasurer  
218-245-2112  
banderson@colerainemn.gov

(\$ in thousands)

Coleraine City-wide Infrastructure Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$7,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$5,000	\$0	\$0
Other Local Government Funds	\$0	\$2,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$14,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$2,000	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$12,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$14,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
--	-----

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Wastewater Treatment Facility	1	GO	23,412	0	0	0	0	0
<b>Total Project Requests</b>			23,412	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			23,412	0	0	0	0	0

(\$ in thousands)

**Wastewater Treatment Facility****AT A GLANCE****2026 Request Amount:** \$23,412**Priority Ranking:** 1

**Project Summary:** The City of Cologne is replacing its wastewater treatment facility which is roughly 30 years old. \$23 million in state funding is requested to construct a new wastewater treatment facility including a new forcemain, a pretreatment system, new activated sludge basins, new clarifier, filters, a UV disinfection system and a new control building

**Project Description**

The project includes the construction of improvements to the existing wastewater treatment facility. The improvements will include the construction of a new forcemain, a pretreatment system, new activated sludge basins, new clarifier, filters, a UV disinfection system, a new control building, and other miscellaneous repairs. These improvements will provide the facility with the ability to meet current and future MPCA imposed effluent limits. Please note that the current estimates will need to be adjusted to the appropriate year for design and construction.

**Project Rationale**

The current treatment facility is nearing its treatment capacity and can no longer reliably meet the Effluent Phosphorous Limits set by the Minnesota Pollution Control Agency. In addition, the current facility is approximately 30 years old and nearing the end of its design life. The forcemain leading to the plant has already failed and is in need of replacement. A temporary repair is currently in place.

**Project Timeline**

Begin Final Design:	Spring/Summer 2023 - COMPLETE
Submit IUP Request:	June 2023 - COMPLETE
Submit PSIG Application for Phosphorus:	July 2023 - COMPLETE
Submit PFA Application:	Fall/Winter 2023 - COMPLETE
Submit Plans and Specs to the MPCA:	Winter 2023-2024 - COMPLETE AND CERTIFIED
Advertise to Receive Construction Bids:	Fall 2026
Initiate Operation of New Facilities:	Spring 2029

**Other Considerations**

The City of Cologne has completed several steps to get to this point in the funding request:

- Updated the flow and loading information contained in the 2016 Facility Plan through an amendment, which has been accepted by the Minnesota Pollution Control Agency.
- Collected topographic survey of the site.

- Gathered quotes for soil borings and completed soil borings.
- Submitted the required MPCA permit applications.
- Determined an EAW and antidegradation study are not needed.
- Submitted plans and specifications to MPCA and received project certification.

The City has also applied for Point Source Implementation Grant dollars and is estimated to be eligible for roughly \$7 million related to treating phosphorus if funding becomes available for this project.

Cologne has utilized cured in place pipe on nearly every clay sewer pipe in town to reduce inflow and infiltration of ground water into the sewer system, therefore prolonging the life of the existing sewer plant.

### **Impact on State Operating Subsidies**

The City of Cologne will not be requesting any operating funding from the State of Minnesota.

### **Who will own the facility?**

The City of Cologne will own the new wastewater treatment facility and its public works department will operate the facility.

### **Who will operate the facility?**

City of Cologne Public Works Department.

### **Who will use or occupy the facility?**

City of Cologne Public Works will occupy the new facility. The entirety of Cologne's existing and future sewer customers will use the facility.

### **Public Purpose**

The replacement of the existing facility will increase the hydraulic capacity of Cologne's sewer system and allow it to meet the stringent effluent phosphorus limits put in place by the MPCA. Cologne's wastewater facility discharges into the Lake Benton watershed, and increased treatment of phosphorus will protect Lake Benton, as well as the downstream waters of the Minnesota River Basin. Cologne's request for state funds also relates to the City's inability to fund the project locally without causing undue burden on the current residents. As the current facility is nearly at its capacity to treat wastewater, the City can't support future residential and commercial growth to an extent that user rates would be able to cover debt service of a new facility. Without this project, the City will soon be unable to issue new construction building permits in an area with high demand for housing stock.

### **Description of Previous Appropriations**

Cologne was granted bonding funds in a recent state bonding appropriation in the amount of \$1,060,000 for the City of Cologne to design, permit, engineer, a new municipal wastewater treatment facility and related infrastructure.

### **Project Contact Person**

Michelle Morrison  
City Administrator  
952-466-2064  
michellem@colognemn.com

(\$ in thousands)

Wastewater Treatment Facility

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$1,060	\$0	\$0	\$0
General Obligation Bonds	\$0	\$23,412	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$1,060</b>	<b>\$23,412</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$122	\$0	\$0	\$0
Project Management	\$0	\$2,510	\$0	\$0
Construction	\$938	\$17,850	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$3,052	\$0	\$0
<b>TOTAL</b>	<b>\$1,060</b>	<b>\$23,412</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Columbia Heights Public Works Facility	1	GO	14,000	0	0	0	0	0
<b>Total Project Requests</b>			14,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			14,000	0	0	0	0	0

## Columbia Heights Public Works Facility

**AT A GLANCE****2026 Request Amount:** \$14,000**Priority Ranking:** 1

**Project Summary:** \$14.0 million in State funds is requested to support the preliminary and final design, construction, contract administration and to furnish and equip a new facility and out-buildings for the Columbia Heights Public Works Department, to be constructed on City owned land located adjacent to the existing Public Works facility located at 637 38th Avenue NE and 627 Madison Street, Columbia Heights, MN 55421.

**Project Description**

The City of Columbia Heights proposes to construct a new Public Works facility to replace its aging 51,605 square-foot building, originally constructed in 1971. A comprehensive facility study completed in 2021 identified numerous issues with the existing structure, including significant steel corrosion, structural deterioration, safety and accessibility deficiencies, and an overall lack of adequate space to support current operations.

**The new facility is proposed at 80,805 square feet and will include administrative office space, vehicle storage, and vehicle maintenance areas. Additional site improvements include the construction of a modern fuel island, expanded public recycling center, enhanced stormwater management systems, and relocation of existing rooftop solar panels. The new building will meet current code, accessibility, and energy-efficiency standards and be designed to ensure a safe and functional environment for staff and visitors.**

**The Public Works Department is essential to the operation and livability of Columbia Heights, providing services such as street maintenance, parks and forestry, water and sewer utilities, stormwater management, street lighting, engineering, central garage operations, refuse and recycling management, and central building maintenance. The department plays a critical role in emergency response, infrastructure reliability, and year-round public safety.**

**As an inner-ring suburb, Columbia Heights is fully developed and lacks large, available parcels to support new public infrastructure. Redevelopment on the existing 7.8-acre Public Works site is the most feasible and cost-effective option. To maintain uninterrupted operations during construction, the new facility will be strategically sited to the east and south of the current structure. This phasing approach allows most existing operations to continue throughout the project, minimizing disruption to core services. Temporary offsite accommodations have been arranged for the recycling center, salt storage, vehicle fueling, and materials storage. Tentative cooperative agreements with the cities of Fridley and New Brighton will help facilitate these relocations. To meet the spatial needs of the expanded department, the City will incorporate adjacent properties into the site plan. This includes acquisition of the vacated Southern Anoka Community Assistance (SACA) building, located on city-owned land to the northwest, and a contiguous 1.2-acre**

**vacant parcel to the south. These acquisitions will expand the developable area to 7.8 acres. Additionally, Madison Street will be shifted westward to improve site access, enhance safety, and allow the facility to front 37th Avenue NE with better public visibility and circulation. These improvements will allow office and employee parking areas to be separated from heavy vehicle and yard operations. Most importantly, relocating operations to a single-grade site eliminates the need for the structurally deficient elevated floor in the current facility, resolving significant safety risks to staff and equipment.**

### **Project Rationale**

Our community is characterized by its diversity, with a range of ethnic and socio-economic backgrounds and varying needs. However, our lower median household income compared to the broader metro area presents unique challenges to fund the public works facility our residents deserve. The current facility, with its aging infrastructure, is plagued by many deficiencies that compromise its functionality. However, one critical area of concern is the structural stability of the floor. Extensive assessments conducted by structural engineers have revealed deterioration, including cracks, settling, and weaknesses that threaten the overall integrity of the building. These findings raise significant safety concerns for our personnel working within the facility. The compromised floor not only poses risks to the safety of our staff but also hampers operational efficiency.

### **Project Timeline**

Fall/Winter 2025	- Schematic Design (30% plans)
Winter 2025/26	- Geotechnical Analysis
Summer 2026	- Design Development (60% plans)
Fall 2026	- Site Remediation of contaminated materials
Winter 2026/Spring 27	- Final Building Design and Bidding
March 2027	- Begin Construction of Specialized Footings (Pilings)
April 2027/May 28	- General Site Preparation and Building Construction
June 2028	- Equipment and Building Commissioning
August 2028	- Begin operating from new facility
Late Summer 2028	- Demolition of Existing Facility

### **Other Considerations**

The structural deficiencies of the elevated vehicle maintenance floor are creating an urgent need for the City. Replacing the existing facility will ensure the safety of employees and their ability to adequately maintain public equipment and provide needed services. The deficiencies in the remainder of the building: roof at life expectancy, electrical service maxed out, office area not ADA accessible, and building walls not insulated and deteriorating, make investing funds for temporary fixes an unwise use of public dollars. The need for a new public works facility goes beyond operational challenges. It is rooted in our commitment to providing equitable services to our diverse community, which has a lower median household income compared to the metro area. By investing in a new facility, we can bridge the service gap, uplift the well-being of our residents, and ensure that our residents receive excellent public service.

### **Impact on State Operating Subsidies**

Not applicable. All operating costs born by the City of Columbia Heights.

### **Who will own the facility?**

The City of Columbia Heights will own, operate, and maintain the facility.

**Who will operate the facility?**

The City of Columbia Heights will own, operate and maintain the facility.

**Who will use or occupy the facility?**

The City of Columbia Heights Public Works Department will occupy the facility. The Public Works Department includes Engineering, Parks, Streets, Utilities, Forestry, Refuse, Central Garage and Central Building Services.

**Public Purpose**

A new public works facility serves a crucial public purpose, addressing the needs of the City by enhancing well-being, safety, and infrastructure. It will be a central hub for essential services, benefiting residents, businesses, and the community. The current facility suffers from outdated infrastructure, hampering productivity and efficiency. Limited storage, workspace, and equipment maintenance areas cause delays in projects and tasks. The facility also poses safety risks due to corrosion.

**Description of Previous Appropriations**

The City of Columbia Heights has had no previous appropriations.

**Project Contact Person**

Kevin Hansen  
Columbia Heights Public Works Facility Replacement  
763-706-3705  
khansen@columbiaheightsmn.gov

(\$ in thousands)

Columbia Heights Public Works Facility

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$14,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$1,059	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$4,000	\$0	\$0
City Funds	\$0	\$14,557	\$0	\$0
<b>TOTAL</b>	<b>\$1,059</b>	<b>\$32,557</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$900	\$550	\$0	\$0
Predesign Fees	\$159	\$0	\$0	\$0
Design Fees	\$0	\$2,478	\$0	\$0
Project Management	\$0	\$200	\$0	\$0
Construction	\$0	\$24,082	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$205	\$0	\$0
Occupancy Costs	\$0	\$1,525	\$0	\$0
Inflationary Adjustment	\$0	\$3,517	\$0	\$0
<b>TOTAL</b>	<b>\$1,059</b>	<b>\$32,557</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Highway 610 and East River Road Full Access interchange	1	THB	10,000	0	0	0	0	0
<b>Total Project Requests</b>			10,000	0	0	0	0	0
<b>Trunk Highway Bonds (THB) Total</b>			10,000	0	0	0	0	0

Highway 610 and East River Road Full Access interchange

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$10,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	Requesting \$10,000,000 in Bonding funds for the construction of a full access interchange at TH 610 and East River Road. The project will complete the existing interchange; resulting in improved access and safety, emergency response, and functionality of both the regional and local transportation systems.

**Project Description**

TH 610 is a Tier 1 Regional Truck Corridor and East River Road (CSAH 1) is an A-Minor Arterial Expander route. However, the existing interchange on TH 610 at East River Road is a “partial” interchange that only provides a westbound on-ramp and an eastbound off-ramp. This project would complete the system by providing a full-access interchange with a westbound off-ramp loop and an eastbound folded on-ramp. The project also includes trail improvements with new connections to regional and local trail systems, as well as the existing Metro Transit Park and Ride Facility in the area.

**Project Rationale**

The described improvements will keep local and regional trips on their respective systems, resulting in less congestion and large vehicles (semis) on the local system and better access for emergency vehicles to address incidents on the regional system. Additionally, travel times and greenhouse gas emissions will be reduced by providing direct connections to destinations and reducing congestion on other secondary routes (both local and regional).

**Project Timeline**

This project has been in the works for about 12 years; going through a robust public engagement process, value engineering exercise, and review of dozens of potential design alternatives. Final design and environmental documents will be completed by the end of 2025 and all required right-of-way can be acquired as soon as a complete funding package is known (willing sellers), allowing for construction to begin immediately.

**Other Considerations**

This request will complete the project funding package and allow for construction to commence almost immediately. Corresponding funding already dedicated for the project includes a Minnesota Highway Freight Program grant for fiscal year 2027 and federal Regional Solicitation funding grant for program year 2028.

Due to the flexibility of the secured federal funding, and estimated costs on each system, the current 2026 Bond request could be either Trunk Highway or General Obligation.

## **Impact on State Operating Subsidies**

### **Who will own the facility?**

MnDOT will own the bridge, ramps and loops associated with TH 610. Anoka County will own East River Road (CSAH 1). Coon Rapids will own all associated trails.

### **Who will operate the facility?**

MnDOT, Anoka County, and the City of Coon Rapids will maintain their respective facilities as outlined above under ownership.

### **Who will use or occupy the facility?**

In addition to the industrial/commercial businesses which operate warehousing, product distribution, and manufactured products (all heavy freight generators) within the project area, this project will also serve area residents, social service organizations (Head Start, ACCAP, Rise, YMCA), an elementary school, daycare facilities, a transit facility, emergency responders, and general highway users currently operating on Highways 10 and 610.

## **Public Purpose**

The purpose of the TH 610 and East River Road Project is to address limited access to and from TH 610 to support existing and future land uses in Coon Rapids, improve safety and emergency response access, and increase the functionality of TH 610 as an important route in the statewide transportation system.

Providing a full access interchange will allow a direct route for regional trips originating and destined for the area. The primary land use adjacent to this area is industrial and commercial mixed uses. This industrial use generates heavier truck volumes that are destined for the regional highway system. However, the current configuration forces many of these trucks to utilize the local street system. The project will also provide better access to the adjacent Metro Transit Park & Ride facility which currently cannot be accessed by westbound TH 610.

## **Description of Previous Appropriations**

The project received \$1,500,000 in G.O. Bonds for preliminary engineering, environmental, and final design in 2020, as well as \$1,000,000 of General Fund money for final design and right-of-way acquisition in 2023.

## **Project Contact Person**

Tim Himmer  
Public Works Director  
763-767-6494  
thimmer@coonrapidsmn.gov

(\$ in thousands)

Highway 610 and East River Road Full Access interchange

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$1,500	\$0	\$0	\$0
General Fund Cash	\$1,000	\$0	\$0	\$0
Trunk Highway Bonds	\$0	\$10,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$20,800	\$0	\$0
City Funds	\$500	\$1,500	\$0	\$0
County Funds	\$500	\$1,500	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$3,500</b>	<b>\$33,800</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$3,000	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$3,500	\$2,000	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$28,800	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$3,500</b>	<b>\$33,800</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Cottonwood Infrastructure Project	1	GO	8,500	0	0	0	0	0
<b>Total Project Requests</b>			8,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			8,500	0	0	0	0	0

Cottonwood Infrastructure Project

**AT A GLANCE**

**2026 Request Amount:** \$8,500

**Priority Ranking:** 1

**Project Summary:** The need for this project arose because of aged infrastructure coupled with community concerns on health, sanitation, and security. The city's deteriorated sewer mains are creating a significant inflow and infiltration problem that has gained attention from the Minnesota Pollution Control Agency. More recent, the city has been required by the Minnesota Department of Health to issue health advisories to the community due to high levels of unregulated contaminants in the public drinking water.

**Project Description**

The proposed project is phase one of a massive, multi-phase, multi-year street and utility reconstruction project estimated at \$28 million. This phase, estimated at \$8.65 million, consists of fourteen city blocks that will replace cast iron water main, asbestos concrete water main, vitrified clay sanitary sewer main, concrete piping storm sewer main, street/curb/gutter in project area, aid in the connection to a new water source, and add water looping.

The objective for the first phase was to select a target location in which multiple utilities can be replaced within the same street corridor, or where a significant enough issue is taking place that warrants an immediate need for replacement. This plan allows for the City to maximize on construction resources while utilizing public resources to the best of our ability.

The drinking water portion of this phase is aimed at replacing all cast iron water mains, replacing all asbestos concrete water mains, all water services including curb stops, installation of new hydrants, and valves. This area has an impact that includes one city block of 4-inch cast iron piping (CIP) water main that was installed in the 1940s, four city blocks of 6-inch polyvinyl chloride (PVC) water main that was installed in 2016, and four city blocks of 6-inch asbestos concrete (AC) water main that was installed in the 1970s, and one city block of new 6-inch polyvinyl chloride (PVC) water line for looping of a dead end.

The sanitary sewer portion of this phase is aimed at replacing nine city blocks of 6-inch vitrified clay pipe (VCP) sanitary sewer mains that were installed in the 1940s. With the replacement of these nine blocks, the sanitary sewer service lines will be replaced with the installation of cleanouts for each service line, allowing residents to gain easier access to their sewer lines.

The storm sewer portion of this phase is aimed at replacing four city blocks of unknown material. With the replacement of these four blocks, the storm sewer will have additional basins or clean outs added to allow the City more access for cleaning.

The streets, curbs, and gutters of this phase require that eight blocks of the project area would need complete reconstruction from the impact of replacing multiple utilities and services, or that the street has become severely deteriorated. The remaining two blocks of the project area have seen major improvements in the last 20 years; therefore, the plan will be to remove the surface and patch where necessary for utility replacement.

This project phase has a direct impact on over one million square feet of property that includes fifty residential properties, an agriculture-based business, and a well-used public park. The indirect impact of this project is over five million square feet of property that includes over 100 residential properties, a mobile home court, and an assisted living care facility.

## **Project Rationale**

The focus of the project area aims at addressing a multitude of problems while simultaneously targeting areas of multiple utilities in order to maximize on construction resources while utilizing public resources to the best of our ability.

The CIP water mains have far exceeded their useful life, making them prone to breaks that result in costly, wasteful spending of tax dollars on system band aids. The one block of 4-inch CIP water main needs to be replaced with a 6-inch PVC water main. 4-inch water lines have become phased out in public infrastructure, making the repairs on water breaks more expensive due to scarcity of repair parts.

In 2016, the City performed a water main replacement project that did not include water services. Including the four blocks of 6-inch PVC allows for the replacement of these water service lines and new curb stops for each property. Curb stops allow for public work officials to halt service at the water main when residents experience water issues, a service that currently cannot fully be provided in Cottonwood due to inoperable or unlocatable curb stops. The inability to halt service at the water main results in contractors having to perform live repairs that allow for potential contamination of the water system. These 6-inch PVC water lines also lie in the same roadway where other utilities are going to be replaced, making it only logical and cost effective to replace service lines when a road is wide open.

AC water lines have a life span between fifty and seventy years. The four blocks of 6-inch AC water lines are not only fifty-five years in age, but they are also located in an area where another utility is in need of replacement – making the AC line replacements an economical and logical decision. A long stretch of AC line runs underneath a large county ditch system that directly outlets into Cottonwood Lake. Cottonwood Lake is thirty miles directly upstream from the Minnesota River – making an AC water line break an environmental hazard issue that would become very costly to the citizens of Cottonwood and the State of Minnesota.

Finally, there is a 300-foot stretch from a dead end 6-inch water main line to another 6-inch water main line that would benefit from looping in order to improve water quality and water pressure for residents. The decision to include this loop is based on the need to continually ensure fresh water is circulating through the drinking water system and the connecting lines are AC lines that are in the project for replacement.

The VCP sewer mains have far exceeded their useful life, subjecting the system to severe inflow & infiltration. This added infiltration burdens the city with unnecessary cost and man hours to the

sewage treatment process. These issues also create excessive stress on the lift stations throughout the city, resulting in premature wear of lift station components, failures, and sewer backups. Moreover, the aged sanitary sewer collection system is not properly sized for the growth the community has experienced since the 40s – this undersized issue also pertains to the sanitary sewer force main from the main lift station to the sanitary sewer collection ponds. This sizing issue limits the flow rates to the Main Lift Station and the pumping rate to the ponds during high flow periods, resulting in emergency discharges into public bodies of water. In the past 30 years the force main pipe has ruptured due to its age and condition, requiring costly repairs. These issues have resulted in sewer backups, emergency discharges, and correspondence with MPCA regarding excessive flows.

Within the past 6 years the duty officer has been called twice due to heavy rainfall overloading the sanitary sewer system and the need to pump excessive flows out of City-owned lift stations into Minnesota bodies of water. These actions aided in mitigating mass sewer backup within the community but did not fully prevent backups as dozens of sewer backups were reported in the community. The three-year average of additional groundwater flow is in excess of 20 million gallons of water, a 45% increase over what is charged as usage to the community. These flows have not only exceeded the permitted wastewater limits, but we have recently received a Notice of Violation from the Minnesota Pollution Control Agency due to the inflow and infiltration.

The unknown storm sewer main that is in need of replacement is reaching the point of total failure. The City has spent funds on professional televising that has provided no results due to the need to abandon the work because of blockage or inability to access the main. The City has also spent countless man hours and equipment wear on jetting and vacuuming the main without successful results. In 2023 the City dug up and replaced a section of the main where it had collapsed, the repair was a short success as another location has potentially collapsed. This failure is resulting in isolated flooding of residential property and the City resorting to pumping out of the main into the road to redirect the flow of the water. The City is still trying to remain conscious of public funds when approaching the issue with this main as it is measuring at 1,600 lateral feet with the same length of sanitary sewer in need of replacement next to it.

The ability to complete these necessary infrastructure improvements while maintaining a conscious effort of utilizing public funds is the most desirable outcome so that the next phases of the Cottonwood infrastructure improvement plan can continue.

### **Project Timeline**

July 2026 - Project Public Hearing  
September 2026 - Council Authorization of Project  
March 2027 - Finalize Plans & Advertise for Bids  
April 2027 - Receive & Tabulate Bids  
June 2027 - Begin Construction  
May 2028 - Substantial Completion

### **Other Considerations**

In 2021 a housing market study was completed for the City of Cottonwood. the study showed that the City of Cottonwood is in need of all types of housing development and that by 2030 the population of cottonwood could rise to 1350.

In 2022 the preliminary engineering report was completed by Bolton & Menk showing a full picture of the infrastructure system along with the need for the project.

In 2023 Lakeview schools completed the final phase of their \$10.8 million dollar project that was funded through a vote in 2021 for a bonding referendum. this project included the addition of more classrooms to accommodate the rising enrollment within the school. the k-12 enrollment has increased by 72 students in the last 5 years and growth is projected to continue over the next 5 years, resulting in the need for more classrooms.

In 2019 the City televised the entire sanitary sewer system and in 2023 the City conducted sanitary sewer flow testing and smoke testing in order to determine what areas of the City should fall into certain phases, that way the biggest areas of concern would be addressed first when it pertained to inflow & infiltration.

To date - utility rates have not only been increased, but a full study has been done to determine the debt limits the City could undertake and where utility rates should be in order to make the debt payments. The infrastructure needs have also been broke into five phases with phase one consisting of a Phase A and Phase B.

**Impact on State Operating Subsidies**

Funds that can be provided from state bonding to replace aging infrastructure will lessen the debt undertaking on the City of Cottonwood for future business growth and housing development. The 2021 housing study showed that there is a need for senior living and affordable housing. With the Lakeview School District being a desirable location for young families, affordable housing in Cottonwood is a major need. With the current infrastructure, specifically the sanitary sewer system, there is a hesitation on placing more flow on the already overloaded, poor system.

**Who will own the facility?**

The City of Cottonwood

**Who will operate the facility?**

The City of Cottonwood

**Who will use or occupy the facility?**

The City of Cottonwood

**Public Purpose**

Protecting the public safety and welfare by providing reliable public infrastructure, improved quality drinking water, and cost effective maintenance of public utilities.

**Description of Previous Appropriations**

NOT APPLICABLE

**Project Contact Person**

Teather Bliss  
City Administrator

507-423-6488

teather@cityofcottonwoodmn.gov

(\$ in thousands)

Cottonwood Infrastructure Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$8,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$200	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,700</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$545	\$0	\$0
Project Management	\$0	\$500	\$0	\$0
Construction	\$0	\$7,655	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,700</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	No
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Country Court Sewer and Water Extension Project	1	GO	12,800	0	0	0	0	0
<b>Total Project Requests</b>			12,800	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			12,800	0	0	0	0	0

**Country Court Sewer and Water Extension Project****AT A GLANCE**

<b>2026 Request Amount:</b>	\$12,800
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	Extend municipal sanitary sewer and municipal water to ninety-nine (99) properties in northern Credit River. The neighborhood, originally constructed primarily in the 1960's and 1970's, consists of substandard lots with individual private wells and septic systems that are at or near the end of life.

**Project Description**

The scope of this project includes extending municipal sanitary sewer to ninety-nine properties within the Country Court subdivision located in the City of Credit River, Scott County, MN. Municipal sanitary sewer is available from the City of Savage (connection point is approximately ¼ mile away) and will be conveyed to the Metropolitan Council Environmental Services (MCES) trunk sewer system and will be treated at the MCES Seneca Plant. Municipal sanitary sewer will be constructed within the street right-of-ways such that each of the individual property may connect to municipal sanitary sewer.

The scope of this project also includes the extension of municipal water to the ninety-nine properties within the Country Court subdivision. Municipal water is available from the City of Savage and the City has entered into a Joint Powers Agreement in which the City of Credit River may purchase potable water from the City of Savage to serve these properties. A water distribution system will be installed within the street right-of-ways such that each of the individual properties may connect to municipal water. The water distribution system will include fire hydrants to increase safety.

The streets, which have surpassed their useful life and are currently in disrepair, will be reconstructed. The reconstructed streets will include concrete curb and gutter, bituminous pavement, and storm sewers.

The total estimated project cost is \$13 million dollars.

Key funding sources include: General Obligation Bonds, City Funds (assessments)

**Project Rationale**

Many of the septic systems in the County Court neighborhood are over 30 years old and either have failed or are likely to fail in the foreseeable future. Due to the inadequate lot sizes, sufficient land area in each lot does not exist for standard (type 1) replacement septic sites. The lot sizes, on average, are approximately 1/3 acre and the subdivision(s) were approved under Scott County planning and zoning in the 1960's and 1970's.

The individual properties are currently served with individual private wells. Many of the private wells

are original and therefore have been in service for 50 years or more.

State rules require an isolation distance of 50 feet from individual private wells to a septic system soil dispersal area. Therefore, the presence of wells compounds the difficulty with identifying alternate septic system sites on each lot due to the inadequate lot sizes.

The close proximity and density of the private drinking water wells of unknown age and construction to the aging septic systems poses an increased health risk for the residents in this neighborhood.

There are a total of ninety-nine (99) existing properties in this neighborhood. The average home value is in the mid three-hundred thousand (\$300k) range. In accordance with state statutes, the assessment upon property benefitted by the improvements may not exceed the amount of special benefit. Therefore, the City cannot fund this improvement by specially assessing the benefitting properties alone.

The City of Credit River incorporated as a City in 2021 and inherited this situation, but did not create it. The City of Credit River is seeking funding assistance to address the environmental concerns that currently exist in this neighborhood.

### **Project Timeline**

Construction is proposed to begin in 2028 and conclude in the fall of 2029.

### **Other Considerations**

#### **Impact on State Operating Subsidies**

No impact

#### **Who will own the facility?**

The City of Credit River will own the project.

#### **Who will operate the facility?**

The City of Credit River will operate the project.

#### **Who will use or occupy the facility?**

The residents located in the Country Court subdivision will use the project.

### **Public Purpose**

This project will address an existing environmental concern.

### **Description of Previous Appropriations**

### **Project Contact Person**

Steve Jelinski

City Administrator  
612-357-4172  
cityadmin@creditrivernm.gov

(\$ in thousands)

Country Court Sewer and Water Extension Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$12,800	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,800</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$12,800	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,800</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Regional Household Hazardous Waste Collection and Recycling Facility	1	GO	8,000	0	0	0	0	0
County Road 50 Improvements	2	GO	10,800	0	0	0	0	0
Thompson County Park Inclusive Recreation Enhancements	3	GO	4,000	0	0	0	0	0
County Building Energy Efficiency Improvements	4	OT	8,676	0	0	0	0	0
<b>Total Project Requests</b>			31,476	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			22,800	0	0	0	0	0
<b>Other State Funding (OT) Total</b>			8,676	0	0	0	0	0

(\$ in thousands)

**Regional Household Hazardous Waste Collection and Recycling Facility**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$8,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	Dakota County requests \$8 million in Phase 2 to construct and equip a shovel-ready Dakota and Scott counties regional household hazardous waste collection and recycling facility to be located in Lakeville, MN.

**Project Description**

Dakota and Scott counties executed a joint powers agreement January 2024 for the partnership and operations of a new joint facility to keep hazardous waste and recyclables out of landfills and the environment.

The new regional facility will be used to collect and properly manage household hazardous waste (e.g. electronics, paint, pesticides, batteries, fluorescent), recyclables (e.g. cans, plastic, paper, cardboard, scrap metal), and problem materials (e.g. tires, appliance, organics).

Projected total cost for the project is over \$26 million. Phase I for land acquisition, and design, and engineering was appropriated by the 2020 bonding bill for \$2 million. Phase I total cost exceeded \$4 million for land acquisition. Dakota County purchased 12 acres of land in Lakeville and has completed predesign and design for a 20,400 square foot building with a few small out buildings. The space will include a household hazardous waste (HHW) facility, drive through, recycling drop off area, parking lots, and outdoor storage.

The request for Phase 2 of the project consists of construction and equipping the new regional household hazardous waste collection and recycling facility. Phase 2 total project cost is \$21,214 million. The CAP grant would be for \$8 million, less than 50 percent of the capital cost.

Dakota and Scott counties have a combined 593,000 residents - more than 10 percent of Minnesota's population - and five active landfills. Each county operates a HHW and recycling facility that are at capacity. A new second regional facility will increase participation and divert more wastes higher on the state's waste management hierarchy toward reuse and recycling.

The project is shovel-ready with land purchased and designs developed. The county is finalizing permit approvals with the City of Lakeville and conducted public engagement Fall 2023 including with residents within 0.5 miles of the site and purchased the land Spring 2024. The facility will be available to residents living in the other five Twin Cities Metro Area counties through existing reciprocal-use agreements.

The facility is not located in an Environmental Justice Area and located in an industrial park area next to existing commercial buildings. The nearest residential housing is 0.5 miles away. The facility is

accessible by freeway only 2 miles away and drive time is less than 15 minutes for over 200,000 residents.

If Dakota County receives Phase 2 CAP grant funds, Dakota County expects to use funds received through negotiated host fee agreements with the landfills located in Dakota County for its portion of the project cost. The project is being completed in two phases. Phase I included land acquisition and design. Phase 2 will include construction and equipment.

### **Project Rationale**

Dakota and Scott counties' existing household hazardous waste and recycling centers are insufficient to meet current and future needs. The two facilities properly manage almost 7 million pounds of material per year from over 80,000 users. Dakota County's facility already handles four times the capacity it was designed to accommodate, and Scott County's growth is projected to be 325% by 2030. In addition, the large geographical area of Scott and Dakota counties results in under-served areas. A survey revealed only 25% of Dakota County residents that didn't use the facility said it was either too far away or inconvenient. A regional facility located in Lakeville, MN would increase participation by 38 percent by offering additional convenient opportunities to properly manage hazardous waste and recyclables. An additional site serving both counties also will prolong the life of the two existing facilities by slowing the growth at those sites.

### **Project Timeline**

Q1 2026: Incorporate bonding request into legislative platform

Q2 2026: If state bonding received, Dakota County finalizes design and advertises construction bid.

Q3 2026: Dakota County Board awards and executes construction contract and construction begins.

Q4 2027: Substantial facility construction completion.

Q1 2028: Facility opens for use.

### **Other Considerations**

The facility's primary use will be for collection and proper management of household hazardous waste, recyclables, and problem materials. A secondary use will include environmental education. The Solid Waste Capital Assistance Program (CAP) provides grants to local governments to develop and implement an integrated solid waste management system and is the MPCA's main program to assist local governments in financing such infrastructure necessary for an effective system. Integrated solid waste management systems include infrastructure that are essential public assets. The value of the system is how it enables preferred waste management practices consistent with the Minnesota Waste Management Act (M.S. 115A). CAP also assists local governments in achieving environmental goals, provides orderly and deliberate development and financial security of publicly owned infrastructure, leverages local funds, and is a catalyst for regional cooperation.

### **Impact on State Operating Subsidies**

Dakota County is only requesting MPCA CAP for the initial construction of the new facility. Operating costs will be covered by user fees and Dakota and Scott counties.

### **Who will own the facility?**

Dakota County will own the facility.

**Who will operate the facility?**

Dakota County will operate the new facility using either county staff and/or contractor staff.

**Who will use or occupy the facility?**

Dakota County staff and/or contractor operations staff will operate the new facility that will be open to the public.

**Public Purpose**

Counties are required by MN Statute 115A.96 to include in solid waste management plan a household hazardous waste management plan that includes public education, strategy to reduce HHW, provide for collection and separation and proper end management of HHW from solid waste in coordination with the MPCA. With Dakota and Scott counties having a combined 5 active landfills, the counties must work to keep toxic materials out of the environment and current facilities no longer have capacity.

**Description of Previous Appropriations**

Dakota County received \$2 million GO award from the MPCA's Capital Assistance Grant in 2020 to use for land purchase and project design by 2020 5th Special Session Ch3 HF1.

**Project Contact Person**

Nikki Stewart  
Environmental Resources Director  
952-891-7554  
Nikki.Stewart@co.dakota.mn.us

(\$ in thousands)

**Regional Household Hazardous Waste Collection and Recycling Facility**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$2,000	\$8,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$2,787	\$13,214	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$4,787</b>	<b>\$21,214</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$4,005	\$0	\$0	\$0
Predesign Fees	\$42	\$0	\$0	\$0
Design Fees	\$740	\$0	\$0	\$0
Project Management	\$0	\$300	\$0	\$0
Construction	\$0	\$17,800	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$1,058	\$0	\$0
Inflationary Adjustment	\$0	\$2,056	\$0	\$0
<b>TOTAL</b>	<b>\$4,787</b>	<b>\$21,214</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

County Road 50 Improvements

**AT A GLANCE**

**2026 Request Amount:** \$10,800

**Priority Ranking:** 2

**Project Summary:** This project will provide funding to reconstruct a portion of County Road (CR) 50 alongside the replacement of the I-35 bridges over CR 50, reconstruction of the interchange, and extension of the I-35 northbound auxiliary lane in the city of Lakeville. The two projects together will cover the construction costs of safety, capacity, multimodal, and state of good repair improvements that will benefit both the Interstate and County highway.

**Project Description**

The project will reconstruct and widen a portion of CR 50 in Lakeville between Kenrick Avenue and Klamath Trail/170th Street. The CR 50 reconstruction will accommodate existing and future vehicular traffic as well as provide improved pedestrian and bicycle connections across I-35. Planned pedestrian improvements include a new shared-use path, new crosswalks, and Rectangular Rapid Flashing Beacons will be added along CSAH 50/5. In addition, this project will run concurrent with the reconstruction of the existing interchange at I-35 and CR 50 in order to reduce congestion and crashes on I-35, CSAH 50/5, and local connections to the interstate.

The funding request includes funds to cover 50% of the local costs associated with the reconstruction of County Road 50. The County and City cost share are secured and identified in each respective Capital Improvement Program (CIP). A 2021 state general fund appropriation has been used to support MnDOT's I-35 Corridor Study (complete) and preliminary engineering for the interchange (currently underway). Federal Congressionally Directed Spending funds (\$5.04M) have been secured to support final design and right-of-way acquisition for the project. The bonding request is for construction costs only. A letter (attached) from Nancy Daubenberger, MNDOT Commissioner, outlined approximate 2026 trunk highway appropriations for projects in the omnibus transportation bill; the letter included \$40.8 million for the I-35 and County State Aid Highway 50 Interchange project in Lakeville.

Previous bonding requests and project costs were based on an interchange concept that has since been modified to reflect updated traffic modeling and engineering considerations as well as public input. This bonding request also includes inflation to the mid-point of construction in 2028.

**Project Rationale**

The I-35/County Road 50 interchange is identified as a priority project for Dakota County, the City of Lakeville, and the multi-agency I-35W Solutions Alliance. A reconstructed interchange will remove constraints on County Road 50 at I-35 caused by the existing interstate bridges, which will improve

traffic flow, pedestrian and bicycle mobility, and safety in the rapidly growing community of Lakeville.

MnDOT's recent I-35 Corridor Study identified significant mobility constraints, congestion, and safety issues on I-35 in the area surrounding the CR 50 interchange. Crash rates at this interchange are four times the critical rate. Interchange reconstruction will improve safety and congestion issues associated with entering and exiting the freeway. New interchange bridges will replace aging infrastructure that has reached the end of its useful life and will be built to a standard that can carry future projected traffic volumes for I-35 when the interstate is expanded.

### **Project Timeline**

The estimated start date is the start of the 2028 construction season (April 1, 2028), and the estimated completion date is the end of the 2029 construction season (December 30, 2029). Dakota County is working closely with the Minnesota Department of Transportation (MnDOT) to ensure that the project can be constructed in coordination with a planned pavement preservation and bridge project on I-35 to maximize efficiency and minimize impacts to the public.

### **Other Considerations**

MnDOT has a planned pavement and bridge project for state fiscal year 2030. Without additional funding, the identified safety and capacity needs at this interchange and on the I-35 corridor will not be addressed. Dakota County and the City of Lakeville are working closely with MnDOT to coordinate the interchange replacement with MnDOT's larger corridor work to optimize construction efficiencies and minimize impacts to the traveling public.

### **Impact on State Operating Subsidies**

Not applicable.

### **Who will own the facility?**

Dakota County will own all County Road 50 elements. MnDOT will retain ownership of all elements in MnDOT right of way (bridges, interstate ramps, signals).

### **Who will operate the facility?**

Dakota County will operate all County Road 50 elements. MnDOT will operate elements related to I-35 including freeway ramps and traffic signals.

### **Who will use or occupy the facility?**

The existing interchange handles approximately 35,000 vehicle trips per day, not including through traffic. Interstate 35 carries 83,000 vehicles daily at the interchange location in Lakeville, including freight and bus transit services. Traffic along this heavily traveled corridor is forecast to grow to approximately 96,000 vehicles daily by 2050. County Road 50 currently carries 27,000 vehicles daily southeast of the interchange with a forecast of 31,000 daily by 2050.

### **Public Purpose**

The project will make improvements to safety, capacity, and multimodal travel in Lakeville. It will run concurrently with replacement of aging interstate bridges that have reached the end of their useful

service life. Without these improvements, congestion-related travel delay and crashes on I-35 are projected to increase significantly over time with future growth.

### **Description of Previous Appropriations**

General fund appropriation in 2021 to the Commissioner of Transportation for Trunk Highway studies, including the I-35 Corridor and the I-35/CR 50 interchange (\$1.4 million). These funds have been used on studies and engineering, not for construction. The current bonding request is for construction only.

The attached letter provides written approximation of how the 2026 trunk highway appropriation for projects will be used. The letter includes \$40.8 million for the I-35 and County State Aid Highway 50 Interchange project in Lakeville.

### **Project Contact Person**

Erin Laberee  
Transportation Director  
952-891-7122  
erin.laberee@co.dakota.mn.us

(\$ in thousands)

County Road 50 Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$10,800	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$1,700	\$0	\$0
County Funds	\$0	\$9,200	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$21,700</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$18,303	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$3,397	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$21,700</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

Thompson County Park Inclusive Recreation Enhancements

**AT A GLANCE**

**2026 Request Amount:** \$4,000

**Priority Ranking:** 3

**Project Summary:** This state funding would allow for construction of long-range plan elements that will improve community access, extend the park’s ADA-accessible trail system, and enhance the overall park experience. In 2023, the Legislature invested \$2 million for design of this next phase and an additional \$4 million in state funding would allow for construction of these improvements.

**Project Description**

1. Immersive nature play experience with sensory, creative and imaginative areas designed to serve individuals on the autism spectrum and their families: \$800,000: FEATURES include new quarter-mile ADA-accessible aggregate trail connection , 10’x10’ wood porta-potty enclosure, and approximately ten play "stations" (“Log Pile” Natural wood playstructure, “Log Stilts” natural wood play, Balance Logs natural wood play, ADA-accessible “Magnicus” puzzle, ADA-accessible musical instruments, New swing bench for Daylighted Stream overlook views, ADA-accessible natural wood custom “loose parts” table, ADA-accessible natural wood “Chickadee”, Wooded areas for fort building and other creative play, “Gathering Circle” for relaxation and decompression, “Hammocking Hang Out”).
2. Space for community gathering along park trails and adjacent to Dakota Lodge: \$1,000,000: FEATURES include stage for ceremonies and performances, re-graded and re-aligned ADA trails, slopes that offer bench seating for approximately 112 people, grassy areas to allow additional casual seating for approximately 92 people, paved plaza providing flexible space for rental chair set up (approximately 68 people), electrical for lighting and sound/power, and perimeter plantings to frame the space and provide screening.
3. Picnic and rest area along the River to River Greenway: \$2,050,000: FEATURES include a 12’x12’ timber picnic shelter for an accessible picnic tables and grills in the sunniest area of the park at Emerson Pond, ADA-accessible trails throughout Simon's ravine area with single and double-stacked boulder walls, a bridge that spans 150’ over Simon’s Ravine and provides an overlook opportunity in the middle for framed views, a bench swing overlooks the ravine and offers a hidden destination with integrated interpretive elements and natural stone block seating elements.
4. Park entrance safety and wayfinding improvements: \$150,000: Entry and wayfinding improvements were identified in the long-range plan. These areas are intended to have a welcoming wayfinding kiosks, seating, waste receptacles, ADA-accessible sidewalk/trail access, artwork, and plantings.

**Project Rationale**

Thompson County Park is located in Dakota County’s most diverse population. The 58-acre County Park is adjacent to Highway 52, and is connected to South St. Paul’s Kaposia Park and Kaposia Landing

by the River to River Greenway. The urban park offers a variety of natural habitats to explore. Scenic trails, including one around Thompson Lake, and other amenities make Thompson County Park a popular destination for the more than 50,000 residents who live in northern Dakota County. Through a partnership with both the City of West St. Paul and Independent School District 197, Thompson Park Center also serves the older adult community through programming and educational opportunities. Since the Thompson County Park Master Plan was adopted in 2020, Dakota County has invested \$3 million for the first phase of improvements. In 2023, the Legislature invested \$2 million to design of the next phase. An additional \$4 million in state funding would allow for construction of these improvements.

### **Project Timeline**

Design for the Long-Range plan improvements were initiated in 2024 and construction bidding documents could be posted in summer of 2025. Construction is proposed to begin in late 2025 and occur through 2026.

### **Other Considerations**

Thompson County Park is considered a northern hub for the greenway system. Improvements being recommended align with completing the River to River Greenway, connecting the Minnesota and Mississippi Rivers, and travels through Thompson County Park. Additionally, Thompson County Park is unique in community partnerships. The existing partnership with the City of West St. Paul and ISD 197 at Thompson Park Center serves the older adult community through programming and educational opportunities.

### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

Dakota County would own the project.

#### **Who will operate the facility?**

Dakota County will operate the project and incorporates operational costs into the annual budget and maintenance for all Dakota County facilities are funded through its annual Capital Improvement Program.

#### **Who will use or occupy the facility?**

Dakota County residents and park visitors from the greater metro area.

### **Public Purpose**

The park serves the outdoor recreational needs of the more than 50,000 residents who live in northern Dakota County. Park improvements will provide more opportunities, events, connections, and activities for local and neighboring residents of the park, as well as draw visitors from the greater metro area.

### **Description of Previous Appropriations**

In 2023, the Legislature invested \$2 million for design of the next phase.

LCCMR award of \$867,000 to natural resources work at Thompson County Park in 2025.

**Project Contact Person**

Niki Geisler  
Parks Director  
952-891-7088  
niki.geisler@co.dakota.mn.us

(\$ in thousands)

Thompson County Park Inclusive Recreation Enhancements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$867	\$0	\$0	\$0
General Obligation Bonds	\$2,000	\$4,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$3,217	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$6,084</b>	<b>\$4,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$2,015	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$3,994	\$4,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$75	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$6,084</b>	<b>\$4,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	No
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

**County Building Energy Efficiency Improvements**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$8,676
<b>Priority Ranking:</b>	4
<b>Project Summary:</b>	Dakota County requests \$8.7 million from the Renewable Development Account to install solar canopies at seven locations and make energy-efficient HVAC upgrades to four facilities.

**Project Description**

Dakota County is committed to reducing energy use in county-owned facilities and could remain a state leader in energy conservation.

The county’s energy efficiency proposal includes installing a total of 700 kilowatts of solar panels at seven county locations, and making energy-efficient HVAC system updates at four facilities.

The county is requesting \$8.7 million from the Minnesota Renewable Development Account to help complete energy-saving upgrades.

State funding would support the following energy-saving improvements:

Solar Canopy Installations at Seven Sites:

- Government Center, Hastings
- Extension and Conservation Center, Farmington
- Farmington Library, Farmington
- Heritage Library, Lakeville
- Inver Glen Library, Inver Grove Heights
- Pleasant Hill Library, Hastings
- Wentworth Library, West St. Paul

HVAC Updates at Four Locations:

- Administration Center, Hastings
- Dakota 911 Dispatch Center, Rosemount
- Extension and Conservation Center, Farmington
- Northern Service Center, West St. Paul

**Project Rationale**

To minimize impact on the tax payer of escalating utility costs from providers at County facilities, this project implements on-site energy generation at multiple facilities with solar photovoltaic canopies.

**Project Timeline**

Q1 2026: Incorporate renewable development account request into legislative platform

Q2 2026: If renewable development account funding received, Dakota County engages partners to develop project  
Q3-Q4 2026: Project Design  
Q1-Q4 2027: Project Implementation  
Q1 2028: Project complete

### **Other Considerations**

The county is requesting \$8.7 million from the Minnesota Renewable Development Account to help complete energy-saving upgrades. Xcel Energy funds the account as owner of the Prairie Island Nuclear Generating Plant. The southeast area of Dakota County is within a 10-mile emergency zone of the nuclear plant and a 25-mile evacuation zone extends farther into higher-populated areas of the county – making the county a priority for renewable development account funding. Strengthening the county’s request is the fact that all of the proposed projects are within Xcel Energy service territory.

### **Impact on State Operating Subsidies**

The project will reduce electricity consumption at numerous County facilities, therefore reducing the county property tax levy burden of escalating utility rates.

### **Who will own the facility?**

Dakota County will own the project.

### **Who will operate the facility?**

Dakota County will operate the project.

### **Who will use or occupy the facility?**

Dakota County will continue to use the buildings impacted by the project.

### **Public Purpose**

The project will reduce electricity consumption at numerous County facilities, therefore reducing the county property tax levy burden of escalating utility rates.

### **Description of Previous Appropriations**

Dakota County received \$480,000 from the Renewable Development Account for similar work in the 2024 legislative session.

### **Project Contact Person**

Mike Lexvold  
Facilities Management Director  
651-438-8180  
michael.lexvold@co.dakota.mn.us

(\$ in thousands)

County Building Energy Efficiency Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$0	\$8,676	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,676</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$7,900	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$776	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,676</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	No
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	No
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Water Tower #2	1	GO	2,000	0	0	0	0	0
Rush Creek Parkway and Fernbrook Intersection Improvement	2	GO	1,000	1,500	0	0	0	0
Wellhead Treatment Plant #2	3	GO	3,500	0	0	0	0	0
Pineview Lane and Dayton River Road Intersection Improvement	4	GO	1,000	1,500	0	0	0	0
<b>Total Project Requests</b>			7,500	3,000	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			7,500	3,000	0	0	0	0

**Water Tower #2****AT A GLANCE****2026 Request Amount:** \$2,000**Priority Ranking:** 1

**Project Summary:** Water Tower #2 is a water tower facility that is needed to serve the Historic Village of Dayton with applicable storage of water and equally important adequate fire suppression for the area of the Historic Village. At this moment, the amount of time for fire suppression is roughly 30 seconds. We have multiple fire hydrants in this area of the City that are essentially not able to be used for anything more than a lawn ornament.

**Project Description**

This project would supply an adequate amount of backup water for residents to be able to utilize for their needs and/or if one of our wells goes down for whatever reason. This project would incorporate an area of land that would use gravity to feed the system with adequate and consistent pressure in the system. The water tower has purposes for pressure within the system but also for the fire suppression and safety of our residents. We cannot suppress any sort of large fire at all currently without having to truck in water which isn't efficient when we have fire hydrants right there that are essentially useless. This water tower would also serve a future wellhead treatment plant with the pressure needed to create a safe, reliable water system for our residents.

**Project Rationale**

This project is needed to provide sufficient fire flow and storage in the event of a failure of the wells, this area is not able to have water (which is an essential service) to their home. Sufficient storage of water is needed for pressure in the system as well along with having storage to draw down on in the event of a fire.

**Project Timeline**

Construction of Water Tower #2 would start in late 2026 and complete in 2027. If this request were to be approved, the city would need to purchase land and design the water tower which is already been started by the City at this time to be ready.

**Other Considerations****Impact on State Operating Subsidies**

Without these dollars, we are looking at a substantial bond which would increase fees by a substantial number (probably 5-10%) as a one time adjustment that would be held for many years to come until the bond is paid off. We cannot qualify for PFA funding based on the average house price

being built and occupied in the City of Dayton.

**Who will own the facility?**

City of Dayton

**Who will operate the facility?**

City of Dayton

**Who will use or occupy the facility?**

City of Dayton residents will use the by-product of this water tower, the City of Dayton will occupy and utilize the tower.

**Public Purpose**

This is for sufficient storage of water for events such as a failure of the wells and the ability to provide fire suppression to this Northwest Area of Dayton. We are currently unable to provide fire suppression adequately to this area.

**Description of Previous Appropriations**

No previous state appropriations

**Project Contact Person**

Zach Doud  
City Administrator  
763-323-4010  
zdoud@daytonmn.gov

(\$ in thousands)

Water Tower #2

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$1,500	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,500</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$350	\$0	\$0
Predesign Fees	\$0	\$150	\$0	\$0
Design Fees	\$0	\$100	\$0	\$0
Project Management	\$0	\$200	\$0	\$0
Construction	\$0	\$2,700	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,500</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	No
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	No
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

**Rush Creek Parkway and Fernbrook Intersection Improvement****AT A GLANCE****2026 Request Amount:** \$1,000**Priority Ranking:** 2

**Project Summary:** The Rush Creek Parkway and Fernbrook Lane Intersection Improvement would an installation of a improved safety feature, like a roundabout, following a planned project for the county. This roundabout would tamper speeds on Fernbrook Lane, address pedestrian safety along with creating a safe exchange of vehicles from Rush Creek Parkway to Fernbrook Lane (one of Dayton's busiest roads) due to terrible sight lines and speed on both roads.

**Project Description**

This project would transform the ability for motorists to travel through the City of Dayton and be able to do it safely and without avoidance of any intersections. Dayton has very few roads that go north and south, which leads to excessive traffic being located on the roads that do run north and south. Fernbrook Lane is a north south road that connects to one of the main neighborhood connecting roads in Dayton, Rush Creek Parkway which ends up creating a large line-up of vehicles at peak times of travel (morning specifically). This is why the intersection improvement is needed at this intersection and that improvement is proposed to be a roundabout at this time. This intersection also suffers very poor approach angles (Fernbrook from the South comes up a large hill as it approaches the intersection) so the approach is up a hill and the number of lanes to monitor when it is safe to enter is immense. Additional to the approach angles, is the pedestrian traffic. Pedestrians and bicyclists use this intersection because it attaches to the Elm Creek Park Reserve and access to that Park Reserve is at a premium with this intersection being a main connection point. The last item is the number of motorists and their speed, Fernbrook Lane is above 55 mph speed limit (with motorists typically traveling faster than that). All of these items are the reason that this roundabout is being proposed at this intersection and these grant dollars are critical for it to happen before more accidents occur or worse, a fatality.

**Project Rationale**

This project is needed to provide safe intersections on one of the busiest and worst intersections in the City of Dayton. A recent intersection study labeled this intersection as the 4th most dangerous intersection in the City because of sight lines, approach angles, speeds, and configuration of drive lanes on Rush Creek Parkway and Fernbrook Lane. The number of motorists that travel through this intersection on a daily basis is in excess of 8,000 a day (in off-peak times).

**Project Timeline**

Construction of the roundabout at the intersection of Rush Creek Parkway and Fernbrook Lane would

take place in 2028 following some additional time to engineering work to be completed along with some modeling of the impact a roundabout would have at this intersection. Anticipated start time is spring of 2028 and completion would be in summer of 2029 after one full freeze/thaw cycle of a Minnesota winter.

**Other Considerations**

**Impact on State Operating Subsidies**

This project will ensure that more roadways are being converted for safer entrance and exiting of traffic from two major roadways, which will cut down on the police personnel needed, make it easier to plow, and allow motorists to travel more safely on the roads. This will help the State, not have to invest more dollars into safe driving and enhanced safety for motorists is critical for us as Minnesotans.

**Who will own the facility?**

Hennepin County

**Who will operate the facility?**

City of Dayton and Hennepin County

**Who will use or occupy the facility?**

All motorists who travel along Fernbrook Lane will utilize this intersection improvement but the County will ultimately own the project.

**Public Purpose**

The public purpose is to provide a much safer and slow down motorists who travel at higher than the posted speeds along a road with very tough sight lines. These sight lines and approaches for many motorists make for a wonderful drive but create a very unfavorable situation when it comes to merging or turning on these roads at the Rush Creek Parkway and Fernbrook Lane intersection.

**Description of Previous Appropriations**

No previous state appropriations

**Project Contact Person**

Zach Doud  
City Administrator  
763-323-4010  
zdoud@daytonmn.gov

(\$ in thousands)

**Rush Creek Parkway and Fernbrook Intersection Improvement**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,000	\$1,500	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$0	\$1,000	\$0
Other Local Government Funds	\$0	\$0	\$1,000	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,000</b>	<b>\$3,500</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$750	\$0	\$0
Predesign Fees	\$0	\$250	\$0	\$0
Design Fees	\$0	\$0	\$200	\$0
Project Management	\$0	\$0	\$400	\$0
Construction	\$0	\$0	\$2,900	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,000</b>	<b>\$3,500</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	No
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

**Wellhead Treatment Plant #2****AT A GLANCE****2026 Request Amount:** \$3,500**Priority Ranking:** 3

**Project Summary:** Wellhead Treatment #2 is a water treatment facility that is needed to treat the high level of manganese and iron in the water related to our Northwest portion of our City. We currently do not have water treatment within this area and are supplying minimally treated water to meet the MDH primary standards for drinking water only.

**Project Description**

This project would supply water that meets all standards for MDH including the secondary standards set for iron and manganese within the water. This is a wellhead treatment plant so it would treat 2 wells' supply (which is all we have at this time) of water for the desired area. This wellhead treatment plant allows us to expand our treatment of water with the expansion of our city versus having to build a larger centralized plant that would need to be oversized based on future growth and would be a poor use of dollars if that growth doesn't come to fruition in the near future. Equality of water standards is a huge issue that should be addressed as well, the remainder of the city has treated water that goes through a treatment facility before going into residents' homes, this area is the only area that does not have that.

**Project Rationale**

This project is needed to fulfill the MDH requirements for water quality and would highly focus on the very elevated levels of manganese that we have in the water that we supply to residents. Additional to that is the ability to be equitable to all of our residents, this would be the only untreated water within the City now that the Wellhead Treatment Plant #1 is under construction and will be on line later this year.

**Project Timeline**

Construction of the Wellhead Treatment could start in 2027 as we have most of the engineering done in terms of overall look and feel with our Wellhead Treatment #1 facility. The drawback is understanding the need for the water tower (rank #1) and how that interacts with this request. Funding the wellhead treatment plant is a critical need for Dayton, however the wellhead treatment should not be funded unless the water tower is funded. Construction will take a year and a half which puts the timeline for completion around Winter of 2028.

**Other Considerations****Impact on State Operating Subsidies**

Without these dollars, we are looking at a substantial bond which would increase fees by a substantial number (probably 15-20%) as a one-time adjustment that would be held for many years to come until the bond is paid off. We cannot qualify for PFA funding based on the average house price being built and occupied in the City of Dayton.

**Who will own the facility?**

City of Dayton

**Who will operate the facility?**

City of Dayton

**Who will use or occupy the facility?**

City of Dayton residents will use the by-product of this facility, the City of Dayton will occupy and facilitate the wellhead treatment plant.

**Public Purpose**

Residents in the Historic Village of Dayton are our longest standing residents in town as this is the oldest part of Dayton. These residents are just as important as the residents in the new neighborhoods and they deserve the same quality of water as well.

**Description of Previous Appropriations**

No previous state appropriations

**Project Contact Person**

Zach Doud  
City Administrator  
763-323-4010  
zdoud@daytonmn.gov

(\$ in thousands)

Wellhead Treatment Plant #2

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$2,500	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$20	\$0	\$0
Predesign Fees	\$0	\$80	\$0	\$0
Design Fees	\$0	\$430	\$0	\$0
Project Management	\$0	\$80	\$0	\$0
Construction	\$0	\$5,390	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	No
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	No
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

**Pineview Lane and Dayton River Road Intersection Improvement****AT A GLANCE****2026 Request Amount:** \$1,000**Priority Ranking:** 4

**Project Summary:** The Pineview Lane and Dayton River Road Intersection Improvement would an installation of a Roundabout during a planned project for the county. This roundabout would tamper speeds on Dayton River Road along with creating a safe exchange of vehicles from Pineview Lane (one of Dayton's busiest roads) to Dayton River Road due to terrible sight lines and speed on both roads.

**Project Description**

This project would transform the ability for motorists to travel through the City of Dayton and be able to do it safely and without avoidance of any intersections. Dayton has very few roads that go north and south, which leads to excessive traffic being located on the roads that do run north and south. Pineview Lane is a north south road that connects to one of the other busiest roads in Dayton, Dayton River Road which ends up creating a large line-up of vehicles at peak times of travel (morning and evening). This is why the intersection improvement is needed at this intersection and that improvement is proposed to be a roundabout. This intersection also suffers very poor approach angles (Dayton River Road is higher in elevation than Pineview Lane) so the approach is up a hill and then you must creep out into traffic to see down Dayton River Road in either direction. Additional to the approach angles, is the sight lines. The sight lines have multiple factors, tree coverage, shrub coverage, angles that Dayton River Road have and the traffic configuration to know what the vehicles are doing as they approach this intersection (turning right, going straight, turning left, etc.). The last item is the number of motorists and their speed, both of these roads are above 40 mph and Dayton River Road is above 50 mph speed limit (with motorists typically traveling faster than that). All of these items are the reason that this roundabout is being proposed at this intersection and these grant dollars are critical for it to happen before more accidents occur or worse, a fatality.

**Project Rationale**

This project is needed to provide safe intersections on one of the busiest and worst intersections in the City of Dayton. A recent intersection study labeled this intersection as the 2 most dangerous intersection in the City because of sight lines, approach angles, speeds, and configuration of drive lanes on Pineview Lane and Dayton River Road. The number of motorists that travel through this intersection on a daily basis is in excess of 7,000 a day (in off-peak times).

**Project Timeline**

Construction of the roundabout at the intersection of Pineview Lane and Dayton River Road would take place in 2028 during the planned County rehabilitation of pavement on Dayton River Road.

Anticipated start time is spring of 2028 and completion would be in summer of 2029 after one full freeze/thaw cycle of a Minnesota winter.

## **Other Considerations**

### **Impact on State Operating Subsidies**

This project will ensure that more roadways are being converted for safer entrance and exiting of traffic from two major roadways, which will cut down on the police personnel needed, make it easier to plow, and allow motorists to travel more safely on the roads. This will help the State, not have to invest more dollars into safe driving and enhanced safety for motorists is critical for us as Minnesotans.

### **Who will own the facility?**

Hennepin County

### **Who will operate the facility?**

City of Dayton and Hennepin County

### **Who will use or occupy the facility?**

All motorists who travel along Dayton River Road will utilize this intersection improvement, but the County will ultimately own the project.

### **Public Purpose**

The public purpose is to provide a much safer and slow down motorists who travel at higher than the posted speeds along a road with very tough sight lines. These sight lines and approaches for many motorists make for a wonderful drive but create a very unfavorable situation when it comes to merging or turning on these roads at the Pineview Lane and Dayton River Road intersection.

### **Description of Previous Appropriations**

No previous state appropriations.

### **Project Contact Person**

Zach Doud  
City Administrator  
763-323-4010  
zdoud@daytonmn.gov

(\$ in thousands)

**Pineview Lane and Dayton River Road Intersection Improvement**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,000	\$1,500	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$500	\$500	\$0
Other Local Government Funds	\$0	\$0	\$500	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,500</b>	<b>\$2,500</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$1,050	\$0	\$0
Predesign Fees	\$0	\$250	\$0	\$0
Design Fees	\$0	\$200	\$0	\$0
Project Management	\$0	\$0	\$50	\$0
Construction	\$0	\$0	\$2,450	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,500</b>	<b>\$2,500</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	No
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Restoration Park Expansion - Quarry Acquisition	1	GF	1,500	0	0	0	0	0
<b>Total Project Requests</b>			1,500	0	0	0	0	0
<b>General Fund Cash (GF) Total</b>			1,500	0	0	0	0	0

Restoration Park Expansion - Quarry Acquisition

**AT A GLANCE**

**2026 Request Amount:** \$1,500

**Priority Ranking:** 1

**Project Summary:** \$1.5 million in state general funds is requested to acquire 176 acres of adjacent quarry and private land to expand Restoration Park in Dodge County for the purpose of reclaiming the site to provide multi use, year-round nature based outdoor recreation opportunities.

**Project Description**

**BACKGROUND:** Restoration Park was established as part of the Dodge County Transfer Station and Recycling Center (DCTSRC) “campus” which has several features promoting the importance of giving new life to old, discarded and neglected things by reclaiming, reusing and repurposing. The campus includes the transfer station and recycling center, closed MPCA solid waste landfill, closed demolition landfill, compost area, and brush dump. A self-serve waste depot, recycling drop-off location and UsAgain clothing and shoe collection drop-box are also on site. The DCTSRC also established and maintains 16 acres of native prairie plantings on county-owned buffer lands to the west of the facility, as well as an accessory solar energy array that offsets facility electrical usage. South of the DCTSRC, is the newly established Renovation ReUse building. This building diverts good useable household items and building materials from the landfill. It serves as a collection site for Habitat for Humanity’s ReStore, partners to provide household goods and furniture to people experiencing hardship, and hosts sales and fix-it clinics for the community. All of these features of the DCTSRC emphasize the importance of sustainable practices and the need for restoration, repurposing and reusing instead of disposal

Adjacent to the east of the DCTSRC facility was 32 acres of land purchased to buffer the facility from land uses that would not be compatible with its operation. In 2021, the Dodge County Board of Commissioners donated this land and granted approval to transform these 32 acres, consisting of eroded cropland and a neglected screening buffer overrun with invasive species, into the county’s first and only dual use public park offering opportunities for active outdoor nature-based recreation, while still serving to buffer the DCTSRC.

Since then, this land has been restored and enhanced to establish native prairie, forest and wetland habitats. Fourteen acres of the eroded crop field has been planted native prairie that was designed and funded by the Xerces Society, an international organization for invertebrate conservation. This diverse prairie habitat contains 45 species which were specifically selected by Xerces for the benefit to pollinators. The neglected screening buffer is currently being enhanced through intensive invasive species management and tree planting with the ultimate goal of attaining a Southern Mesic Oak-Basswood forest type. This work is being completed through a combination of state, local and private funding and countless hours of staff and volunteer labor. The wetland areas have been seeded with a wet meadow seed mix; however, more work is needed to develop these areas to their full potential. Six acres of the site is reserved as an Environmental Learning Area (ELA) focused on programming and

features demonstrating the benefits of reclaiming, reusing and repurposing. Features proposed for the ELA include accessible trails that wind through plant identification gardens, interactive exhibits, a demonstration rain gardens, a sculpture made from recycled materials, an amphitheater utilizing reclaimed materials and a park building/environmental classroom. Through a grant from the University of Minnesota Extension's Southeast Regional Sustainable Development Partnership, the county was paired with the University of Minnesota's Center for Sustainable Building Research for the purpose of design a "net zero energy" park building/environmental classroom. A further goal of this project was to demonstrate repurposing by utilizing reclaimed materials from the demolition pile in its' construction, when feasible. The Final Report for this building is included as an attachment to this application.

Restoration Park currently offers roughly 2 miles of unpaved trails for walking, interpretive signage, opportunities for plant and pollinator identification, and wildlife viewing. Although there is much work left to do, the park is already heavily utilized by the local schools and citizens, who have been extremely enthusiastic and supportive of the county's efforts.

PROJECT PROPOSAL: Adjacent to the north boundary of Restoration Park is the Stussy Quarry which is at the end of operations as the limestone resource has been exhausted and there is no room for expansion of the site. Restoring the quarry to a parkland is one of the two reclamation options under consideration by the quarry owner. Dodge County has initiated conversations with the quarry owner who has expressed interest in selling 170 acres of land to the county, provided the county purchases the property within 2 years (approximately June of 2027). Another adjacent property owner is also interested in selling 6 acres adjacent to the quarry rim which would serve to "square off" the property. Dodge County wants to acquire, restore and develop this land as an expansion of Restoration Park, with the ultimate goal of creating a 208-acre regional, multi-use nature-based park that offers the public a diversity of active, outdoor recreation opportunities and natural habitats. Dodge County is seeking state General Fund appropriation dollars for the purpose of acquiring this land to expand Restoration Park.

Historically, limestone was an extremely important natural resource to Dodge County as it is literally the foundation upon which the county was built. Many of the earliest buildings in the county were constructed with limestone and are still standing. There have been other limestone quarries and kilns in this area, but the Stussy Quarry is one of the longest running. The quarry was a local source of road construction and building materials; however, the quantity of quality limestone resource has been exhausted leaving behind an unrestored landscape and an uncertain future. The acquired and restored quarry land when added to Restoration Park will afford visitors 208 acres of diverse lands representing landscapes, vegetation types, wildlife, and water features that represent Southeastern Minnesota. A trail system would allow access to the park's interior and enable guests to experience the ecological diversity of the park. The natural features would include, but are not limited to, enhanced upland forest, restored prairies, limestone cliffs, ponds, wetlands, streams and a quarry "lake". A lake will be created once pumping operations cease. Dodge County does not have a natural open water lake that would offer diverse water-based recreational opportunities as the small portion of Rice Lake overlapping the western county boundary is primarily fringe wetland. The county will work collaboratively with DNR and restoration experts to develop a lake to provide suitable habitat for stocked fish so that self-sustaining population of fish can survive to provide year-round angling opportunities for visitors. In addition, non-motorized watercraft, such as canoes, kayaks, and paddleboards would be available to check out/rent.

In addition to the natural features above, expansion of Restoration Park will allow for the potential development of additional park recreational features, including geologic overlooks, day-use picnic

shelters, a lake, a boat launch area for canoes, kayaks and paddleboards and other non-motorized watercraft, playground, a swimming beach, a fishing pier, equipment rental/checkout area, ADA compliant interpretive (limestone/quarry history) trail loops, and approximately 15 miles of new multi-use trails for all season non-motorized use. Public presentations and interpretive programs conducted within the future park building and amphitheater would be conducted year-round by staff and volunteers. Although Restoration Park is proposed to be a regional natural resource-based recreation park, inclusion of the quarry land into the park also incorporates a historically significant natural resource that literally shaped the landscape of Dodge County. In addition, the reclamation of the quarry which turns a liability into a beneficial public resource will further demonstrate the goals of restoring, reusing and repurposing consistent with the goals of the DCTSRC campus.

## **Project Rationale**

The contiguous, 208 acreage of the expanded Restoration Park will fill both a local and regional recreational gap. Most of the parks in District 6 are located in the Rochester area, to the east. Restoration Park is centrally located within the district and is almost equal distance between the population centers of Rochester to the east, Owatonna to the west, Austin to the south and Faribault to the north. These four cities contain roughly 198,000 people. Restoration Park is also well situated to serve the counties on the western edge of the region that do not have multi-use regional recreational parks in close proximity. Through Dodge County's Comprehensive Land Use planning public engagement process, citizens recognized parks and trails as the top recreational opportunities. The 2019 Dodge County Comprehensive Land Use Plan specifically identified the Stussy Quarry reclamation as an opportunity to provide a "regional recreation opportunity tied to the bike trail and native prairie wetland community." The quarry property would offer the ability to expand natural resource based recreation and increase forest, prairie and wetland habitats. Dodge County is at the head of three watersheds and the majority of watercourses in Dodge County are not navigable. In addition, there are no public natural open water lake within its boundary to offer water-based recreation opportunities. Acquisition and development of the quarry property to expand Restoration Park is consistent with the recreation priority and goals of the Dodge County Comprehensive Plan. This land is located immediately adjacent to Restoration Park's northern border. The quarry is at the end of its life and the landowner is willing to sell- at least for the next 2 years. All conditions support the rationale of pursuing acquisition at this time.

## **Project Timeline**

This is a time sensitive project as the quarry owner has only provided a 2-year window in which to acquire the property. Concurrently, Dodge County staff will be working on a regional park designation application and master plan for the site to facilitate future development efforts.

- July 2026-September 2026- Contracting with the state
- October 2026-December 2026- RFP and contracting for appraisals, building evaluation, hazardous materials/environmental concerns investigation, historic preservation requirements
- December January 2027-April 2027- Completion of contracted appraisals, evaluations, surveys
- May 2027- negotiations with landowner, finalization with County Board
- June 2027- title work, closing, purchase

## **Other Considerations**

The expansion of Restoration Park to include the quarry property would create an open space/recreational corridor linking the bedroom community of Kasson (to the south) and historic Mantorville (to the north). The park facilities will offer a variety of natural resource recreation opportunities that have been lacking in the area and serve to boost tourism and the local economy. However, this expanded park is not the only attraction to draw people to the region. The City of Mantorville is already a popular frontier-era historical tourism destination. The city boasts a historic district containing 24 structures within its boundary and an additional 14 structures also listed on the National Register of Historic Places. There are also many small businesses that cater to tourists, including but not limited to: restaurants, art galleries, antique shops, confectionaries/ice cream parlor, coffee shops, a saloon, and an opera house that provides a space for live theater and other performances. Mantorville also hosts several seasonal events which attract thousands of visitors to the area on an annual basis.

A trail segment linking Mantorville and Wasioja was included as part of the 2012 Minnesota Department of Natural Resources Parks and Trails Division Stagecoach State Trail Master Plan, however, the trail was never completed due to lack of funding. Currently, there are local efforts underway to complete this segment due to the many projects to promote history already underway in Wasioja. Regional city and county partners are working on the Zumbro River Regional Water Trail Master Plan which includes these areas of Dodge County. Mantorville and Wasioja are both located on the South Branch of the Middle Fork of the Zumbro River, which also offers the potential for a recreational water trail that runs from the bridge crossing near the old Wasioja Creamery (currently Wasioja Creamery Gardens) in Wasioja to Riverside Park in Mantorville. At this location, the Zumbro river is typically deep enough to accommodate kayaks, canoes and inner tubes. Users of this water trail will also get the unique experience of viewing additional historical structures along the river route that are not accessible by land, including a limestone kiln, footings from the Sacramento mill, and another limestone quarry.

In 2019 the Wasioja Historic District Heritage Partnership Interpretive Plan was completed through a grant from the Clean Water Land & Legacy Fund. This plan interpreted the district as a whole and provided action items and a marketing plan. Dodge County and the Dodge County Historical Society have cooperated to complete several projects under this plan including creating brochures, designing a walking tour and obtaining Small Grant funding from the Minnesota Historical Society to design, fabricate and install 7 interpretive signs with a unique audio program told from the perspective of actual historical inhabitants of Wasioja.

Like Mantorville, the Village of Wasioja also contains a designated historic district and 6 structures listed in the National Register of Historic Places, including a Limestone Kiln, the Doig House, the Wasioja Baptist Church, the Wasioja School, the Civil War Recruiting Station and the Wasioja Seminary Ruins, the limestone walls slowly deteriorating due to exposure to the elements. Dodge County has completed several repair projects on the seminary ruins over the years since the property was acquired to try and preserve the ruins for future generations. In 2023, the Minnesota legislature appropriated general funds to the Minnesota Historical Society for an “earmarked” grant to Dodge County for 2.1 million dollars to complete permanent stabilization of the Wasioja Seminary Ruins which also includes construction of a catwalk through the center to make them more accessible to the public. Archaeology investigative work has been completed at the ruins and the permanent stabilization work is anticipated to be concluded by September of 2026. In addition, an archaeological investigation of the old Wasioja Town Square will be completed at the end of June. In addition to the Wasioja Seminary Stabilization project, other efforts have been made to preserve the character of the historic district. In 2023, the land surrounding the Civil War Recruiting Station was purchased by a private landowner (and the president of the Dodge County Historical Society) to

control the use of the adjacent property, which had previously contained a burned out shell of a house with a junkyard. The Civil War Recruiting Station is believed to be the last recruiting station standing west of the Mississippi River. The new owner removed the remains of the building and junk and the property now hosts various community events promoting history and the county's rural heritage. In the future, this property adjacent to the Civil War Recruiting Station could be ideal for an interpretive center, as there is a well and septic system already on site. The acquisition of the quarry property to expand Restoration Park would fill an existing natural resource based outdoor recreational gap in the region. In addition, its proximity to the existing historic tourism community of Mantorville, the future Stagecoach Trail Link to the historic hamlet of Wasioja, and the current and on-going projects undertaken to develop historic tourism within Wasioja, creates very unique and diverse educational and multi-use recreational opportunities packed in a very small radius.

### **Impact on State Operating Subsidies**

Not applicable. There will be no impact on state operating subsidies.

### **Who will own the facility?**

Dodge County, a local governmental unit of Minnesota, will own the property.

### **Who will operate the facility?**

The property will be jointly managed by the Environmental Services, Highway/Parks and Facilities and Fleet Management Departments of Dodge County.

### **Who will use or occupy the facility?**

Currently, Restoration Park is heavily utilized by the nearby schools and citizens. Adjacent to the southern boundary of the park is the City of Kasson's paved trail constructed under the MNDOT "Safe Routes to School" grant. This pedestrian and bike trail connects the northwest residential area of Kasson to the Kasson-Mantorville and Zumbro Education District Schools. In addition, the Sunrise and Sunset Trails located to the east and west (respectively) of the proposed Restoration Park create trail corridors between the cities of Kasson and Mantorville. However, Restoration Park is well-located and connected to serve the larger regional population. Dodge County is located west of Rochester, MN; a rapidly growing destination due to proximity to the world renowned, Mayo Clinic and its initiative, Destination Medical Center. Restoration Park is easily accessible from State Hwy 57 and a short distance north of US Highway 14, a major east-west route in southern Minnesota. It is centrally located within District 6 and is almost equal distance between the population centers of Rochester to the east, Owatonna to the west, Austin to the south and Faribault to the north. These four cities contain roughly 198,000 people. The expanded Restoration Park is also well situated to serve the counties on the western edge of the region that do not have multi-use regional recreational parks in close proximity.

### **Public Purpose**

Dodge County's wants to acquire the land to expand Restoration Park, a public nature-based park offering opportunities for active outdoor recreation. The community and surrounding region will benefit from the significantly increased recreational opportunities. Dodge County is one of the

counties in Minnesota that does not have a lake. Reclamation of the quarry will result in a lake that will create numerous water-based recreation activities. The park and its features will provide spaces for community socialization. The creation of new and diverse trails will expand healthy active outdoor recreation opportunities. Programming offered at the Visitor Center/Environmental Classroom will promote environmental restoration, stewardship and sustainability. As this is a unique park in the area, this project is expected to significantly increase tourism and positively impact the local economy. Proper restoration and development will ensure the property becomes a long-lived community asset.

### **Description of Previous Appropriations**

Dodge County has not received any previous state appropriations for this project.

### **Project Contact Person**

Melissa DeVetter  
Project Manager  
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(\$ in thousands)

Restoration Park Expansion - Quarry Acquisition

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$35	\$0	\$0	\$0
General Fund Cash	\$0	\$1,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$264	\$0	\$0	\$0
Non-Governmental Funds	\$71	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
Non-Governmental Funds	\$0	\$100	\$0	\$0
<b>TOTAL</b>	<b>\$370</b>	<b>\$1,600</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$200	\$1,500	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$88	\$100	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$82	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$370</b>	<b>\$1,600</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Air Traffic Control Tower Replacement	1	GO	4,000	0	0	0	0	0
<b>Total Project Requests</b>			4,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,000	0	0	0	0	0

**Air Traffic Control Tower Replacement**

**AT A GLANCE**

**2026 Request Amount:** \$4,000

**Priority Ranking:** 1

**Project Summary:** \$4 million in state funds is requested to predesign, design, construct, furnish and equip the replacement of the Air Traffic Control Tower, base building, and Terminal Radar Approach Control facility at the Duluth International Airport. The project also includes site preparation and enabling projects to complete the Air Traffic Control Tower construction, including FAA coordination, administrative expenses, utilities, parking, removal of blighted buildings, and road relocation.

**Project Description**

\$4M in state funds are requested to leverage federal funding through the Investment in Infrastructure and Jobs Act (IIJA) to fund a new Air Traffic Control Tower (ATCT) facility. Previous funding received or pending includes \$16M in Federal IIJA funds, \$10M in state aeronautics appropriations, \$3.8M in State Aeronautics funds, and \$1.2M in other state aeronautics matching funds. \$37M will be requested from the FAA through the IIJA with the next grant request.

**Project Rationale**

The existing ATCT, built in the late 1950s on an old terminal building, fails to meet several FAA standards, including line of sight, controller eye height, and space requirements. The building is beyond repair, with documented deficiencies, life safety issues, and increasing maintenance costs. Over \$700,000 has been spent on repairs, but issues persist, such as a recent water line break that forced air traffic control to operate from a mobile vehicle. It contains asbestos, complicating any proposed renovations. DLH handles diverse aircraft, including F-16s and private traffic. A new ATCT meeting FAA standards will ensure safe services for all aircraft types. The facility will comply with the ADA Act, supporting various aviation activities and promoting inclusive air commerce. Benefits include increased capacity, improved infrastructure, energy efficiency, safety, economic competition, and job creation. The project also aligns with the Minnesota Aviation System Plan.

**Project Timeline**

- Master Planning: Completed in 2020
- AFTIL Siting Selection: Completed in 2022-2023
- Environmental Assessment: Completed in 2023
- Preliminary Design: Completed in 2023
- Final Design: Completed in December 2024

- Estimated Project Bidding: No later than January of 2026
- Air Traffic Control Tower site prep and construction: May 2026 to July 2027

Once the project has completed design and federal funding is secured from the FAA, it is imperative the project implementation move quickly. The FAA infrastructure bill funding of \$53M, of which \$16M received, has a specific schedule once the grant schedule is announced, and bond funding will be critical to keeping the design and construction on schedule.

### **Other Considerations**

The ATCT, built in the 1950s, is the 3rd oldest tower in the U.S. Historically, no federal program has funded the replacement of locally owned air traffic facilities. The IIIJA offers a opportunity, with a limited window, ending in 2026. This state request leverages \$53M from the FAA, available through the Airport Terminal Program established in the IJA. State funding will cover parts of the project ineligible for FAA funding. Federal and state investment is crucial to sustain air commerce in our region.

The TRACON facility provides air traffic control within 35 miles of DLH, including special handling for emergency aircraft, military flights, and radar-guided surveillance approaches for aircraft landing at DLH.

Key benefits of this project include increasing capacity, replacing aging infrastructure, enhancing energy efficiency, improving airfield safety, encouraging competition, addressing life and safety issues for operators of the facility, and creating good-paying jobs.

### **Impact on State Operating Subsidies**

None.

### **Who will own the facility?**

The Duluth Airport Authority

### **Who will operate the facility?**

The Duluth Airport Authority and FAA will operate the spaces of the ATCT project.

### **Who will use or occupy the facility?**

The FAA will use and occupy the ATCT infrastructure. The public will utilize air traffic services provided by the facility. Other project areas such as Stebner Rd will be available for use by airport users and the public.

In addition to FAA controllers, Tech Ops FAA staff will be based in the facility. Tech Ops staff maintains airfield infrastructure, including airfield lighting, navigational aids, communication equipment, radar facilities, and antennas for airports across northern Minnesota.

### **Public Purpose**

The air traffic control tower at DLH ensures safe and efficient movement of commercial, military, private, and leisure aircraft. It supports public safety and emergencies like medical evacuations, law enforcement, wildfire response, and military deployments. The FAA terminal radar approach control within the tower manages aircraft within 35 miles of DLH. FAA Tech Ops maintain public navigational

facilities in northern Minnesota, supporting safe air travel and the Air National Guard's 148th FW.

### **Description of Previous Appropriations**

DAA has received some MnDOT Aeronautics funds to match Federal IJJA funds already received.

Pending: A state appropriation from the state airports fund was approved for \$10M total, \$5M in 2026 and \$5M in 2027. These funds are specific to the construction of the base building.

Additional state aeronautics matching funds are anticipated to be received as well and are included in "other state funds pending".

### **Project Contact Person**

Joelle Bodin  
Director of Finance and Administration  
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(\$ in thousands)

**Air Traffic Control Tower Replacement**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$3,829	\$0	\$0	\$0
General Obligation Bonds	\$0	\$4,000	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds	\$0	\$11,221	\$0	\$0
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$16,020	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$36,930	\$0	\$0
<b>TOTAL</b>	<b>\$19,849</b>	<b>\$52,151</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$3,000	\$0	\$0	\$0
Design Fees	\$4,000	\$0	\$0	\$0
Project Management	\$7,000	\$0	\$0	\$0
Construction	\$5,849	\$38,311	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$40	\$0	\$0
Occupancy Costs	\$0	\$13,800	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$19,849</b>	<b>\$52,151</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction</b>	<b>Yes</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

documents?	
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
DECC Accessibility and Energy Conservation upgrades	1	GO	5,911	0	0	0	0	0
<b>Total Project Requests</b>			5,911	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			5,911	0	0	0	0	0

**DECC Accessibility and Energy Conservation upgrades**

**AT A GLANCE**

**2026 Request Amount:** \$5,911

**Priority Ranking:** 1

**Project Summary:** The Duluth Entertainment and Convention Center Authority (DECC), a quasi-state and city owned facility, is requesting \$5,911,002 in state funds to implement significant accessibility upgrades, deploy energy conservation solutions, and repair key areas of the DECC’s infrastructure. Our request will not only aid the DECC in fulfilling our public purpose but will also ensure the DECC’s facilities can be occupied, utilized, and enjoyed by future generations to come.

**Project Description**

1. Energy Conservation Project The DECC plans to modify its heating system’s leaking Victaulic rings throughout the facilities to dramatically reduce energy waste and increase staff safety for an estimated cost of \$2.134 million. The project will replace hundreds of leaking (and frankly, dangerous) Victaulic rings by welding pipes and adding shutoff valves. These improvements would require an invasive phased project that would include wall and ceiling access to weld and re-seal the steam lines. ENERGY CONSERVATION VICTAULIC FITTINGS REPLACEMENT Estimated Cost: \$2,134,516

2. Elevator and Escalator Compliance Upgrades The elevators and escalators at the DECC provide critical access points for many individuals. Some of these systems date back to 1966 and are in dire need of replacement. Upgrading these access points will decrease physical barriers to access the DECC’s public spaces, venues, and emergency shelters. ELEVATOR & ESCALATOR COMPLIANCE UPGRADES Estimated Cost: \$2,225,1573.

Symphony Hall Accessibility Project Symphony Hall, \_the Northland’s largest auditorium with 2,221 seats, plans to increase accessibility by modifying and retrofitting the space to be ADA compliant. Built in 1966, some of Symphony Hall’s features unintentionally create physical barriers. To illustrate, the floor incline is overtly steep and is not compliant with the current Americans with Disabilities Act (ADA) requirements, resulting in limited seating options for those with limited mobility. Also, the current seating is not designed to accommodate bodies of all shapes, sizes and statures, resulting in limited or potentially uncomfortable access to the space. The project will replace these nearly 60-year-old chairs with seating that is more appropriate for a variety of body types and sizes. SYMPHONY HALL ADA RETROFITTING & SEATING REPLACEMENTS Estimated Cost: \$1,307,634

**Project Rationale**

(\$ in thousands)

DECC Accessibility and Energy Conservation upgrades

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$5,000	\$5,911	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$5,000</b>	<b>\$5,911</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$500	\$244	\$0	\$0
Project Management	\$310	\$0	\$0	\$0
Construction	\$4,140	\$5,667	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$50	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$5,000</b>	<b>\$5,911</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
DNSSD I&I Reduction Project	1	GO	958	0	0	0	0	0
<b>Total Project Requests</b>			958	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			958	0	0	0	0	0

**DNSSD I&I Reduction Project**

**AT A GLANCE**

**2026 Request Amount:** \$958

**Priority Ranking:** 1

**Project Summary:** \$958,000 in state funds is requested for the design and construction phases in the Duluth North Shore Sanitary District (DNSSD) to reduce inflow and infiltration (I & I) within the sanitary collection system. The project aims to reduce the risk of pollution to Lake Superior and potential overflows within the sanitary collection system.

**Project Description**

The scope of the project entails upgrading the districts aging wastewater collection system. The wastewater collection system serves about 420 homes in the growing community. The project includes replacement of 48 manholes, 2 concrete structures at lift stations, 10 air release valves, and 96 curb stops to reduce I&I. The estimated total cost for this project is \$958,000.

These improvements will make the system more robust against clear water infiltration, prevent damage to other system components, and reduce the risk of pollution to Lake Superior.

**Project Rationale**

Increased frequency and intensity of rain events have exacerbated stresses on existing infrastructure, leading to excessive I&I. This forces users to pay for the treatment of clean water, increases the risk of pipe collapses, causes service disruptions, and potential sewer backups. Moreover, I&I issues threaten Lake Superior's water quality due to potential overflows, posing a serious environmental risk.

Reducing I&I will lower treatment costs, prevent sewer backups, and protect Lake Superior's water quality. Additionally, the project will support economic growth by enabling new development, which is currently hindered by existing infrastructure capacity limitations.

DNSSD has planned for incremental improvements to its infrastructure; however, the urgency of resolving the I&I issues is incompatible with this approach because Resource Renew (Formerly Western Lake Superior Sanitary District) may halt new connections and development until significant reductions in I&I are achieved.

**Project Timeline**

Engineering Design: July - August 2026  
 Bidding: August 2026  
 Construction: September 2026 - October 2027

The City will follow The City of Duluth design standards and construction requirements as the system

lies mostly within the city of Duluth and the surrounding towns adopted the City of Duluth Standards. Other entities that require coordination are the City of Duluth, MPCA, Resource Renew, and St. Louis County.

**Other Considerations**

DNSSD has above average rates in the state with \$102.00 per month usage fees and a \$850.00 debt service fee per customer per year. Increased rain events are putting unforeseen strain on the aging system. As damage occurs to system infrastructure, I&I into the system increases and repairs put additional burden on the users. Every community including DNSSD has a responsibility to reduce I&I to help alleviate peak flows into Resource Renew's treatment system. Without a reduction of I&I within the system, Resource Renew may halt approval of new connections limiting potential housing growth within the district.

**Impact on State Operating Subsidies**

None. Normal operation and maintenance costs will be the responsibility of DNSSD.

**Who will own the facility?**

The project will be located within public right-of-way or utility easements and is owned by the Duluth North Shore Sanitary District.

**Who will operate the facility?**

The Duluth North Shore Sanitary District will operate the project.

**Who will use or occupy the facility?**

Homeowners and businesses within the sanitary district will use the sanitary system once the project is completed.

**Public Purpose**

The DNSSD system will have a reduced risk of failures leading to overflows and backups into homes. This project will reduce I & I, protecting the water quality of Lake Superior by not over loading the system equipment, pumps, and Resource Renew's water treatment plant.

**Description of Previous Appropriations**

None

**Project Contact Person**

Jon Loye  
DNSSD District Engineer  
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(\$ in thousands)

**DNSSD I & I Reduction Project**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$958	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$958</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$50	\$0	\$0
Construction	\$0	\$908	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$958</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	N/A
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	Yes
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Duluth Water System Capital Improvements	1	GO	25,636	0	0	0	0	0
Lot D Revitalization Project	2	GO	10,845	0	0	0	0	0
<b>Total Project Requests</b>			36,481	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			36,481	0	0	0	0	0

Duluth Water System Capital Improvements

**AT A GLANCE**

**2026 Request Amount:** \$25,636

**Priority Ranking:** 1

**Project Summary:** The US Environmental Protection Agency (EPA) and the City of Duluth have entered into an Administrative Order on Consent to correct system deficiencies at the water treatment plant and distribution system. We undertake this appropriations request to bring the system into compliance with the Safe Drinking Water Act and the EPA mandates.

**Project Description**

The City of Duluth owns and operates a water utility which serves approximately 105,000 residents in four communities and several major industries in northeastern Minnesota.

The US Environmental Protection Agency (EPA) and the City of Duluth have entered into an Administrative Order on Consent to correct system deficiencies at the Water Treatment Plant and distribution system. The correction of the deficiencies will bring the system into compliance with the Safe Drinking Water Act and the EPA's mandates.

The most critical project is the rehabilitation of five filters and construction of the final sixth filter. The filters are the backbone of the system. This project must be completed before many of the other projects can begin. The cost for the rehabilitation of five filters and construction of a sixth is \$12,648,448.

At the Water Treatment Plant, pertinent improvements required by the EPA's Administrative Order include the repair of currently inoperable flocculation tank mixers at an estimated cost of \$315,661, clearwell & clarifier upgrades estimated at \$436,380 and structural repairs to include a new roof at the historic pump house building with an estimated cost of \$3,478,676.

Several water storage tanks and in-ground reservoirs in the system require exterior painting, interior coating, installation of cathodic protection, structural concrete repairs, and entire replacements of some reservoirs. The overall cost for these improvements is estimated to be \$22,251,433.

A variety of improvements at booster and pumping stations are also part of the Administrative Order. A redundancy requirement for our Airport Booster station is estimated at \$1,527,791 as well as system wide security upgrades estimated at \$253,006.

A project to install backup generators and other electrical upgrades to the historic pump house with an estimated cost of \$4,439,605.

All the above projects are mandated in the EPA's Administrative Order.

The local match to any state bonds will be from a combination of water utility capital improvement funds generated through municipal water sales, water Infrastructure Surcharge funds imposed on all water users, and PFA or revenue bonds if necessary.

### **Project Rationale**

The main purpose of the City of Duluth's water treatment plant and distribution system is to provide a safe, reliable source of drinking water for Duluth and the three other communities it supplies water to: Hermantown, Proctor, and Rice Lake, serving a total population of about 105,000. The system was initially built in the 1880s, with many assets still in use today. Duluth is well aware of the condition of some of those assets and their need for rehabilitation or replacement. Long-range plans were in place to make those corrections, but the deficiencies identified in the EPA's inspection and the mandates in the Administrative Order greatly accelerated the timeline and the need for a large amount of money to be available now to fulfill the requirements of the Order.

### **Project Timeline**

2026: Filter 6 and 1-5 Rehabilitation, Upper Lakeside Interconnect Phase 2, Lakewood Generator, Tank Modifications, WTP Clearwell and Clarifier  
2027: Lakewood Structural Repairs, Flocculator Basin Repairs, Woodland Res #1, Reservoir A Repairs, Airport Booster Redundancy, Middle Reservoir, Reservoir Modifications  
2029: Security Upgrades

### **Other Considerations**

The City of Duluth operates a regional water system serving the cities of Duluth, Hermantown, Proctor, and Rice Lake (approx. 105,000 pop), as well as approximately 13 million commuters and tourists to the region. Annually the City commits nearly \$3-5M in capital improvements, mainly consisting of water main replacements coinciding with State, County and City road replacements. This project will allow the City to address improvements to its water treatment plant and distribution system that otherwise would not be accomplished without help from the State of MN Capital Bond funds

### **Impact on State Operating Subsidies**

All operating costs will be incurred by the City.

### **Who will own the facility?**

The City of Duluth owns the Water Treatment Facility and the distribution system.

### **Who will operate the facility?**

The City of Duluth Public Works & Utilities Department will operate the project.

### **Who will use or occupy the facility?**

The City of Duluth owns and will occupy the project. The City of Duluth is a regional provider of water to the communities of Hermantown, Proctor, and Rice Lake.

### **Public Purpose**

Duluth's public water utility supplies potable water for approximately 105,000 residents in Duluth, Hermantown, Proctor, & Rice Lake and nearly 13M annual commuters and visitors. No other options are available to provide water to this region.

**Description of Previous Appropriations**

None.

**Project Contact Person**

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(\$ in thousands)

Duluth Water System Capital Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$25,636	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$25,637	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$51,273</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,500	\$0	\$0
Project Management	\$0	\$1,500	\$0	\$0
Construction	\$0	\$42,350	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$5,923	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$51,273</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Lot D Revitalization Project**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$10,845
<b>Priority Ranking:</b>	2
<b>Project Summary:</b>	Revitalization of a contaminated site to restore industrial working waterfront, public water access, construct the University of Minnesota's Large Lakes Observatory and add new housing.

**Project Description**

Also known as "the Wharf," the Lot D project will construct publicly owned infrastructure as the first step towards redevelopment of the blighted site. This will include seawall repairs and construction, connection of utilities, demolition and removal of debris, transportation facilities upgrades, site preparation, including soil correction, and other improvements.

Lot is a 12-acre site with 1,550 total feet of waterfront, including frontage on the adjacent slip and on the Lake Superior Harbor. There are several challenges to readying site for development, including protecting prior state-funded cleanup investment.

Environmental investigation along the dock walls shows continued erosion containment infrastructure. The current physical condition of the dock wall is poor and deteriorating, representing a public health hazard. Contaminated soil where ships were historically unloaded also requires remediation. A raised, steel-reinforced concrete foundation of approximately one acre is located on site and requires demolition.

Re-development will occur in phases, with the first phase towards remediation, seawall construction, utility, roadway and park, and other public infrastructure. This will coincide with vertical development planning and design, and begin with a strategic approach that prioritizes investments near the waterfront (dock wall improvements and public spaces) in the southeast quadrant.

Reuse of the site is consistent with the City's Comprehensive Plan and support a mix of uses (commercial, office and housing) that complement the Bayfront District and its surrounding neighborhoods. In order to create a viable mixed-use district, the public realm will play an integral role in helping create a vibrant destination. The two neighboring properties of Compass Minerals and Pier B provide this site with the opportunity to serve as a transitional property between the industrial uses of the working-harbor, and the entertainment, dining and hospitality uses present on the Bayfront.

**Project Rationale**

Lot D is the last undeveloped, guided mixed-use parcel along Duluth’s 26-mile waterfront. Located in the high-visibility Bayfront District, it offers sweeping views of the Aerial Lift Bridge and the working harbor. Redevelopment of this site is urgent and critical for multiple reasons: restoring the industrial

waterfront to support destination manufacturing and job creation; serving as the top candidate for the University of Minnesota’s Large Lakes Observatory facility and vessel dock; addressing the erosion of seawall infrastructure and safeguarding state-funded environmental cleanup investments; providing much-needed housing to meet existing and future demand; and activating a vibrant public space with access to the water and harbor views. Lot D represents a rare opportunity to deliver economic, environmental, educational, and community value at the heart of Duluth’s waterfront.

### **Project Timeline**

Project will begin with design work starting July 2025 and construction starting in May of 2026. Mid-point of construction will be by September 2026 with an end of construction by May 2027.

### **Other Considerations**

#### **Impact on State Operating Subsidies**

No impact

#### **Who will own the facility?**

The City of Duluth and the Duluth Economic Development Authority will continue to own the site during the pre-development activities and continue to own and maintain the public improvements made.

#### **Who will operate the facility?**

The purpose of the project is the re-use and development the 12-acre waterfront site through a Public Private Partnership with the City of Duluth on the site owned by the Duluth Economic Development Authority. Capital funding will allow for the completion of necessary site stabilization and readiness, including seawall repairs, utilities, and demolition of structures.

#### **Who will use or occupy the facility?**

The site will be used and occupied after redevelopment by: · The University of Minnesota City of Duluth - specifically their Large Lakes Observatory (LLO) staff and students; · The City of Duluth–Public Facilities and Parks Department for maintaining the public areas and parks; · Compass Minerals, a private business, as well destination manufacturing businesses. · Residents and tourists accessing the waterfront, as well as retail opportunities. · Residents will use the site for housing.

### **Public Purpose**

University of Minnesota Duluth’s (UMD) LLO vessel currently docks in Superior, WI due to limited infrastructure in Duluth. UMD proposes a new facility to support climate research and public access. The City of Duluth aims to redevelop the area with open spaces, educational facilities, and public water access, focusing on mixed-use development that includes ground-level commercial uses and upper-level residential housing.

### **Description of Previous Appropriations**

None.

**Project Contact Person**

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Director, Planning and Economic Development  
218-730-5299  
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(\$ in thousands)

Lot D Revitalization Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$10,845	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$10,845	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$21,690</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$1,429	\$0	\$0
Design Fees	\$0	\$2,859	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$16,205	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$1,197	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$21,690</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Industrial Park Street & Utility Reconstruction	1	GO	6,419	0	0	0	0	0
<b>Total Project Requests</b>			6,419	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			6,419	0	0	0	0	0

**Industrial Park Street & Utility Reconstruction**

**AT A GLANCE**

**2026 Request Amount:** \$6,419

**Priority Ranking:** 1

**Project Summary:** The City of East Grand Forks is requesting \$6,419,489 in state funds to support approximately 50% of the total project cost for critical replacement and reconstruction of the street and utility infrastructure within its Industrial Park. The current Industrial Park streets, stormwater, and sanitary sewer infrastructure is aged beyond its useful life and undersized for today's use and function of the Industrial Parks needs.

**Project Description**

A top priority of the City of East Grand Forks and its business community is to improve the condition of the street and utility infrastructure network in its Industrial Park, located south of U.S. Hwy 2 and east of 5th Ave NE. Improvements and replacement of the existing Industrial Park infrastructure will support efficient and safe access for existing business and future economic growth within the East Grand Forks Industrial Park.

In recent years, the City has been collaborating with businesses within Industrial Park, the Greater Grand Forks Metropolitan Planning Organization (MPO) and the MPCA to study and plan for needed replacement of the Street and Utility Infrastructure in Industrial Park. In summer 2025, the City will be completing a stormwater planning study and complete stormwater modeling to better prepare the area for the needs of the Park, including comprehensive street construction to withstand the demands of current and future transportation needs, as well as right sized storm and sanitary sewer systems to meet the demands of current and future weather-related events.

Project Scope will include replacement of approximately 1.67 miles of roadway as well as the supporting stormwater and sanitary sewer located within the right-of-way.

Streets replaced/reconstructed in this project include the following:

- 10th St NE from 5th Ave NE to 1100 feet east of 15th Ave SE
- 11th Ave Se from 10th St NE to U.S. Hwy 2
- Hwy 2 Frontage Road from 11th Ave to 15th Ave

Total Project Cost of the planned improvements is estimated at a 2025 cost of \$11,641,978. This project estimate includes preparation of final design and specifications, project construction, and engineering oversight, inspection/administration.

**Project Rationale**

There are several rationale which support the need for this project to receive state funding.

- 1. Economic Development (Business Retention and Expansion) and Financial Burden of repairs:** The current Industrial Park is approximately 142 acres and includes approximately 21 acres of open bare lots which are ready for development. The current condition of the existing roadways/infrastructure is an immediate barrier to investment in these properties. The need for replacement and financial burden imposed by Special Assessments faced by a potential business development is difficult to overcome. This shared concern for future Special Assessments also places additional burden on existing Industrial Park businesses. Existing businesses that have expressed desire for expansion of their industry within the Park are faced with weighing the cost of future special assessments as they consider their capital investment needs. Additionally, Burlington Northern Sante Fe (BNSF) railway is the the property owner to the south of 10th St NE. This property is the former site of a railroad which has been removed, and BNSF has no active use for the property. With no financial benefit to the street and infrastructure improvements, BNSF has stated they have no intention of participating in a special assessment project along this corridor. Without state funding, the financial responsibility of this property would be spread to the City of East Grand Forks and/or the other properties located along the north side of 10th St NE corridor. Findings of this study show the proposed project areas are highly rated in terms of need for immediate replacement but lack available funding to complete construction. When consulting with MNDOT programmers and City Staff as part of the Street and Highway Plan, the improvement recommendations are scored as Fiscally Constrained. 11th Ave NE and a section of 10th St NE (between 11th Ave and 15th Ave) were scored as Mid-Term or long-term fiscally constrained, meaning they could see MNDOT/Federal Aid funding in the years 2033-2050. Other portions of the project scope are listed as Illustrative, meaning they have a high need for replacement, but no foreseeable funding identified.
- 2. Transportation Planning and Fiscal Constraint:** Street infrastructure in this project area was studied by the MPO as part of the City's 2050 Street & Highway Plan. The evaluation focused on identifying needs of the existing streets (paved and gravel) to support access to current business and future development needs. Evaluation was supported by community workshops, public input opportunities, and staff discussions throughout 2023.
- 3. Public Safety:** The anchor industry located within the East Grand Forks industrial zone is the American Crystal Sugar Company. Sugar Beet processing completed by American Crystal is one of the primary agricultural and economic drivers within our region, and the East Grand Forks plant is located immediately south of Industrial Park. Currently, American Crystal brings approximately 8,500 round trip semi-truck trips a year in and out of the East Grand Forks plant. The current truck route travels 5th Ave NE south from U.S. Hwy 2 into a southern access into the plant. This route brings all of these truck trips past a popular City Park/Sports Complex (Stauss Park) and residential homes located along 5th Ave NE. With the reconstruction of 10th St NE, American Crystal Sugar has plans for a capital investment project of its property which will bring trucks into the north end of its plant using 10th St NE through the industrial park, and avoiding Stauss Park and the mentioned homes located along 5th Ave NE. In addition to this improvement re-routing truck traffic in and out of American Crystal, improvements in Industrial Park will allow the City to provide a safer route for pedestrians and bicyclists using 5th Ave NE to access Stauss Park, the nearby neighborhoods, and the businesses within Industrial Park.
- 4. Aged Infrastructure and Disruption of Commerce during extreme weather events.** The City's stormwater infrastructure in this area is currently out-date and no longer able to withstand the

demand called upon it during heavy rainfall events. It is common for street and overland flooding to occur during extreme weather events which causes immediate and on-going interruption of commerce within the Park. On six occasions throughout 2024, the streets in Industrial Park have seen significant overland flooding during high rainfall events. This flooding has caused regular interruption of commerce for the businesses located in Industrial Park. There are a number of businesses located within industrial park that have experience significant impact to their operations during high rainfall/street flooding events including, the North Country Food Bank, Douglas Place Residential Treatment Facility, R.J. Zavoral & Son's Construction, Hawks Manufacturing, and Northern Valley Machine. The operation of these businesses is unique to the East Grand Forks Industrial Park, particularly in the case of the North Country Food Bank and the Douglas Place Residential Treatment Facility.

**North Country Food Bank** is headquartered in East Grand Forks and is the largest hunger-relief organization in northwest and west central Minnesota. Each year it distributes more than 6 million pounds of food (enough food for 5.2 million meals), which feeds approximately 35,000 people across northwest MN. Its 35,000 sq foot office and warehouse location in the East Grand Forks Industrial Park sees numerous shipping/receiving trucks and vans going in and out of the park on a weekly basis.

**Douglas Place Residential Treatment Facility** is an alcohol and drug rehab center, located in Industrial Park (on 11th Ave SE and U.S. Hwy 2 Frontage Road), that provides addiction treatment to men and women in the East Grand Forks area. This treatment facility sees a high level of resident and employee traffic in and out of the property via the roads included in this project. Having safe and accessible vehicle and pedestrian access is imperative to the successful operation of this treatment facility.

## **Project Timeline**

Summer/Fall 2026 secure funding and start project design, development of Plans/Specifications  
Winter 2026/Spring 2027: Project Bidding and Award  
2027: Construction and substantial completion  
Fall/Winter 2027 - Project Closeout

## **Other Considerations**

### **Impact on State Operating Subsidies**

None

### **Who will own the facility?**

The City of East Grand Forks will own and maintain all roadways and utilities replaced within the project scope.

### **Who will operate the facility?**

The City of East Grand Forks will be responsible for the operation and maintenance of the roadways, stormwater and sanitary sewer utilities constructed through the project.

### **Who will use or occupy the facility?**

The project will be used by the traveling public, transportation companies, and pedestrians.

**Public Purpose**

To improve the safety and mobility of the users of the transportation system and to eliminate existing dangerous conditions for transportation of vehicles, trucks, and pedestrian traffic within Industrial Park. The proposed street and utility replacement will improve access and operations for all businesses and customers of businesses within Industrial Park.

**Description of Previous Appropriations**

There have been no previous state appropriations made to fund this project. The City of East Grand Forks last received an appropriation in the form of a Capital Bonding grant to support construction of its wastewater interconnect project in 2017. This grant total was \$5.3 Million and was received in 2017.

**Project Contact Person**

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(\$ in thousands)

**Industrial Park Street & Utility Reconstruction**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,419	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$6,420	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,839</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,075	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$10,567	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$1,197	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,839</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Eden Prairie Police & Fire Specialized Response Garage	1	GO	2,233	0	0	0	0	0
<b>Total Project Requests</b>			2,233	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,233	0	0	0	0	0

**Eden Prairie Police & Fire Specialized Response Garage**

**AT A GLANCE**

**2026 Request Amount:** \$2,233

**Priority Ranking:** 1

**Project Summary:** We are asking for legislative support of \$2.233 million in bonding for the City of Eden Prairie to design, construct, furnish, and equip a garage and storage facility to house regional fire, police, and other public safety equipment and vehicles to serve Eden Prairie and surrounding communities.

**Project Description**

This project is seeking state bonding funds to construct a 5,500 square foot addition to the New Eden Prairie Police Station that will provide specialty vehicle and equipment storage for the police and fire departments to serve the city of Eden Prairie and the surrounding areas. The proposed addition will include a roof designed to accept solar panels for on-site renewable energy. The addition is planned with durable, long-lasting materials that will provide a secure shelter for storing and maintaining valuable assets to the community. This addition will complete a total \$28.6 million project to remodel open space in the existing Eden Prairie City Center to function as a new police department. The city has been able to secure \$26.5 million in general obligation bonds and is requesting the remaining \$2.233 million (with inflation) in appropriations for the garage addition to house police and fire specialty equipment and response vehicles.

**Project Rationale**

The City of Eden Prairie is in need of a centralized facility to store multiple pieces of public safety equipment that serve the city and surrounding communities. In 2025 the city will take delivery of a new Police and Fire Mobile Command Center (MCC) which will be one of the most modern and well-equipped in the area. The MCC will be a valuable asset for surrounding partner agencies and will be housed in Specialized Response Garage. This new space would also house our Crisis Negotiations and Tactical Response equipment that we utilize as part of a regional emergency response team. Our team is seen as a leader in robotics and technology use for de-escalation. This specialized equipment needs to be stored in a centralized location near the police department for the best possible response outcomes. Another regional benefit of the new space is our ability to house our equipment for the West Metro Mobile Field Force team. This will provide response readiness should the need arise.

**Project Timeline**

Once funding is secured, the project is expected to take approximately 8-10 months for planning and design through to final occupancy. Ground breaking would be anticipated around June 2026.

**Other Considerations**

The remodeled police department will house personnel and equipment used to serve the citizens of Eden Prairie as well as the surrounding communities. Many pieces of search, rescue, tactical and ed-escalation equipment will be stored within the department project. The MCC and other tactical and rescue vehicles planned for the SRU Garage do not fit inside a typical garage or the existing facilities provided on site. The appropriations would allow for the addition to the building and would complete this important project, designed to continue the service to many in the region.

**Impact on State Operating Subsidies**

NA

**Who will own the facility?**

The Eden Prairie Police & Fire Departments

**Who will operate the facility?**

The Eden Prairie Police & Fire Departments

**Who will use or occupy the facility?**

The Eden Prairie Police & Fire Departments

**Public Purpose**

In 2026 the city will take delivery of a new Police and Fire Mobile Command Center (MCC) which will be one of the most modern and well-equipped in the area. The MCC will be a valuable asset for surrounding partner agencies as well. This Specialized Response Garage will house the MCC as well as other area response police and rescue equipment.

**Description of Previous Appropriations**

In 2017 the City of Eden Prairie was awarded \$1.4 million in bonding appropriations for the "Rail Grade Crossings" project to design, construct and equip new passive and active rail grade crossing warning safety devices.

**Project Contact Person**

Matt Sackett  
Police Chief  
952-949-6262  
msackett@edenprairie.org

(\$ in thousands)

**Eden Prairie Police & Fire Specialized Response Garage**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,233	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$26,500	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$26,500</b>	<b>\$2,233</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$1,320	\$46	\$0	\$0
Project Management	\$0	\$24	\$0	\$0
Construction	\$23,258	\$1,900	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$26	\$18	\$0	\$0
Occupancy Costs	\$1,896	\$112	\$0	\$0
Inflationary Adjustment	\$0	\$133	\$0	\$0
<b>TOTAL</b>	<b>\$26,500</b>	<b>\$2,233</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Elysian Water Improvement Program 2026	1	GO	5,000	0	0	0	0	0
<b>Total Project Requests</b>			5,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			5,000	0	0	0	0	0

## Elysian Water Improvement Program 2026

**AT A GLANCE****2026 Request Amount:** \$5,000**Priority Ranking:** 1

**Project Summary:** The City of Elysian requests \$5,000,000 for constructing a filtration water treatment plant. This facility will remove radium from the primary water supply and iron and iron bacteria from the secondary well, ensuring a redundant water supply as recommended by the Ten States Standards for Drinking Water Systems. This project will enhance water quality and reliability for the community.

**Project Description**

The City of Elysian is undertaking a critical project to improve its drinking water infrastructure in response to the Minnesota Department of Health's (MDH) corrective action for exceeding radium limits. The project involves constructing a new water treatment plant (WTP) at a total cost of \$9,100,000. This new facility, covering approximately 3,400 square feet, will significantly reduce radium levels to meet the acceptable limits set by the Minnesota Pollution Control Agency (MPCA).

The scope of the project includes the installation of a comprehensive water filtration system that utilizes raw water from multiple wells. The process begins with an aerator to oxidize contaminants, followed by a detention tank where particles settle out. The water then passes through gravity filters to remove additional impurities. Key components of the system include pumps, blowers, and a backwash tank to clean the filters and maintain efficiency.

A crucial part of the treatment process is the Reverse Osmosis (RO) system, which employs a skid-mounted membrane setup. This advanced technology forces water through semi-permeable membranes, effectively removing dissolved solids, including radium and other harmful contaminants. The inclusion of the RO system will allow removal of point-of-use (home) water softeners, a major source of chlorides which poses environmental risks. Chloride discharge continues to face increasing restrictions by the MPCA.

Funding for this project is essential to ensure compliance with health standards and to provide safe drinking water to Elysian residents. The primary funding sources include state grants, local government contributions, and potential federal assistance. This investment will not only address current water quality issues but also enhance the reliability and sustainability of the city's water supply for the future.

**Project Rationale**

In November 2020, the City of Elysian was notified by the Minnesota Department of Health (MDH) that its primary well exceeded the maximum contaminant level (MCL) for gross alpha and combined

radium 226 and 228. These contaminants pose a significant health risk, increasing the likelihood of cancers. MDH requires corrective action.

The City of Elysian, with a population of approximately 708, relies on two wells, an elevated water tower, and a distribution system. Currently, only the well near the water tower provides potable water, as the second well is contaminated with iron bacteria. Despite efforts to reclaim it, the second well remains unusable without a treatment facility.

### **Project Timeline**

Final Design - Spring 2026  
Bids - Summer 2026  
Begin construction - Summer/Fall 2026  
End Construction - Summer 2028

### **Other Considerations**

Reducing radium in drinking water is an essential safety issue, as set by the Minnesota Pollution Control Agency (MPCA). The City of Elysian has violated these limits, necessitating immediate improvements to ensure the safety of its citizens. This project, however, imposes a significant financial burden on residents, making the cost per household uneconomical. Assistance from the bonding bill is crucial to make this project affordable, ensuring a safe drinking water environment for all. It is vital for the City to provide its citizens with clean, safe, and drinkable water.

### **Impact on State Operating Subsidies**

For the City of Elysian's water treatment plant, the primary focus is on securing capital funding for construction. If the plant's operational costs are manageable within the city's budget or through other funding sources, the impact on state operating subsidies would be non-existent.

### **Who will own the facility?**

City of Elysian

### **Who will operate the facility?**

City of Elysian

### **Who will use or occupy the facility?**

City of Elysian

### **Public Purpose**

The public purpose of this project is to ensure the health and safety of Elysian's residents by reducing radium levels in drinking water to meet regulatory standards. This improvement is essential to prevent health risks, including cancer, associated with radium exposure. By securing funding, the City can provide clean, safe, and reliable drinking water, fulfilling its duty to protect public health and well-being

### **Description of Previous Appropriations**

The project received \$3.5 million from the bonding bill in 2023. However, additional funding is required to fully cover the project's costs and ensure it remains affordable for Elysian residents. This further support is crucial to complete the water treatment plant and provide safe drinking water to the community.

**Project Contact Person**

Lorri Kopischke  
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507-267-4708  
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(\$ in thousands)

**Elysian Water Improvement Program 2026**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,000	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$4,100	\$0	\$0
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$9,100</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$750	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$8,350	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$9,100</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Excelsior Infrastructure Projects	1	GO	12,622	0	0	0	0	0
<b>Total Project Requests</b>			12,622	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			12,622	0	0	0	0	0

## Excelsior Infrastructure Projects

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$12,622
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	Excelsior is requesting \$12.622M in bonding support for replacement of 100-year-old drinking water pipes, sanitary sewer, and street replacement in the oldest residential sections of the city directly adjacent to the downtown commercial zone, along the Commons park, and at Galpin Lake.

**Project Description**

Excelsior is over 170 years old with infrastructure that is in the range of 75-100 years old. The drinking water pipes do not meet current health and safety standards, we have brown water, lead pipes, and frequent water main breaks. Excelsior has contaminated soils throughout the city.

The sanitary sewer pipes are clay tile pipe, showing signs of cracking and tree root intrusion and are susceptible to inflow and infiltration to groundwater. Improving the sanitary sewer will reduce infiltration and inflow, improving local and regional sanitary sewer capacities, as well as mitigating environmental risk of impacting groundwater.

The stormwater management systems were designed decades ago under design criteria which do not represent current precipitation patterns and do not provide adequate capacity to address climate change in Minnesota. Improving storm sewer and stormwater management will improve water quality in Lake Minnetonka as well as addressing climate resiliency risk. Increasing capacity will mitigate localized flooding during rain events which over-tax the existing system on an increasing basis due to climate change.

All public infrastructure projects from 2017 through 2021 required removal of environmentally contaminated soils to designated landfill sites. Addressing this environmental contamination mitigates the risk of contamination of groundwater and flow through to Lake Minnetonka.

**Project Rationale**

Fifteen years ago, Excelsior identified long-deferred infrastructure maintenance and responsibly issued \$22M in bonds to begin to address the issue. The City has levied 8-13% annually to cover these bonds. In addition, the water base rates have increased by 179% and water volume rates were increased by 40%. As a very small City, our bonding capacity is stretched thin and our water rate increases are unsustainable. Residents are squeezed by market valuation increase on top of the levy and utility rate increases.

Excelsior is less than 1 square mile and 45% of the land is property tax exempt with schools, religious

institutions, and parks. The median household income is 13% below the Minneapolis/St. Paul area and 17% of the population is below the federal poverty level. 61% of Excelsior's housing is rental with 56% of the units classified as affordable. 41% of renters in Excelsior are experiencing housing cost burden.

We have done our part in recognizing the problem and paying our own way for 15 years. We now need the State's help.

### **Project Timeline**

If bonding support is received, special assessment procedures will be authorized as a City-initiated public improvement project for construction during the construction seasons 2026, 2027, and 2029.

### **Other Considerations**

#### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

The City of Excelsior

#### **Who will operate the facility?**

The City of Excelsior

#### **Who will use or occupy the facility?**

All residents of Excelsior are served by these streets (with one exception, the Galpin Lake Area is separated from Excelsior by state highway 7) and the water, sewer, and stormwater systems are looped so that impact is felt across the city. Visitors travel along these streets and access the Commons park, through these streets.

### **Public Purpose**

To provide safe and drinkable water, replace clay tile sanitary sewer pipes that are cracked and an environmental risk, upgrade the design of stormwater pipes to address climate change overflow of current outdated system.

### **Description of Previous Appropriations**

None

### **Project Contact Person**

Kristi Luger  
City Manager  
952-653-3672  
kluger@excelsiormn.org

(\$ in thousands)

Excelsior Infrastructure Projects

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$12,622	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$665	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$13,287</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,115	\$0	\$0
Project Management	\$0	\$280	\$0	\$0
Construction	\$0	\$11,892	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$13,287</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Public Safety Government Center	1	GO	6,161	0	0	0	0	0
<b>Total Project Requests</b>			6,161	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			6,161	0	0	0	0	0

Public Safety Government Center

**AT A GLANCE**

**2026 Request Amount:** \$6,161

**Priority Ranking:** 1

**Project Summary:** The Local Government Capital Request is to provide funding dollars for the acquisition of land, demolition, soil remediation, architectural design, project management, and construction of a public safety emergency building that will house both the city of Fairmont Fire Department and city of Fairmont Police Department. The project will result in a best practice approach to regional public safety and emergency management services.

**Project Description**

The City does not currently own the referenced property, however project representatives have indicated that it is ideally located for response times and could be acquired by the City. 2. Parcels 230400320, 230400300, 230400290, 230400280, and 230400270 are zoned as B-2 Central Business which has no setback or building size limitations. Parcel 230400260 is zoned as L-1 Light Industrial which has setback requirements of 40ft min. front yard, 15.5ft min. side yards, and 30ft min. rear yard. 3. The structures on parcels 230400320, 230400300, and 230400290 would need to be removed. 4. The structures on parcel 230400310 is assumed to remain in-place, but ideally could be acquired by the City for ease of construction and potential stormwater retention. 5. The half alleyway off of W 4th St would need to be included in the proposed property acquisition. 6. Street parking on the west side of Downtown Plaza would need to be removed and/or reworked. 7. An overhead power line that runs halfway through the site would need to be buried or re-routed. 8. Markers around and in the middle of the site indicate that there may be a buried gas line cutting through the property. This gasline would need to be confirmed and possibly relocated, depending on project layout. 9. The southeast corner is the highest point with the site falling 12ft to northwest corner of the site which is lowest point

This project combines the program needs of the Fire Department and Police Department in one two-story 30,190 SF facility. The Police Department would have 3 squad bays on the southwest corner of the building, and they would be able to depart the facility to the south onto W 4th ST. The Fire Department would have 6 pull-thru apparatus bays on the north side of the building and they would be able to depart east onto Downtown Plaza. The main building entrance would be located on the west side, off of a parking lot that would serve the Police Department and anyone from the general public visiting the facility. Firefighter parking is located along the west side of the return apparatus apron which would be restricted access. Additional lower-level lot is subject to change or removal depending on stormwater retention needs of the site. Retaining walls and fill would need to be incorporated into the design to create a level site for Fire Department operations.

FIRST LEVEL The first level plan shows the proposed arrangement of spaces that works best with Fire on the north half of the first level and Police occupying the south half of the first level. This arrangement allows for 6 pull-thru apparatus bays, 3 back-in squad bays, and all Police functions on the first level. Note: due to site constraints the requested 8 pull-through bays do not appear feasible unless the City were to acquire the alley property to the north, however a couple of bays could be elongated to fit additional command vehicles or smaller trucks 3-deep.

SECOND LEVEL The second level would be completely controlled access for fire personnel only. The hose tower is the only part of the facility that is 3-stories tall and also serves as the roof access for the building. There are opportunities for a rooftop patio to be included on this level if that is desired.

## **Project Rationale**

Brunton Architects & Engineers was commissioned by the City of Fairmont, MN to complete a comprehensive study for the feasibility of an upgraded Fire Station with the option to add space for Police and/or City Hall if new construction is selected. At the time of the study, the Fairmont Fire Department already had a Facility Assessment study of their facility completed in 2015 by different firm. The City requested that a single-use and multi-use facility be evaluated in this study to allow them to make an informed decision regarding what programmatic elements could work on the proposed site, and evaluate the respective costs between remodel/addition or new construction

The feasibility study process began with touring the existing fire station and city hall, as well as reviewing the previous facility assessment that was provided to us by the City. The previously contracted firm evaluated the existing fire station facility, potential improvements, and combination renovation/addition projects. At the time of our review, the City was interested in exploring options for a combined fire, police, and/or city hall facility. Additionally the previous study and cost estimates were out-of-date for any renovation/addition work that could be done to the existing fire station facility. Meetings were conducted with Fire Department Personnel and the City Director of Public Works/Utilities to review the desired space needs and discuss functional needs specific to each department. Our team used this information, industry standards, and professional experience to generate a programming document that would be used to inform the building square footage and footprint. The team also reviewed the Fairmont Forward document, Fairmont zoning and ordinance guidelines, and toured the downtown area of Fairmont to gain a better understanding of the project needs within the larger context of the City and its future growth projections. These findings informed programmatic recommendations and site layouts. The next step in the process was to take the program and turn the desired spaces into scaled site block diagrams. The team used information from the Martin County GIS database, Google Earth imagery, and visual observations to develop site context diagrams. This exercise was completed for renovation/addition options to the current fire station facility and for a combined new construction facility. Separation of vehicular and fire apparatus traffic was the primary driver in the traffic flow analysis, prioritizing safety and site lines. After reviewing site layouts with the building committee, it was determined that cost estimates would be required prior to pursuing further design. Therefore, Brunton shifted to finalizing detailed site block concepts. Our understanding of the functional needs of these departments, professional expertise, future expansion needs and desire for simple geometry for construction efficiencies informed the various iterations of site block diagrams. The final step in the feasibility study process was to use the site block diagrams to generate a professional opinion of probable costs. Our Construction Specialist took the renovation/addition and new construction options, project square footage, footprint, sitework, market data and comparable examples to itemize a list of costs to

complete the proposed project options. Multiple options were proposed to help the city evaluate which concept would work best for their community

### **Project Timeline**

Our findings conclude that various renovation/addition and new construction concepts are feasible on the proposed sites. Considering the age of the facility, the cost of the necessary upgrades, interruption to operations and the safety concerns that will remain, it is our professional opinion that a new construction concept on a new site will provide significantly greater value to the City of Fairmont. A newly construction facility that can combine with additional uses will allow for departments to continue operations during construction and create efficiencies by sharing spaces and infrastructure. The proposed site can provide all of the requested program elements in some fashion, but would likely have to utilize on-street parking. The cost estimates above are Brunton's best estimate of what the project concepts may cost if they were to begin construction in the Spring of 2025. The estimates do not include any land costs. These estimates are subject to fluctuations in the market for materials, labor, and supply chain delays. If approved to move forward with the design, Brunton Architects & Engineers will work closely with the City of Fairmont to refine the scope to meet the desired budget, evaluate further opportunities to control costs, and incorporate bid alternates. Brunton will also assist with additional cost estimates throughout the design process to ensure the established budget is maintained.

### **Other Considerations**

Our findings conclude that various renovation/addition and new construction concepts are feasible on the proposed sites. Considering the age of the facility, the cost of the necessary upgrades, interruption to operations and the safety concerns that will remain, it is our professional opinion that a new construction concept on a new site will provide significantly greater value to the City of Fairmont. A newly construction facility that can combine with additional uses will allow for departments to continue operations during construction and create efficiencies by sharing spaces and infrastructure. The proposed site can provide all of the requested program elements in some fashion, but would likely have to utilize on-street parking. The cost estimates above are Brunton's best estimate of what the project concepts may cost if they were to begin construction in the Spring of 2025. The estimates do not include any land costs. These estimates are subject to fluctuations in the market for materials, labor, and supply chain delays. If approved to move forward with the design, Brunton Architects & Engineers will work closely with the City of Fairmont to refine the scope to meet the desired budget, evaluate further opportunities to control costs, and incorporate bid alternates. Brunton will also assist with additional cost estimates throughout the design process to ensure the established budget is maintained.

### **Impact on State Operating Subsidies**

The impact of the investment will have a positive effect by synergistically providing emergency management services and law enforcement services productively and efficiently for the Martin County region.

### **Who will own the facility?**

The city of Fairmont.

**Who will operate the facility?**

The city of Fairmont.

**Who will use or occupy the facility?**

The city of Fairmont Fire Department and the city of Fairmont Law Enforcement Department.

**Public Purpose**

The public purpose of the project is met by providing emergency management services and law enforcement services regionally to greater Martin County region.

**Description of Previous Appropriations**

The city of Fairmont has not received previous appropriations.

**Project Contact Person**

Pat Oman  
Community Development Director  
507-432-6528  
poman@fairmont.org

(\$ in thousands)

Public Safety Government Center

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,161	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$6,161	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,322</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$12,322	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,322</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Drinking Water and Sanitary Sewer Infrastructure Improvements	1	GO	7,900	0	0	0	0	0
<b>Total Project Requests</b>			7,900	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			7,900	0	0	0	0	0

**Drinking Water and Sanitary Sewer Infrastructure Improvements**

**AT A GLANCE**

**2026 Request Amount:** \$7,900

**Priority Ranking:** 1

**Project Summary:** Flensburg's existing sanitary sewer infrastructure and its lack of safe drinking water infrastructure are causing serious health and sanitation issues, and these issues will continue to increase until the City replaces these systems. Of immediate concern is an underground fuel storage tank contamination site that has been releasing petroleum products into the soil and groundwater. An additional concern is the failing sanitary sewer system due to its age and poor condition.

**Project Description**

The proposed drinking water infrastructure project will include installation of a new drinking water distribution system, two new wells, a new well house, and a new water tower. The project will include service connections to the homes and businesses in the City. The new drinking water distribution system includes installation of 8,600 LF of 6” watermain, 3,000 LF of 1” water service pipe, watermain fittings, gate valves, hydrants, water service lines from the mains to the edge of ROW, water service curb stops, and water service meters. Two new wells, with a capacity of 50 gpm each, will be drilled in an area to the southwest of the City up to 10,000 LF away. The proposed well house will include fluoride for dental hygiene and chlorine for disinfection, well pumps, a pressure tank to provide system pressure, and electrical and control equipment. A new 50,000-gallon elevated water storage tank, with a recirculation pump and mixer will be constructed, including electrical and controls and watermain connection to the new water distribution system. The proposed sanitary sewer project will include installation of 7,600 LF of 8” sanitary sewer, new precast concrete sanitary manholes, 1,750 LF of 4” sanitary sewer service lines between the new mains and ROW, excavation and disposal of contaminated soil, and meter building improvements. Surface restoration would be required in areas of open cut installation. It is anticipated that during construction contaminated soils will be encountered, which will require disposal at a landfill. Costs for surface restoration will be apportioned according to the guidance found in USDA RD RUS MN 1780 Guide 43.

**Project Rationale**

The City of Flensburg has an immediate concern regarding an underground fuel storage tank that has been releasing petroleum products into the soil and groundwater. Since 1989 the MPCA has categorized it as an active leak site with confirmation that the contamination plume has migrated off site. The situation has been in ongoing remedial mode since it was first reported, however, these efforts have not fully determined the extent of the plume and contamination above thresholds is still

present. Currently, some residents are drinking only bottled water, and one resident has reported smelling petroleum every time their toilet flushes. Municipal drinking water infrastructure is needed to eliminate contaminants from individual shallow sand point wells. Also of immediate concern is the poor condition of the sanitary sewer system. It was constructed in the early 1950s and is composed of vitrified clay pipe (VCP) sewer mains, modular block manholes, and "break-in" style sewer service connections. Televising reports show the pipe to be in poor condition, with many sags, cracks, offset joints, root intrusions, inflow and infiltration (I/I), and several spots where the pipe has moderately collapsed. In the last several years, five of the 45 homes and businesses in Flensburg have reported a sanitary sewer backup as a result of the poor condition of the sewer mains.

### **Project Timeline**

06/01/2026 - Engineering and Design

09/01/2026 - Bidding

10/01/2026 - Start of Construction

10/01/2028 - End of Construction

### **Other Considerations**

The proposed infrastructure improvements are not viable unless the City receives support through grant funding. There is a great need for funding support to address the City's needs in their entirety to support the health and safety of the residents of Flensburg in addition to ensuring the sustainability of the City for future generations.

### **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

### **Who will own the facility?**

The City of Flensburg will own the project.

### **Who will operate the facility?**

The City of Flensburg staff will operate the proposed utility project.

### **Who will use or occupy the facility?**

Residents and visitors of the City of Flensburg will use the utility systems and pay utility fees.

### **Public Purpose**

This project will provide the necessary infrastructure improvements to ensure the health and safety of the residents of Flensburg. Without public drinking water infrastructure, the residents of Flensburg rely on private shallow sand point wells that are highly susceptible to contamination. In 1989, it was discovered and reported to MPCA that underground storage tanks at a site in Flensburg were releasing petroleum products into soil and groundwater. This project will also address numerous problems within the sanitary system such as holes and localized collapses in the VCP that can cause blockages and allow roots to grow into the pipes, which are the likely cause of five backups that homeowners have reported in the last several years. Replacement of the sanitary sewer system is

needed to eliminate and prevent VCP failures including sewer backups, blockages, and to minimize excessive I/I.

**Description of Previous Appropriations**

None

**Project Contact Person**

Carol Merten

Clerk

320-630-0176

cityofflensburg@gmail.com

(\$ in thousands)

Drinking Water and Sanitary Sewer Infrastructure Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$7,900	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$4,951	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,851</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$475	\$0	\$0
Design Fees	\$0	\$728	\$0	\$0
Project Management	\$0	\$1,082	\$0	\$0
Construction	\$0	\$10,566	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,851</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Floodwood West Development Project	1	GO	2,000	0	0	0	0	0
<b>Total Project Requests</b>			2,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,000	0	0	0	0	0

**Floodwood West Development Project**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$2,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of Floodwood is requesting \$2,000,000 in state funds for the design and expansion of water and sewer infrastructure along County Road 832 (Floodwood Road) to enhance business and residential development.

**Project Description**

In 2024, the City of Floodwood took a significant step toward future community growth and housing expansion by purchasing a 127.5-acre parcel of land, which has since been annexed into the City. Using \$263,715 in general fund reserves for the acquisition, the City is now advancing its vision for a mixed-use development that will provide residential, commercial, and industrial opportunities. To support this vision, the City is working with SEH and with InGensa to develop a Master Plan and guide early-stage development efforts. A Phase I Environmental Study has already been completed. The next phase involves extending vital public infrastructure—sewer, water, and roadways—throughout the site to support future development. We are requesting **\$2,000,000** in bonding bill funds to assist in covering the substantial infrastructure costs associated with this transformation.

**Preliminary Development Plan (see attached concept map dated 4/24/2025) includes:**

- **Residential Development:**
  - Single-family housing lots of varying sizes (60’x100’, 80’x100’, 100’x100’)
  - Estate lots
  - A designated area for Commercial Multi-Family "Flex" housing
- **Commercial/Industrial Zones:**
  - A large area marked for future **Industrial** use
  - Commercial/Industrial “Flex” space
  - A designated **Commercial** zone along Hwy 2 frontage
- **Public Infrastructure:**
  - Proposed **street layout** to provide access throughout the site
  - Planned **hydrant placement** in coordination with extended municipal water lines
- **Trails and Open Space:**

- Community **trail corridors** interconnecting residential and green spaces
- Large natural **open space** areas for recreation or conservation
- **Wetland preservation** and a creek running through the southern section

The development has been designed with flexibility to meet a variety of housing and business needs while preserving natural features and encouraging long-term economic growth.

### **Project Rationale**

The City of Floodwood recognizes the urgent need to expand and modernize its infrastructure to support planned residential development and stimulate commercial and retail growth. With the successful annexation of 127.5 acres into city limits and the completion of a Phase I environmental study, the city is actively moving forward with plans to extend sewer, water, streets, and fire protection infrastructure—critical components for future development.

Floodwood’s unique geographic location positions it as a strategic regional hub. Located at the intersection of two major transportation corridors—U.S. Highway 2 and State Highway 73—Floodwood is a natural gateway to the Iron Range and northeastern Minnesota. The city supports multiple regional agencies, including:

- A MnDOT truck station and regional hub
- St. Louis County Public Works operations
- DNR Forestry
- Arrowhead Transit facilities

Floodwood’s emergency service coverage is expansive. The Fire Department services a 288-square-mile area, and the Floodwood Ambulance District serves approximately 320 square miles. Our public school district encompasses 317 square miles, providing K–12 education to students from multiple surrounding communities.

Floodwood Services and Training (FST), a nonprofit that supports individuals with disabilities, draws clients from a service area that extends over 40 miles in all directions. Additionally, the city hosts a medical and dental clinic that provides essential care to underserved populations throughout northeastern Minnesota—further emphasizing Floodwood’s role in delivering critical regional services.

Despite the City’s broad regional impact and responsibilities, Floodwood remains a small, rural community with limited financial resources. The median household income is \$33,274, significantly lower than the St. Louis County average. This disparity underscores the importance of state investment in essential infrastructure to unlock development opportunities and support long-term sustainability without placing undue tax burden on local residents.

Expanding infrastructure in this newly annexed area is a vital step toward improving housing access, supporting economic development, and ensuring that Floodwood can continue to meet the needs of its residents and the broader region it serves.

### **Project Timeline**

- Engineering Design - March 2027
- Project Bid - April 2027
- Award Contract - May 2027
- Project Completion - November 2029

**Other Considerations**

The City of Floodwood has a very low median household income, has a very high low to moderate income percentage, and provides services for a large area surrounding the city.

**Impact on State Operating Subsidies**

The city will be responsible for all annual operating and maintenance cost through the life of the project.

**Who will own the facility?**

Floodwood

**Who will operate the facility?**

Floodwood

**Who will use or occupy the facility?**

The city will own the infrastructure and the developed property will be occupied by residents and businesses in Floodwood.

**Public Purpose**

To provide quality infrastructure for the businesses and residents of the City of Floodwood.

**Description of Previous Appropriations**

2020 Bonding Bill \$2,000,000 for waste treatment plant.  
2023 Bonding Bill \$1,500,000 for infrastructure improvements.

**Project Contact Person**

Corinne Suonvieri  
Deputy Clerk  
218-476-2751  
csuonvieri@ci.floodwood.mn.us

(\$ in thousands)

Floodwood West Development Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$2,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$700	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$3,300	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
River Drive North Project	1	GO	2,450	0	0	0	0	0
<b>Total Project Requests</b>			2,450	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,450	0	0	0	0	0

River Drive North Project

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$2,450
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of Frazee is requesting \$2,450,000 for engineering design, permitting, construction of water and sewer infrastructure and road access and safety along the River Drive North that goes to the new Wannigan Regional Park.

**Project Description**

The City of Frazee, in partnership with Frazee Community Development Corporation, has developed a new Regional Park which is approximately 157 acres. Wannigan Regional Park is located in Becker County, Burlington Township, just on the north side of the City of Frazee and includes roughly .70 miles of Otter Tail River frontage. The site is adjacent to the high school & elementary school complex and is about 0.5 mile from downtown Frazee.

The City of Frazee will work with Ulteig Engineering and Frazee Community Development Corporation (responsible for the Wannigan Regional Park Development) to support the implementation of the city infrastructure expansion project to connect current water and sewer and road improvements to the new Wannigan Regional Park. The North River Loop Project includes infrastructure expansion from County Highway 29 that intersects the southwest side of the park and loops to intersect with Highway 87 to the east of the Park. This project is necessary to support Wannigan Regional Park public utility access to fully utilize amenities in the park. The project will also include road improvements to increase safety and drivability to access the park on the North River Drive.

The City of Frazee will be the owner and manager of the infrastructure project. The City is contracted with Ulteig for city engineering services, and they have completed the estimated costs of the project at \$2.45 Million. Frazee Community Development Corporation is the guarantor for the matching funds, and is responsible for the 80% of the fundraising needed to complete the entire park project. They have already raised over \$3.1 million towards archeological studies, land acquisition, park design, multi-use trails, parking, restrooms, campground, kayak launches, a natural playground and shelters. With the new amenities coming to the park in 2025-26 it is critical to have infrastructure, a paved road, and an accessible sidewalk to the park along the entrance road.

The Frazee City Council has provided a letter of resolution to support this capital project, which is the only priority and application in Frazee. Once funding is allocated, the City will draft public notices as required, work with city engineers to develop the pre-design, adopt a final design, solicit bids for construction, and oversee implementation of the project and provide financial management. Once the North River Loop Project is completed, the City of Frazee can develop the campground sites and public facilities that will enhance utilization of the park and provide sustainable income.

Wannigan Regional Park's vision is to be a premiere destination for outdoor recreation and cultural preservation that improves quality of life and land through open space, trails and storytelling. Wannigan Regional Park is one of only a few Regional Parks in Greater Minnesota. The park is also the only connection point in Minnesota where the North Country National Scenic Trail, The Heartland Trail and the Otter Tail River State Water Trail come together. Additionally, it is connected through trails to Tamarac National Wildlife Refuge, Sucker Creek Preserve, Heart of the Lakes Trail, and is near to Fischer Century Farms and Sawmill which is a Minnesota Land Trust and home to beautiful ski trails and majestic lakes, forest and wetland. There are also six lakes within two miles of the park and the Frazee golf course is adjacent to the park, making the campground a significant point of interest for tourists.

1. A campground with recreational vehicle camping (RVC) hookups and a primitive camping site
2. Canoe and kayak launch sites on the Ottertail River
3. Walking, hiking, biking, snowshoe and skiing trails
4. An interpretive center that includes the campground office and trailhead information and exhibits
5. ADA accessible hard surface trail loop
6. Shoreline fishing access
7. Retention and restoration of the iconic railroad boxcar bridge
8. Large and small picnic shelters and picnic tables
9. An amphitheatre
- 10 Public parking, restrooms, utilities and sewage pump station to enhance public utilization

### **Project Rationale**

The City of Frazee is entering what is anticipated to be a rapid growth phase over the next 10 years and the success of Wannigan Regional Park is highly influential on this development. As a town with a population of approximately 1,300 people currently, there have been approximately \$20,000,000 planned and/or executed in new development efforts across the community that will spur economic growth and build social capital in the community. Wannigan Regional Park is one of those efforts and the property was acquired in 2023 after years of planning. Last year, with the installment of one of the "Trolls of DL", over 30,000 visitors came to the park in the summer months. This took a toll on the gravel road, and was a challenge without accessible sidewalks and water/sewer infrastructure. Parks provide a myriad of recreational, social and cultural, environmental, aesthetic and economic benefits. A key to the success of the park is having sustainable income, and in order to support operations and increased tourism the public infrastructure access being proposed in this project is necessary. The camping amenities in the park will provide such sustainable income. The park design includes 49 campsites of which 30 will be Recreational Vehicle Camping (RVC) and 19 primitive sites. The RVC sites require public infrastructure to support water/sewer/electric access per MN State code, the primitive sites require access within 400 feet, and a public restroom/shower facility will improve utilization of the park.

Once the infrastructure is in place, the campground sites are anticipated to generate \$141,180 in income in year one, increasing to \$242,502 by year five. Expenses are anticipated to be less than 50% of the anticipated income generated, which will provide the opportunity to continue to enhance the

park and contribute to cultural and outdoor recreation experiences in the community.

In addition to the income generated by the park, the impact of the increased tourism in the City of Frazee will be significant. It was estimated in 2021 that 64,900,000 visits were made to the regional parks and trails in the Twin Cities area (metro council.org). Although Frazee is located in Greater Minnesota, it is in the heart of lakes country where tourism is one of the top three industries in Becker County drawing hundreds of thousands of people to the area each year. Frazee alone has six lakes within two miles, seven parks, a lake within the city limits with a highly utilized beach, and so the additional amenities of Wannigan Regional Park and the newly developed Heartland Trail are expected to spur rapid growth. In 2022-2024 seven new businesses opened, a new Community and Youth Center opened, the Frazee School developed their outdoor facilities to be able to host state and section school sporting events and activities, and in 2025, we are looking forward to the opening of three additional new businesses.

The Frazee Community Development Corporation, in partnership with the City of Frazee, has been extremely successful in securing financial investments to acquire the park, complete pre-design and archeological studies, and to invest in amenities that will enhance the park. The MN Historical Society invested \$10,400 to the project for the archeological study required to support development of the park. Approximately \$727,000 has been allocated to purchase the land and for park design. A total of approximately \$800,000 has been allocated in private funding from businesses and investors which is supporting the design and engineering costs of the park. Approximately \$1.2 million has been allocated towards park amenities to be installed in 2025-26. Becker County has approved \$125,000 of funding to support the parking lots, picnic tables, shelter and signage. An additional \$15,000 from Becker County Soil and Water was allocated for border planting. The City of Frazee and Becker County EDA's each invested funding to support the land appraisal to total \$15,000. The North Country Scenic Trail Association funded \$15,000 to support the Wannigan spur for hikers. An overall \$900,000 has been allocated to install over 2 miles of multi-use trails within the park and from the school to the park.

### **Project Timeline**

Pre-Design: July-October 2026

Final Design & Public Notifications: November-December 2026

Bidding: January - March 2027 Construction: April-October 2027

### **Other Considerations**

Wannigan Regional Park is one of only a few parks in Greater Minnesota to receive "Regional Park" status. This designation not only will bring tourists to the Frazee area, but it is an added amenity to encourage people to move to Frazee and to Minnesota. Frazee is known as being a bedroom community to Detroit Lakes and Perham, and both communities and businesses within them have invested private dollars as they see the value of the regional park.

### **Impact on State Operating Subsidies**

While we recognize this is a bonding request, we know there is a strong return on investment of the requested dollars as this project will expand the tax base of Frazee and increase tourism to the region and State. Parks provide economic benefit through the generation of tax revenue through increased

property values and by attracting businesses, tourists and new residents. The park already welcomed over 30,000 visitors in the summer of 2024. Additionally, a study by the Urban Land Institute identified that parks improve community health and wellness, boost economic development and enhance long term real estate value and marketability of a community(2023). Frazee looks to see a 5% residential increase over the next 10 years with the investment in the park and the additional community investments that are planned or in place to expand tourism and local community. The investment of the funds will expand capital for the local community and the State of Minnesota long term.

**Who will own the facility?**

City of Frazee

**Who will operate the facility?**

City of Frazee

**Who will use or occupy the facility?**

Residents of Frazee and tourists looking to access a regional park

**Public Purpose**

This will provide safe access for the general public to access and utilize Wannigan Regional Park, and additional access to parking for the Frazee School District

**Description of Previous Appropriations**

The City of Frazee has not had any appropriations

**Project Contact Person**

Stephanie Poegel  
City Administrator  
218-334-4991  
cityadmin@frazeecity.com

(\$ in thousands)

River Drive North Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,450	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,450</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$100	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$180	\$0	\$0
Project Management	\$0	\$180	\$0	\$0
Construction	\$0	\$1,990	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,450</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	N/A
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Fulda's Infrastructure Improvements Project	1	GO	4,000	0	0	0	0	0
<b>Total Project Requests</b>			4,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,000	0	0	0	0	0

**Fulda's Infrastructure Improvements Project**

**AT A GLANCE**

**2026 Request Amount:** \$4,000

**Priority Ranking:** 1

**Project Summary:** The City seeks to upgrade its aging drinking water infrastructure, including replacing deteriorated cast iron watermains, rehabilitating the water tower, improving system reliability during outages, and ensuring regulatory compliance to provide safe and consistent drinking water to residents.

**Project Description**

The City proposes a comprehensive improvement project to address critical health, safety, and reliability issues within its aging drinking water infrastructure. Key components of this project include the replacement of deteriorating cast iron watermains, installation of a permanent backup power source, and rehabilitation of the elevated water tower. These improvements are essential to ensure safe, continuous delivery of potable water, compliance with regulatory standards, and protection of public health. The City’s distribution system contains over 34,000 linear feet of cast iron pipe, much of it over 90 years old. These pipes are brittle, corroded, and well beyond their useful life, resulting in frequent watermain breaks—six between 2023 and 2024 alone. Such breaks pose significant health risks by potentially introducing contaminants into the water supply and disrupting service to residents, emergency services, and healthcare providers. In some areas, like Columbia Avenue, shallow mains lead to water service freezing during winter, creating both safety concerns and service interruptions. Replacing these failing pipes with modern materials will dramatically improve water quality, system reliability, and public safety. In addition to aging pipes, the City’s water treatment plant and well system lack a dedicated backup power source. The City experienced a five-day power outage in 2019 and was unable to secure an appropriately sized generator in a timely manner, leaving the water system vulnerable. Without power, the City cannot treat or distribute water, placing residents at risk during emergencies. The installation of a permanent backup generator will ensure uninterrupted operation of wells and the treatment plant, aligning with Ten States Standards and preventing future lapses in water availability during extended outages or natural disasters. The City’s 150,000-gallon elevated storage tank is structurally sound but requires critical maintenance. A 2018 inspection reported the exterior coating is failing, with areas of heavy staining and scale buildup inside. Moreover, the tank lacks some safety features needed to comply with current OSHA regulations. The proposed rehabilitation includes recoating the exterior to prevent corrosion, touchups to the interior coating, and structural upgrades to meet safety standards. Ensuring the structural integrity and regulatory compliance of the tank is vital to maintaining clean water storage and avoiding potential contamination from material degradation. Together, these project elements directly address pressing health and safety concerns by replacing compromised infrastructure, securing reliable power, reinforcing critical storage assets, and proactively protecting against lead

exposure. This investment will enhance the City's ability to deliver safe, clean, and reliable drinking water now and into the future.

**Project Rationale**

The City's water infrastructure is aging, with cast iron watermains over 90 years old and prone to breaks, increasing operational costs and service disruptions. Lack of standby power compromises the City's ability to deliver safe water during outages. The water tower requires rehabilitation for structural integrity and safety compliance. These deficiencies pose risks to public health, regulatory compliance, and the long-term sustainability of the water system.

**Project Timeline**

6/1/26 - Engineering/Design  
10/1/26 Bidding  
4/1/27 Start of Construction  
10/31/28 End of Construction

**Other Considerations**

The project aligns with long-term infrastructure planning goals and addresses critical system vulnerabilities, particularly in the event of power outages or extreme weather. Coordination with regulatory agencies, including MDH and the DNR, ensures alignment with compliance and reporting standards. The improvements will enhance reliability, safety, and sustainability for current and future residents.

**Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

**Who will own the facility?**

The City of Fulda will own the proposed utilities.

**Who will operate the facility?**

City staff will operate the proposed utility project.

**Who will use or occupy the facility?**

Residents and visitors of the City of Fulda will use the utility systems and pay utility fees.

**Public Purpose**

The project ensures safe, reliable drinking water by replacing failing infrastructure, providing backup power, and rehabilitating storage facilities. These upgrades protect public health, improve service reliability, and support the community's resilience and growth.

**Description of Previous Appropriations**

None

**Project Contact Person**

Julie Burchill  
City Clerk  
507-425-2504  
cityclerk@fuldamn.com

(\$ in thousands)

Fulda's Infrastructure Improvements Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,000	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$12,674	\$0	\$0
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$4,168	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$20,842</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$905	\$0	\$0
Design Fees	\$0	\$2,154	\$0	\$0
Project Management	\$0	\$1,100	\$0	\$0
Construction	\$0	\$16,683	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$20,842</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	N/A
Has the pre-design been submitted to the Department of Administration?	N/A
Has the pre-design been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Gem Lake Water Distribution Improvements	1	GO	6,820	0	0	0	0	0
<b>Total Project Requests</b>			6,820	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			6,820	0	0	0	0	0

**Gem Lake Water Distribution Improvements**

**AT A GLANCE**

**2026 Request Amount:** \$6,820

**Priority Ranking:** 1

**Project Summary:** The project is for construction of a new water supply system to provide safe drinking water to numerous residents because of recently discovered contamination of local private wells. With the majority of the city's residents served by private wells, a new water distribution system would be supplied by neighboring communities to ensure safe drinking water those impacted by the water quality issue. Amount of funding requested for project:\$6,820,000.

**Project Description**

The project is construction of a new water supply system to provide safe drinking water to numerous residents because of recently discovered contamination of local private wells. With the majority of the city's residents served by private wells, a new water distribution system to be supplied by neighboring communities is proposed to ensure those affected by the recently discovered water quality issue can be provided a safe, reliable potable water service. Sampling performed recently by the Minnesota Pollution Control Agency (MPCA) and Minnesota Department of Health (MDH) detected 1,4-dioxane, a likely human carcinogen, in several private wells in Gem Lake. The MPCA has been providing residents with bottled water, which is appreciated, but is a short-term solution. Safe drinking water is of paramount importance for all Minnesota residents. While the cause of the contamination has not been narrowed to one source, the residents of Gem Lake are not responsible for it, nor did they contribute to the issue. This is very much an unexpected issue and is a burden for the residents from a health and safety perspective, but also from a financial perspective. The cost to complete a water distribution system for the priority areas (those with contaminated wells) is approximately \$8,525,000 million (incl 10% inflation from previous submittal), which isn't affordable to be spread across the 174 households that live in Gem Lake. This is particularly the case because these same households have been investing in and maintaining their own groundwater wells.

**Project Rationale**

The water system is needed to maintain safety of drinking water quality to its residents as well as adequate fire and emergency services protection moving forward. This upgrade is not a luxury, but a necessity for today and into the future for the safety of our residents. Its is currently unfordable with low amount of residents we have and we need state assistance to complete this water project.

**Project Timeline**

Design - Late Summer 2025  
 Bids - Summer 2026

Construction Start - Summer 2026  
Construction End - Late Summer 2027

**Other Considerations**

n/a

**Impact on State Operating Subsidies**

n/a

**Who will own the facility?**

City of Gem Lake

**Who will operate the facility?**

City of Gem Lake

**Who will use or occupy the facility?**

City of Gem Lake

**Public Purpose**

People living and working in Gem Lake would benefit from this project by having access to safe drinking water, which would provide long term positive health impacts. Another benefit of the project is that hydrants will be installed and connected to the new water distribution system, allowing the local fire department to more effectively fight fires within the community.

**Description of Previous Appropriations**

n/a

**Project Contact Person**

Gretchen Artig-Swomley  
Mayor  
651-260-9742  
gretchen.artig-swomley@gemlakemn.org

(\$ in thousands)

Gem Lake Water Distribution Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,820	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$1,705	\$0	\$0
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,525</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$8,525	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,525</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Gilman Infrastructure Improvements	1	GO	1,800	0	0	0	0	0
<b>Total Project Requests</b>			1,800	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,800	0	0	0	0	0

**Gilman Infrastructure Improvements**

**AT A GLANCE**

**2026 Request Amount:** \$1,800

**Priority Ranking:** 1

**Project Summary:** Utility system deficiencies in the city have elevated health and safety risks for residents. The proposed \$12.5 million project includes replacing portions of the wastewater collection system, improvements to existing wastewater pond system, and storm system upgrades.

**Project Description**

Gilman’s wastewater infrastructure needs repair or replacement due to its age and condition as well as health and safety concerns, especially related to reported sanitary sewer backups into resident homes. Standing water in front yards and on city streets is also a common occurrence due to the lack of storm sewer pipes, curb, and gutter. These issues will continue to increase until the City updates these systems.

Existing wastewater infrastructure in Gilman consists of vitrified clay pipe (VCP), portions of which are in poor condition. Gilman's proposed project includes: 1. Replace portions of the wastewater collection system 2. Potentially extend the wastewater system to new users 3. Improve the existing pond system.

Existing storm sewer is composed of reinforced concrete pipe and exists only on county-owned roads, leaving portions of the City with no storm sewer. The proposed project includes: 1. Improvements to areas that flood north of CSAH 5. 2. Adding storm sewer for new users 3. Installation of curb and gutter for proper drainage.

**Project Rationale**

Numerous problems within the sanitary system such as cracks and separation between sections of pipe that allow roots and mineral deposits to grow into the pipe that can cause blockages. In a sanitary sewer resident survey conducted by the City in 2021, multiple residents reported sewer backups into their homes in recent years.

In addition to noncompliance with current MPCA wastewater pond design criteria, the lack of rip rap around the wastewater ponds will lead to failure and spillage of untreated wastewater to adjacent properties. Damage to the clay liner, wastewater leakage, and catastrophic failure of the pond dikes are all eventual outcomes if erosion continues unchecked.

Additional storm sewer is needed to correct the lack of adequate drainage on city streets by the current system. Curb and gutter and additional storm pipes will help prevent and mitigate excessive standing water that pools in an area north of CSAH 5 near resident homes and along the city streets.

## **Project Timeline**

06/2026 - Engineering & Design  
07/2026 - Bid Advertising  
09/2026 - Bid Closing  
04/2027 - Start of Construction  
06/2028 - End of Construction

## **Other Considerations**

The proposed infrastructure improvements are not viable unless the city receives some grant funding. Although there has been some success in funding portions of the overall project, there is still a great need for funding support to address all of the City's needs which include the health and safety of its residents.

## **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

## **Who will own the facility?**

The City of Gilman will own the project.

## **Who will operate the facility?**

City staff will operate the proposed utility project.

## **Who will use or occupy the facility?**

Residents and visitors of the City of Gilman will use the utility systems and pay utility fees.

## **Public Purpose**

This project will provide the necessary infrastructure improvements for efficient and effective wastewater and storm water management and address flooding and sewer backups to ensure sanitary conditions of resident homes and public/private structures. Strategic planning has been implemented to ensure costs are as low as possible for the City's residents while also correcting all health and safety risks in an effective and timely manner.

## **Description of Previous Appropriations**

### **Project Contact Person**

Jeremiah Dahler  
Clerk-Treasurer  
320-387-2789  
cityofgilman@jetup.net

(\$ in thousands)

**Gilman Infrastructure Improvements**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,800	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$1,700	\$0	\$0
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$4,675	\$0	\$0
County Funds	\$0	\$4,300	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,475</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$308	\$0	\$0
Design Fees	\$0	\$370	\$0	\$0
Project Management	\$0	\$1,066	\$0	\$0
Construction	\$0	\$10,731	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,475</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Phase 2: City of Golden Valley New Fire Station Construction Funding	1	GO	6,300	0	0	0	0	0
<b>Total Project Requests</b>			6,300	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			6,300	0	0	0	0	0

## Phase 2: City of Golden Valley New Fire Station Construction Funding

**AT A GLANCE****2026 Request Amount:** \$6,300**Priority Ranking:** 1

**Project Summary:** The City of Golden Valley has identified and fully supports the need to build a new 21,000 square foot Fire Station to meet multiple objectives including timely response to public health and safety calls. Phase 2 will include the construction of the Fire Station on a newly acquired site along with all area improvements required by code.

**Project Description**

New construction fire station purpose-built to meet current codes, regulations and best practices for fire station design, including separation of “hot” and “cold” zones to facilitate contaminant management and reduce carcinogen exposures, and provision of sufficient lockers and shower rooms to support equitable facilities for firefighters of all genders. This two-story facility, organized to fit within an urban site selected for optimized response time coverage of the city's properties and it will include a training room as well as apparatus bays for efficient pull-through response. The facility will be designed to support 24/7 duty-crew operations, with single user bunk rooms and gender neutral shower rooms and lockers, as well as a shared kitchen, dining, and dayroom area to promote firefighter collaboration and peer support, elements which have been shown to reduce the effects of PTSD. A physical conditioning room and a detoxification space will support firefighter's physical health, preparedness, and resiliency. The project will be designed to meet Minnesota B3 Sustainability Guidelines, including responsible water, energy, and material utilization.

Like most fire departments nation-wide and state-wide, we are struggling with recruitment and retention of firefighters. By moving to a duty crew staffing model, firefighters are able to schedule their time with the fire department, rather than relying on the unpredictable nature of responding when the pager goes off. Our fire stations are built for a time when fire apparatus were smaller, there were very few, if any, women who were firefighters, and we didn't understand the health and safety risks of having turnout gear in lockers right next to diesel trucks. The plots of land occupied by stations 2 and 3 are too small to remodel in a way that is cost-effective or would allow fire apparatus to pull through the apparatus bay, rather than backing in. A new station can allow for current best practices for pulling apparatus through, gender equitable facilities, sleeping quarters to accommodate overnight duty crew shifts, safety precautions for storage and washing of turnout gear, fitness facilities, etc. Having two stations staffed 24/7 with duty crew firefighters allows for faster response time/better service to our entire community, as compared to a 3-station paid on-call staffing model. There will also be a cost-savings of operating two stations instead of three due to reduced utility costs (electricity, gas, water, etc.), a reduction in the number of apparatus and equipment leading to reduced purchase, repair, and maintenance costs, and the sale of the former two station locations. Additionally, by incorporating firefighter training features into the station, there will be a reduced

cost of going off-site or renting equipment for firefighter training. GV has the highest number of jobs per capita in the metro area with employers such as General Mills, Allianz, Tennant, and Mortenson Construction.

## **Project Rationale**

There are critical commitments needed to meet the city of Golden Valley's public safety which include prioritized timely protection of the safety, well-being, and security of all Golden Valley residents, businesses, visitors, and their property, in all areas of the city and firefighter Safety and Health. The 2021 Municipal Facilities Master Plan affirmed the Fire Department's transition from a paid on call, three station operational model to a duty crew, two station model to ensure continuity of services and staffing. This change is directly tied to the need for facilities with the resources and components to support 24/7 staffing, an investment that also supports facilities with infrastructure and planning to contribute to firefighter health and wellness. The development of a new Fire Station will be critical to meeting these objectives. The project will entail the development of a two-story, 21,000+ Training and Fire Station Facility on over 3 acres of land along with necessary parking (architectural design is forthcoming).

The City is working to address multiple issues that exist, including:

- Hiring/Retention - We are struggling with recruitment and retention of firefighters. By moving to a duty crew staffing model, firefighters are able to schedule their time with the fire department.
- Out of date facilities - A new station can allow for current best practices apparatus use gender equitable facilities, sleeping quarters to accommodate overnight duty crew shifts, safety precautions for storage and washing of turnout gear, fitness facilities, etc.
- Response times - Having two stations staffed 24/7 with duty crew firefighters allows for faster response time/better service to our entire community, as compared to a 3-station paid on-call staffing model.
- Cost-savings - Operating two stations instead of three due will reduce utility costs (electricity, gas, water, etc.), the number of apparatus and equipment

## **Project Timeline**

Site acquisition is currently in progress. Upon completion of site acquisition, site preparation and design will begin in spring 2025. The final design will be complete by the end of 2025. The construction project will be publicly bid in winter 2026. Construction is anticipated April 2026-April 2027 with operations commencing in May 2027.

- 2023 and 2024 - Site research
- 2025 - Site acquisition, site preparation, building and site design, land use entitlements
- 2026 - Bidding, construction
- 2027 - construction, operational May 2027

## **Other Considerations**

Community Engagement related to the Fire Department's necessary evolution has been in process since the 2016 Fire Services Study. Just prior to this Study, a resident and business Task Force and

multiple rounds and methods of Community Engagement were included in the 2021 Municipal Master Plan, with specific areas of focus around the Fire Department transition and facilities. Following this study commencement in August of 2022, Public Open Houses were hosted in October of 2022 prior to the start of specific site analysis, again in February 2023 to share analysis approach and preliminary outcomes, and then a public Survey that ran from January-February 2023 that had over 336 responses. Input from residents and local businesses has been incorporated into the project's ongoing planning and prioritization of potential sites for the new fire station. It is the City's intent to continue providing community engagement during the design phase.

### **Impact on State Operating Subsidies**

Not applicable to the city of Golden Valley.

### **Who will own the facility?**

The City of Golden Valley will own and manage the new Fire Station.

### **Who will operate the facility?**

The Fire Department of the City of Golden Valley will operate the new Fire Station.

### **Who will use or occupy the facility?**

The Fire Department of the City of Golden Valley will use and occupy the project. When appropriate the Training Section of the building will be used as a public election polling station.

### **Public Purpose**

To provide for the life and safety of the residents and businesses of Golden Valley and provide regionally significant fire and life safety assistance.

### **Description of Previous Appropriations**

The 2023 State Legislation approved a Capital Budget appropriation of \$3.172 Million for Phase 1 Site Acquisition, Due Diligence, Pre-Design, and Design Development of the New Fire Station.

### **Project Contact Person**

Chloe McGuire  
Deputy Community Development Director  
763-593-8099  
cmcguire@goldenvalleymn.gov

(\$ in thousands)

Phase 2: City of Golden Valley New Fire Station Construction Funding

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$3,172	\$6,300	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$10,530	\$0	\$0
<b>TOTAL</b>	<b>\$3,172</b>	<b>\$16,830</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$2,538	\$0	\$0	\$0
Predesign Fees	\$30	\$0	\$0	\$0
Design Fees	\$327	\$373	\$0	\$0
Project Management	\$277	\$100	\$0	\$0
Construction	\$0	\$14,605	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$750	\$0	\$0
Inflationary Adjustment	\$0	\$1,002	\$0	\$0
<b>TOTAL</b>	<b>\$3,172</b>	<b>\$16,830</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	No
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Drinking Water, Sanitary Sewer and Street Infrastructure Improvement	1	GO	6,400	0	0	0	0	0
<b>Total Project Requests</b>			6,400	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			6,400	0	0	0	0	0

**Drinking Water, Sanitary Sewer and Street Infrastructure Improvement**

**AT A GLANCE**

**2026 Request Amount:** \$6,400

**Priority Ranking:** 1

**Project Summary:** Capital Request Funding will be used to support the design and construction of drinking water distribution, wastewater collection, and street infrastructure improvements. Piping to be replaced includes approximately 1/3 of the drinking water distributions systems and approximately 1/3 of wastewater collection system.

**Project Description**

The City of Hanley Falls is facing significant challenges with its aging and deteriorating infrastructure, particularly in its drinking water and wastewater systems. These issues have resulted in critical failures and environmental concerns, including untreated wastewater discharge into the Yellow Medicine River and frequent backups in residential areas.

The city's sanitary sewer system, much of which is over 100 years old, is plagued by excessive infiltration and inflow, largely due to two key factors: Cracked Clay Pipe: The existing clay pipes are heavily cracked, with leaks occurring at every joint (roughly every 4-6 feet). Orangeburg Pipe: The use of Orangeburg pipe, which is prone to failure and impossible to maintain, further contributes to infiltration and inflow. These conditions have overwhelmed the wastewater treatment facility, necessitating the frequent bypassing of untreated wastewater directly into the Yellow Medicine River. To address these issues, the city proposes replacing the deteriorated sewer infrastructure with new materials that meet the Minnesota Pollution Control Agency (MPCA) and 10 States Standards for wastewater systems. Proposed improvements include: Replace old clay and Orangeburg pipes using open-cut construction methods. New service laterals will also be installed, connecting each main to the edge of the Right of Way (R.O.W.), and the new sanitary sewer will meet MPCA and 10 States Standards.

The City's watermain system, dating back to the 1890s, has also deteriorated over time. While some sections were replaced in 1999 and 2023, several problems remain: Lead Piping: Lead pipes were found extending from the corporation stop to about 7 feet from the main, with other areas possibly containing lead service lines. These are difficult to detect due to inadequate historical records. Undersized Mains: Much of the existing piping is small diameter (¾" to 4"), inadequate for providing proper fire flow and often leading to low water pressure when multiple users draw water simultaneously. Lead-Caulked Joints: During a recent water tower connection, lead-caulked joints were observed along Railroad Street. The current system's inability to meet fire flow requirements and provide sufficient pressure has been exacerbated by undersized hydrants. The minimum required watermain diameter for adequate service is 6", as per the 10 States Standards. Proposed improvements include: Replace small-diameter watermains with larger pipes that meet the standards

set by the Minnesota Department of Health (MDH) and 10 States Standards for Drinking Water. Areas with unnecessary small-diameter mains will be abandoned, and customers will be reconfigured to use the larger, more reliable mains. Replace remaining portion of street outside replaced utilities and improve to modern construction standards.

### **Project Rationale**

This project is important to the residents of the City of Hanley Falls, as it will eliminate lead in their drinking water and eliminate sewage backups into homes. This project is important to Minnesota for eliminating pollution from bypassing untreated wastewater directly to the Yellow Medicine River, a tributary to the Minnesota River. Residents of the City and the surrounding area who use the Yellow Medicine and Minnesota Rivers for recreation will also appreciate the elimination of raw sewage bypassing to the natural environment.

The City has addressed removing arsenic from drinking water and replaced their old wooden water tower, along with replacing limited portions of utility piping, but this has left them with significant debt and without the financial resources to address their remaining needs.

### **Project Timeline**

06/01/2026 - Engineering and Design

09/01/2026 - Bidding

10/01/2026 - Start of Construction

10/01/2028 - End of Construction

### **Other Considerations**

The proposed infrastructure improvements are not viable unless the City receives support through grant funding. Although there has been some success in funding portions of the overall project, there is still a great need for funding to address the City's infrastructure needs in their entirety, support the health and safety of Hanley Falls's residents and alleviate environmental concerns.

### **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

### **Who will own the facility?**

The City of Hanley Falls will operate the proposed utility project.

### **Who will operate the facility?**

The City of Hanley Falls will operate the proposed utility project.

### **Who will use or occupy the facility?**

The residents and visitors of Hanley Falls will use the utility systems and pay utility fees.

### **Public Purpose**

The project is important to the residents of the City of Hanley Falls, as it will eliminate lead in their drinking water and eliminate sewage backups into homes. Residents of the City and surrounding area

who use the Yellow Medicine and Minnesota Rivers for recreation will also appreciate the elimination of raw sewage bypassing to the natural environment. Specifically, this project will allow the city to afford the street repairs and utility work while keeping the taxes and utility user rates in line with surrounding communities.

**Description of Previous Appropriations**

None

**Project Contact Person**

Patricia Savoie  
City Clerk-Treasurer  
507-768-3570  
hanleyfalls@hcinet.net

(\$ in thousands)

Drinking Water, Sanitary Sewer and Street Infrastructure Improvement

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,400	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$3,346	\$0	\$0
City Funds	\$0	\$645	\$0	\$0
Non-Governmental Funds	\$0	\$2,577	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,968</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,059	\$0	\$0
Project Management	\$0	\$1,187	\$0	\$0
Construction	\$0	\$10,722	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,968</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Harris Infrastructure Improvements	1	GO	1,636	0	0	0	0	0
<b>Total Project Requests</b>			1,636	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,636	0	0	0	0	0

Harris Infrastructure Improvements

**AT A GLANCE**

**2026 Request Amount:** \$1,636

**Priority Ranking:** 1

**Project Summary:** The proposed drinking water project for Harris includes expanding its drinking water distribution system to the I-35 interchange using both open cut and trenchless methods, as well as the addition of watermains, gate valves, fire hydrants, and service laterals. The proposed waste water project includes extension of Harris' current waste water collection system to the I-35 interchange using both open cut and trenchless methods, including sanitary sewer pipe, manholes, and service lines.

**Project Description**

In 2024, Congress appropriated funds to be used in Harris to extend its existing sanitary sewer system to the I-35 crossing. This extension will provide sewer facilities to a number of existing properties which currently use private septic systems. The sewer portion of this project has started design. The utility corridor also includes a number of private wells, and with the extension of sewer service into a major commercial area, Harris' water distribution system will also be extended and include planning for high capacity wells.

Water distribution along this utility corridor will use both open cut and trenchless methods to expand the water distribution system. The extension will primarily use open-cut methods except where construction travels under I-35, where trenchless methods will be used. This extension includes new watermain, gate valves, hydrants, and service laterals from the main to the structure within the ROW.

Proposed wastewater improvements will use both open-cut and trenchless methods to expand the wastewater collection system. A lift station will be constructed, and the collection system will extend west along the north side of CSAH 10/Stark Road toward the I-35 interchange. It will be comprised of 6-inch to 10-inch sanitary sewer pipe. Trenchless methods will be used to extend the collection system under I-35 to a connection point for future projects. Surface restoration will be required in areas of open-cut installation.

**Project Rationale**

The proposed improvements will contribute to the long-term financial sustainability of the water distribution and wastewater systems by extending these systems to the I-35 interchange and adding users to the system.

Proposed infrastructure improvements will establish a strong foundation for the City's infrastructure for many years to come with minimal maintenance or capital improvements.

**Project Timeline**

06/2026: Prepare Plans & Specs

10/2026: Submit Plans & Specs to MDH and MPCA  
10/2026: Submit Plans & Specs to RD  
01/2027: Advertise for Bids  
03/2027: Award Contract  
06/2027: Proposed Start of Construction  
09/2029: Proposed End of Construction

### **Other Considerations**

This project will address issues that have excluded the City from having the ability to accommodate growth opportunities. With this project, the systems will meet the requirements set forth by MDH and MPCA and will improve the quality of life for the residents of the City of Harris.

### **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

### **Who will own the facility?**

The City of Harris will own the project.

### **Who will operate the facility?**

City staff will operate the proposed utility project.

### **Who will use or occupy the facility?**

Residents and visitors of the City of Harris will use the utility systems and pay utility fees.

### **Public Purpose**

This project is sensible in terms of the low operation and maintenance cost and simplicity of operation. Financially, the system falls into the fiscal responsibility the City ethically stands upon.

### **Description of Previous Appropriations**

None

### **Project Contact Person**

Shannon Geier  
City Clerk  
351-674-7546  
clerk@harrismn.com

(\$ in thousands)

Harris Infrastructure Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,636	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$2,174	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,810</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$165	\$0	\$0
Design Fees	\$0	\$153	\$0	\$0
Project Management	\$0	\$475	\$0	\$0
Construction	\$0	\$3,017	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,810</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Eastern Water Treatment Plant for PFAS and Nitrates	1	GO	18,368	0	0	0	0	0
Western Water Treatment Plant for PFAS and Nitrates	2	GO	20,668	0	0	0	0	0
<b>Total Project Requests</b>			39,036	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			39,036	0	0	0	0	0

**Eastern Water Treatment Plant for PFAS and Nitrates**

**AT A GLANCE**

**2026 Request Amount:** \$18,368

**Priority Ranking:** 1

**Project Summary:** The City of Hastings requests \$18.3M in state funds for construction of the Eastern Water Treatment Plant and the associated water lines for removal of PFAS and Nitrates from municipal drinking water.

**Project Description**

The project would safeguard public health by delivering safe drinking water to the 23,000 residents and businesses in Hastings.

With the US Environmental Protection Agency's recently adopted National Primary Drinking Water Regulations, the City's drinking water is above the maximum contaminant levels for PFOA and PFOS. Additionally, the Minnesota Veterans Home located in Hastings exceeds the new MCLs with its individual well.

In September 2023, the City of Hastings completed a Feasibility Study to address PFAS and Nitrate contamination, which considered several alternatives and recommended construction of three water treatment plants. The Minnesota Department of Health has approved the study. With a PFAS Planning & Design Grant from the Minnesota Pollution Control Agency, the City has designed the Eastern WTP, to be located on City-owned land.

The WTPs would utilize granular activated carbon pressure filters with chemical feed systems for polyphosphate, flouride, and chlorine. Ion Exchange vessels would also be included to remove elevated nitrates in the wells to be treated at this WTP.

Raw and treated watermains are needed to deliver raw water from the wells to the treatment plant locations and then treated water back to the well sites to preserve distribution hydraulics. The City has already installed raw watermains for one of the two wells to be served by the Eastern WTP.

The total cost estimate is \$68.9M for three WTPs, of which the Eastern WTP is \$22.3M. With finalization of the design, the project is shovel-ready. The State's Project Priority List has ranked this project #2. The City has acquired an Emerging Contaminants grant, and is pursuing other assistance for the Eastern WTP, as well as assistance for the overall three WTP project.

Without financial assistance, Hastings water rates would increase 37.3% to cover construction of the Eastern WTP. Overall, rates would triple over five years to cover construction and operation of the three WTPs, resulting in water rates among the highest in the State.

**Project Rationale**

The City of Hastings is committed to providing safe drinking water to its residents and businesses, thereby protecting public health. The Hastings municipal water system currently supplies an average of 2.4M gallons per day to 23,000 people. As part of this commitment, the City and Minnesota Department of Health have been monitoring the concentrations of PFAS in the City's drinking water supply.

### **Project Timeline**

2024 - Project design through 60% plans (completed)  
2026 - Secure funding and finalize design  
July 2026 - Let bids for project  
Sept 2026 - City Council awards construction contract  
Oct 2026 - Construction start  
Feb 2028 - Substantial completion and start-up  
March 2028 - Final completion

### **Other Considerations**

The Minnesota Veterans Home located in Hastings is currently on its own water system, which similarly requires PFAS treatment to comply with the EPA and MDH standards. The City has included the Veterans Home when modeling our water system for the feasibility study and has performed preliminary design to ensure it could be interconnected with the City water system. This will avoid the State needing to construct PFAS treatment solely for the Veterans Home and eliminate the need for ongoing maintenance of a separate water system.

### **Impact on State Operating Subsidies**

not applicable

### **Who will own the facility?**

City of Hastings

### **Who will operate the facility?**

City of Hastings

### **Who will use or occupy the facility?**

The project will add water treatment plants and watermains to the municipal water supply system in order to deliver safe and clean drinking water to 23,000 residents and businesses in Hastings.

### **Public Purpose**

The project would safeguard public health by delivering safe drinking water to the City's 23,000 residents and businesses.

### **Description of Previous Appropriations**

\$1M of PFAS Planning & Design Grant from MPCA.

SF 3161 and HF 3115 were introduced during 2024 session in support of the project.  
SF1748 and HF1192 were introduced in 2025 session in support of the project.

**Project Contact Person**

Dan Wietecha  
City Administrator  
651-480-2326  
dwietecha@hastingsmn.gov

(\$ in thousands)

Eastern Water Treatment Plant for PFAS and Nitrates

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$1,000	\$0	\$0	\$0
General Obligation Bonds	\$0	\$18,368	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$3,000	\$0	\$0
City Funds	\$0	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$1,000</b>	<b>\$21,368</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$333	\$0	\$0
Predesign Fees	\$1,000	\$0	\$0	\$0
Design Fees	\$0	\$2,067	\$0	\$0
Project Management	\$0	\$1,000	\$0	\$0
Construction	\$0	\$17,968	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$1,000</b>	<b>\$21,368</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Western Water Treatment Plant for PFAS and Nitrates**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$20,668
<b>Priority Ranking:</b>	2
<b>Project Summary:</b>	The City of Hastings requests \$20.6M in state funds for construction of the Western Water Treatment Plant and the associated water lines for removal of PFAS and Nitrates from municipal drinking water.

**Project Description**

The project would safeguard public health by delivering safe drinking water to the 23,000 residents and businesses in Hastings.

With the US Environmental Protection Agency's recently adopted National Primary Drinking Water Regulations, the City's drinking water is above the maximum contaminant levels for PFOA and PFOS.

In September 2023, the City of Hastings completed a Feasibility Study to address PFAS and Nitrate contamination, which considered several alternatives and recommended construction of three water treatment plants. The Minnesota Department of Health has approved the study. The City has acquired a PFAS Planning & Design Grant from the Minnesota Pollution Control Agency to design the Western WTP.

The WTPs would utilize granular activated carbon pressure filters with chemical feed systems for polyphosphate, flouride, and chlorine. Ion Exchange vessels would also be included to remove elevated nitrates in the wells to be treated at this WTP.

Raw and treated water mains are needed to deliver raw water from the wells to the treatment plant locations and then treated water back to the well sites to preserve distribution hydraulics.

The total cost estimate is \$68.9M for three WTPs, of which the Western WTP is \$21.6M. The City has submitted the Western WTP for the state's Project Priority List and Intended Use Plan in 2025. The City has applied for Congressionally Directed Spending, Emerging Contaminants grant, and is pursuing other assistance for the Western WTP, as well as assistance for the overall three WTP project.

Without financial assistance, Hastings water rates would increase 32.7% to cover construction of the Western WTP. Overall, rates would triple over five years to cover construction and operation of the three WTPs, resulting in water rates among the highest in the State.

**Project Rationale**

The City of Hastings is committed to providing safe drinking water to its residents and businesses,

thereby protecting public health. The Hastings municipal water system currently supplies an average of 2.4M gallons per day to 23,000 people. As part of this commitment, the City and Minnesota Department of Health have been monitoring the concentrations of PFAS in the City's drinking water supply.

### **Project Timeline**

2026 - Project design through 60% plans  
2027 - Secure funding and finalize design  
July 2027 - Let bids for project  
Sept 2027 - City Council awards construction contract  
Oct 2027 - Construction start  
Feb 2029 - Substantial completion and start-up  
March 2029 - Final completion

### **Other Considerations**

#### **Impact on State Operating Subsidies**

Not applicable.

#### **Who will own the facility?**

City of Hastings

#### **Who will operate the facility?**

City of Hastings

#### **Who will use or occupy the facility?**

The project will add water treatment plants and watermains to the municipal water supply system in order to deliver safe and clean drinking water to 23,000 residents and businesses in Hastings.

### **Public Purpose**

The project would safeguard public health by delivering safe drinking water to the City's 23,000 residents and businesses.

### **Description of Previous Appropriations**

\$1M of PFAS Planning & Design Grant from MPCA.

SF 3161 and HF 3115 were introduced during 2024 session in support of the project.

### **Project Contact Person**

Dan Wietecha  
City Administrator  
651-480-2326  
dwietecha@hastingsmn.gov

(\$ in thousands)

Western Water Treatment Plant for PFAS and Nitrates

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$1,000	\$0	\$0	\$0
General Obligation Bonds	\$0	\$20,668	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$1,000</b>	<b>\$20,668</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$333	\$0	\$0
Predesign Fees	\$1,000	\$0	\$0	\$0
Design Fees	\$0	\$2,067	\$0	\$0
Project Management	\$0	\$1,000	\$0	\$0
Construction	\$0	\$17,268	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$1,000</b>	<b>\$20,668</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Water Filter Plant	1	GO	3,200	0	0	0	0	0
<b>Total Project Requests</b>			3,200	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,200	0	0	0	0	0

Water Filter Plant

**AT A GLANCE**

**2026 Request Amount:** \$3,200

**Priority Ranking:** 1

**Project Summary:** The City of Henderson is requesting \$3,200,000 in funding to design and construct a water filter plant. The primary purpose of the water filter plant would be to remove iron and manganese from their drinking water system.

**Project Description**

The proposed project includes the construction of a water filter plant with centralized treatment near the water tower. Both wells would be connected to the influent side of the treatment plant and a connection made to the distribution system on the distribution side.

The City of Henderson completed a water pilot study in October 2021. As part of this study, a trailer containing a mobile water treatment was connected to Well #1 that is near the water tower. Multiple treatment options were analyzed including chemical addition, aeration, detention, and filtration through multiple types of media were reviewed. Samples were obtained of the treated water and analyzed to determine the appropriate treatment system.

A recommendation was made to construct a water filter plant capable of treating 250 to 300 gallons per minute. It would include both chlorination and a greensand filtration system to remove iron and manganese from the raw water coming from each of the wells. Both wells would be redirected toward the water filter plant as they currently connected directly to the water distribution system. Chemical injection at each of the wells would be removed as it would be centralized at the filtration plant. The water system would be extensively and strategically flushed to remove the decades of sediment build up within the pipes. The water filter plant would be connected directly to the water distribution system including the adjacent water tower.

**Project Rationale**

High concentrations of iron have caused water color complaints, staining of fixtures and laundry, clogged pumps and sprinklers, metallic water taste, and sediment buildup within the distribution system. Without a water treatment facility, the only method available to remove iron includes direct chemical addition at each of the wells and regular flushing of water mains as currently performed, though it is not very affective. Flushing operations often result in extended periods of discolored water as the higher rate of water flow can cause the iron deposits to become suspended and make it to the end users. This can also be caused by water main breaks, changing well usage, construction, or any other irregular usage of water. Regular complaints regarding water quality are received from residents and have been featured in regional and state newspaper and television news stories.

## **Project Timeline**

Final design of the project would begin after securing funding from all sources, including this funding request. The following schedule is proposed:

May 2026: Funding Secured  
June 2026: Begin Final Design  
June 2027: Bid Project  
September 2027: Begin Construction  
November 2028: Substantial Completion  
May 2029: Final Completion

## **Other Considerations**

The City of Henderson has been extensively improving its city infrastructure with \$8M in city street and utility improvements over the last 5 years using local funding. This has included the replacement of the oldest and smallest water mains in town such that all remaining water mains meet current design standards. The high concentrations of iron in the system are damaging city infrastructure and requiring excessive water tower maintenance. Complaints regarding water quality are common and limit the City's ability to attract residential and commercial expansion. To pay for these local improvements, the City has been increasing sewer and water rates such that the average combined bill is currently \$149/month with additional increases proposed.

## **Impact on State Operating Subsidies**

N/A

## **Who will own the facility?**

The City of Henderson

## **Who will operate the facility?**

The City of Henderson

## **Who will use or occupy the facility?**

The City of Henderson

## **Public Purpose**

The proposed project will improve water quality citizens of Henderson.

## **Description of Previous Appropriations**

No funds have been appropriated for this project

## **Project Contact Person**

Timothy Pautsch  
City Administrator  
507-248-3234

city@hendersonmn.gov

(\$ in thousands)

Water Filter Plant

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,200	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$2,400	\$0	\$0
City Funds	\$0	\$800	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,400</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$20	\$0	\$0
Design Fees	\$0	\$900	\$0	\$0
Project Management	\$0	\$200	\$0	\$0
Construction	\$0	\$5,280	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,400</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	N/A
Has the pre-design been submitted to the Department of Administration?	N/A
Has the pre-design been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Recycling Recovery Facility	1	GO	26,000	0	0	0	0	0
West Broadway Safety and Mobility Improvements	2	GO	10,100	0	0	0	0	0
Washington Avenue Multimodal Improvements Project	3	GO	6,500	0	0	0	0	0
Avivo	4	GO	26,662	0	0	0	0	0
St. David's Development & Therapeutic Services	5	GO	10,000	0	0	0	0	0
<b>Total Project Requests</b>			79,262	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			79,262	0	0	0	0	0

Recycling Recovery Facility

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$26,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	Hennepin County is seeking to reallocate \$26.0 million in state bonding that was identified for the Anaerobic Digestion Facility project in 2023. The reallocated funds would be put towards construction of a county recycling recovery facility in Brooklyn Park.

**Project Description**

Hennepin County has identified a recycling recovery facility as the infrastructure that is needed to reduce landfilling quickly and significantly. A recycling recovery facility uses highly automated processes to sort metal and other recyclables from the trash. Initial scoping estimates this facility could divert approximately 25% of material currently in the trash.

Hennepin County’s plan to reinvent the solid waste system outlines an aggressive approach to reducing waste and increasing recycling. The plan focuses on the 12 highest priority actions, including recovering recyclable and organic materials from the trash stream by developing a recycling recovery facility. These types of facilities use a variety of technologies to sort cardboard, metal, some plastics, and organics materials from the trash for recycling.

**Project Rationale**

This project addresses the growing waste problem in the metro area. Metro landfill capacity is strained and the amount of waste generated in the metro area continues to increase. Waste generation in the metro area is forecasted to grow to 3.92 million tons by 2042, an increase of 18% from 2021 levels. MPCA-permitted metro landfill capacity is expected to last through 2028.

There are no active landfills in Hennepin County and over half the trash generated in the county is transported to landfills elsewhere in the metro and greater Minnesota. This problem will persist with business as usual. The MPCA is concerned that metro area residents will be unable to manage their trash in the future without significant investments in recycling infrastructure or expansions to metro landfills.

**Project Timeline**

Planned start up as early as 2030. Securing funding and obtaining permits will drive the schedule.

NOTE: the Minnesota Pollution Control Agency permitting process is subject to some variability. Construction cannot begin until all permits are approved.

## **Other Considerations**

### **Impact on State Operating Subsidies**

None.

### **Who will own the facility?**

Hennepin County

### **Who will operate the facility?**

Hennepin County, possibly in partnership with a contract service provider.

### **Who will use or occupy the facility?**

Hennepin County and waste generators within the county.

## **Public Purpose**

This project seeks to responsibly manage waste, conserve resources, and protect public health and the environment. Pre-processing trash complements existing programs by recovering recyclables that would otherwise end up in landfills. By harnessing cutting-edge technologies to recover recyclables and organics from the trash, this facility has the potential to contribute significantly to the reduction of landfilling and accelerate progress toward waste reduction and recycling goals.

## **Description of Previous Appropriations**

In 2023, this project, then called the Anaerobic Digestion Facility, was awarded \$26 million in state bonds funds. Hennepin continues to work with legislators to reallocate those funds to this new project scope - the Recycle Recovery Facility.

## **Project Contact Person**

Lisa Cerney  
Assistant County Administrator- Public Works  
612-348-3054  
lisa.cerney@hennepin.us

(\$ in thousands)

Recycling Recovery Facility

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$26,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Non-Governmental Funds	\$19,165	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$16,265	\$116,570	\$0
<b>TOTAL</b>	<b>\$19,165</b>	<b>\$42,265</b>	<b>\$116,570</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$10,000	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$8,205	\$2,240	\$960	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$960	\$1,700	\$91,685	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$38,325	\$23,925	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$19,165</b>	<b>\$42,265</b>	<b>\$116,570</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.**

Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

West Broadway Safety and Mobility Improvements

**AT A GLANCE**

**2026 Request Amount:** \$10,100

**Priority Ranking:** 2

**Project Summary:** Hennepin County is seeking a total of \$10.1 million in state bond funds, to reconstruct a half-mile portion of West Broadway in Minneapolis from Lyndale Avenue to West River Parkway. This investment is needed to address traffic safety issues, poor pavement condition and needed multi-modal connections along a key commercial corridor in North Minneapolis adjacent to the METRO Blue Line Extension (BLE) light rail project.

**Project Description**

Hennepin County is submitting this budget request for the West Broadway Safety and Mobility Improvements project on the half-mile corridor of West Broadway in Minneapolis, Minnesota. This project complements the proposed BLE light rail project that the County and partner agencies are advancing along the West Broadway corridor. The section of West Broadway to be included in this West Broadway Safety and Mobility Improvements project is adjacent to, but not included in the BLE project. This budget request would fund the extension of the improvements along West Broadway across Interstate 94 (I-94) to the Mississippi River, improving access to proposed BLE stations and improving the connection between North Minneapolis and the Mississippi National River and Recreation Area. The surface assets in most of the project area were last reconstructed in 1955 and are no longer in a state of good repair. Timely reconstruction ensures that this corridor will return to a state of good repair and preventing future cost escalation that would come with delaying this project.

This proposed project would improve West Broadway between Lyndale Avenue North and West River Road, excluding the Washington Avenue North intersection, which will be reconstructed as part of the BLE project. The current roadway is four lanes with no bike facilities, narrow sidewalks with limited street trees presenting a difficult environment for pedestrians in the corridor. Vehicles accessing the nearby I-94 ramps travel at relatively high speeds due to lack of traffic calming measures along the corridor.

Safety elements included in this project are:

- A reduction in lanes where feasible to provide traffic calming and increased space for multi-modal infrastructure;
- Widening of sidewalks and addition of planted boulevards for an improved pedestrian experience and ADA compliance;
- Installation of a new sidewalk-level bikeway on West Broadway between 2nd Street and West River Road to close an important bike gap in the region;

- Restriping on the I-94 bridge to narrow lanes and create additional striped buffers to separate pedestrians from vehicles;
- Intersection safety improvements including a slip lane removal, a new crosswalk and addition of curb bump-outs to shorten pedestrian crossing distance, meet current ADA standards and improve accessibility.

### **Project Rationale**

This project addresses traffic safety issues and poor pavement condition on the corridor, enhances and adds new multimodal facilities, increases economic access for corridor residents, and will be consistent with Hennepin County’s Complete and Green Streets policy. West Broadway is identified as a high-crash corridor by the City of Minneapolis and Hennepin County. In 2019 a joint City and County study identified the intersection of West Broadway and Lyndale as having the highest pedestrian crash rate. Multi-modal improvements planned in this reconstruction are needed for the safety of all users, especially with an expected increase in pedestrians from the BLE project. These improvements will be made along a key commercial corridor in North Minneapolis, improving connectivity to the recreational areas by the river and downtown Minneapolis, and increasing mode choice by making walking and bicycling safer, and providing safe access to future light rail stations in the area.

### **Project Timeline**

Design: 2027  
Construction: 2028-2029

### **Other Considerations**

The improvements included in this project focus on increasing access in this corridor by facilitating safety improvements for all modes of travel. These improvements seek to greatly increase access by allowing residents to connect to designations and jobs along the corridor and throughout the Metro Area. By improving safety conditions on West Broadway, vehicles, pedestrians, bicyclists, and transit users will have safe and efficient travel choices to and through the project area. The overall corridor improvements will facilitate safe routes for travel between communities, access to economic opportunities and jobs in the city’s central business district, access to recreational opportunities in the existing parks and trails along the Mississippi River, and new connections to the bike, pedestrian, and transit networks.

### **Impact on State Operating Subsidies**

None.

### **Who will own the facility?**

Hennepin County

### **Who will operate the facility?**

Hennepin County

**Who will use or occupy the facility?**

Vehicular, light rail, bus, bike and pedestrian traffic originating throughout the state of Minnesota and beyond.

**Public Purpose**

This critical piece of infrastructure serves the movement of people, goods, and information, helping to build a healthy community.

**Description of Previous Appropriations**

None.

**Project Contact Person**

Dan Soler  
Director of Transit and Mobility  
612-235-1162  
daniel.soler@hennepin.us

(\$ in thousands)

West Broadway Safety and Mobility Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$10,100	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
County Funds	\$0	\$2,125	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,225</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,275	\$0	\$0
Project Management	\$0	\$850	\$0	\$0
Construction	\$0	\$8,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$1,600	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,225</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

Washington Avenue Multimodal Improvements Project

**AT A GLANCE**

**2026 Request Amount:** \$6,500

**Priority Ranking:** 3

**Project Summary:** Hennepin County is requesting \$6.5 million in state bonds for the Washington Avenue Multimodal Improvements Project, which will improve pedestrian and bicycle mobility, and safety for all roadway users in the heart of Cedar-Riverside from the northbound I-35W ramp to 3rd St South in Minneapolis. Improvements to the Washington Avenue/Cedar Avenue (County State Aid Highway 152) corridor will connect this underserved community to the proposed H Line Arterial Bus Rapid Transit service.

**Project Description**

Hennepin County is requesting state bonding to improve mobility and safety for all roadway users, as well as multimodal connectivity throughout Cedar-Riverside, a legacy neighborhood between the University of Minnesota and Downtown Minneapolis. The Washington Avenue project will implement first and last mile connections for the planned H Line Arterial Bus Rapid Transit project, in close coordination with Metro Transit as project development advances for a tentative 2029 service date. The project includes the implementation of proven Safe Systems measures such as lighting, separated bicycle facilities, improved pedestrian crossings, and dedicated turn lanes to reduce crashes. In addition, green infrastructure, trees, and ADA upgrades will improve access for local businesses located along Washington and Cedar Avenues. This project will connect to existing transit, bicycle and pedestrian infrastructure to supplement previous investments in transportation and reduce ongoing maintenance costs for a roadway nearing the end of its useful life. These improvements will increase access to large employment centers and key destinations for residents of Cedar-Riverside and the University of Minnesota’s West Bank Campus.

The project area consists of 0.3 miles of roadway along Washington and Cedar Avenues in the Cedar-Riverside neighborhood. The roadway is currently four lanes (two in each direction), with intermittent painted bike lanes along the Washington Avenue segment, and no existing bike facilities along the Cedar Avenue segment which presents conflicts between people driving and people walking. Sidewalks are narrow throughout, with a few street trees, and on-street parking along part of the Washington Avenue segment. Vehicles exiting and accessing the I-35W northbound and southbound ramps travel at relatively high speeds due to the lack of compact intersection designs on either end of the I-35W Bridge #27881.

The main elements of the project are:

- Compact Complete Street designs at approximately five intersections to shorten pedestrian crossing distances, meet current ADA standards, and improve accessibility;

- Sidewalk level raised cycle track to separate people biking and improve mobility for drivers;
- Installation of Accessible Pedestrian Signals at all traffic signals placed at the recommended height, distance, and audible level to maximize their effectiveness;
- Reconstruction and reconfiguration of the roadway to improve safety;
- Native, resilient landscaping and additional street trees to improve stormwater management and improve the customer experience at nearby businesses;
- Reallocation of the existing Washington Avenue / Cedar Avenue right-of-way, introducing dedicated left-turn lanes to improve access to the surrounding businesses.

### **Project Rationale**

The project area represents a transportation nexus for residents living nearby. Roadway assets are nearing the end of their useful life and need reconstruction to support the transportation needs in the area. Expanding the mobility network in the project area is essential for providing first-last mile connections to the existing Green Line station serving the West Bank and future H Line. This project ties into three additional adjacent roadway investments. The 2012 Riverside Ave Project crosses Cedar Ave just south of the project corridor, the 2014 Cedar Ave Pedestrian Improvements Project made similar changes to the south of the project area. The 2028 Washington Ave Multimodal Safety Project (5th Ave S to 11th Ave S) is funded and planned to begin project development in 2025. These nearby projects show that improving conditions along the project corridor can close a gap in existing connectivity.

### **Project Timeline**

Final design and engineering is schedule for late 2026-2027. Construction is tentatively planned to begin in 2028, with efforts made to synchronize project timeline with Metro Transit's planned H Line project delivery and construction. Tentatively, the project would be substantially completed by the end of 2029.

### **Other Considerations**

This project will advance the buildout of Metro Transit's Arterial Bus Rapid Transit network. Though no resolution currently exists in support of this project, Hennepin County tentatively plans to include this project in its 2026 state legislative platform and priorities.

### **Impact on State Operating Subsidies**

Likely no impact.

### **Who will own the facility?**

Hennepin County.

### **Who will operate the facility?**

Hennepin County. The proposed H Line Arterial Bus Rapid Transit project that will serve the project area will be operated by Metro Transit.

### **Who will use or occupy the facility?**

Minnesotans walking, biking, taking transit, and driving will use the project. In particular, residents of Cedar-Riverside will directly benefit from the project by creating a more livable corridor that aligns with the community's transportation needs. Approximately 39% of workers in project area walk, bike, or use public transportation for their work commute. The project will also serve those accessing the University's West Bank campus and pass-through traffic accessing Downtown Minneapolis.

### **Public Purpose**

This project would reconstruct a roadway nearing the end of its useful life, reducing the burden of maintenance costs on the public and providing connectivity to existing transit and improved public facilities for bicycle and pedestrian traffic. The project is predicted to reduce the likelihood of crashes on the corridor, increasing public safety, and plans to upgrade ADA infrastructure to better serve members of the public with limited mobility.

### **Description of Previous Appropriations**

None

### **Project Contact Person**

Carla Stueve  
Transportation Project Delivery Director and County Engineer  
612-596-0356  
Carla.Stueve@hennepin.us

(\$ in thousands)

Washington Avenue Multimodal Improvements Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Other Local Government Funds	\$0	\$8,600	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$15,100</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$500	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,400	\$0	\$0
Project Management	\$0	\$800	\$0	\$0
Construction	\$0	\$10,300	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$2,100	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$15,100</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

**Avivo**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$26,662
<b>Priority Ranking:</b>	4
<b>Project Summary:</b>	Avivo (formerly Resource Inc.) requests \$26,662,000 in state funds for demolition and construction services for building renovations and an addition to Avivo's campus in Minneapolis.

**Project Description**

The proposed total project will double the square footage of Avivo's primary campus in Minneapolis from 37,332 square feet to 75,226 square feet, make necessary energy improvements and environmental updates.

1904 and 1908 Chicago Avenue:

- Site preparation
- Design of new building/addition

1900 Chicago Avenue:

- Replace energy systems including mechanical, electrical, plumbing, and low voltage.
- Interior redesign and renovation
- Exterior redesign and renovation of the building enclosure, roof, parking surfaces and landscaping.

**Project Rationale**

Avivo is a 501C3 nonprofit organization that serves the Twin Cities metro and St. Cloud, helping to improve the quality of life for individuals and families who experience the greatest barriers to employment, education, and wellness. We started more than 60 years ago with vocational rehabilitation services for people with disabilities, and have expanded to include customized employment, career education, chemical and mental health and ending homelessness services, achieving prominence in each field. Avivo serves approximately 11,000 people each year through 48 different programs.

The building at 1900 Chicago Avenue houses our chemical and mental health programs, a child development center, ending homelessness program staff and administrative staff offices.

This 1960s era building has not had any major renovations. Current problems include:

- A frequently failing original energy system, which is inefficient and will soon no longer be repairable, with parts out of date and unavailable.

- Lack of adequate space: our chemical and mental health program has grown by 40% over the past 5 years, and we see increased demand, expecting to see at least the same level of growth, resulting in 4,000 more people served.
- Severe interior wear and tear from hundreds of people using the campus every day over 60+ years.
- Inadequate reception area for clients.
- Deteriorated parking areas, lack of lighting.
- Confidentiality issues due to changed use.

These contribute to:

- Excessive energy and repair costs, which reduces funds for direct services to clients.
- Inability to serve more recovery clients, despite the great need.
- Overcrowded child learning and play spaces.
- Neighborhood blight.

### **Project Timeline**

Currently anticipating mid-2027 for start of construction, but dependent upon receipt of state funding.

### **Other Considerations**

Our economic impact is significant:

- 75% of those we serve, living at or below the poverty level, are linked to jobs and recovery.
- 3,000 participants secure jobs each year, with an average wage increase of 60%.
- Every \$1 spent on addiction treatment saves \$7 in social costs.

### **Impact on State Operating Subsidies**

None

### **Who will own the facility?**

Avivo, with a long-term lease and use agreement between Hennepin County and Avivo.

### **Who will operate the facility?**

Avivo

### **Who will use or occupy the facility?**

Avivo

### **Public Purpose**

The public purpose of this facility is to address poverty, addiction and mental health issues for those

citizens facing multiple barriers to success. Avivo provides job skills training and support services to move over 3,000 people annually off welfare and into employment; we work with counties and businesses to provide dislocated workers with training and support. Our career education opportunities help individuals with disabilities and other barriers to discover capabilities, gain workplace skills, and achieve industry-specific credentials. Avivo provides critical services for the Twin Cities metro and other service areas, particularly in terms of helping people achieve stable employment, housing, and wellness.

### **Description of Previous Appropriations**

The state approved \$1.7 million in general obligation bonding in the 2020 bonding bill for Avivo to proceed with preliminary design.

### **Project Contact Person**

Kelly Matter  
President and CEO  
612-752-8003  
kelly.matter@avivomn.org

(\$ in thousands)

Avivo

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$1,700	\$26,662	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$28,363	\$0	\$0
<b>TOTAL</b>	<b>\$1,700</b>	<b>\$55,025</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$26	\$0	\$0	\$0
Design Fees	\$1,494	\$1,500	\$0	\$0
Project Management	\$100	\$760	\$0	\$0
Construction	\$80	\$47,815	\$0	\$0
Relocation Expenses	\$0	\$750	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$4,200	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$1,700</b>	<b>\$55,025</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	Yes
Has the predesign been approved by the Department of Administration?	Yes
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**St. David's Development & Therapeutic Services****AT A GLANCE****2026 Request Amount:** \$10,000**Priority Ranking:** 5**Project Summary:** St. David's requests \$10,000,000 in state funding to renovate our Nicollet Mall campus in Minneapolis to offer assessment, treatment, and support to children with developmental and emerging mental health needs and their families.**Project Description**

The proposed total project will more than double the assessment and treatment space St. David's currently occupies in Minnetonka and Minneapolis, from 78,000 to 165,000 square feet and thereby double the number of children and families served. At 1130 Nicollet Mall, by December 2027, St. David's will engage in three phases including acquisition of and renovation to the building:

**July 2024 to July 2025**

- Purchased the fee interest and acquired 1130 Nicollet Mall;
- Completing deferred maintenance projects to update outdated and deteriorating HVAC systems, water heating, lighting and roof;
- Renovating and equipping two classrooms and two yoga studios into spaces to align with St. David's therapeutic services for young children (speech, mental health and occupational therapies);
- Adding gym wall divider to accommodate additional large motor space for early childhood programming;
- Adding safety features to the building such as railing extensions for two story ramp.

**January to December 2026:**

- Renovate first-floor fitness space into therapeutic classrooms and assessment, mental health, speech, occupational therapy rooms;
- Renovate main entrance to improve safety, and complete all other safety and security changes;
- Create a side entrance on 12th Street and safe drop-off zone for children using medical transportation;
- Equip all spaces; and Relocate teams.

**January to December 2027:**

- Demolish and remove pool and locker rooms;
- Construct a new second floor and complete two-level renovation, including office and hoteling

workspace for an additional 120 staff, additional therapeutic classrooms and assessment, mental health, speech, occupational therapy, feeding therapy, health and nutrition spaces, integrated clinic space, and family resource center;

- Complete signage implementation and furnishing and equipping renovated spaces;
- Relocate teams.

## **Project Rationale**

St. David's is a regional leader in child and family development, offering educational, therapeutic, and support services, including inclusive early childhood education, mental health and pediatric therapies, autism treatment, parent-child home visiting, and disability services to over 8,000 children, parents, and individuals with special needs annually. These services are provided at our two centers in Minneapolis and Minnetonka, more than 30 partner sites, and hundreds of homes across the community.

There is a growing number of young children whose long-term outcomes are at risk if we fail to address them before they reach kindergarten.

- 1 in 4 children has witnessed or experienced trauma by age four. For children from low-income households, this trauma risk doubles to one in 2 children.
- Pre-K students are expelled at a rate more than three times that of children in grades K-12.
- 1 in 5 children has a diagnosable mental health issue, yet only 50% gain access to the help they need.
- 1 in 6 children has a developmental delay or disability. 1 in 31 children in MN is diagnosed with Autism Spectrum Disorder. 73% of children with ASD had developmental concerns noted by age 3, yet only 34% received a comprehensive developmental evaluation by this time.

Currently, over 2,000 children are waiting for placement in one or more of our early intervention services. We are committed to increasing our capacity to meet the needs of children 0 to 8 years, given decades of brain research telling us the impact is greatest in the early years. That research has informed our approach: two-generation, multidisciplinary to address all areas of development, and evidence-based.

### **Vision for the Property and Partnership at 1130 Nicollet Mall:**

1. Purchase and renovate the building to align with our early childhood services, continuing to reach and effectively engage the underserved;
2. Lease back space to the YWCA to continue offering childcare; and
3. Partner with the county, the community, and other nonprofits to increase access to services in this center that support the care, healing, education, and wellbeing of children and families.

The underutilized and outdated fitness center needs to be and will be transformed into additional child and family support service space, adding even more capacity in the building for the governmental program. When complete, 100% of the facility will be utilized as service space impacting more than 2,000 more families annually and collaborative workspace for 250 staff

members.

**Project Timeline**

Construction: Summer 2024 - December 2027  
Completion: January 2028

**Other Considerations**

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

St. David's

**Who will operate the facility?**

St. David's

**Who will use or occupy the facility?**

St. David's

**Public Purpose**

St. David's

**Description of Previous Appropriations**

No state bond funds have been appropriated to this project in the past.

**Project Contact Person**

Julie Sjordal  
Chief Executive Officer  
952-548-8670  
jsjordan@stdavidscenter.org

(\$ in thousands)

St. David’s Development & Therapeutic Services

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$770	\$0	\$0	\$0
General Obligation Bonds	\$0	\$10,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Non-Governmental Funds	\$11,340	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
Non-Governmental Funds	\$0	\$4,894	\$0	\$0
<b>TOTAL</b>	<b>\$12,110</b>	<b>\$14,894</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$4,215	\$0	\$0	\$0
Predesign Fees	\$99	\$0	\$0	\$0
Design Fees	\$476	\$1,131	\$0	\$0
Project Management	\$215	\$183	\$0	\$0
Construction	\$5,028	\$11,275	\$0	\$0
Relocation Expenses	\$17	\$15	\$0	\$0
One Percent for Art	\$120	\$120	\$0	\$0
Occupancy Costs	\$1,940	\$1,830	\$0	\$0
Inflationary Adjustment	\$0	\$340	\$0	\$0
<b>TOTAL</b>	<b>\$12,110</b>	<b>\$14,894</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

# Hibbing Public Utilities

# Projects Summary

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Hibbing Water Access, Treatment, Expansion, & Reliability Projects (Hib-WATER)	1	GO	11,837	0	0	0	0	0
<b>Total Project Requests</b>			11,837	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			11,837	0	0	0	0	0

(\$ in thousands)

**Hibbing Water Access, Treatment, Expansion, & Reliability Projects (Hib-WATER)**

**AT A GLANCE**

**2026 Request Amount:** \$11,837

**Priority Ranking:** 1

**Project Summary:** The Hib-WATER Projects are a 10-year, \$87 million initiative by Hibbing Public Utilities to address a water production shortfall. These projects seek address this urgent concern by increasing water production and decreasing system vulnerability caused by outdated infrastructure. FY 2026 of this initiative plans for the construction of a new water treatment facility and the replacement of ~10,000 LF of outdated watermains.

**Project Description**

The Hibbing Public Utilities Commission is a municipal utilities company that provides electricity, gas, steam, and water services to the City of Hibbing's residents, businesses, and industries. HPU's water system includes ten wells, two water towers, a treatment facility, and over 100 miles of distribution piping to serve ~16,000 residents of our community. Like many communities, Hibbing faces the challenges of aging infrastructure across these services. Unlike many communities, Hibbing must navigate these challenges with the world's largest open-pit iron mine operating and expanding within city limits.

In relation to HPU's water infrastructure, these challenges came to a head in 2022 when dewatering activities in a nearby mining pit led to the early retirement of HPU's Scranton Well. Prior to these dewatering activities, the affected well produced 600 gallons per minute of potable water. As a result of the well going offline, HPU performed a system-wide study and assessment of Hibbing's full water production and distribution system. This study identified that without Scranton Well, the city faces a water production shortfall of 200,000-2,000,000 gallons per day. This production shortfall is further compounded by the finding that ~50% of HPU's distribution watermains have deteriorated beyond their expected service life. These antiquated cast-iron pipes are particularly vulnerable to breaks due to the regular occurrence of mine blasting. These factors contribute to Hibbing's annual average of 25 watermain breaks. These breaks are a key factor to Hibbing's peak water usage days worsening the production shortfall. The 2022 study warned that the production shortfall and ongoing breaks create a substantial and growing risk of a system-wide depressurization event, leading to a drinking water disaster.

In response to these pressing concerns, the Hibbing Public Utilities Commission acted quickly to launch the Hib-WATER projects later the same year of 2022. This long-term strategic project covers several initiatives that seek to strengthen/increase HPU's water production capabilities and to decrease the system vulnerability caused by outdated infrastructure. In order to strengthen/increase production, HPU has committed to investing \$37 million over the next 10 years to rehabilitate existing treatment facilities, upgrade water towers and well houses, and develop a new well field and treatment plant. In order to decrease system vulnerability, HPU has adopted a 10-year, \$50 million,

watermain replacement plan in order to annually replace 2% of HPU's water distribution system. Since the adoption of the Hib-WATER Projects in 2022, HPU has replaced ~33,000 linear feet of watermain and completed significant capital improvements to the existing South Water Treatment Plant. However, much work remains.

In 2026, HPU seeks to complete its boldest year of progress yet. 2026 will be highlighted by the construction of a new water treatment plant to replace the water production capabilities lost with Scranton Well's retirement. In addition to this, HPU will be completing ~10,000 linear feet of watermain replacement. The outcome of these projects will be an increased water production capability to match peak demands, and a reduction of watermain breaks that contribute to those demand peaks. Through the accomplishment of these goals, the Hib-WATER Projects will directly improve the drinking water service and quality of life for the current residents of Hibbing as well as secure a sustainable system for all future residents.

In order for these project goals and benefits to be experienced by our community, HPU must not compromise water service affordability. According to census records, Hibbing experiences poverty at the rate of 14.2%. This rate is 5 percentage points above the state average and 3 points above the national average. Additionally, 22.7% of the Hibbing population is above the age of 65, again 5 percentage points above both state and national averages. These demographics indicate that a high amount of Hibbing's residents are low-income or live on a fixed income and would be disproportionately impacted by rate adjustments to support these projects. Without external support, the cost of the Hib-WATER projects has the potential to double the average water bill, from \$90 to \$180 per month. This drastic increase would impact the financial security of these residents who already experience or are on the verge of experiencing financial insecurity. Therefore, in order to bring about the project benefits and lessen the financial burden of these projects, HPU is seeking the support of external funding sources for the Hib-WATER projects.

The challenges facing Hibbing's water infrastructure are urgent, complex, and compounded by Hibbing's unique proximity to mining operations and presence of vulnerable populations. Despite these challenges, Hibbing Public Utilities is taking decisive and forward-thinking action through the Hib-WATER Projects to ensure the long-term reliability, capacity, and sustainability of our water system. These efforts represent a critical investment not only in infrastructure, but in health, safety, and the economic well-being of Hibbing's current 16,000 residents and for the generations of residents to come.

## **Project Rationale**

As a result of HPU's early retirement of the Scranton Well in support of mining operations, HPU performed a system-wide study and assessment of Hibbing's water production and distribution system. This study identified that without Scranton Well, the city faces a water production shortfall of 200,000-2,000,000 gallons per day. This production shortfall is further compounded by the finding that ~50% of HPU's distribution watermains have deteriorated beyond their expected service life. These antiquated cast-iron pipes are particularly vulnerable to breaks due to the regular occurrence of mine blasting. These factors contribute to Hibbing's annual average of 25 watermain breaks. These breaks are a key factor to Hibbing's peak water usage days worsening the production shortfall. The 2022 study warned that the production shortfall and ongoing breaks create a substantial and growing risk of a system-wide depressurization event, leading to a drinking water disaster.

In response to these pressing concerns, the Hibbing Public Utilities Commission acted quickly to launch the Hib-WATER projects later the same year of 2022. This long-term strategic project covers several initiatives that seek to strengthen/increase HPU's water production capabilities and to

decrease the system vulnerability caused by outdated infrastructure. In order to strengthen/increase production, HPU has committed to investing \$37 million over the next 10 years to rehabilitate existing treatment facilities, upgrade water towers and well houses, and develop a new well field and treatment plant. In order to decrease system vulnerability, HPU has adopted a 10-year, \$50 million, watermain replacement plan in order to annually replace 2% of HPU's water distribution system. Since the adoption of the Hib-WATER Projects in 2022, HPU has replaced ~33,000 linear feet of watermain and completed significant capital improvements to the existing South Water Treatment Plant. However, much work remains.

In 2026, HPU seeks to complete its boldest year of progress yet. 2026 will be highlighted by the construction of a new water treatment plant to replace the water production capabilities lost with Scranton Well's retirement. In addition to this, HPU will be completing ~10,000 linear feet of watermain replacement. The outcome of these projects will be an increased water production capability to match peak demands, and a reduction of watermain breaks that contribute to those demand peaks. Through the accomplishment of these goals, the Hib-WATER Projects will directly improve the drinking water service and quality of life for the current residents of Hibbing as well as secure a sustainable system for all future residents.

### **Project Timeline**

New Water Treatment Plant:

Design: September 2025 - March 2026

Construction: May 2026 - July 2028

Watermain Replacement Projects:

Design: September 2025 - March 2026

Construction: May 2026 - October 2026

### **Other Considerations**

In order for these project goals and benefits to be experienced by our community, HPU must not compromise water service affordability. According to census records, Hibbing experiences poverty at the rate of 14.2%. This rate is 5 percentage points above the state average and 3 points above the national average. Additionally, 22.7% of the Hibbing population is above the age of 65, again 5 percentage points above both state and national averages. These demographics indicate that a high amount of Hibbing's residents are low-income or live on a fixed income and would be disproportionately impacted by rate adjustments to support these projects. Without external support, the cost of the Hib-WATER projects has the potential to double the average water bill, from \$90 to \$180 per month. This drastic increase would impact the financial security of these residents who already experience or are on the verge of experiencing financial insecurity. Therefore, in order to bring about the project benefits and lessen the financial burden of these projects, HPU is seeking the support of external funding sources for the Hib-WATER projects.

### **Impact on State Operating Subsidies**

This project will have no impact on State Operating Subsidies.

### **Who will own the facility?**

Hibbing Public Utilities Commission

**Who will operate the facility?**

Hibbing Public Utilities Commission

**Who will use or occupy the facility?**

Hibbing Public Utilities Commission

**Public Purpose**

The purpose of the Hib-WATER Projects seek to strengthen/increase water production and decrease system vulnerability in order to ensure the long-term reliability, capacity, and sustainability of our water system. These efforts represent a critical investment not only in infrastructure, but in health, safety, and the economic well-being of Hibbing's current 16,000 residents and for the generations of residents to come.

**Description of Previous Appropriations**

Hibbing Public Utilities has received \$4.77 million issued per Minnesota Laws 2024, Chapter 127, Article 69, Sections 15-16 to support "Water Infrastructure Projects" in FY 2025.

**Project Contact Person**

Eliot Dixon  
Customer Communications & Program Specialist  
218-262-7737  
eliot.dixon@hpuc.com

**Hibbing Public Utilities**

**Project Detail**

(\$ in thousands)

**Hibbing Water Access, Treatment, Expansion, & Reliability Projects (Hib-WATER)**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$11,837	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$8,674	\$0	\$0
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$3,163	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$23,674</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$200	\$0	\$0
Predesign Fees	\$0	\$199	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$3,500	\$0	\$0
Construction	\$0	\$19,775	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$23,674</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	No
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Sanitary Sewer Rehabilitation Project	1	GO	2,216	0	0	0	0	0
Memorial Building Renovation	2	GO	8,357	0	0	0	0	0
<b>Total Project Requests</b>			10,573	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			10,573	0	0	0	0	0

**Sanitary Sewer Rehabilitation Project**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$2,216
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of Hibbing needs to reline its sanitary sewer system to mitigate inflow/infiltration of water.

**Project Description**

The City of Hibbing is under a mandate from the MPCA to try to eliminate I/I from our sanitary sewer system. The sanitary sewers for this project consist of 6” through 24” clay sewer mains constructed between 1920 through 1960. An extensive Inflow/Infiltration (I/I) study was performed per the MPCA mandate. The study broke down the amount of flows that were pumped out of each lift station in the City, we then compared that to the amount of residential flows that were entering the lift stations. We found that there is a considerable amount of I/I entering the sanitary sewer system because of the condition of the aging clay tile pipe. The project consists of installing a structural liner inside of the existing sanitary sewer main, this will eliminate the offset pipe joints along with eliminating any pipe cracking. By doing this, we will eliminate any future inflow and infiltration along with eliminating any sewer main failures.

Through 2025 we have already rehabilitated 24 miles of sanitary sewer main. We have approximately 33 miles of sanitary sewer remaining that will need rehabilitation under this project.

**Project Rationale**

**Project Timeline**

**Other Considerations**

**Impact on State Operating Subsidies**

**Who will own the facility?**

City of Hibbing

**Who will operate the facility?**

City of Hibbing

**Who will use or occupy the facility?**

Residents of the City of Hibbing

**Public Purpose**

The City of Hibbing is under a mandate from the MPCA to try to eliminate inflow/infiltration from our sanitary sewer system. there is a considerable amount of I and I entering the sanitary sewer system because of the condition of the aging clay tile pipe. By executing this project the City of Hibbing will meet the State's mandate, reduce operating costs at its wastewater treatment facility, and reduce the amount doing this, we will eliminate any future inflow and infiltration along with eliminating any sewer main failures.

**Description of Previous Appropriations**

**Project Contact Person**

Jesse Story  
City Engineer  
218-969-0629  
jessestory@hibbingmn.gov

(\$ in thousands)

Sanitary Sewer Rehabilitation Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,216	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$2,672	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,888</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$103	\$0	\$0
Design Fees	\$0	\$206	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$4,123	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$456	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,888</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

Memorial Building Renovation

**AT A GLANCE**

**2026 Request Amount:** \$8,357

**Priority Ranking:** 2

**Project Summary:** The City of Hibbing proposes a full renovation of the historic Memorial Building, including roof replacement, new dehumidification, life safety systems, HVAC, electrical and plumbing upgrades, refrigeration plant replacement, window and technology upgrades, and general modernization (flooring, fixtures, furnishings). The project preserves the building’s legacy while improving safety, efficiency, and functionality for community use.

**Project Description**

The City of Hibbing proposes a comprehensive renovation of the historic Hibbing Memorial Building to ensure its long-term viability, safety, and energy efficiency while preserving its legacy as a cornerstone of community activity on the Iron Range. Originally built in 1935 with federal Public Works Administration support, the Memorial Building has served generations of residents and continues to host a wide range of recreational, cultural, and civic events. This renovation project seeks to modernize critical infrastructure while respecting the building’s historical significance.

Key components of the proposed renovation include:

1. **Roof Replacement:** The existing roof has surpassed its useful life and shows signs of deterioration. A new, energy-efficient roofing system will be installed to improve insulation, reduce heat loss, and prevent water infiltration that could damage interior spaces and systems.
2. **Life Safety Systems:** Installation of a full life safety system, including fire detection, suppression (sprinklers), and emergency alarms, will bring the building up to current safety standards and provide code compliance for public assembly use.
3. **Heating System Upgrade & Dehumidification:** Aging and inefficient heating infrastructure will be replaced with a modern system designed to enhance comfort, reduce operating costs, and support zoning throughout the complex. Dehumidification will be added to preserve interior finishes, protect mechanical equipment, and improve air quality—especially in the arena and curling rink—a modern dehumidification system will be installed. This is critical for maintaining ice quality and reducing long-term structural degradation due to excess moisture.
4. **Electrical and Plumbing Modernization:** Electrical systems will be upgraded to handle current and future demands, improve reliability, and support new lighting, HVAC, and technology installations. Plumbing infrastructure will be replaced to address aging pipes, improve water efficiency, and meet compliance standards.

5. Refrigeration Plant Replacement: A new, environmentally friendly ice refrigeration system will replace the outdated plant to improve energy efficiency, safety, and ice quality. This upgrade is essential for maintaining Hibbing's status as a regional hub for hockey, curling, and skating.
6. Window Replacement: Original and outdated windows will be replaced with energy-efficient, historically appropriate units that improve thermal performance, reduce energy costs, and enhance natural lighting.
7. Technology Upgrades: The renovation will include integrated technology improvements such as high-speed Wi-Fi, updated audio-visual systems, security enhancements, and digital signage to support events, programming, and operational needs.
8. General Modernization: The project will include general upgrades throughout the building such as new flooring, updated fixtures, refreshed furnishings, and interior finish improvements. These enhancements will improve aesthetics, functionality, and visitor experience across all areas of the facility.

### **Project Rationale**

The Hibbing Memorial Building, a historic and heavily utilized community facility, is in urgent need of modernization to address aging infrastructure, safety concerns, and energy inefficiencies. Many core systems—roofing, heating, plumbing, electrical, and refrigeration—have exceeded their useful life, limiting the building's functionality and increasing maintenance costs. Upgrading these systems, along with life safety, accessibility, and technology improvements, will ensure the building can continue to serve as a central hub for recreation, education, and public gatherings. The renovation is essential to preserve the structure's historical significance while adapting it to meet the evolving needs of Hibbing residents, regional users, youth organizations, and community groups.

### **Project Timeline**

The renovation of the Hibbing Memorial Building will be completed in carefully planned phases to minimize disruptions to ongoing community use. Phase 1 will focus on critical infrastructure upgrades, including roofing, life safety systems, and HVAC/refrigeration improvements. Subsequent phases will address plumbing, electrical, and window replacements, followed by interior modernization such as flooring, fixtures, and technology.

### **Other Considerations**

#### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

The residents of the City of Hibbing, MN

#### **Who will operate the facility?**

City of Hibbing, MN - (City Services Department)

#### **Who will use or occupy the facility?**

The renovated Hibbing Memorial Building will serve Hibbing residents, surrounding communities, and a wide range of users, including community groups, non-profits, youth associations, and the Hibbing School District, ensuring it remains a vital hub for recreation, education, and civic engagement.

**Public Purpose**

The public purpose of the project is to preserve and modernize a critical community asset, ensuring the Hibbing Memorial Building remains a safe, accessible, and functional space that supports recreation, education, cultural events, and civic activities for residents of Hibbing and the surrounding region.

**Description of Previous Appropriations**

**Project Contact Person**

Nick Arola  
City Services Director  
218-421-5565  
nickarola@hibbingmn.gov

(\$ in thousands)

Memorial Building Renovation

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$8,357	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$7,088	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$15,445</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$324	\$0	\$0
Design Fees	\$0	\$1,687	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$11,937	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$1,497	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$15,445</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Emergency Shelter   City Hall   Community Center Multipurpose Building	1	GO	2,500	0	0	0	0	0
<b>Total Project Requests</b>			2,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,500	0	0	0	0	0

**Emergency Shelter | City Hall | Community Center Multipurpose Building**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$2,500
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	\$2,499,973 million in state funds is requested to predesign, design, construct, furnish and equip a multipurpose Emergency Tornado Shelter/City Hall/Community Center facility at 4555 Jackson Street NE in the City of Hilltop. The project will include the demolition of the existing city hall and dismantling of the current playground and construction/installation of a new playground.

**Project Description**

The City of Hilltop is building a 6,000 sq. foot facility to serve as an emergency tornado shelter, city hall, and community center. As a very small, low-income community with a limited tax base, Hilltop must make efficient use of funds; combining these uses into a single facility reduces construction and maintenance costs. Both the main floor and basement will be fully accessible and constructed to meet ICC-500 standards. During emergency situations, the building will serve as the Emergency Operations Center (EOC) for fire, police, and emergency services. The storm shelter will serve as a resiliency hub, providing generators, battery backup, and HVAC during power outages and other emergencies. The shelter’s capacity of 700 will meet the CCity's goals of sheltering the entire population of manufactured home residents in the community.

The facility will also provide office space for city hall staff, council chambers, and records storage and will serve as an election polling location. The main floor of the facility will include a community room with a kitchenette and serving counter that residents can rent for events. The existing City Hall and adjacent playground will be removed to make space for the new construction and a new playground will be installed as part of the project.

The total inflation-adjusted cost is estimated at just under \$5 million. Project costs include predesign, design, engineering, construction, furnishings and equipment, demolition of the existing City Hall/Tornado Shelter and deconstruct the current playground, and reinstallation and upgrades to the playground. A State Capital Project investment will be matched through private/grant funding, in-kind support, and city reserve funds.

This is a very large project for our small city. We have a limited tax base and limited funding options. The city has unsuccessfully explored grant funding for the project through FEMA, USDA, and HUD, but due to the nature of the project or size of the community, has not found any good prospects.

**Project Rationale**

Manufactured homes provide important affordable housing for Hilltop residents. Of the 406 housing

units in the City, 266 (66%) are manufactured homes. However, manufactured homes are extremely vulnerable to tornadoes and other extreme weather. NOAA and FEMA recommend that mobile and manufactured home residents flee their homes for sturdier shelter before storms strike. None of the manufactured home parks have formal tornado shelters, all have elected to provide an evacuation plan in lieu of shelter. The intensity and frequency of storms has increased in recent years, with the City opening the current tornado shelter 12-15 times per year. This project is a priority because the current shelter only has capacity for 174 people, is difficult to access, and does not meet the needs of the community. In recent years more families have moved into the community, approximately 25% of the population is under the age of 15, while 10% is over the age of 65. The proposed shelter's capacity of 700 will meet the City's goals of sheltering the entire population of manufactured home residents in the community. Protecting public safety is one of the main functions of government. Hilltop seeks to protect residents before disaster strikes.

The project has strong community support from residents, business owners, and manufactured home park owners. The city has been working with Oertel Architects to develop the proposed project since 2016. The four manufactured home parks in the community, while not formal partners on the project, work with the city on emergency preparedness and are supportive of the proposed emergency tornado shelter. Anoka County Commissioner Mandy Meisner is extremely supportive of the project as is the Fire Chief of neighboring Columbia Heights, which provides contract emergency services to Hilltop. The proposed multipurpose facility is essential for public safety, accessibility, and equity.

### **Project Timeline**

Pre-design, Engineering & Design: 01/01/2022-02/01/2025 (Completed)  
Construction: 09/01/2026-12/31/2027  
Completion: 12/31/2027  
Occupancy: 12/31/2027

### **Other Considerations**

The proposed project meets several of Governor Walz's capital budget priorities. It protects life and safety, provides a 50% local match, included extensive community engagement, is strongly supported by the City, helps prepare Hilltop for the increasingly violent storms occurring due to climate change, meets the B3 performance guidelines, and helps make Minnesota a great place for kids by improving safety and installing a new playground. Lastly, the project will provide equitable access to storm shelter for Hilltop's racially diverse —50% Hispanic, 24% White, 17%Black, 5% Multi-Racial, 4% Asian— low-income community. The median household income in Hilltop is \$40,700 (ACS 2017-2021, Metropolitan Council) significantly lower than the State median of \$77,706 or the Anoka County median income of \$88,680 (ACS 2017-2021). A significant portion of the community is below the Federal poverty level (21.5%) and an additional 30% is between 100-184% of the poverty level.

### **Impact on State Operating Subsidies**

None-no additional funds will be requested.

### **Who will own the facility?**

City of Hilltop

**Who will operate the facility?**

City of Hilltop

**Who will use or occupy the facility?**

City of Hilltop

**Public Purpose**

The proposed multipurpose Emergency Shelter/City Hall/Community Center will: 1) protect the health and safety of Hilltop residents by providing safe shelter for the almost 700 low-income residents who live in manufactured homes; 2) provide space for the conduct of City business, including office space for staff, meeting and storage space, and a polling location; and 3) provide a community meeting/gathering space that residents and community groups can use for events and celebrations.

**Description of Previous Appropriations**

N/A. No previous appropriations received.

**Project Contact Person**

Ruth Nelsen  
City Clerk  
763-571-2023  
rnelsen@hilltop.govoffice.com

(\$ in thousands)

Emergency Shelter | City Hall | Community Center Multipurpose Building

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$1,000	\$0	\$0
City Funds	\$23	\$1,477	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$23</b>	<b>\$4,977</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$23	\$0	\$0	\$0
Design Fees	\$0	\$217	\$0	\$0
Project Management	\$0	\$275	\$0	\$0
Construction	\$0	\$4,059	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$426	\$0	\$0
<b>TOTAL</b>	<b>\$23</b>	<b>\$4,977</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.****Predesign Review (M.S. 16B.335 subd. 3):**

Does this request include funding for predesign? Yes

Has the predesign been submitted to the Department of Administration? Yes

Has the predesign been approved by the Department of Administration? Yes

**Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?** Yes**Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?** Yes**Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?** Yes**Will the project meet public ownership requirements (M.S. 16A.695)?** Yes**Will a use agreement be required (M.S. 16A.695 subd. 2)?** No**Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?** N/A**Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?** Yes**Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?** Yes**M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required** Yes**M.S. 473.4485: Guideway Project**

Is this a Guideway Project? No

Is the required information included in this request? N/A

**Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?** No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Holdingsford Lift Station Replacement	1	GO	1,300	0	0	0	0	0
<b>Total Project Requests</b>			1,300	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,300	0	0	0	0	0

Holdingford Lift Station Replacement

**AT A GLANCE**

**2026 Request Amount:** \$1,300

**Priority Ranking:** 1

**Project Summary:** The City of Holdingford is requesting \$1,300,000 in funding to design and construct a new lift station. The new station will replace a failing lift station that risks flooding homes as well as the potential to leak wastewater into the adjacent Two Rivers River.

**Project Description**

The main lift station and forcemain date to the 1960s. With improvements to the wastewater plant in 1990 and 2012. Improvements to the lift station occurred at the same time with new pumps. However, the structure and forcemain remain the 1960s original.

The lift station structure is failing and needs replacement. The steel structure has significant corrosion, beyond what can be easily repaired. The pumps need replacement again, and the system is often clogged with debris (wipes and other floatable debris). The forcemain too is beyond its life expectancy. This is the primary lift station in Holdingford. Its failure will flood homes as well as leak wastewater into the adjacent Two Rivers River.

Replacement will include:

- A new concrete structure
- Three submersible pumps
- A screen to remove wipes and other debris
- Standby back-up generator
- Forcemain replacement
- New control panel and SCADA system.
- Correction of sewer grades under the adjacent County Road

**Project Rationale**

This aging infrastructure is in critical need of replacement as the current lift station is failing. The estimated project cost is \$2,661,000. The City of Holdingford is committed to this project but funding assistance is needed to make to make it feasible to move forward with the project.

**Project Timeline**

Design and permitting: fall 2026  
 Bidding: Early 2027  
 Construction Start: summer 2027  
 Construction Complete: Late 2028

**Other Considerations**

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

City of Holdingford

**Who will operate the facility?**

City of Holdingford

**Who will use or occupy the facility?**

City of Holdingford

**Public Purpose**

Public infrastructure for proper wastewater treatment, including preventing the possible flooding of homes and risk of a wastewater leak to a nearby river.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Nicky Lahr  
Clerk - Treasurer  
320-746-2966  
clerk@holdingford.gov

(\$ in thousands)

Holdingford Lift Station Replacement

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,300	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$1,361	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>				
	\$0	\$2,661	\$0	\$0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$354	\$0	\$0
Project Management	\$0	\$230	\$0	\$0
Construction	\$0	\$2,077	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>				
	\$0	\$2,661	\$0	\$0

\*Inflation is already included in project costs.

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Recreation and Resilience Hubs	1	GO	5,000	0	0	0	0	0
<b>Total Project Requests</b>			5,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			5,000	0	0	0	0	0

(\$ in thousands)

## Recreation and Resilience Hubs

**AT A GLANCE****2026 Request Amount:** \$5,000**Priority Ranking:** 1

**Project Summary:** The City of Hopkins seeks to design and construct two community park buildings to be used for recreational, civic, education and climate resilient spaces to help residents connect, gather and learn while also providing safe shelter in times of extreme heat or weather. The total project cost is estimated at approximately \$10M, to be funded 50% from the state and 50% from City funds.

**Project Description**

The City of Hopkins seeks funding to design and construct two (2), 4,500 square foot park buildings, located in Oakes Park and Valley park at a total cost of \$10,159,303.

These buildings will provide residents with much needed indoor recreational and educational space that can be flexible enough to also accommodate myriad other uses such as space for voting, City or community led public engagement events, and rental space for communities to gather and celebrate. These two buildings would replace existing buildings in each park which were not built to accommodate gathering or community space beyond winter warming house use. Additionally, these buildings would serve a secondary purpose as resilience hubs which can accommodate residents for cooling and resource distribution during times of extreme heat or other climate events such as loss of power within a neighborhood. These buildings would be designed to be as carbon neutral with a rooftop solar array and power storage and cold climate ready ground sourced heating and cooling systems.

These buildings would each have one larger room which can hold approximately 100 people and is flexible enough to hold voting, community engagement events and presentations while also accommodating space for winter warming house use and Hopkins-Minnetonka recreational programming or educational programming for residents of all ages, put on by partner organizations such as Hopkins Community Education, Hopkins Early Childhood and Family Education or Three Rivers Parks District.

Each building would also have a small office, storage spaces, restrooms which can be accessed from the interior and exterior of the building. These spaces, while designed to function as day-to-day as a civic buildings are also designed for use as a space for emergency operations and cooling center use with space for a commercial kitchen, additional outlets for charging medical devices and phones and showers to be used during a climate event.

## **Project Rationale**

In recent years, a lack of civic space on the eastern and southern parts of the city have made it increasingly challenging to meet needs for residents. Both buildings are proposed to be in locations which are made up largely of residents living in multi-family housing, BIPOC residents and residents who have recently immigrated to the United States. These areas are census tracts where residents are experiencing high rates of poverty, lower incomes and are less likely to own personal transportation. Through three separate studies, residents have reaffirmed the need for access to community resources and programming which cannot be accommodated by the existing, too small buildings.

The development of these buildings will allow residents substantially improved access to city services, provide additional space for Hopkins-Minnetonka Joint Recreation, and create a regional facility which can provide a safe space on our most challenging weather days.

## **Project Timeline**

If approved in the 2026 legislative session, the following is a tentative timeline for the projects:

- Summer 2026: City to issue RFP for design and construction documents for buildings and select architecture firm.
- Fall/Winter 2026: Community engagement on final design and buildings proceed through City approval processes
- Late Winter 2026/Spring 2027: City to solicit bids for construction of new buildings
- Spring 2027: Projects begin Construction
- Spring 2028: Construction Completed

## **Other Considerations**

None.

## **Impact on State Operating Subsidies**

None

## **Who will own the facility?**

The City of Hopkins will own both buildings associated with the project, and currently owns the parkland on which they are proposed.

## **Who will operate the facility?**

The City of Hopkins will operate the facilities in conjunction with the City of Minnetonka, who serves as the recreation provider for both communities. Both cities will utilize the space for programming.

## **Who will use or occupy the facility?**

Residents will visit the facility for a wide variety of uses including recreation or community education programming, non-programmed activities such as a warming house for winter sports or a cooling center during extreme heat days, and civic uses such as voting and public engagement processes. The spaces will be available to community partners who have expressed the need for additional physical space in these areas of the community to provide programming, engagement, and services to residents.

**Public Purpose**

To provide residents of Hopkins with a space for gathering and community building; reduce barriers to civic engagement; and provide resilient spaces which can be supportive and response to extreme climate and weather events.

**Description of Previous Appropriations**

None

**Project Contact Person**

Laila Imihy, AICP  
Special Projects and Initiatives Manager  
612-245-1599  
limihy@hopkinsmn.com

(\$ in thousands)

## Recreation and Resilience Hubs

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$94	\$0	\$0	\$0
General Obligation Bonds	\$0	\$5,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$7	\$5,146	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$101</b>	<b>\$10,146</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$101	\$772	\$0	\$0
Project Management	\$0	\$167	\$0	\$0
Construction	\$0	\$7,771	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$490	\$0	\$0
Inflationary Adjustment	\$0	\$946	\$0	\$0
<b>TOTAL</b>	<b>\$101</b>	<b>\$10,146</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	
Has the predesign been submitted to the Department of Administration?	
Has the predesign been approved by the Department of Administration?	
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Mission Engagement Center	1	GO	8,856	0	0	0	0	0
<b>Total Project Requests</b>			8,856	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			8,856	0	0	0	0	0

(\$ in thousands)

**Mission Engagement Center**

**AT A GLANCE**

**2026 Request Amount:** \$8,856

**Priority Ranking:** 1

**Project Summary:** The Mission Engagement Center will meet the needs of Duluthians experiencing homelessness. With a commercial kitchen/dining hall, warming center, indoor/outdoor space, health service facilities, laundry services, clothing/hygiene resources, free summer food programming for kids, classrooms, and offices. The engagement center will provide dignified space for the most vulnerable population in Duluth, while transforming the health and safety of Duluth’s downtown for greater economic development.

**Project Description**

The Mission Engagement Center will be designed specifically to meet the needs of people experiencing homelessness in Duluth. Services will consist of a commercial kitchen and dining hall, a warming center space, indoor and outdoor space for people to gather with dignity and away from the street, free health service facilities, free laundry services, free clothing and hygiene resources, free summer food programming for kids, classrooms, and offices. The engagement center will provide dignified space for the most vulnerable population in Duluth, while transforming the health and safety of Duluth’s downtown for greater economic development. The HRA of Duluth, MN will be the owners of the Engagement Center and will enter into a long term lease and operating agreement with the Union Gospel Mission (UGM) for operations at the engagement center. Mission Engagement Center will replace Union Gospel Mission’s existing building and will serve as their new headquarters along with its associated services showing their commitment to the long term operation and services not only of the building, but also to the unhoused population to be served.

**Project Rationale**

According to St. Louis County’s Continuum of Care 2023 Annual Report, between 2013-2023 the County experienced a 41% increase in overall homelessness and a 157% increase in chronic homelessness. This dramatic increase has overburdened our existing infrastructure for people experiencing homelessness. The engagement center will double the food service capacity of what is currently available at the Union Gospel Mission; it will provide office space and meeting space for service providers and health care providers to meet with clients in order to provide supports that lead to housing, healthcare, and employment stability; and it will provide a central location for free laundry and shower/hygiene facilities. Additionally, two floors containing 40 units of supportive housing are planned to be built directly above the engagement center. This will double the amount of supportive units currently available at the present Union Gospel Mission building.

## **Project Timeline**

Design - April to June 2025  
Application to Minnesota Housing for 40 units of supportive housing (to be located above the engagement center) - July 2025  
Funding awarded for housing - December 2025  
Full funding of engagement center - May 2026  
Ground Breaking - July 2026  
Construction - July 2026-July 2027  
Grand Opening - August 2027

## **Other Considerations**

The growing number of people experiencing homelessness in Duluth is becoming a public health crisis. The Coordinated Entry priority list for Southern St. Louis County (which is primarily Duluth) has over 900 households identified. There are no state or federal grant programs to construct a facility that brings all of the needed services under one roof. Additionally, Minnesota Housing does not have funds to support the engagement center. They can only fund the housing component of the development. Thus, the GO Bonds for the engagement center leverages the \$20 Million of total development costs for the housing component. The Housing and Redevelopment Authority of Duluth, Minnesota (HRA) and their partner, Union Gospel Mission, will continue to fund raise for any gap in funding for the engagement center that may exist or arise. We continue to work with local business people and community stakeholders, and there is great local interest in supporting this project. The engagement center was a legislative priority for St. Louis County, the City of Duluth, and the Duluth Area Chamber of Commerce.

## **Impact on State Operating Subsidies**

None.

## **Who will own the facility?**

The Housing and Redevelopment Authority of Duluth, Minnesota (HRA) will be the owner of the Mission Engagement Center. The HRA is a public body corporate and politic of the State of Minnesota.

## **Who will operate the facility?**

The HRA will enter into an agreement with the Union Gospel Mission (UGM) for long term operation of the Mission Engagement Center. UGM has operated for over 100 years in Duluth and will be selling their current building and relocating to the center showing their long term commitment to the operations of the center and the population to be served.

## **Who will use or occupy the facility?**

Union Gospel Mission will be leasing office space from the Duluth HRA and providing long term operation of the Mission Engagement Center. We are collaborating with other service providers to occupy the space and have received expressed interest from: Lake Superior Community Health Center, St. Louis County Public Health and Human Services, Duluth Police Department Substance Use Response Team, and Rural AIDS Action Network.

**Public Purpose**

According to St. Louis County's Continuum of Care 2023 Annual Report, between 2013-2023 the County experienced a 41% increase in overall homelessness and a 157% increase in chronic homelessness. The Mission Engagement Center will provide services for people experiencing homelessness in Duluth. From food service (commercial kitchen/dining hall), free health care services, free laundry services, free hygiene/clothing resources, and social service supports on site, the full service center will assist those most vulnerable as they reach for housing, employment, and other stability in their lives. Not only will this facility provide warming center space for Duluth's brutal winters, but also will have indoor/outdoor spaces of dignity for congregating to keep people off of the street.

**Description of Previous Appropriations**

None

**Project Contact Person**

Jill Keppers  
Executive Director  
218-529-6341  
jkeppers@duluthhousing.com

(\$ in thousands)

Mission Engagement Center

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$8,856	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Non-Governmental Funds	\$0	\$1,779	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,635</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$345	\$0	\$0
Project Management	\$0	\$80	\$0	\$0
Construction	\$0	\$8,692	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$1,254	\$0	\$0
Inflationary Adjustment	\$0	\$264	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,635</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	N/A
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Standpipe Rehabilitation	1	GO	900	0	0	0	0	0
<b>Total Project Requests</b>			900	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			900	0	0	0	0	0

**Standpipe Rehabilitation**

**AT A GLANCE**

**2026 Request Amount:** \$900

**Priority Ranking:** 1

**Project Summary:** The proposed project consists of making critical and necessary improvements to the City’s water supply infrastructure that was constructed in the 1950s. Specifically, this proposal describes structural and resurfacing improvements to the City’s existing 1.6-million-gallon standpipe which needs reconditioning.

**Project Description**

The standpipe rehabilitation includes structural repairs and modifications, open laps and seam repairs, and complete removal and replacement of all interior and exterior coatings. The existing standpipe was constructed in the 1950s and needs rehabilitation to keep providing safe and reliable drinking water to the community

**Project Rationale**

Select components of the current standpipe infrastructure has reached the end of its service life and is in a deteriorated state. The City needs reliable and maintained storage to provide the means to supply finished water to the community. Updates to the standpipe need to be cost effective in both construction and maintenance/operation. The City is making provisions for long needed updates to its water treatment infrastructure, but without reliable storage infrastructure, the remainder of the improved water infrastructure could be at risk.

**Project Timeline**

The city’s planning and implementation schedule for this project include these elements:

1. Preliminary Engineering June 2025 – September 2025
2. Preparation of Plans and Specifications September 2025 – February 2026
3. Advertise for Bids February – March 2026
4. Bid and Award Construction Contract April – May 2026
5. Construction Period June 2026 – September 2026

**Other Considerations**

**Impact on State Operating Subsidies**

**Who will own the facility?**

The City of Hoyt Lakes

**Who will operate the facility?**

The City of Hoyt Lakes

**Who will use or occupy the facility?**

The City of Hoyt Lakes

**Public Purpose**

**Description of Previous Appropriations**

None

**Project Contact Person**

Dean Weiberg  
City Administrator  
218-225-2344  
dweiberg@hoytlakes.com

(\$ in thousands)

**Standpipe Rehabilitation**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$900	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$900</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$125	\$0	\$0
Project Management	\$0	\$25	\$0	\$0
Construction	\$0	\$750	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$900</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Campbell and Otter Lakes Restoration Phase 2	1	GO	2,165	0	0	0	0	0
<b>Total Project Requests</b>			2,165	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,165	0	0	0	0	0

**Campbell and Otter Lakes Restoration Phase 2**

**AT A GLANCE**

**2026 Request Amount:** \$2,165

**Priority Ranking:** 1

**Project Summary:** \$2.165M in state funds is requested for the City of Hutchinson to support Phase 2 of the Otter and Campbell Lakes project which include easement acquisition, predesign, design, engineering, and construction of capital improvements, including fishing pier installation. Improvements and betterments of Campbell and Otter Lakes, the South Fork of the Crow River and other tributaries to the lakes are to improve water quality, improve recreational activities and restore fish and wildlife habitat.

**Project Description**

Primary Project aspects included in this request are as follows:

- Design, purchase and construction of recreational access points to Otter and Campbell lakes via new fishing piers on City owned parcels
- Pre-design research, landowner coordination and easement acquisition for future project phases
- Design, engineering and permitting of Otter and Campbell Lake in-lake habitat improvements

**Project Rationale**

Otter and Campbell Lakes within the City of Hutchinson are crucial water bodies that provide an important natural resources habitat and recreational opportunities for residents and visitors. Ecosystem health and recreational capacity has degraded the last 100 years due to sediment and nutrient buildup from the upstream watershed. Previous phases of this project have worked towards limiting erosion and capturing sediment upstream.

The proximity of the lakes to the Luce Line State Trail and the South Fork of the Crow River, a State Water Trail, highlights the importance and popularity of these lakes for fishing and boating. Otter Lake is surrounded by multiple public parks and campgrounds. Currently, these public spaces lack safe and accessible fishing piers and parking areas. The deficiency of public access to Otter and Campbell Lakes prevents these public resources from reaching their full potential. There are accessibility concerns, limiting the usage of these lakes for the public, including the local underserved communities in MPCA-identified Environmental Justice Areas of Concern (EJAC).

The lakes also increasingly lack the high-quality habitat that historically existed and improves recreational experience. Reduced fish habitat and fisheries capacity has limited the recreational capacity of the lake.

**Project Timeline**

- Summer 2026 - Design of Fishing Piers and Recreational Access Points
- Fall/Winter 2026 - Construction of Fishing Piers and Recreational Access Points
- Summer - Winter 2026- Land Acquisition Research, Landowner Coordination and Negotiation, Land/Easement Purchase
- Summer 2026 - Summer 2027 - Design and permitting of In-Lake Habitat Improvements

**Other Considerations**

The City of Hutchinson has invested significant resources to improve storm water treatment dynamics (ponding, maintenance, street sweeping, private development standards, etc.) for the last 25 years. Also, the City and MnDNR implemented an overflow dam replacement project (new rock spillway) about 15 years ago that significantly improved fish movement/migration to the upstream lakes being improved by this proposed project. More recently, design work has been done to create a forebay system upstream to remove heavier deposits before coming into Campbell and Otter Lakes.

Future phases of the project will include the deepening of Campbell Lake and the northern portion of Otter Lake, and the installation of the designed fish habitats in Otter and Campbell Lakes. Funding for the larger project will come from eligible grants received, State and Federal allocations, and from the City of Hutchinson. Once this project is completed, the City of Hutchinson will be responsible for maintaining the lakes’ fishing piers and public shorelines.

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

City of Hutchinson

**Who will operate the facility?**

City of Hutchinson

**Who will use or occupy the facility?**

General Public

**Public Purpose**

Improve water quality and expand upon fish/wildlife habitat while creating recreational opportunities and bettering shoreline aesthetic/erosion dynamics.

**Description of Previous Appropriations**

The City received \$3,100,000 during the 2020 bonding bill for phase 1 of the project.

**Project Contact Person**

Mike Stifter  
 Director of Public Works  
 320-234-4212  
 mstifter@hutchinsonmn.gov

(\$ in thousands)

Campbell and Otter Lakes Restoration Phase 2

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,165	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,165</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$1,250	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$390	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$525	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,165</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	No
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Itasca County Fuel Tank Removal	1	GO	239	0	0	0	0	0
<b>Total Project Requests</b>			239	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			239	0	0	0	0	0

**Itasca County Fuel Tank Removal**

**AT A GLANCE**

**2026 Request Amount:** \$239

**Priority Ranking:** 1

**Project Summary:** Itasca County has an underground fuel tank that is past end of life and parts are extremely difficult or impossible to find. Equipment continues to fail, particularly during cold weather and the underground tank should be removed.

**Project Description**

The underground fuel tank is located adjacent to the Itasca County Government Center in the public/employee parking lot. The fuel tank provides fuel to not only Itasca County staff, but we have an agreement with the City of Grand Rapids and ISD 318 for fuel services as well. The proposal is to remove the underground tank, conduct soil sampling to determine amount, if any contamination, and if necessary, conduct soil remediation. The County will then either: purchase and install an above ground tank at a different location or contract with a local retail vendor for fuel purchases.

**Project Rationale**

As the fuel tank is beyond useful life and the system is nearly impossible to maintain, the tank should be removed to prevent the risk of future leaks.

**Project Timeline**

Timeline is primarily dependent on any soil remediation that needs to be conducted. The removal of the tank will take 2-3 weeks. Backfilling and repaving the affected area will only take 1-2 weeks. Again, soil remediation is the unknown at this time.

**Other Considerations**

**Impact on State Operating Subsidies**

NA

**Who will own the facility?**

Itasca County

**Who will operate the facility?**

Itasca County

**Who will use or occupy the facility?**

Itasca County

**Public Purpose**

Contracting fuel at bulk pricing has saved Itasca County taxpayers hundreds of thousands of dollars over the years. As these savings are passed on to both LGA's of the City and Grand Rapids and ISD 318 the local taxpayers benefit exponentially. In addition, preventing potential fuel leaks provided protection to our natural resources. Lastly, if soil remediation is needed, this will curtail future groundwater contamination.

**Description of Previous Appropriations**

NA

**Project Contact Person**

Brett Skyles  
Administrator  
218-327-7363  
brett.skyles@co.itasca.mn.us

(\$ in thousands)

**Itasca County Fuel Tank Removal**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$239	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$239</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$239	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$239</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	No
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

**Joint Powers Water Board of Albertville, Hanover and St. Michael**

**Projects Summary**

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Joint Powers Water Board Water Treatment Plant Upgrade	1	GO	10,000	0	0	0	0	0
<b>Total Project Requests</b>			10,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			10,000	0	0	0	0	0

(\$ in thousands)

**Joint Powers Water Board Water Treatment Plant Upgrade**

**AT A GLANCE**

**2026 Request Amount:** \$10,000

**Priority Ranking:** 1

**Project Summary:** The Joint Powers Water Board of Albertville, Hanover, St Michael is requesting \$10 million in state funds to design, construct, and start up a Water Treatment Plant to remove elevated levels of Manganese and Radium from source drinking water. Once constructed, the collective 3 communities will be able to sustain all operations, maintenance and replacement costs of the new facilities with 100% user based utility fees.

**Project Description**

The Joint Powers Water Board (JPWB) is planning a significant upgrade to their 25-year-old regional water treatment plant that serves the cities of Albertville, Hanover, and St Michael. The key components of this upgrade include: Installation of four new horizontal pressure filters to remove excess levels of Manganese and Radium contaminants; Addition of solids handling and dewatering equipment for treatment by-products; capacity increase from 9.8 MGD to 15.1 MGD to meet the current and limited future demands.

Infrastructure improvements including: Better site access for chemical deliveries; Enhanced laboratory space; Updated SCADA systems; Improved cybersecurity measures for critical infrastructure protection. This upgrade will address water quality and safety issues while accommodating the current water demands from residential and commercial development in these three communities.

This funding would facilitate the ability to start final design and provide ability to complete construction. Land acquisition and preliminary design are already funded and completed allowing the project to be in ready state for the next phase without delay.

(2024 Construction Estimate):  
 Construction Cost \$13,140,000  
 Contingency \$3,950,000  
 Engineering & Admin \$2,775,600  
 Total \$19,865,600

**Project Rationale**

Historical sampling by the Minnesota Department of Health (MDH) and the Joint Powers Water Board (JPWB) has shown that manganese concentrations in the source water are up to 15 times higher than MDH Health-Based Values for infants, and up to 5 times higher for adults. Additionally, naturally occurring radium levels in the underground water supply exceed safe thresholds. JPWB has a longstanding responsibility to treat the raw water to reduce manganese and radium concentrations

to levels that do not pose health risks with long-term exposure.

A 2023 Capital Improvement Plan identified an urgent need for significant upgrades to the water treatment facility. The collective JPWB service area current water demand across the tri-city service area has exceeded the plant's rated capacity during peak periods. In 2024 the JPWB completed a Water Treatment Plant Upgrade feasibility plan that evaluated the most cost effective treatment process and equipment. This study is the basis of the construction estimate in 2024 dollars.

To ensure continued delivery of safe drinking water and regulatory compliance, the plan recommends the following critical improvements: 1.) Construct additional pressure filters of sufficient size to remove the elevated levels of contaminants. 2.) Upgrades to the chlorination system. 3.) Installation of a permanent dewatering unit and associated equipment. 4.) Improve site access drive to improve site accessibility and safe chemical delivery. 5.) Construction of a new garage for vehicles and additional storage. 6.) Expansion of chemical storage capacity. 7.) Addition of administrative and laboratory space.

These improvements are essential to protect public health, ensure operational reliability, and accommodate current capacity needs and limited growth. Funding support is vital to move this project forward in a timely and effective manner.

### **Project Timeline**

Project Prelim Design 2024  
Engineering Plans and Specifications: Jan 2026  
Bid Project: April 2026  
Award Contract: May 2026  
Begin Construction: June 2026  
Substantial Completion: March 2028  
Final Completion: June 2028

### **Other Considerations**

The Joint Powers Water Board (JPWB) is undertaking a crucial upgrade to its WTP to address significant health risks to consumers posed by elevated levels of manganese and radium in the drinking water. The current concentrations of these contaminants exceed acceptable levels, posing a serious health risk to approximately 32,500 residents in the 3 member communities of Albertville, Hanover and St. Michael. State bonding funds are needed to help offset the significant local impact and provide timely delivery of long term safe reliable drinking water.

### **Impact on State Operating Subsidies**

The current Joint Powers Water Board of Albertville, Hanover, St Michael is able to sustain all operations, maintenance and replacement costs of the proposed new facilities with 100% user based utility fees. There are no impact fees to any State Operating Subsidies.

### **Who will own the facility?**

Joint Powers Water Board of the Cities of Albertville, Hanover, and St Michael.

### **Who will operate the facility?**

Joint Powers Water Board of the Cities of Albertville, Hanover, and St Michael.

**Who will use or occupy the facility?**

Water operators and administrative staff occupy the plant while suppling the 32,500 population of the member cites of Albertville, Hanover and St. Michael along with all the schools, businesses and industries connected to the upgraded plant.

**Public Purpose**

Improve drinking water quality by removing contaminants to meet State drinking water standards.

**Description of Previous Appropriations**

None

**Project Contact Person**

John A Seifert  
612-919-3783  
john.seifert@veolia.com

(\$ in thousands)

Joint Powers Water Board Water Treatment Plant Upgrade

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$10,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$425	\$11,218	\$0	\$0
Other Local Government Funds	\$0	\$335	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$425</b>	<b>\$21,553</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$350	\$0	\$0	\$0
Predesign Fees	\$75	\$0	\$0	\$0
Design Fees	\$0	\$1,975	\$0	\$0
Project Management	\$0	\$801	\$0	\$0
Construction	\$0	\$17,090	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$1,687	\$0	\$0
<b>TOTAL</b>	<b>\$425</b>	<b>\$21,553</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Karlstad Municipal Airport- New Airport	1	GO	9,700	0	0	0	0	0
<b>Total Project Requests</b>			9,700	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			9,700	0	0	0	0	0

**Karlstad Municipal Airport- New Airport**

**AT A GLANCE**

**2026 Request Amount:** \$9,700

**Priority Ranking:** 1

**Project Summary:** The City of Karlstad seeks funding to complete the construction of the Karlstad Municipal Airport. The new airport will better serve existing recreation and business users, drive economic development, and accommodate future regional growth.

**Project Description**

This project is Phase 3 of 3 to complete the construction of the Karlstad Municipal Airport. This will include paving of the runway, taxiway, and apron, the relocation of a bordering township road for safety, runway and taxiway lighting, navigational aids, and installation of a revenue generating aviation fuel system. This project is not eligible for Federal funding through the Federal Aviation Administration (FAA). Karlstad is a state owned airport and therefore completely dependent on funding supp

**Project Rationale**

The Karlstad Airport will serve as a key transportation and logistics hub in this strategic region. The airport will provide transportation infrastructure for critical air access to medical services and enable expansion and efficiency for several local businesses:

Mattracks Inc. is the world’s largest manufacturer of rubber track conversions, serving customers in over 140 countries. They own four aircrafts, most of which are currently based elsewhere due to Karlstand's inadequate facilities. Mattracks plans to build a research and design facility for electric aviation at the new airport.

Kick’n Up Kountry is major annual music festival that attracts thousands of attendees and nationally recognized performers.

Wikstrom Telephone Co. uses aircraft for consulting and service delivery.

Greenway Companies is national service provider that relies on air transportation for business mobility.

Aerial ag sprayers would have the opportunity to base their operations at Karl

**Project Timeline**

06/2026: Prepare Plans & Specs

01/2027: Advertise for Bids

03/2027: Award Contract

06/2027: Proposed Start of Construction

09/2029: Proposed End of Construction

**Other Considerations**

The City of Karlstad has worked diligently with the State of Minnesota and MnDOT since 2018 to improve the economic outlook in their region with the construction of airport infrastructure that will support growing businesses and tourism activities. This will be a long-term, positive impact for the economy of northwestern Minnesota.

This project lays a critical foundation for the region's future growth by enabling local businesses to scale and attract new economic activity.

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

The City of Karlstad will own the project.

**Who will operate the facility?**

The City of Karlstad will operate the project.

**Who will use or occupy the facility?**

The residents and businesses of Karlstad will use the project.

**Public Purpose**

This project will provide extensive economic benefits that support the entire region and accommodate future regional growth. Investing taxpayer dollars in transportation infrastructure projects is a prudent and essential endeavor for several economic reasons; infrastructure projects create jobs, stimulate local economies, attract businesses, enhance property values, and lead to economic growth.

**Description of Previous Appropriations**

Phase 1: \$5.6M - Engineering design, regulatory activities, land acquisition, and wetland banking.  
Phase 2: \$3.9M - Clearing and grubbing trees, construction of project grading and drainage for entire site.

**Project Contact Person**

Shelby Fossell  
City Clerk  
218-436-2178  
karlstadcity@wiktel.com

(\$ in thousands)

**Karlstad Municipal Airport- New Airport**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$9,500	\$9,700	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$9,500</b>	<b>\$9,700</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$50	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$3,234	\$0	\$0
Construction	\$9,500	\$6,416	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$9,500</b>	<b>\$9,700</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Keewatin City-wide Infrastructure Project	1	GO	5,500	0	0	0	0	0
<b>Total Project Requests</b>			5,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			5,500	0	0	0	0	0

**Keewatin City-wide Infrastructure Project**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$5,500
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of Keewatin is requesting \$5,500,000 in state funds to upgrade infrastructure (Water/Sewer/Streets) throughout the city.

**Project Description**

The City of Keewatin, through their infrastructure committee, has recently completed a draft Capital Improvement Plan to determine the city-wide condition of our existing infrastructure. The City and Committee identified a large number of areas in the city that need serious improvements. Improvements needed include replacement and reconstruction of water mains, sanitary sewer lines, storm sewer system, and streets.

Many of the utility mains, pipes and connections to water and sanitary sewer are old and deteriorated. In many instances, the utilities are beyond the intended life span of their original design and installation. Inflow and infiltration was apparent due to the poor condition of storm water and sewer connections to the City mains. The streets and utilities are badly deteriorated and generally in poor condition. The project is not only necessary to extend the life of the roads and utilities but also bring the various elements back within acceptable design standards.

**Project Rationale**

Proposed improvements to the roads include a full reconstruction of the subgrade, base, curb and gutter, ditching (where applicable), and surface. The roads will be surfaced with bituminous pavement. The overall width of the road will be designed to meet typical design standards. Perforated polyethylene (PE) drain tile pipe will be installed at the bottom of the road section to allow for subgrade and base drainage to help keep water out of the road bed and significantly reduce possible failures (i.e., settlement, heaving, cracking, etc.).

Any deteriorated sidewalks will be reconstructed to meet current ADA standards, including widths, grades, and accessible pedestrian ramps. Utilities (storm sewer, sanitary sewer, and water main) will be upgraded to provide many years of continued service to the citizens of Keewatin.

**Project Timeline**

- Design Completion - March 2027
- Project Bid - April 2027
- Construction Start - May 2027
- Project Completion - December 2029

**Other Considerations**

This is a priority to the City of Keewatin residents as improved streets not only allow for better mobilization, but it also improves the appearance of the city, reduces repairs and maintenance costs, and instills a greater sense of pride when one can traverse a street safely. Keewatin is a small city, with a low median household income (\$46,453) and a high percentage of low to moderate income residents (54%). Communities like ours would not have the capability to complete these kinds of projects without outside funding.

**Impact on State Operating Subsidies**

The City of Keewatin will not be seeking grants from the state for operations and maintenance.

**Who will own the facility?**

Keewatin

**Who will operate the facility?**

Keewatin

**Who will use or occupy the facility?**

Residence and Businesses in the City of Keewatin

**Public Purpose**

To provide safe infrastructure in an economical way for the City of Keewatin.

**Description of Previous Appropriations**

Keewatin has not received any previous appropriations.

**Project Contact Person**

Beth Ann Mackey  
City Clerk  
218-778-6544  
clerk@keewatinmn.org

(\$ in thousands)

Keewatin City-wide Infrastructure Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$3,500	\$0	\$0
Other Local Government Funds	\$0	\$2,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$11,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,000	\$0	\$0
Project Management	\$0	\$500	\$0	\$0
Construction	\$0	\$9,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$11,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	N/A
Has the pre-design been submitted to the Department of Administration?	N/A
Has the pre-design been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Kensington Infrastructure Project	1	GO	2,202	0	0	0	0	0
<b>Total Project Requests</b>			2,202	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,202	0	0	0	0	0

**Kensington Infrastructure Project**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$2,202
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of Kensington is looking to complete an infrastructure project that includes drinking, waste, and storm water systems. Water distribution totals \$856,000, sanitary sewer collection is \$1,420,000, storm water conveyance is \$146,000, and street construction is \$1,734,000; which totals \$4,404,000 for the whole project.

**Project Description**

The City of Kensington is looking to undergo a utility infrastructure project to extend utilities to its development known as Green Acres. The City utilized multiple planning processes to embark on a project to develop a 33-acre parcel into both an industrial/commercial and residential development. The unique terrain and wetlands increase the cost of each lot beyond affordability without assistance. The approved preliminary plat has the city requiring additional funding to install the necessary infrastructure so the lots can remain affordable to the industries and residents. Kensington, MN is looking to provide the means to fill not only a state-wide need, but also a local need.

Identified businesses looking to expand and relocate to this development have the advantage of utilizing an entrance directly from MN State Hwy 55. Through MNDOT consultation, Kensington will need to construct the right turn lane, which will allow the state and city to fix safety issues with existing entrances into the community.

The necessary infrastructure for this project includes the extensions of all water infrastructure (drinking, waste, & storm) as well as the creation of the needed streets in the development as well as the creation of a turn lane off of State Hwy 55. The total cost of this project is \$4,404,000.

**Project Rationale**

The City of Kensington has invested \$215,000 into the planned development. This project will help fix safety issues with existing entrances into the community and fill a dire state wide need for housing developments in low cost of living areas.

**Project Timeline**

- 06/2026 - Engineering & Design
- 08/2026 - Bid Advertising
- 09/2026 - Bid Closing
- 03/2027 - Construction Start
- 09/2027 - Construction End

## **Other Considerations**

The proposed infrastructure project is critical but is not viable unless the City of Kensington receives state funding to leverage local and federal dollars. 61% of Kensington's households are Low to Moderate income earners. There is a great need for funding support to address the City's needs, which left undone, will continue to create safety concerns and further demote the regions ability to develop.

## **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be request for this project.

## **Who will own the facility?**

The City of Kensington will own the proposed utilities.

## **Who will operate the facility?**

City staff will operate the proposed project.

## **Who will use or occupy the facility?**

Residents, business owners, and visitors of the City of Kensington will use the utility systems and pay utility fees.

## **Public Purpose**

The public purpose served by this project is to serve a regional and state wide need for low cost housing and commercial development in greater Minnesota. Thorough investigations of the City's infrastructure were done to identify all health and safety concerns in the most efficient and cost-effective time frame, and provide a strong foundation of infrastructure for the City and its residents in the foreseeable future.

## **Description of Previous Appropriations**

No previous state appropriations.

## **Project Contact Person**

Jennifer Kangas  
Clerk  
320-965-2500  
ktown@runestone.net

(\$ in thousands)

Kensington Infrastructure Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,202	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$2,202	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,404</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$125	\$0	\$0
Design Fees	\$0	\$200	\$0	\$0
Project Management	\$0	\$861	\$0	\$0
Construction	\$0	\$3,218	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,404</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
La Crescent Public Safety-EOC Center	2	GO	3,384	0	0	0	0	0
<b>Total Project Requests</b>			3,384	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,384	0	0	0	0	0

La Crescent Public Safety-EOC Center

**AT A GLANCE**

**2026 Request Amount:** \$3,384

**Priority Ranking:** 2

**Project Summary:** Final design, property acquisition and construction of a new Public Safety/Emergency Operations Center for the City of La Crescent, MN. The project is part of the city's downtown revitalization project to redevelop a city block with a new City Hall/Library, Public Safety, and outdoor entertainment venue in the heart of the city's downtown.

**Project Description**

The city is requesting \$3,384,000 in state funds for a project with total costs of \$6,760,000 (2025 dollars plus system calculated inflation). The city has preliminary approval for USDA Rural Development Loan funds for the project. The city is seeking state GO bonding funds in order to reduce the property tax burden on city residents by reducing the amount borrowed from the USDA for this critical public safety project. The city has been working for over a decade on implementing the downtown strategic plan that includes plans for the city's government campus. The Police Department and all of city hall functions out of the old fire station which has had multiple conversion of space into various municipal departments. Only recently, the city council moved their meetings to the community center to free up space in city hall for administrative offices. The Police Department operates out of the back of the city hall in approximately 500 square feet of space. The city hall building is expected to be replaced with a new city hall and library building, however, construction of both a city hall/Library as well as a new public safety/EOC is over \$16,000,000 in 2025 dollars. So, the city has to break up the projects and the city can only realistically proceed with the public safety building at this time.

The site is adjacent to the existing Fire Station/Community Building. The city has acquired all but one property for the project. The city has an option to purchase that last parcel (see attached aerial photo of properties and acquisition dates/status). The city has spent \$465,000 since 2021 to acquire properties for this part of the municipal campus. A portion of the funds would be used to exercise the purchase option and acquire the last property. The property owner has been cooperatively working with the city to assist the city in achieving its redevelopment goals. The property is a residential rental duplex and the city will assist with the relocation of the existing tenants (with city funds). The city acquired a property that burned down and is using that as green space for the La Crescent Live Concert Series. Once the city acquires the rental property as part of this project, the city will have all the land it needs for the project. The Public Safety/EOC project will be constructed so as to tie into the Fire Station/Community Building.

Project Costs in 2025 dollars and include property acquisition, final design, bidding, construction, contingency, engineering, legal, financial, administrative.

Property Acquisition: \$291,500  
Relocation: \$21,200 (city funds)  
Site Work/Demolition: \$42,400  
Administration: \$143,000  
Final Architectural Design: \$253,340  
Construction: \$4,470,000  
Contingency: \$508,800  
Project Administration: \$53,000  
Furniture, Fixtures and Equipment: \$158,960  
System calculated inflation: \$829,000  
Total: \$6,769,000

Proposed Project Cost Breakdown:

State 2026 Capital Budget: \$ 3,384,000  
USDA RD Community Facilities Loan: 3,385,000

**Project Rationale**

The city now has a population of over 5,200 persons and is still growing. What has not grown are the city's governmental buildings that assist the public. The city has instead focused on community quality of life amenities like the Community Ice Arena, Community Building and Fire Station, an aquatic center, and parkland acquisition, park improvements, bluffland protection and acquisition. The Library was in city hall and has moved to an old house next to city hall, the Fire Department moved out of city hall with a new Fire Department/Community Center building, but the Public Safety functions still operate out of the back of the current city hall.

The city Police Department works closely with the Houston County Sheriff's office and the State Department of Public Safety. The proposed new building would also house an emergency operations center that can be used by all law enforcement for meetings and emergency operations that affect the eastern part of the county. As noted, La Crescent is adjacent to La Crosse which is often visited by national leaders. The routing to La Crosse always goes through La Crescent as the safest route. Meetings with the U.S. Secret Service, State Patrol, City and County law enforcement are held in the Fire Department training room because the city does not have a formal EOC set up. This EOC will also be used for emergency operations related to natural disasters. The new Public Safety facility can also be used to accommodate the county sheriff deputies when they are working in the eastern part of Houston County, essentially a sub-station with shared use and collaboration on public safety emergency situations. The facility will also have a sally port and space that can accommodate temporary holding of suspects. The city currently does not have a private space where investigators can conduct interviews.

**Project Timeline**

The project will take approximately 30 months to complete from notification that funding is secured. Longer lead times are commonplace and therefore construction could take longer.

Timeline if funded:

- USDA Application/Underwriting including required Feasibility Study; architectural firm selection and preparation of Preliminary Architectural Report; preparing an Environmental Assessment,

obtaining a Certified Appraisal, working through the State's pre-design process: July 1, 2025 to May 31, 2026

- Capital Budget Award: May 31, 2026
- Grant Agreement signed October 1, 2026
- Final Design Complete: July 1, 2027
- Bidding: September- October, 2027
- Award Contract: December 1, 2027
- Preconstruction Meeting: March 1, 2028
- Construction: March 15, 2028 - May 1, 2029
- Close out project: June 30, 2029

### **Other Considerations**

The impetus for this building has been in the planning process for more than a decade. The project was put on hold primarily because of the global Covid-19 pandemic. The city has a vision for its downtown and has taken numerous steps to revitalize its downtown that include an updated comprehensive plan, a downtown strategic action plan, the total reconstruction of the Walnut Street corridor, and multiple TIF redevelopment projects. The Police Department operates with 9 sworn police officers and one administrative staff. The space for this critical community function is woefully inadequate for modern policing.

### **Impact on State Operating Subsidies**

None

### **Who will own the facility?**

City of La Crescent

### **Who will operate the facility?**

City of La Crescent

### **Who will use or occupy the facility?**

City of La Crescent primarily, Houston County Sheriff's Department as needed

### **Public Purpose**

The project is a public safety building construction project that brings the city Police Department into the modern age of public safety and community policing. The project would extend the life of the current City Hall building for another 3-4 years until the city can put the financing together for a new City Hall/Library building. The project preserves existing infrastructure while providing a new energy efficient building for the Police Department.

**Description of Previous Appropriations**

None

**Project Contact Person**

Larry Kirch  
Community Development Director  
507-985-4096  
lkirch@cityoflacscent-mn.gov

(\$ in thousands)

La Crescent Public Safety-EOC Center

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,384	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$475	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$3,385	\$0	\$0
<b>TOTAL</b>	<b>\$475</b>	<b>\$6,769</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$465	\$291	\$0	\$0
Predesign Fees	\$10	\$0	\$0	\$0
Design Fees	\$0	\$396	\$0	\$0
Project Management	\$0	\$53	\$0	\$0
Construction	\$0	\$5,020	\$0	\$0
Relocation Expenses	\$0	\$21	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$159	\$0	\$0
Inflationary Adjustment	\$0	\$829	\$0	\$0
<b>TOTAL</b>	<b>\$475</b>	<b>\$6,769</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.**

Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	No
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
City of LaPrairie Infrastructure Improvements	1	GO	2,500	0	0	0	0	0
<b>Total Project Requests</b>			2,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,500	0	0	0	0	0

## City of LaPrairie Infrastructure Improvements

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$2,500
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of LaPrairie is requesting \$2,500,000 in state funds for the design and construction of their infrastructure project.

**Project Description**

The City of LaPrairie has an aging sanitary sewer and storm sewer system and multiple degrading street surfaces. This project will focus on sewer systems, but an ancillary component of the project includes street reconstruction. The infrastructure upgrades will be conducted on Elizabeth Avenue, Sisler Avenue, Park Drive, Fraser Street, Green Street and MaryAnn Drive. The city is planning for future repairs of both to take advantage of the street repair timing to invest in the existing sewer system replacement. The City is planning for future housing developments in several vacant agricultural areas that will bring additional vehicle traffic on the main roads. These roads need to be improved to 10 ton roads to handle the increased traffic and vehicle sizes. The City does have a program for crack repair and occasional bituminous overlays but some roads have reached the point of needing full reconstructions.

**Project Rationale**

The existing sewer system was installed around 1979 with several expansions connecting to the system. The City of Grand Rapids receives the collected sewer from the City of Laprairie via a lift station for final treatment. Laprairie does not have a waste water treatment facility. With the original sewer system being over 45 years old it is time to start planning for replacements with future street projects. The upgraded sewer system will provide improved pipe materials and better maintenance abilities for the City and their residents. A good sewer system in the City is vital to keep MN waters clean. The City of Laprairie is bordered by the Mississippi River to the south and the Prairie River to the east.

**Project Timeline**

Project Design Completion - December 2026  
 Project Bid - March 2027  
 Construction Begins - June 2027  
 Project Completion - November 2029

**Other Considerations**

The City of Laprairie has not applied for Bonding Bill funds in the past. LaPrairie is a very small community with a low median household income and is not able to undertake projects like this without state and federal assistance.

**Impact on State Operating Subsidies**

The City of LaPrairie will be responsible for all annual maintenance and operation costs.

**Who will own the facility?**

City of LaPrairie

**Who will operate the facility?**

City of LaPrairie

**Who will use or occupy the facility?**

Residents and businesses in the City.

**Public Purpose**

The completion of this project will provide updated infrastructure in various areas of the city that will provide safe and abundant water and sewer along with ADA reconstructed streets.

**Description of Previous Appropriations**

LaPrairie has not received previous State appropriations.

**Project Contact Person**

Lisa Mrnak  
City Clerk-Treasurer  
218-326-8898  
cityhall@laprairiemn.com

(\$ in thousands)

City of LaPrairie Infrastructure Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$2,000	\$0	\$0
Other Local Government Funds	\$0	\$500	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$800	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$4,200	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Lake Lillian Infrastructure Improvements	1	GO	3,500	0	0	0	0	0
<b>Total Project Requests</b>			3,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,500	0	0	0	0	0

Lake Lillian Infrastructure Improvements

**AT A GLANCE**

**2026 Request Amount:** \$3,500

**Priority Ranking:** 1

**Project Summary:** Water upgrades totaling \$4.3 million, including distribution system replacement and water tower structural work; as well as, \$4.8 million for the collection and treatment systems, including 9,400 linear feet of sanitary main replacement and 2,200 linear feet of force main. \$150,000 for storm sewer replacement, installation of new catch basins, and \$350,000 in street restoration.

**Project Description**

The City of Lake Lillian is currently undergoing a water infrastructure project that consisted of drinking, waste, and storm water improvements. The city has completed the first 4 phases of this project and is looking to complete the remainder of this project, which consists of the following remaining improvements:

Drinking Water upgrades totaling \$4.3 million including water distribution system replacement with PVC piping and water tower structural work. This will address the water pipe deterioration and corrosion which has led to over 28 watermain breaks in the past 5 years. Approximately 25% of the watermain gate valves are non-functional. This will also reduce the presence of arsenic and alleviate arsenic legacy accumulation.

Wastewater upgrades totaling approximately \$4.5 million will be made to the collection system including 9,400 linear feet of sanitary main replacement and 2,200 linear feet of force main. Currently the sanitary sewer system is failing and allowing rain and groundwater seepage through the deteriorating pipes. Excessive inflow and infiltration has pressured the system beyond capacity and resulted in emergency bypass of untreated wastewater.

\$150,000 of storm sewer work will be done and include 1,000 linear feet of storm sewer replacement along with additional catch basins installed. Current storm sewer inadequacies have caused localized flooding.

Street restoration will total approximately \$500,000 and result from existing streets in poor condition and required street replacement adjacent to the underground piping improvements.

Total project cost is approximately \$9.5 million.

**Project Rationale**

WATER PIPE DETERIORATION & CORROSION has led to over 28 watermain breaks in the past 5 years. Approximately 25% of the watermain gate valves are non-functional. Replacement using PVC piping is

needed and will reduce the presence of arsenic and alleviate arsenic legacy accumulation. (DWRP PPL Rank 636)

SANITARY SEWER system is failing and allowing rain and groundwater seepage through the deteriorating pipes. Excessive inflow and infiltration has pressured the system beyond capacity and resulted in emergency bypass of untreated wastewater. (CWRP PPL Score #68 pts; Rank 52)

WATER TOWER contains elevated levels of lead and chromium on exterior and interior walls. Structural work is needed to comply with OSHA regulations and AWWA standards. (DWRP PPL Rank 637)

STORM SEWER inadequacies have caused localized flooding.

STREET RESTORATION includes existing streets that are in poor condition and require replacement along with the underground piping.

### **Project Timeline**

06/2026 – Engineering and Design

07/2026 – Bid Advertising

08/2026 - Bid Closing

04/2027 – Start of Construction

09/2028 – End of Construction

### **Other Considerations**

The proposed infrastructure improvements are critical but are not viable unless the City of Lake Lillian receives additional state funding to leverage local and federal dollars. Lake Lillian is property tax poor and in 2021 was ranked in the bottom decile for adjusted net tax capacity. Likewise, more than 55% of the households in Lake Lillian have only low to moderate incomes. 7.7% of the population falls below the actual poverty line.

Although there has been previous success in funding portions of the overall project, there is still a great need for funding support to address all of the City's needs, which if left undone, continue to jeopardize the health and safety of its residents.

### **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

### **Who will own the facility?**

The City of Lake Lillian will own the proposed utilities.

### **Who will operate the facility?**

City staff will operate the proposed utility project.

### **Who will use or occupy the facility?**

Residents and visitors of the City of Lake Lillian will use the utility systems and pay utility fees.

**Public Purpose**

The public purpose served by this project is to provide clean and safe drinking water along with adequate wastewater and storm sewer service to Lake Lillian residents. Strategic planning has been incorporated to maximize funding potential to keep costs as low as possible for the City and its residents, correct all health and safety concerns within the systems in the most efficient and cost-effective time frame, and to provide a strong foundation of infrastructure for the City and its residents.

**Description of Previous Appropriations**

\$3.99 million was appropriated in 2023 by the MN Legislature.

**Project Contact Person**

Casey Ochs  
Clerk-Treasurer  
952-492-1577  
llcityclerk@gmail.com

(\$ in thousands)

Lake Lillian Infrastructure Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$2,620	\$0	\$0	\$0
General Obligation Bonds	\$3,990	\$3,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$6,203	\$0	\$0	\$0
City Funds	\$865	\$0	\$0	\$0
County Funds	\$925	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$6,050	\$0	\$0
<b>TOTAL</b>	<b>\$14,603</b>	<b>\$9,550</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$511	\$339	\$0	\$0
Design Fees	\$694	\$451	\$0	\$0
Project Management	\$1,868	\$1,224	\$0	\$0
Construction	\$11,530	\$7,536	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$14,603</b>	<b>\$9,550</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Sewer Collection Rehabilitation - Phase 1	1	GO	6,400	0	0	0	0	0
Sewer Collection Rehabilitation - Phase 2	2	GO	6,500	0	0	0	0	0
<b>Total Project Requests</b>			12,900	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			12,900	0	0	0	0	0

**Sewer Collection Rehabilitation - Phase 1**

**AT A GLANCE**

**2026 Request Amount:** \$6,400

**Priority Ranking:** 1

**Project Summary:** \$6.4 million in state funds is requested to design, construct, and equip Phase 1 of the replacement of sanitary sewer infrastructure, including septic tanks, sewer main, and service lines from septic tanks to the main sewer line, and lift stations, necessary for replacement of the township's existing wastewater collection system. This also includes the demo and removal of existing sanitary sewer infrastructure, street restoration, and other improvements necessary for completion of the project.

**Project Description**

The Township owns and operates seven wastewater collection systems, consisting of septic tanks, laterals, sewer mains, pump stations and treatment systems. These systems were installed in the mid-1980s to service various development areas and have received no major repairs or rehabilitation. The project includes replacing all existing sewer laterals and installing gravity sewer, forcemain, and lift stations to connect unsewered areas of the system to centralized treatment. Removal of septic systems and replacement of service lines will also occur on unsewered properties including grinder pumps as necessary. The estimated cost to replace the entire system is over \$25 million dollars. Due to the magnitude of this cost, the Township is proposing to address system needs in a phased approach. The areas included in Phase 1, 6B, 6F and 6D2-3 & 4 have been identified as the most critical according to the Facility Plan for Laketown Township dated October 2023. The total estimated cost for Phase 1 improvements is \$12,394,209. An appropriation of \$6.4 million through State bonding proceeds will supplement Clean Water Revolving Fund (CWRF) financing through the MN Public Facilities Authority, as a portion of this project is currently listed on Part B of the FY2025 IUP, along with funding from Carver County and Laketown Township Sewer Funds. The Township has also requested placement on the FY2026 IUP.

**Project Rationale**

The Township installed these systems in the mid-1980s to service various development areas and have received no major upgrades. The systems have deteriorated and are experiencing significant inflow and infiltration (I/I). Over the last several years the Township has responded to an increasing number of system repairs. None meet the 10 State Standards for wastewater facilities. The areas identified as Phase 1 in this request are currently considered unsewered by the MPCA and due to this status and the historically high I/I it is recommended they be upgraded as soon as possible.

**Project Timeline**

The following dates represent key action items for the review, approval and construction of Phase 1

Sewer System Improvements: Fall 2025- Initiate design and develop plans and specifications Winter 2026- Submit plans and specifications to MPCA for approval and CWRP certification Summer 2026- Advertise, Bid and Award Project Fall 2026-Spring 2028- Phase 1 Construction

### **Other Considerations**

There are 208 system users and 89 of these users are in the Phase 1 project area. The projected monthly cost for a Phase 1 system user to pay their share of operation & maintenance expenses, in addition to the cost of financing these system improvements without the requested State assistance, would be nearly \$700/month. This far exceeds what the CWRP guidelines would deem an affordable cost per household. This \$6.4 million request would cut the monthly household cost nearly in half.

### **Impact on State Operating Subsidies**

No state operating dollars are requested for this project.

### **Who will own the facility?**

Laketown Township

### **Who will operate the facility?**

Laketown Township

### **Who will use or occupy the facility?**

Residents located in the Phase 1 area of Laketown Township

### **Public Purpose**

This project will address collection deficiencies that have contributed to several years of system failures. These failures result in excessive maintenance expenses and place stress on all system components, including those public systems that treat sewage from the Township. Compromised collection components also present public health concerns, as failures result in the discharge of sewage into public waterways, including lakes and ditches.

### **Description of Previous Appropriations**

None

### **Project Contact Person**

Leanne Kunze  
Town Clerk  
952-442-5278  
Clerk@LaketownMN.gov

(\$ in thousands)

**Sewer Collection Rehabilitation - Phase 1**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,400	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds	\$0	\$2,848	\$0	\$0
<b>Non-State Funds Already Committed</b>				
Other Local Government Funds	\$0	\$146	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$2,000	\$0	\$0
County Funds	\$0	\$1,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,394</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$237	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,025	\$0	\$0
Project Management	\$0	\$1,025	\$0	\$0
Construction	\$0	\$10,107	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,394</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
documents?	
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	N/A
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Sewer Collection Rehabilitation - Phase 2**

**AT A GLANCE**

**2026 Request Amount:** \$6,500

**Priority Ranking:** 2

**Project Summary:** \$6.5 million in state funds is requested to design, construct, and equip Phase 2 of the replacement of sanitary sewer infrastructure, including septic tanks, sewer main, and service lines from septic tanks to the main sewer line, and lift stations, necessary for replacement of the township's existing wastewater collection system. This also includes the demo and removal of existing sanitary sewer infrastructure, street restoration, and other improvements necessary for completion of the project.

**Project Description**

The Township owns and operates seven wastewater collection systems, consisting of septic tanks, laterals, sewer mains, pump stations and treatment systems. These systems were installed in the mid-1980s to service various development areas and have received no major repairs or rehabilitation. The project includes replacing all existing sewer laterals and installing gravity sewer, forcemain, and lift stations to connect unsewered areas of the system to centralized treatment. Removal of septic systems and replacement of service lines will also occur on unsewered properties including grinder pumps as necessary. The estimated cost to replace the entire system is over \$25 million dollars. Due to the magnitude of this cost, the Township is proposing to address system needs in a phased approach. The areas included in Phase 2, 6E and 6D-2 have been identified as a priority according to the Facility Plan for Laketown Township dated October 2023. The total estimated cost for Phase 2 improvements is \$12,952,137. An appropriation of \$6.5 million through State bonding proceeds will supplement Clean Water Revolving Fund (CWRF) financing through the MN Public Facilities Authority, as a portion of this project is currently listed on Part B of the FY2025 IUP, along with funding from Carver County and Laketown Township Sewer Funds. The Township has also requested placement on the FY2026 IUP.

**Project Rationale**

The Township installed these systems in the mid-1980s to service various development areas and have received no major upgrades. The systems have deteriorated and are experiencing significant inflow and infiltration (I/I). Over the last several years the Township has responded to an increasing number of system repairs. None meet the 10 State Standards for wastewater facilities. The areas identified as Phase 1 in this request are currently considered unsewered by the MPCA and due to this status and the historically high I/I it is recommended they be upgraded as soon as possible.

**Project Timeline**

The following dates represent key action items for the review, approval and construction of Phase 1

Sewer System Improvements: Fall 2026- Initiate design and develop plans and specifications Winter 2027- Submit plans and specifications to MPCA for approval and CWRP certification Summer 2027- Advertise, Bid and Award Project Fall 2027-Spring 2029- Phase 2 Construction

### **Other Considerations**

There are 208 system users and 119 of these users are in the Phase 2 project area. The projected monthly cost for a Phase 2 system user to pay their share of operation & maintenance expenses, in addition to the cost of financing these system improvements without the requested State assistance, would be nearly \$525/month. This far exceeds what the CWRP guidelines would deem an affordable cost per household. This \$6.5 million request would cut the monthly household cost nearly in half.

### **Impact on State Operating Subsidies**

No state operating dollars are requested for this project.

### **Who will own the facility?**

Laketown Township

### **Who will operate the facility?**

Laketown Township

### **Who will use or occupy the facility?**

Residents located in the Phase 2 area of Laketown Township

### **Public Purpose**

This project will address collection deficiencies that have contributed to several years of system failures. These failures result in excessive maintenance expenses and place stress on all system components, including those public systems that treat sewage from the Township. Compromised collection components also present public health concerns, as failures result in the discharge of sewage into public waterways, including lakes and ditches.

### **Description of Previous Appropriations**

None

### **Project Contact Person**

Leanne Kunze  
Town Clerk  
952-442-5278  
Clerk@LaketownMN.gov

(\$ in thousands)

**Sewer Collection Rehabilitation - Phase 2**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,500	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds	\$0	\$3,332	\$0	\$0
<b>Non-State Funds Already Committed</b>				
Other Local Government Funds	\$0	\$120	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$2,000	\$0	\$0
County Funds	\$0	\$1,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,952</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$474	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,076	\$0	\$0
Project Management	\$0	\$1,076	\$0	\$0
Construction	\$0	\$10,326	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,952</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
documents?	
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	N/A
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Lamberton Infrastructure Improvements	1	GO	1,950	0	0	0	0	0
<b>Total Project Requests</b>			1,950	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,950	0	0	0	0	0

**Lamberton Infrastructure Improvements**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$1,950
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The current age and condition of Lamberton's citywide utility systems require significant repair and investment for its drinking water, wastewater, and storm sewer systems. This project will also provide utility extension access to the city's industrial park and a large industrial user.

**Project Description**

The current age and condition of the City’s infrastructure are causing numerous issues, and these issues will continue to increase until the City updates or replaces these systems. Of immediate concern is the installation of a new well field (three wells) and a new well house (546 SF) due to the current lack of any reliable backup water source. The city will also look to replace select portions of its cast iron water mains in its distribution system that are 90 years old and deteriorating.

Similarly, the City’s sanitary sewer system is deteriorating and needs replacement to mitigate issues with broken or patched pipes, cracked and/or leaking joints, longitudinal cracks, protruding services, offset joints, and sags. The needed replacements include select portions of sewer piping, manholes, and service laterals within the right of way.

The City will also need to replace the deteriorated portions of its storm sewer conveyance systems, as well as install the necessary manholes and catch basins. Roadway restoration for certain areas of the project will also be needed due to deterioration and age of the roads - well beyond its designed life. The age of selected roadways has led to alligator cracking, frost heaving, potholes, and numerous joints from patching, insufficient longitudinal grade to carry storm water effectively, and excessive crowns from previous overlay.

**Project Rationale**

The current age and condition of the City’s infrastructure are causing numerous issues, and these issues will continue to increase until the City updates or replaces these systems. Of immediate concern is the City’s lack of a reliable backup water source, cast iron water mains in its distribution system that are 90 years old and deteriorating, and a water treatment plant that does not adequately treat drinking water for high levels of iron, MDH Health Advisory for manganese, and other secondary water quality standards. However, due to the age and condition of current systems, improvement to storm sewer system and roadways will also be needed.

**Project Timeline**

- 06/2026 - Engineering and Design
- 02/2027 - Bid Advertisement

04/2027 - Bid Closing  
05/2027 - Start of Construction  
12/2027 - End of Construction

**Other Considerations**

The proposed infrastructure improvements are not viable unless Lamberton receives outside grant funding. This funding will leverage other potential federal and local funding sources.

Due to its current tax base and above average debt to resident ratio, Lamberton has been unable to fund the much-needed sewer and water extension required to attract new business necessary to keep the town viable. Infrastructure projects are costly on a per-business basis and often limit a city's ability to acquire the anchor business for industrial park growth. The City of Lamberton needs build-ready sites to secure and retain business partners to stabilize the population and quality of life in Lamberton. Lamberton currently has interested tenants for the development, but need the infrastructure in place.

**Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

**Who will own the facility?**

The City of Lamberton will own the proposed utilities.

**Who will operate the facility?**

City staff will operate the proposed utility project.

**Who will use or occupy the facility?**

Residents and visitors of the City of Lamberton will use the utility systems.

**Public Purpose**

To provide clean and safe drinking water along with adequate wastewater and storm sewer systems to residents in Lamberton. Strategic planning has been incorporated to maximize funding potential to keep costs as low as possible for the City and its residents, correct all health and safety concerns within the systems in the most efficient and cost-effective time frame, and to provide a strong foundation of infrastructure for the City and its residents for the foreseeable future.

**Description of Previous Appropriations**

None

**Project Contact Person**

Valerie Halter  
Administrator, Clerk-Treasurer  
507-752-7601  
vhalter@lambertonmn.com

(\$ in thousands)

Lamberton Infrastructure Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,950	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$543	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$1,419	\$0	\$0
<b>TOTAL</b>	<b>\$543</b>	<b>\$3,369</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$138	\$0	\$0	\$0
Design Fees	\$183	\$0	\$0	\$0
Project Management	\$222	\$272	\$0	\$0
Construction	\$0	\$3,097	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$543</b>	<b>\$3,369</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	N/A
Has the pre-design been submitted to the Department of Administration?	N/A
Has the pre-design been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
MN Trunk Highway 250 - Lanesboro Sewer & Water Infrastructure Replacement	1	GO	5,100	0	0	0	0	0
<b>Total Project Requests</b>			5,100	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			5,100	0	0	0	0	0

**MN Trunk Highway 250 - Lanesboro Sewer & Water Infrastructure Replacement**

**AT A GLANCE**

**2026 Request Amount:** \$5,100

**Priority Ranking:** 1

**Project Summary:** \$5.1 million in state funds is requested to construct critical sewer and water infrastructure that will replace aging water and sewer systems in conjunction with the Minnesota Department of Transportation's planned roadway reconstruction of Minnesota Trunk Highway 250 that is within the City of Lanesboro municipal boundaries.

**Project Description**

In conjunction with the Minnesota Department of Transportation's road reconstruction of Minnesota Trunk Highway 250, the City of Lanesboro and Lanesboro Public Utilities will replace the sanitary sewer collection and water distribution infrastructure, along the project corridor, which includes Parkway Avenue from Minnesota Highway 16 to Ashburn Street, Ashburn Street from Parkway Avenue to the bridge over the Root River. The project also includes replacement of the existing failing watermain extension to the area known as "Little Norway" located along Norway Drive and the Lanesboro Public Utilities Power Plant with a new watermain connection, including associated roadway and surface restoration, extending from the intersection of Norway Drive and Oxtail Road east across the Root River to a point located 900 feet north of the intersection of Parkway Avenue and Kirkwood Street, and from the Lanesboro Public Utilities Power Plant south to Norway Drive. Funding will be used for construction and engineering costs associated with the project.

**Project Rationale**

By replacing the infrastructure concurrently with MnDOT's roadway work, the City of Lanesboro is making a fiscally responsible and forward-thinking investment in the long-term sustainability and safety of its essential public utilities. The reconstruction of the water and sewer infrastructure is a critical investment for not only the residents and businesses of Lanesboro but also for the economic vitality of the region and the state as a whole. As a premier tourism destination in Minnesota, the Midwest, and beyond, Lanesboro attracts thousands of visitors each year to experience its historic downtown, outdoor recreation along the Root River, the Root River State Trail and its vibrant arts and cultural scene. Tourism is a key driver of the local economy, supporting small businesses, restaurants, lodging, and recreational outfitters--all of which depend on modern and reliable infrastructure to operate effectively.

By ensuring safe and dependable water and sewer services, this project safeguards the public health of both residential and commercial districts, the public school system, and helps preserve Lanesboro's reputation as a top-tier travel destination. Additionally, economic activity generated by visitors to extends far beyond Lanesboro's city limits, benefitting the surrounding communities and contributing to Minnesota's broader tourism industry. Investing in this infrastructure now is essential to

preventing costly disruption in the future and ensures that Lanesboro remains a thriving hub for tourism, commerce, and community life. This is a benefit for the economic strength of the region and Minnesota as a whole.

### **Project Timeline**

- April 2025 - Resolution Ordering Feasibility Report
- April-June 2025 - Prepare Feasibility Report
- July 2025 - Receive Feasibility Report and Call for Public Hearing on Improvement
- September 2025 - Improvement Hearing and Municipal Consent Hearing; Resolution Ordering Improvement
- October 2025-October 2026 - Preparation of Final Plans and Specifications
- November 2026 - Resolution Approving Plans and Specifications; Order Advertisement for Bids
- November-December 2026 - Advertise and Accept Bids
- January 2027 - Resolution Declaring Cost to be Assessed and Order Preparation of Proposed Assessment
- February 2027 - Resolution for Hearing on Proposed Assessment
- March 2027 - Assessment Hearing; Resolution Adopting Final Assessment
- April 2027 - Begin Construction
- Fall 2027 or Spring 2028 - End Construction (dependent on construction phasing)

### **Other Considerations**

#### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

The City of Lanesboro will own the reconstructed water and sewer infrastructure. Ownership and long-term stewardship of the systems will remain with the City and Lanesboro Public Utilities, a municipal entity responsible for managing the community's utility services.

#### **Who will operate the facility?**

Construction of the project will be completed by a qualified contractor selected through the City of Lanesboro's public bidding process, in accordance with state procurement laws. Upon completion, the water and sewer infrastructure will be operated and maintained by Lanesboro Public Utilities, with oversight from the City of Lanesboro. Both entities have the experience and capacity to ensure reliable, long-term operation of the upgraded systems.

#### **Who will use or occupy the facility?**

The reconstructed water and sewer infrastructure will be used by all who depend on municipal utility services within the project area, including residents, local businesses, the public school, and municipal

facilities. Additionally, the infrastructure supports the needs of thousands of annual visitors who travel to Lanesboro for tourism, lodging, dining, and recreation. While no single entity will "occupy" the infrastructure, it will serve the entire community and its visitors through reliable and safe utility services.

### **Public Purpose**

This project serves the public by ensuring safe, reliable water and sewer services for residents, businesses, and visitors in Lanesboro. Coordinated with MnDOT's reconstruction of Trunk Highway 250, it replaces failing infrastructure in a fiscally responsible, minimally disruptive way. The improvements protect public health, support the city's public school and commercial areas, and strengthen essential municipal services. As a major tourism destination, Lanesboro's economy depends on functional infrastructure to support restaurants, lodging, and recreational businesses. This project safeguards community vitality, prevents future service disruptions, and reinforces Lanesboro's role in Minnesota's tourism and regional economy.

### **Description of Previous Appropriations**

#### **Project Contact Person**

Mitchell Walbridge  
City Administrator/Clerk  
507-467-3547  
mwalbridge@lanesboro-mn.gov

(\$ in thousands)

**MN Trunk Highway 250 - Lanesboro Sewer & Water Infrastructure Replacement**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,100	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds	\$0	\$8,000	\$0	\$0
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$13,100</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$180	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$700	\$0	\$0
Project Management	\$0	\$900	\$0	\$0
Construction	\$0	\$11,320	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$13,100</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.**

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
The Upper Cannon River Watershed Drainage Systems Flood Risk Reduction Project	1	GO	1,000	0	0	0	0	0
<b>Total Project Requests</b>			1,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,000	0	0	0	0	0

**The Upper Cannon River Watershed Drainage Systems Flood Risk Reduction Project**

**AT A GLANCE**

**2026 Request Amount:** \$1,000

**Priority Ranking:** 1

**Project Summary:** This project is intended to implement flood reduction projects across the Upper Cannon River Watershed. The projects are intended to help reduce impacts of flooding to communities that have had historical flooding events within Le Sueur County. This will help reduce damages and financial loss to these communities while at the same time improving water resources within the watershed.

**Project Description**

Install water storage basins at approximately 50 acre-feet per project for a total of 200 acre-feet.

The acre-feet reduction of water flow volume that has been identified and targeted in order to reduce flooding within the Upper Cannon River Watershed is 1000 acre-feet of impoundments. These proposed flood reduction projects would help us achieve 200 acre-feet of impoundments which is 20% of the targeted goal identified in the Cannon River One Watershed One Plan.

**Project Rationale**

A formal flood study is nearing completion, and we are ready to start identifying sites for water storage. We have conducted LiDAR analysis and identified potential sites, held landowner meetings, and have landowners interested participating.

In 2024, the area experienced historic flooding, with the City of Waterville experiencing wide spread damage to homes. The County received a Presidentially declared disaster declaration.

The Cannon River Watershed continues to have historic flooding events. Throughout the State of Minnesota we are seeing the impacts of changing weather patterns, especially an increase in precipitation. These changes in hydrology are a major driver in increased river flows seen throughout southern Minnesota. The Cannon River is no exception; there has been an increasing trend of monthly discharge/flow rates over the years. Furthermore, the Upper Cannon River Watershed has a strong presence of altered hydrology ranging from lack of storage/wetlands, tile drainage, channelization of streams and ditch, and dams.

The combination of increased precipitation, flow rates, water volume, and land use activities that have altered hydrological patterns within the watershed have contributed to and increase the risk of flooding within the Upper Cannon River Watershed. In particular, the Cannon River flows through or is adjacent to numerous communities which are experiencing these impacts.

However, there are numerous best management practices that can be implemented to help reduce

peak volumes and flows, store water on the landscape, and lastly reduce pollutant loading within the watershed. According to the Cannon River Watershed Stressor Identification Report (2015), many of the best management practices available for pollutants such as sediment and nutrients also have positive impacts on hydrology. This provides multi-benefit approach with the primary goal of reducing peak flows and volumes. Focusing these types of best management practices, such as water and storage basins, within the upper portions of the watersheds and tributaries will provide flow attenuation (in addition to other benefits) and improve hydrology.

### **Project Timeline**

We are nearing the process of developing shovel-ready sites, and would plan on construction to occur in 2027-2030. Federal EDA funding is being sought for feasibility and engineering work.

### **Other Considerations**

The Cannon River One Watershed One Plan, Le Sueur County Local Water Management Plan, Cannon River Watershed Restoration and Protection Strategies Report, Cannon River Watershed Total Maximum Daily Load Report, Cannon River Watershed Monitoring and Assessment Report, and Cannon River Watershed Stressor Identification Report identifies impairments and stressors in the watershed, and identifies lack of storage, changes in hydrology, and changes in precipitation patterns.

All of these factors have direct connections with increasing flooding events within the Upper Cannon River Watershed. Furthermore, these reports identify best management practices that can be implemented to help reduce flooding within communities, peak volumes and flows, and improve water quality within the watershed.

There are numerous state approved reports and plans that help guide local government units. This data is needed in order to support our efforts when looking at where to prioritize and target our efforts. Some key information from these reports and plans that are helpful for this staff when looking where to implement flood reduction projects are listed below.

According to the Cannon River Watershed Stressor Identification Report (2015), the Upper Cannon River Subwatershed has lost an estimated 50%-75% of it's historic wetlands. Furthermore, the land surface within the Upper Cannon River Watershed's land surface is approximately 15.2% tiled. Additionally, the subwatershed has approximately 45.3% of it's streams altered and 10.4% of it's streams impounded.

According to the Cannon River Watershed Monitoring and Assessment Report (2016), many of the county and judicial ditches within this subwatershed are considered poor or fair or stream habitat assessments and moderately unstable when looking at channel conditions and stability.

All of these factors contribute to a higher risk of flooding in communities and demonstrate a need to implement projects that will reduce peak flows and volumes and help store water on the landscape.

### **Impact on State Operating Subsidies**

None known.

**Who will own the facility?**

Le Sueur County and Le Sueur County SWCD will oversee the project, hold necessary easements and oversee long term maintenance.

**Who will operate the facility?**

Le Sueur County and Le Sueur County SWCD.

**Who will use or occupy the facility?**

Le Sueur County and Le Sueur County SWCD.

**Public Purpose**

The purpose of this project is to provide and implement future preventative flood reduction measures that will help communities avoid flooding events similar to 2010, 2014, 2019 and 2024, that occurred within the Waterville Community. All of these flood events are at or above what would be considered a 500 year flood stage.

These communities within the Upper Cannon River Watershed do not have the resources to continuously address the impacts from flooding. These flooding events have caused significant damages to infrastructure, economic development, and lastly to water quality within the watershed.

**Description of Previous Appropriations**

None

**Project Contact Person**

Joe Martin  
County Administrator  
507-357-8220  
joe.martin@lesueurcounty.gov

(\$ in thousands)

The Upper Cannon River Watershed Drainage Systems Flood Risk Reduction Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$1,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$1,000	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$1,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,000</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Design Assistance for TH27   Mississippi River Bridge Replacement	1	GO	3,200	0	0	0	0	0
<b>Total Project Requests</b>			3,200	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,200	0	0	0	0	0

Design Assistance for TH27 | Mississippi River Bridge Replacement

**AT A GLANCE**

**2026 Request Amount:** \$3,200

**Priority Ranking:** 1

**Project Summary:** The City of Little Falls is requesting \$3,200,000 in funding to complete an alternatives analysis, predesign, design, and environmental review to replace the Highway 27 bridge crossing the Mississippi River in Little Falls with a bridge that allows for a grade-separated crossing of a very active BNSF rail line. The new bridge would also accommodate bicycle and pedestrian needs.

**Project Description**

The proposed project is to complete alternatives analysis, predesign, design, and environmental review of a grade separated crossing of Minnesota Trunk Highway 27 where it crosses the Mississippi River and a very active BNSF Railway Company line in Little Falls, Minnesota. The existing at-grade crossing is classified as a High Risk for Crashes crossing and causes major connectivity issues for the Little Falls community given it is the only river bridge within Little Falls. The nearest alternate river crossings are a county road bridge 12 miles downstream and the US 10 bridge two miles upstream. It is important to note that the US 10 bridge is a freeway crossing that has no pedestrian or bicyclist accommodations. The existing conditions present significant challenges for the community given there are 30 to 46 trains per day that sever the river crossing connection. Most importantly the blocked crossing results in emergency vehicle response delays which are compounded given the community hospital and ambulance services are located on the east side of the river. The limited connectivity between the east and west sides of Little Falls has also constrained economic growth opportunities on the west side of the river. A grade separated crossing will dramatically increase safety and connectivity for the Little Falls community, emergency response services, pedestrians and bicyclists, BNSF railway operators, and Amtrak operators and passengers.

**Project Rationale**

The funds are being sought to complete planning and design of a bridge the replaces the current TH27/Mississippi River Bridge and the at-grade rail crossing on the west side with a bridge configuration that accommodates a grade-separated crossing, as well as multi-modal options. The desired outcome is to increase safety by reducing the risk of rail crashes as well as ensuring emergency vehicles can travel unimpeded across the river. Beneficiaries of the project include the Little Falls community, particularly those residents who frequently experience the highway blockage and backups that occur, as well as the Little Falls Police Department, Little Falls Fire Department, the Morrison County Sheriff's Office, patients and medical providers at St. Gabriel's Hospital in Little Falls, Amtrak passengers, school bus drivers and riders, and pedestrians and bicyclists utilizing the Mississippi River Trail and Camp Ripley Veterans State Trail. The BNSF Railway Company and Amtrak

also benefits from this project by reducing risk of an incident on the tracks, as well as providing additional flexibility and maneuverability for their trains and equipment.

**Project Timeline**

In Process Analysis - July 2026  
Begin Final Design - July 2026  
Completed NEPA package - May 2027  
Complete Final Design - July 2027

**Other Considerations**

This project will result in the elimination of an at-grade rail crossing through grade separation, resulting in increased safety and accessibility. A grade separation project at this location has strong support from the City of Little Falls, the Minnesota Department of Transportation, and the BNSF Railway Company.

**Impact on State Operating Subsidies**

n/a

**Who will own the facility?**

Minnesota Department of Transportation

**Who will operate the facility?**

Minnesota Department of Transportation

**Who will use or occupy the facility?**

Minnesota Department of Transportation and the City of Little Falls

**Public Purpose**

This project results in numerous public benefits, including increased rail, vehicular, and pedestrian safety and increases accessibility by eliminating a frequently-blocked crossing.

**Description of Previous Appropriations**

n/a

**Project Contact Person**

Greg Kimman  
Public Works Director / Engineer  
320-616-5500  
gregk@ci.little-falls.mn.us

(\$ in thousands)

Design Assistance for TH27 | Mississippi River Bridge Replacement

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,200	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$3,200	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,400</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$1,000	\$0	\$0
Design Fees	\$0	\$5,400	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,400</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Littlefork Public RV Campground	1	GO	2,500	0	0	0	0	0
<b>Total Project Requests</b>			2,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,500	0	0	0	0	0

**Littlefork Public RV Campground**

**AT A GLANCE**

**2026 Request Amount:** \$2,500

**Priority Ranking:** 1

**Project Summary:** The City of Littlefork is requesting \$2,500,000 in state funds for the design and construction of a new campground that includes all necessary amenities in the City of Littlefork to help increase economic impact in the community.

**Project Description**

The City of Littlefork has recently acquired a forty acre tract of property that was formerly used for a gravel quarry. The city will be developing this piece of property to attract more tourists to their city to enjoy the region's numerous outdoor recreation activities and to also enhance outdoor activities for the residents of the city and residents located in surrounding communities. The city's intent with this campground is to appeal to RV campers as well as to serve campers looking for off trail vehicles opportunities as it is located along the Blue Ox State ATV Trail. The campground will be equipped with an ATV wash station and loading ramp to accommodate the ATV users. The campground is also located just off of US Highway 53 in northeastern Minnesota which sees large volumes of traffic that visit this region to spend time in the outdoors fishing, boating, camping, hunting, kayaking, canoeing, bird watching, hiking, bicycling, snowshoeing, cross country skiing, visiting resorts and staying in cabins.

**Project Rationale**

This new campground will include over thirty new camp sites that will be designed to accommodate RV camping vehicles and traditional tent campers. This abandoned gravel quarry site does include two ponds that will be renovated and modified for recreational uses including a city swimming beach, paddleboat usage and fishing opportunities. The campground will also include a camp office/shower/restroom facility to serve campers. Water, sewer and electrical utilities will be constructed at the campground as well as a playground for young campers and a dock for water access. Additional amenities include parking areas, ADA sidewalks, signage, security fencing and gates, fire rings, picnic tables, benches and traffic control.

**Project Timeline**

- Completion of Design - March - 2027
- Bid Advertising - April - 2027
- Construction Start - October - 2027
- Final Completion - November 2029

**Other Considerations**

The completion of this project will include a variety of outdoor recreation activities that will be available for people of all ages. The new beach and fishing pond are great examples of preserving and enhancing the states natural resources by modifying and improving an old gravel quarry into new

uses. The access to the adjacent ATV Trail gives campers the ability to access other area communities, businesses and tourist attractions as the Blue Ox Trail links with other existing regional trails. This campground will attract visitors throughout Minnesota and surrounding states and will increase the economic activity in the region.

**Impact on State Operating Subsidies**

**Who will own the facility?**

City of Littlefork

**Who will operate the facility?**

Littlefork

**Who will use or occupy the facility?**

Local residents and businesses as well as tourists and visitors throughout Minnesota, the United States and Canada.

**Public Purpose**

To provide safe and secure camping and outdoor recreation opportunities for the general public.

**Description of Previous Appropriations**

None

**Project Contact Person**

Holly Hoy  
City Administrator  
218-278-6710  
cityadministator@littleforkmn.gov

(\$ in thousands)

Littlefork Public RV Campground

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$2,500	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$600	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$4,400	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Loretto Water Infrastructure - Water, Waste Water, Storm Water	1	GO	2,700	0	0	0	0	0
<b>Total Project Requests</b>			2,700	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,700	0	0	0	0	0

Loretto Water Infrastructure - Water, Waste Water, Storm Water

**AT A GLANCE**

**2026 Request Amount:** \$2,700

**Priority Ranking:** 1

**Project Summary:** This project replaces aging infrastructure, estimated to be from the 1950s or earlier, including water, sanitary sewer, storm sewer utility replacements and associated street reconstruction. This infrastructure project is planned for 2026 construction and is phase 2 of the Hennepin County Road 19 watermain project replacement that was completed in 2024 at a local cost of \$900,000.

**Project Description**

This planned 2026 construction project replaces aging infrastructure, estimated to be from the 1950s or earlier, including water, sanitary sewer, storm sewer utility replacements and associated street reconstruction. This is phase 2 of the Hennepin County Road 19 watermain project replacement that was completed in 2024 at a local cost of \$900,000. This project was moved ahead of schedule due to a couple of recent structure fires including an industrial building and an apartment building that stressed our water system and the emergency personnel did not have adequate water supply to effectively fight the fires. This caused multiple valve breaks along the line causing the entire city to be without water or low water pressure. The water treatment pilot study addresses high levels of iron, ammonia, and manganese in the city's drinking water.

The homes along these local streets are served with sanitary sewer and water under the roadway. The sewer drains toward Church Street from both directions before continuing south and connecting with the main that parallels the railroad where it is conveyed to the MCES lift station. All sanitary sewer in the area is 8-inch PVC. All watermain is assumed to be primarily 6-inch cast iron pipe with some ductile iron pipe as well. It is located below the roadway. The utilities were installed when the road was constructed in the 1950's or earlier and need replacement.

The roadway includes a storm sewer system to collect water at low areas and convey the water to the railroad right of way. The storm sewer within the project area was installed with the initial project development and consists primarily of reinforced concrete pipe and HDPE corrugated pipe. Catch basins exist at low points in the roadway at the western end of Loretto Street. Near the eastern end of Loretto there is a CB and yard drain that was purposely filled. These catch basins previously drained to the south prior to the Whispering Meadows development construction.

The current 30' roadway includes a paved surface with concrete curb and gutter to convey drainage along the sides of the road to storm sewer catch basins. Soil borings indicated the road section is approximately 6 inches of bituminous pavement supported by approximately 2-3 inches of an aggregate base course material. The street condition throughout the project area is poor. Some

cracking and patching of the pavement surfaces including longitudinal, transverse, and fatigue cracking was noticed. The roadway surface is showing signs of distress and deterioration with the failure pattern indicating total failure of the pavement section. The pavement has exceeded its useful life, and complete reconstruction is needed.

Project Cost Summary: Water - \$478,750; Sanitary - \$433,750; Storm Sewer - \$332,500; Street - \$1,296,250; Other - \$98,500; Water Treatment Pilot Study - \$60,000.

Grand Total - \$2,700,000

### **Project Rationale**

This planned 2026 construction project replaces aging infrastructure, estimated to be from the 1950s or earlier, including water, sanitary sewer, storm sewer utility replacements and associated street reconstruction. This is phase 2 of the Hennepin County Road 19 watermain project replacement that was completed in 2024 at a local cost of \$1,200,000. This project was moved ahead of schedule due to a couple of recent structure fires including an industrial building and an apartment building that stressed our water system and the emergency personnel did not have adequate water supply to effectively fight the fires. This caused multiple valve breaks along the line causing the entire city to be without water or low water pressure.

### **Project Timeline**

Engineering and design - Completed in 2024  
Phase 1 - Completed in 2024  
Secure Funding - 2026  
Construction Begins - Spring 2027  
Project Phase 2 Complete - Fall 2027

### **Other Considerations**

Local funding for water, storm water, sanitary sewer, and street infrastructure projects has reached its maximum capacity since 2021, with \$3.4 million allocated through bonding and debt levies while operating within general fund less than \$1 million. Our bonded indebtedness has reached 23% of the total levy per year for the next 15 to 20 years. This has put additional stress on our levy as well as forced increases in utility rates.

State funding is essential to bridge these gaps and ensure equitable infrastructure development. Many local governments lack the administrative capacity to successfully compete for federal grants, further limiting their ability to secure external funding. This collaborative approach ensures that small communities, regardless of their financial constraints, can meet their infrastructure needs and continue to serve our residents without putting undue burden on them.

### **Impact on State Operating Subsidies**

N/A

### **Who will own the facility?**

City of Loretto

**Who will operate the facility?**

City of Loretto

**Who will use or occupy the facility?**

City of Loretto

**Public Purpose**

The water treatment pilot study addresses high levels of iron, ammonia, and manganese in the city's drinking water. The water infrastructure construction will update failing pipes and improve the water system as a whole.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Kent Koch

Mayor

763-286-7138

kkoch@ci.loretto.mn.us

(\$ in thousands)

Loretto Water Infrastructure - Water, Waste Water, Storm Water

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,700	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,700</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$270	\$0	\$0
Project Management	\$0	\$16	\$0	\$0
Construction	\$0	\$2,414	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,700</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Mahnomen Hospital	1	GO	40,000	0	0	0	0	0
<b>Total Project Requests</b>			40,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			40,000	0	0	0	0	0

Mahnomen Hospital

**AT A GLANCE**

**2026 Request Amount:** \$40,000

**Priority Ranking:** 1

**Project Summary:** We are urgently seeking funding to replace the outdated Mahnomen Health Center Hospital and Nursing Home, a political entity created pursuant to a Joint Powers Agreement between the County of Mahnomen and the City of Mahnomen, which has been operating in the current structure since 1957. Upgrading our healthcare facilities is critical to ensuring that everyone has access to modern healthcare services, while enhancing the well-being of our community and meeting the growing demands of our region.

**Project Description**

The Mahnomen Health Center (MHC), (a political entity created pursuant to a Joint Powers Agreement between the County of Mahnomen and the City of Mahnomen,) a vital healthcare hub established in 1957, is excited to announce plans for a much-needed transformation. The current facility, while having served the community admirably, no longer meets modern healthcare standards in terms of care, accommodations, and services. Due to space limitations, we are unable to accommodate much of the advanced medical equipment that is crucial for delivering top-quality care. Situated on the White Earth Reservation, MHC is proud to be the only hospital and nursing facility in the area, serving not only the White Earth Tribal Nation but also residents from neighboring counties. Our commitment to serving the White Earth community, in partnership with the State of Minnesota and the federal government, remains unwavering.

The existing building has reached the end of its life expectancy and does not comply with current building codes and life safety standards. It is crucial that we address the needs of our most vulnerable populations. We are proposing a new solution: a combined Rural Emergency Hospital and Nursing Home Facility on our current site. This approach will maximize public funding by eliminating costs related to land acquisition and infrastructure development. The total estimated cost of the project is \$48,739,000.00. The amount we are requesting will serve as a key funding source, with Mahnomen County and the City of Mahnomen covering the remaining costs.

Our vision for the new 66,000 sq. foot facility is truly exciting! It plans to incorporate three wings dedicated to nursing home residents, along with engaging activity and restorative areas, and well-equipped dining and kitchen facilities. We are looking forward to a state-of-the-art 32-bed nursing facility, featuring 100% private rooms and private bathrooms, which aligns with modern standards of care. The new building will also include a fully equipped emergency room, an attached medical clinic, and access to a 14-unit Senior Living area.

This development aims to cultivate a nurturing environment that enhances care for our patients and residents. The addition of private rooms and bathrooms promotes privacy, individuality, and self-determination, allowing our residents and patients to enjoy their own personal space. Additionally, these private accommodations will address HIPAA compliance and significantly improve infection control—especially important in the context of pandemics.

At present, MHC operates as a trauma center with a 24/7 emergency room, averaging 3,500 visits each year and averaging three air ambulance transports weekly. We are the first designation as a Rural Emergency Hospital in the State of Minnesota. The future is bright for MHC, and we can't wait to see the positive impacts our new facility will have on our cherished community!

### **Project Rationale**

The new hospital and nursing home will greatly improve healthcare access for residents and tribal members, reaching far beyond Mahnommen County's borders. This exciting project promises enhanced services that will be a significant upgrade from the 69-year-old current facility, ensuring quality care for generations to come. With a dedicated team of 125 employees, Mahnommen Health Center proudly stands as the second-largest employer in the county, right after the White Earth Tribal Nation. Together, we're building a healthier, more vibrant community for everyone!

### **Project Timeline**

The pre-design, design, and construction planning phases have been finalized. An expenditure amounting to \$406,000 has been allocated to prepare the project for a "shovel-ready" status. With the acquisition of additional funding, it would be possible to engage a construction manager, facilitating immediate bidding for the project. Groundbreaking could occur within 30 to 60 days.

This project is anticipated to extend over multiple years due to its inherent complexity. The construction phase is expected to last between 18 to 24 months. The facility will be situated within a single building; however, the nursing home and hospital components will be constructed separately, with a phased opening contingent upon the specific service and equipment requirements.

### **Other Considerations**

The project entails replacing the current facility, which was established in 1957. The new facility will be constructed in proximity to the existing building, thereby ensuring an uninterrupted provision of care throughout the construction phase. This approach will also yield cost savings associated with land acquisition and infrastructure development. The existing structure, characterized by very low energy efficiency, will be decommissioned upon completion.

Maintaining healthcare services throughout the project is critical, as the Mahnommen Health Center is the sole healthcare provider for the White Earth Reservation and the surrounding area. Our county is classified as a CJEST/Justice40 disadvantaged community, facing challenges including adverse public health outcomes, environmental pollution, and the impacts of climate change. Moreover, it comprises a significant number of low- and moderate-income households, reflecting certain socioeconomic criteria.

### **Impact on State Operating Subsidies**

There are no additional bonding requests beyond the capital request.

**Who will own the facility?**

The facility will remain under the ownership of Mahnomen County and the City of Mahnomen. The ownership of the facility will be distributed between Mahnomen County, which holds a 78% stake, and the City of Mahnomen, which possesses a 22% stake.

**Who will operate the facility?**

Mahnomen County, under the guidance of the Board of Commissioners and its Administration, will spearhead the project with assistance from the City of Mahnomen and the Mahnomen Health Center Board. The oversight of project administration will be conducted by the Mahnomen Health Center Board (a political entity created pursuant to a Joint Powers Agreement between the County of Mahnomen and the City of Mahnomen,) which is comprised of elected officials from both the county and city.

**Who will use or occupy the facility?**

The project pertains to a healthcare facility that serves a diverse range of individuals, including emergency room patients, short-term care patients, elderly residents of nursing homes, administrative personnel, and healthcare professionals.

**Public Purpose**

To enhance the provision of healthcare services for the residents of Mahnomen County and the surrounding area, including the White Earth Nation, the facility is wholly owned by both Mahnomen County and the City of Mahnomen. This collaborative ownership structure fosters a community-focused approach to healthcare delivery.

**Description of Previous Appropriations**

None.

**Project Contact Person**

Bruce Starkey  
Mahnomen County Administrator  
218-261-1400  
bruce.starkey@co.mahnomen.mn.us

(\$ in thousands)

**Mahnomen Hospital**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$40,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Other Local Government Funds	\$0	\$8,739	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$48,739</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$3,000	\$0	\$0
Project Management	\$0	\$3,272	\$0	\$0
Construction	\$0	\$41,275	\$0	\$0
Relocation Expenses	\$0	\$54	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$1,138	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$48,739</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	Yes
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Air Traffic Control Tower Construction	1	GO	557	0	0	0	0	0
Southeast Water Quality	2	GO	6,750	0	0	0	0	0
<b>Total Project Requests</b>			7,307	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			7,307	0	0	0	0	0

**Air Traffic Control Tower Construction****AT A GLANCE****2026 Request Amount:** \$557**Priority Ranking:** 1

**Project Summary:** The City of Mankato is looking to construct an Air Traffic Control Tower at the Mankato Regional Airport (MKT). This tower has been planned for 5+ years after being selected by the FAA and is at risk of not being constructed due to funding availability. The requested amount reflects the potential local share to the City of Mankato.

**Project Description**

The Mankato Regional Airport (MKT) is located 5 miles northeast of the city of Mankato, Minnesota and is classified by the FAA in the National Plan of Integrated Airport System's (NPIAS) as a general aviation airport with regional significance. The Airport can be characterized as supporting a diverse range of general aviation aircraft activity including business and personal air travel in addition to a significant level of flight training activity generated by the Minnesota State University – Mankato's collegiate aviation program. Collectively, it is estimated that the Airport accommodates over 126,136 operations annually (2018) making it the second busiest airport in Minnesota. According to the most recent National Based Aircraft Inventory, there are 102 aircraft based at the Airport.

Mankato Regional Airport requested entry into the Federal Contract Tower Program, received a Benefit/Cost ratio of 2.35, exceeding the minimum 1.0 threshold, and was accepted as a candidate for the Federal Aviation Administration Contract Tower (FTC) Program on April 19, 2022. As required, Mankato is prepared to provide a control tower that successfully completes a satisfactory Operational Readiness Inspection no later than April 19, 2027. The City has executed a Memorandum of Understanding with the FAA to which the City agrees to the FAA's stipulations including

1. Select a site that meets the FAA's criteria for assuring it is suitable for conducting Air Traffic Control operations. (Complete)
2. Design and construct the Airport Traffic Control Tower facility that meets the FAA's design criteria. (10% Pending)
3. Provide Airport Traffic Control Tower equipment according to a prescribed Minimum Equipment List
4. Enter into a Tower Operating Agreement with the FAA for the operations and maintenance of the facility

**Project Rationale**

The Mankato regional airport is the second busiest airport in the State of Minnesota behind MSP.

This traffic volume which includes the MNSU flight school puts the Airport at a current high risk of an incident without an active traffic control system in place. This project was selected by the FAA but is at risk of not being completed due to funding shortfalls.

**Project Timeline**

2025 - Final design  
2026-2027 - Construction  
2027 - Operations begin

**Other Considerations**

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

City of Mankato

**Who will operate the facility?**

Maintenance & Capital Improvements will be managed and procured by City of Mankato.  
Flight operations will be contracted with Federal Aviation Administration.

**Who will use or occupy the facility?**

City of Mankato, Minnesota State University - Mankato, Northstar Aviation, numerous private flight operators

**Public Purpose**

Protect users and those in the vicinity of the Mankato Regional Airport.

**Description of Previous Appropriations**

None

**Project Contact Person**

Parker Skophammer  
Director of Administrative Services  
507-317-2970  
pskophammer@mankatomn.gov

(\$ in thousands)

**Air Traffic Control Tower Construction**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$557	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$558	\$0	\$0
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$21,187	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$22,302</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$20,802	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$1,500	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$22,302</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

**Southeast Water Quality**

**AT A GLANCE**

**2026 Request Amount:** \$6,750

**Priority Ranking:** 2

**Project Summary:** The Southeast Water Quality Project seeks to implement drainage management and associated water quality enhancements that are focused in the Southeast Drainage District and associated stream courses, including the main stem of the Minnesota River.

**Project Description**

The Southeast Water Quality Project seeks to implement drainage management and associated water quality enhancements that are focused in the Southeast Drainage District and associated stream courses, including the main stem of the Minnesota River. The first phase of the project has been completed and consists of a comprehensive watershed study to identify the hydrologic and hydraulic characteristics of the watershed and the major creeks, ravine, and waterways. The study also document areas with existing erosion issues, develop a watershed erosion management plan with recommended best management practices (BMP's), estimate potential sediment and pollution load reductions with the recommended BMPs, and potential agency permits required. Several projects from the study have been identified for outside funding sources. These sources include capital bonding fund from the State of Minnesota, and the Lassar-Sams Outdoor Heritage Fund (LSOHF). Capital Bonding was awarded for the stabilization of the Minnesota River near critical infrastructure, and LSOHF have been provided for this project. Currently the funding provided for this project will allow for approximately 50% of the necessary land acquisition to take place. A portion of the current land purchase is recommended to be funded through sales tax. This portion of land is not directly needed for the implementation of the wetland restoration project and may be sold at some time in the future, using local funds, such as sales tax allows for greater flexibility for a future potential sale or use of the property beyond what is stipulated in the LSOHF funding requirements. Additional outside funding will continue to be sought to allow for completion of this project. Such funding includes LSOHF funds, MPCA non-point storm water improvement programs and other watershed improvement programs. The public purpose of the projects is to mitigate existing water quality issues associated with the Southeast watershed. These projects will reduce discharges of sediment and nutrients, such as nitrogen and phosphorus, into the Minnesota River. For example, construction of the regional ponding in the rural minor watersheds will reduce uncontrolled peak flows into the city systems that currently reduce the system's capacity by 50 percent during high flows and has caused severe erosion within urban ravine systems and flooding of residential areas. Wetland impacts in the rural areas of the minor watersheds have removed approximately 210-acre feet of natural storm water retention and the constructed basins will aim to restore the retention capacity. In addition, the retention improvements will reduce total suspended solids by over 63 percent and reduce phosphorus discharge by over 70 percent. Mitigating bank erosion along the Minnesota River will also

improve water quality by reducing sediment and associated nutrient loads, and will also protect city assets, such as the Land of Memories Well Field and the Regional Water Resource Recovery Facility. It is expected that these projects can serve as a template for best management practices to reduce total maximum daily loads of nutrients and sediment into the Minnesota River and can be replicated elsewhere in the Minnesota River Watershed. Replicating and implementing the best management practices is imperative as municipalities in the water-shed are facing increased challenges in treating water supplies that are designed to be sustainable by reducing reliance on deep aquifers and instead rely on shallower aquifers linked to the river systems.

**Project Rationale**

The City of Mankato recently saw heavy rains and even flooding in 2024 that re-emphasized the need for the Southeast Water Quality Project. Due to heavy rains on June 21st, 2024 and leading up to then the City experienced surface flooding, holding ponds over capacity, landslides in ravines at 4 known locations, and many reports of flooded basements. If this project had been completed it would have assisted in the mitigation of flooding.

**Project Timeline**

2026 - 2027 – Land Purchase

2027 - Design

2027 - 2028 - Construction

**Other Considerations**

Land acquisition cost hurdles have delayed this project.

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

City of Mankato

**Who will operate the facility?**

City of Mankato

**Who will use or occupy the facility?**

City of Mankato

**Public Purpose**

Reduce erosion and flooding. Reduce sediment and nutrients into the Minnesota River. Protect city assets including the WRRF and Land of Memories Well Field.

**Description of Previous Appropriations**

None

**Project Contact Person**

Parker Skophammer  
Director of Administrative Services  
507-317-2970  
pskophammer@mankatomn.gov

(\$ in thousands)

Southeast Water Quality

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,750	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Other Local Government Funds	\$0	\$6,750	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$13,500</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$5,000	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,750	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$6,750	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$13,500</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
East Metro Public Safety Expansion Project	1	GO	5,404	32,392	0	0	0	0
<b>Total Project Requests</b>			5,404	32,392	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			5,404	32,392	0	0	0	0

East Metro Public Safety Expansion Project

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$5,404
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	\$5 million and 400 thousand in state funds is requested to complete design and pre-construction services associated with improving the East Metro Public Safety Training Facility located in Maplewood, MN. The scope of this project includes money for design of a main building, ancillary training buildings and a storage building, parking, street, stormwater management and other supporting utilities, infrastructure, and site improvements.

**Project Description**

The City of Maplewood along with the cities of North St. Paul, Oakdale, and Lake Elmo built the East Metro Public Safety Training Facility (EMPSTF) in 2016 to fill the fire training needs of the fire departments in the east metro area of the Twin Cities. EMPSTF has transformed fire training by:

- Collaborating with neighboring fire departments to share the capital costs required to build a regional training facility.
- Supporting safe, realistic training in a controlled environment.
- Promoting collaboration among local, state, and educational institutions to improve preservice and in-service training opportunities.
- Funding its own operating costs.

A total of 27 agencies have used and continue to use the current EMPSTF facility. These range from small volunteer departments, to medium and large departments, county fire academies, a 501(c)3, and a regional community college. Agencies that come to the EMPSTF are spread across 6 counties in Minnesota and Wisconsin, serving over 1,000,000 Minnesota residents.

The proposed expansion includes 55,000 square feet of multi-disciplinary training facility space and includes classroom spaces for de-escalation and crisis intervention training, a multi-agency/discipline simulated space for realistic scenario-based training, dedicated space for a state-of-the-art decision-making simulation lab, firearms training & associated support spaces, physical & mental wellness support spaces, and office/"touch-down" spaces for full & part-time staff.

The architectural program consists of (5) distinct public safety training environments with the additional overlay of outdoor training facilities. Each environment has a strong connection to the project's goals & mission. The culmination of which, helps provide unique opportunities to not only train first responders with the skills necessary to do the job, but to support them holistically- Physically, mentally AND professionally.

These environments are:

1. Commons / Shared Support Spaces
2. Classroom Area

3. Wellness Support Spaces & Fitness
4. Reality Based Training (RBT) & Specialty Training Areas
5. Firing Range & Range Support Spaces

The City of Maplewood is requesting \$5,404,000 for design of a main building, ancillary training buildings and a storage building, parking, street, stormwater management and other supporting utilities, infrastructure, and site improvements.

### **Project Rationale**

The East Metro Public Safety Training Facility is a regional asset. Compared to other regions, the North East Metro lacks a public safety training facility that provides current training needs to police, fire, EMS, and Embedded Social Workers.

Now, more than ever, Public Safety Professionals need to train together to meet the community's needs. Additional funding would allow police, EMS, and ESW to train side-by-side in de-escalation, incident command, operating in tactical environments, co-response to complex search and/or rescue operations, people in crisis, and training on integrating public safety technologies.

### **Project Timeline**

Pre-Design: 10/31/2023-2/6/2024  
Design: 7/9/2026-2/18/2027  
Project Bidding: 2/20/2027-3/24/2027  
Construction: 3/25/2027-04/28/2028  
Occupancy: June 2028

### **Other Considerations**

With proposed expansion of the EMPSTF, Century College would possibly be able to expand its use of the facility, adding to its current usage. Classroom use would be a priority not only for firefighting classes, but also EMS and Law Enforcement. Opportunity to expand the current Law Enforcement program offering would be a significant possibility as well as partnering with other Minnesota State technical colleges. It would not be out of the realm of possibility to double the current use of the facility after expansion and improvements are made.

### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

The City of Maplewood will own the project.

#### **Who will operate the facility?**

The City of Maplewood will operate the construction processes related to the project. The City of Maplewood, along with the cities of North St. Paul, Oakdale and Lake Elmo currently operate the existing East Metro Public Safety Training Facility. Upon project completion, these agencies along with new partners will operate the project.

#### **Who will use or occupy the facility?**

A total of 27 agencies have used and will continue to use the facility. Additionally, the project has

received letters from 12 additional communities and agencies that support the proposed expansion. It is anticipated that over 50 agencies will utilize the site each year if the facility is expanded as proposed.

### **Public Purpose**

To enhance public safety to allow for the collaborative training of public safety professionals. This training will increase the ability for public safety agencies in the region to have successful outcomes on critical incidents. This training is essential for the well being of the communities served and for the safety of public safety professionals.

### **Description of Previous Appropriations**

\$3 million dollars in 2011 which funded infrastructure and phase one building construction.  
\$75 thousand dollars in 2023 which funded a space needs assessment, feasibility and pre-design report.

### **Project Contact Person**

Michael Mondor  
Fire and EMS Chief  
651-249-2802  
michael.mondor@maplewoodmn.gov

(\$ in thousands)

East Metro Public Safety Expansion Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,404	\$32,392	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,404</b>	<b>\$32,392</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$2,000	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$2,552	\$0	\$0
Project Management	\$0	\$248	\$80	\$0
Construction	\$0	\$0	\$27,623	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$1,067	\$0
Inflationary Adjustment	\$0	\$604	\$3,622	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,404</b>	<b>\$32,392</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	Yes
Has the predesign been approved by the Department of Administration?	Yes
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
MERIT Center Regional Training Facility with Live Burn Room	1	GO	2,550	0	0	0	0	0
<b>Total Project Requests</b>			2,550	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,550	0	0	0	0	0

**MERIT Center Regional Training Facility with Live Burn Room**

**AT A GLANCE**

**2026 Request Amount:** \$2,550

**Priority Ranking:** 1

**Project Summary:** The City of Marshall is seeking \$2.550 million in state funds to add and enhance the Minnesota Emergency Response and Industrial Training Center (MERIT). This request, in addition to the 2023 appropriation, will allow for the completion of Phase 3 of the Master Development Plan. These funds would be used to add a training structure that allows for several types of first responder/emergency services training including: a live burn room for fire service.

**Project Description**

This request is to add a public safety training structure with a live burn room that allows for multiple types of training for both law enforcement and the fire service, as well as a room for live burn training and firearms range support building.

Public Safety Training Structure with Live Burn Room \$2,000,000

Public Safety Training Structure and Infrastructure \$250,000

Firearms Range Support Building \$150,000

Furniture, Fixtures, and Equipment \$150,000

Site Preparation (city Fund expenditures) \$490,000

TOTAL City Match: \$490,000

TOTAL Project Costs without City Match: \$2,550,000 million

TOTAL Project Costs with City Match: 3,040,000 million

**Project Rationale**

There is an unmet demand for public safety training facilities statewide and the lack of accessibility in the southwest region for full skills training. The public safety training structure with live burn room will allow fire departments to utilize the burning of Class A materials to simulate environments that are crucial to maintaining and strengthening practical learning skills in the fire service. The preferred method of delivering this training is to use a live burn structure that allows ignition of Class A combustibles. This structure will also allow for other types of training to include forcible entry, standpipe operations, technical rope rescue and a sprinkler room. The outdoor firearms range will allow law enforcement professionals to focus on different aspects of an officer's real-world environment. The range will meet environmental protection agency standards and will house various kinds of targeting systems including turning, running, and reactive. The support building will also include a storage area and weapons cleaning area. We have already received partial funding for the gun range and any funding received through this request would go toward additional costs accrued for the support building(s).

## **Project Timeline**

The project would be bid in the Spring of 2027 with construction starting Summer of 2027 or based on availability of contractors.

## **Other Considerations**

In 1998, the Minnesota legislature directed the Commissioner of Public Safety to "develop a statewide master plan for siting, ownership, and operation of fire and public safety training facilities." In 1999 the City of Marshall, with its MERIT concept, was selected as the training site for Southwest Minnesota.

On April 12th, 2007, a bill was introduced asking for approximately 12.3 million dollars to build out the first phase of our center. On February 18th, 2008 the MERIT Commission had their hearing but were not successful.

A January 5th, 2010 the Department of Public Safety recommendation the regional Training Facilities Advisory Committee (RTFAC - Time Loeslie - Assistant Public Chair) specified that NO new funding go to any additional training centers until the Tier II facilities in Marshall, Rochester, and Jordan, and the Tier II facility at Camp Ripley have been built out.

In February of 2010 the MERIT Commission; again, with bipartisan support, asked for 2.5 million to begin a smaller Phase I of the project and were not successful.

Funding this expansion would complete the vision approved by Marshall voters on November 6th, 2012 in their endorsement of a Sales Tax to help fund Emergency Response Training. This expansion would help build out the northern half of the .9-mile loop on our driving track.

This expansion would contribute to the commitment made by the City of Marshall to complete the first loop of the Vehicle Driving Center by increasing city sales tax.

Rural Minnesota depends on safe driving for its mobility: this Center will train first responders, students, seniors and commercial drivers. Statewide Law enforcement training mandates firearms qualification annually. This firearms range would be utilized by regional law enforcement departments.

## **Impact on State Operating Subsidies**

The City of Marshall will not be seeking any additional funds for maintenance of the MERIT Center.

## **Who will own the facility?**

MERIT Center, City of Marshall, MN

## **Who will operate the facility?**

MERIT Center, City of Marshall, MN

## **Who will use or occupy the facility?**

Public Safety personnel as well as private industry professionals in a primary service that includes the 19-county Southwest Minnesota region including the Lower and Upper Sioux Indian Communities.

The facility will also serve clients from eastern South Dakota, Northwest Iowa and other parts of Minnesota.

### **Public Purpose**

This project completes a critical need for our public safety divisions to be able to train at a full capacity in our Southwest Minnesota region. There may be additional industrial safety trainings that privately owned businesses would be able to utilize the facility for as well.

### **Description of Previous Appropriations**

In 2010, the MERIT Center received 1 million in appropriations for the main building expansion and training simulator props.

In 2018, the MERIT Center received 3.1 million in appropriations for the second loop of the driving track to include a skid pad, cul-de-sac and loading dock prop.

In 2023, the MERIT Center received 2.25 million to begin work on the firearms range and support buildings.

### **Project Contact Person**

Kim Swalboski  
Training Facility Coordinator  
507-337-6163  
kim.swalboski@ci.marshall.mn.us

(\$ in thousands)

**MERIT Center Regional Training Facility with Live Burn Room**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,550	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$490	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,040</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$365	\$0	\$0
Construction	\$0	\$2,675	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,040</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.**

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	No
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
City of Mendota Heights Public Safety and City Hall Facility	1	GO	12,000	0	0	0	0	0
<b>Total Project Requests</b>			12,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			12,000	0	0	0	0	0

## City of Mendota Heights Public Safety and City Hall Facility

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$12,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of Mendota Heights seeks \$12 million in state funding for the city's Public Safety and City Hall facility to address life and safety deficiencies, improve services to stakeholders and residents, and preserve existing city infrastructure.

**Project Description**

The Mendota Heights Police Department and City Hall facility was first constructed in 1987. Located at Highway 62 and Lexington Avenue, just east of the Mendota Bridge and west of Interstate 35E, the building is geographically well-positioned in the community and region to respond to public safety emergencies and provide services to the community of nearly 12,000 residents.

The current police department and city hall building is comprised of approximately 24,000 square feet, spread over two floors. On the exterior, the existing building includes two entrances, one for city hall and one for the police department, and a two-car garage for police department use. The building is a wood-framed building with brick exterior, wood casement windows and asphalt shingles. The campus includes a pollinator-friendly garden as well as a solar garden.

The proposed project aims to preserve, modernize, and appropriately size the facility to address several critical issues. This includes addressing health and safety issues, updating and modernizing city hall and police stations facilities to improve service to victims, neurodiverse stakeholders and residents and further environmental stewardship and sustainability. Together, these improvements will create a safe, efficient, and responsive public service campus that meets the evolving needs of the community.

The total project costs are estimated to be \$25 million.

**Project Rationale**

The Mendota Heights municipal campus, which includes the city's police department and city hall offices, serves as a symbol of local identity and plays a critical role in the community. Built to model a single-family home, after nearly 40 years of life, the building's design and systems are out of date, inefficient and the building generally lacks the space needed to effectively serve the community.

The City of Mendota Heights completed a detailed facility needs analysis in 2020. An updated analysis in 2025 continues to provide evidence-based recommendations that address both the interior and exterior deficiencies of the building, as well as the operational needs of the Police Department, City Hall, and the community it serves:

- **Energy Efficiency and Environmental Responsibility**

The existing facility was built in the 1980s using residential construction standards and lacks modern energy-efficient systems. Its outdated mechanical, electrical, and HVAC systems result in high energy consumption, increasing operational costs and contributing to environmental inefficiency. A new facility will be constructed to meet current energy codes and sustainability standards, including high-efficiency systems and environmentally responsible design. This aligns with Minnesota’s broader goals for energy conservation and climate resilience.

- **Safety and Security**

Security vulnerabilities in the current structure put city staff, law enforcement personnel, and the public at risk. The Police Department is housed on the lower level of the building, constructed with wood framing and non-commercial-grade crank-out windows—conditions that severely compromise its ability to withstand threats or provide secure operations. The lack of a secure sally port, limited emergency access, and insufficient structural reinforcements make the facility especially vulnerable.

- **Space Deficiencies and Functional Limitations**

The current building has reached its maximum capacity and cannot accommodate the city’s existing operational and public service demands. The Police Department lacks appropriate space for secure evidence storage, private victim interviews, training, and emergency operations. The garage is undersized and cannot house police vehicles or equipment safely. City Hall similarly lacks adequate space for administrative operations, public meetings, and community engagement.

- **Equity and Accessibility**

The new facility will be designed to accommodate all residents, including neurodiverse individuals and others with special needs. The Police Department will include features that promote inclusive engagement with community members, in line with the growing awareness and state mandates related to autism spectrum disorder and other neurodiverse conditions. Providing an environment that respects and responds to the diverse needs of the population is critical to ensuring trust, accessibility, and fairness in public service.

## **Project Timeline**

Predesign including community engagement, conceptual plans, and cost estimates- March-September, 2025; Design and financing plan development - October, 2025 - May, 2026; Bidding and Construction start - June, 2026- October 2026; construction complete summer 2027.

## **Other Considerations**

The City of Mendota Heights is a first-ring suburb of the Twin Cities metropolitan area and serves as a gateway to regional transportation routes and economic corridors. An effective, safe, and inclusive municipal campus supports public safety, local governance, and emergency response across the region. This project reinforces Minnesota’s commitment to resilient infrastructure, inclusive public service, and the responsible stewardship of taxpayer dollars.

Maintaining local control of the Mendota Heights Police Department is vitally important, as the department plays a regionally significant role. The City of Mendota Heights provides police coverage

to the neighboring cities of Mendota and Lilydale and participates in the Dakota County Mobile Field Force. Along with the cities of West St. Paul and South St. Paul, the Mendota Heights Police Department is responsible for public safety operations in the northern part of Dakota County during regional incidents. Under an agreement with the South St. Paul Police Department, the two cities also serve as backup emergency operations centers for each other in the event of natural disasters or other emergencies.

Additionally, the city and police department have fostered a partnership with the Criminal Justice Network (CJN), a Minnesota-based joint powers organization dedicated to enhancing public safety data sharing and collaboration. CJN serves over 25 law enforcement agencies across Minnesota but lacks dedicated office space. Currently, CJN occupies space in a local police department that is designated for future expansion of that department. CJN is seeking to partner with the City of Mendota Heights and lease 2,500 square feet of workspace at the city's future municipal campus.

**Impact on State Operating Subsidies**

None.

**Who will own the facility?**

The city of Mendota Heights

**Who will operate the facility?**

The city of Mendota Heights

**Who will use or occupy the facility?**

The Mendota Heights Police Department and Mendota Heights administrative/city government employees; and the Criminal Justice Network

**Public Purpose**

Public safety activities are core city functions and serve a direct public purpose. Preserving, modernizing and right-sizing the police station and city hall building will benefit all residents of the city.

**Description of Previous Appropriations**

None.

**Project Contact Person**

Cheryl Jacobson  
City Administrator  
651-255-1153  
cjacobson@mendotaheightsmn.gov

(\$ in thousands)

City of Mendota Heights Public Safety and City Hall Facility

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$12,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$420	\$0	\$0
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$12,580	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$25,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$2,000	\$0	\$0
Project Management	\$0	\$10	\$0	\$0
Construction	\$0	\$21,730	\$0	\$0
Relocation Expenses	\$0	\$10	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$1,250	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$25,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
North Commons Regional Vision	1	GO	12,000	0	0	0	0	0
Grand Rounds Missing Link Implementation	2	GO	6,800	0	0	0	0	0
Climate Resiliency for Minnehaha Creek and Parkway	3	GO	14,600	0	0	0	0	0
New Cedar Riverside Recreation Center	4	GO	11,500	0	0	0	0	0
New Non-Vehicular Bridge Connection over Mississippi River Connecting North and Northeast Minneapolis	5	GO	18,000	0	0	0	0	0
Upper St. Anthony Lock in Cooperation with Owamniyomni Okhodayapi	6	GO	5,000	0	0	0	0	0
<b>Total Project Requests</b>			67,900	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			67,900	0	0	0	0	0

(\$ in thousands)

**North Commons Regional Vision**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$12,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	This request is for \$12,000,000 to continue implementation of a major vision for North Commons Park in Minneapolis that will serve as a regional destination for sports, arts, and community. This is a second funding request to complement state bonding authorized in 2020.

**Project Description**

This request, along with authorized 2020 funding and significant local and philanthropic funds, would create a new and exciting recreation and arts space at North Commons Park that will serve the entire northside and welcome the state and region during arts happenings, sports tournaments, and community gatherings. This community-driven vision was established during the North Service Area Master Plan process and was adopted by the Park Board of Commissioners.

Community advocates are currently working to build coalitions around the implementation of the vision and raise funds to contribute to the project. This request would be a first phase of implementation and assumes significant community match to go along with the \$12.1 million allocated in MPRB’s CIP and support from the City of Minneapolis and the federal government. The total state request asks for funding for several core elements of the North Commons Master Plan, including:

- A community building with indoor sports, gathering, and arts spaces
- Renovation and relocation of the water-park, a critical recreational amenity for fun and safety through swimming lessons.

**Project Rationale**

Minneapolis and its first ring suburbs compete with the outer suburban ring for youth activities, community gathering spaces, and high quality sports venues. Without excellent facilities, regional and state residents have no reason to come to Minneapolis’s vibrant north side, and therefore the north side never sees economic benefits associated with regional sports tournaments and other major draws. The funds flow out of the north side--never in. North side Minneapolis kids have to travel long distances for tournaments and never get to host their own. Because of the ongoing needs of Minneapolis's much older park system, new facilities that compete with the rest of the region have been difficult to implement. State funding is requested to bridge the gap, or level the playing field, between those who live in the city and those who live elsewhere.

Furthermore, a facility like this, being high quality and desirable to youth, will serve as a safe place for

Minneapolis teens and young adults. North Minneapolis includes many majority minority census tracts. Disparities in success outcomes--such as graduation rates, incarceration rates, wealth, and chronic disease--between whites and people of color are well known. The lack of places to go, specifically places that positively engage youth, is often partly blamed for these disparities. Investment in the North Commons Vision is an investment in youth success across Minneapolis and the region.

### **Project Timeline**

Initial work on the recreation center portion of the project was put out for construction bids in spring of 2025. Construction will commence in June/July of 2025 and continue throughout 2025 and 2026. Additional state bonding will allow the waterpark portion of the project to proceed. Construction plans are largely complete for that portion, so bids would be issued rapidly upon granting of the state bond. Construction is expected to take one year.

### **Other Considerations**

None

### **Impact on State Operating Subsidies**

None

### **Who will own the facility?**

Minneapolis Park and Recreation Board

### **Who will operate the facility?**

Minneapolis Park and Recreation Board

### **Who will use or occupy the facility?**

Minneapolis Park and Recreation Board

### **Public Purpose**

Parks and recreation, sports, community gathering, arts programming and creation, education

### **Description of Previous Appropriations**

The Minneapolis Park and Recreation Board received a \$5.125 million cash 2020 allocation for this same project, based on a request of \$11,250,000.

### **Project Contact Person**

Adam Arvidson  
Director of Strategic Planning  
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(\$ in thousands)

North Commons Regional Vision

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$5,125	\$12,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
	\$2,000			
City Funds	\$4,800	\$10,300	\$0	\$0
<b>Non-State Funds Pending</b>				
Non-Governmental Funds	\$0	\$15,000	\$0	\$0
<b>TOTAL</b>	<b>\$11,925</b>	<b>\$37,300</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$2,132	\$400	\$0	\$0
Project Management	\$750	\$400	\$0	\$0
Construction	\$9,043	\$36,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$11,925</b>	<b>\$37,300</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	No
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

**Grand Rounds Missing Link Implementation**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$6,800
<b>Priority Ranking:</b>	2
<b>Project Summary:</b>	This request is for \$6,800,000 in state bond funding to implement portions of the Minneapolis Grand Rounds, a trail network of national significance.

**Project Description**

Since the 1880s Minneapolis has envisioned a trail and parkway network that would link the entire city and connect to the entire region. Much of that vision has been implemented, but a significant gap remains: the Missing Link. This key segment in the Minneapolis Grand Rounds would run through northeast and southeast Minneapolis and connect St. Anthony Parkway to the Mississippi River. This request would implement a second phase of development. The first phase was funded by the legislature in 2023 in the amount of \$5.5 million. Design work is underway for that phase. The project area has been developed with a mix of commercial, industrial, institutional, public, and residential uses. The addition of this trail and parkway link would add a regional trail and trailside amenities to areas that have been historically underserved by parks. The second phase of developing the Grand Rounds Missing Link will build on projects constructed with a previous legislative appropriation, and could include:-- The northern Industrial Boulevard segment-- Trails along St. Anthony Boulevard in the Village of St. Anthony-- The southernmost segment along 27th Avenue SE-- Trail facilities through the Towerside development area in Prospect ParkMPRB has worked for years to develop the partnerships necessary to bring these early implementations forward. Partnerships with the City of Minneapolis, University of Minnesota, neighborhood organizations, and private developers have set the table for the Missing Link's long awaited implementation.

**Project Rationale**

The Minneapolis Grand Rounds is a regional network that was always meant to connect the city together. The conspicuous gap in northeast and southeast Minneapolis must be closed, in order to ensure equitable access to this trail system of state and national significance. In the development of its equity metrics for capital improvements, MPRB has committed to allocating one-quarter of all its regional funds to the incomplete portions of the Grand Rounds. The local will exists to see this segment complete, more than 100 years after it was envisioned.

This project will connect northeast Minneapolis--historically underserved by parks and trails--to the Mississippi River. It will connect people throughout Minneapolis and the region to living wage jobs in the commercial and industrial areas that flank the corridor, and it will allow that connection to happen through safe, non-motorized means, thereby having a positive impact on carbon emissions if the region. It will create green spaces and habitat corridors in a heavily paved portion of the region.

The Grand Rounds was a visionary idea in the 1880s and it has driven the region forward economically, socially, and environmentally. It is time to complete that vision by closing the Missing Link.

**Project Timeline**

MPRB will achieve policy approval for the corridor-wide concept plan in mid-2025 and immediately commence on construction drawings for the first phase of construction. Construction is expected to take place in 2026 and may extend into 2027. If this bond request is funded, MPRB would likely immediately initiate construction documents for another construction phase, which would commence in 2027.

**Other Considerations**

None

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

Minneapolis Park and Recreation Board and the City of Minneapolis (some public right-of-way will be used for locating trail corridors)

**Who will operate the facility?**

Minneapolis Park and Recreation Board

**Who will use or occupy the facility?**

Minneapolis Park and Recreation Board

**Public Purpose**

Parks and recreation, trails

**Description of Previous Appropriations**

Cash capital investment bill approved during 2023 legislative session: \$5.5 million for Phase 1 implementation of Grand Rounds Missing Link

**Project Contact Person**

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(\$ in thousands)

Grand Rounds Missing Link Implementation

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$5,500	\$6,800	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Other State Funds	\$3,347	\$2,985	\$1,686	\$774
City Funds	\$119	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$8,966</b>	<b>\$9,785</b>	<b>\$1,686</b>	<b>\$774</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$1,720	\$200	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$1,660	\$1,175	\$50	\$20
Project Management	\$150	\$50	\$40	\$20
Construction	\$5,436	\$8,360	\$1,596	\$734
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$8,966</b>	<b>\$9,785</b>	<b>\$1,686</b>	<b>\$774</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	No
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

**Climate Resiliency for Minnehaha Creek and Parkway**

**AT A GLANCE**

**2026 Request Amount:** \$14,600

**Priority Ranking:** 3

**Project Summary:** This \$14.6 million request would implement a variety of climate resiliency, habitat enhancement, and green infrastructure projects in the Minnehaha Creek corridor between West 50th Street and Cedar Avenue (Segments 2 and 3 of MPRB’s Vision Plan for the Creek).

**Project Description**

This project, rooted in community engagement and solid environmental science, will be a model of green infrastructure, climate resilience, and innovative design aimed at protecting infrastructure, improving water quality, and restoring natural habitat. In collaboration with the City of Minneapolis and the Minnehaha Creek Watershed District, MPRB plans to construct:

- Floodplain expansions and enhancements
- Creek re-meanders
- Shoreline and in-stream enhancement: riffles, pools, deeps
- Trail rehabilitations, relocations, and upgrades
- Stormwater treatments, including modifications to outfalls and flumes
- Habitat improvements
- Parkway green infrastructure elements
- Relocation of climate-impacted recreational elements

These are all part of the visionary long-range plan for Minnehaha Creek, adopted in 2020. They will all help create a more climate resilient green corridor that protects residents from rising flood waters and improves water quality in the creek itself, the Mississippi River, and Lake Pepin.

**Project Rationale**

Aging infrastructure can be an opportunity to do better by the environment. This is especially critical in the urban core, where impacts to water bodies can be greater and where life sustaining habitat--including natural shorelines--can be less available. Fortunately, in Minneapolis, wide swaths of public land flank most water bodies, including the entirety of Minnehaha Creek.

Minnehaha Creek is a critical link in the region's environmental and recreational networks. Its watershed is an approximately 27 square mile zone of rapid urban development with resultant increasing runoff and declining water quality. All the water that flows through this watershed eventually ends up in critical waters of the State of Minnesota, namely the Mississippi River and Lake

Pepin. Within the Minneapolis reach alone there are more than 100 untreated stormwater outfalls, which rush high volumes of low quality water into the Creek.

By leveraging funding from the City of Minneapolis and the Minnehaha Creek Watershed District, MPRB can lead a variety of state-funded projects in the western portion of the creek corridor--a place where extensive public land ownership creates the opportunity to recreate functional floodplains; pre-treat stormwater; reconstruct flood-threatened road, trail, and bridge infrastructure; and overall improve conditions for the recreating public, nearby residents, and wildlife.

**Project Timeline**

MPRB, MCWD, and the City of Minneapolis are currently at work on several pilot projects in the corridor that will chart a process for joint funding and implementation. Should state funding become available, these agencies will work together and with the public to scope a major series of long-range plan driven projects through the remainder of 2026. Detailed design, permitting, and construction documents will be completed in 2027, with the project likely to issue construction bids in early 2028. Depending on the exact details of the project, construction would continue through 2028 and possibly into 2029.

**Other Considerations**

None

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

Minneapolis Park and Recreation Board

**Who will operate the facility?**

Minneapolis Park and Recreation Board

**Who will use or occupy the facility?**

Minneapolis Park and Recreation Board

**Public Purpose**

Parks, roadways, habitat enhancement, climate resilience, stormwater management, flood management

**Description of Previous Appropriations**

None

**Project Contact Person**

Adam Arvidson  
Director of Strategic Planning

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aarvidson@minneapolisparcs.org

(\$ in thousands)

**Climate Resiliency for Minnehaha Creek and Parkway**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$14,600	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$750	\$1,843	\$0	\$0
Other Local Government Funds	\$0	\$8,563	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$750</b>	<b>\$25,006</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$565	\$400	\$0	\$0
Project Management	\$75	\$150	\$0	\$0
Construction	\$110	\$24,456	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$750</b>	<b>\$25,006</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	No
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

New Cedar Riverside Recreation Center

**AT A GLANCE**

**2026 Request Amount:** \$11,500

**Priority Ranking:** 4

**Project Summary:** This \$11.5 million request builds on the initial \$3.5 million in preliminary design funding granted by the legislature in 2023 and \$5 million granted in 2024. This total \$20 million request would construct a new community center in the Cedar Riverside neighborhood of Minneapolis, one of the most dense, most diverse areas of the state.

**Project Description**

The Cedar Riverside Recreation Center will be an accessible and inclusive facility focused on providing a variety of recreation and programming opportunities for the diverse and growing Cedar-Riverside neighborhood. The overarching goal is to cultivate healthy lifestyles, personal enrichment, and community building. The new center will expand recreation space beyond the services and programming offered at the existing Brian Coyle Center and MPRB's Currie Park.

MPRB and its partners have completed a preliminary feasibility study that identified several possible locations for the new community center. Funding granted in 2023 will allow MPRB to further the work of selecting a site, acquiring property, and beginning design and community engagement for the new recreation center. Additional funding beyond that granted in 2024 is needed to construct the center.

**Project Rationale**

Cedar-Riverside is home to the largest immigrant population in the Twin Cities. In this neighborhood:

- People of Color are a significant majority of the population west of Cedar Avenue (84%).
- West of Cedar Avenue, there is a very high proportion of young children (18%). The rate is nearly three times the city-wide proportion (6.7%).
- The neighborhood has significantly lower incomes than the City as a whole. According to the American Community Survey, the 2021 neighborhood median income was \$30,000, compared to the overall median income for the city of \$70,000.

Recognizing that the Cedar-Riverside neighborhood is currently underserved in terms of high-quality recreation and health opportunities for its growing and diverse population of 9,000+ residents, MPRB joined with local partners to develop an equitable framework for delivery of health-related services and programs. The new facility will include a gymnasium, multipurpose space, information hub, quiet/meditation space, food shelf, catering kitchen, computer center, child sitting, teen activity

center, fitness space, group exercise, and a health & wellness suite.

**Project Timeline**

If full funding is granted during the 2026 legislative session, MPRB will spend the following 18 months working through schematic design and construction documents. Site selection and land control will also take place during this time. Construction could begin in 2028 and will likely take two years to complete.

**Other Considerations**

None

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

Minneapolis Park and Recreation Board

**Who will operate the facility?**

Minneapolis Park and Recreation Board

**Who will use or occupy the facility?**

Minneapolis Park and Recreation Board

**Public Purpose**

Recreation center, health and wellness, education, fitness, community gathering.

**Description of Previous Appropriations**

The legislature approved \$3.5 million in cash capital investment for pre-design during the 2023 session. The legislature also approved \$5 million for the project in 2024

**Project Contact Person**

Adam Arvidson  
Director of Strategic Planning  
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(\$ in thousands)

**New Cedar Riverside Recreation Center**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$8,500	\$11,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$8,500</b>	<b>\$11,500</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$1,000	\$0	\$0	\$0
Predesign Fees	\$250	\$0	\$0	\$0
Design Fees	\$2,750	\$250	\$0	\$0
Project Management	\$275	\$125	\$0	\$0
Construction	\$4,225	\$11,125	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$8,500</b>	<b>\$11,500</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.****Predesign Review (M.S. 16B.335 subd. 3):**

Does this request include funding for predesign? Yes

Has the predesign been submitted to the Department of Administration? Yes

Has the predesign been approved by the Department of Administration? Yes

**Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?** Yes**Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?** Yes**Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?** Yes**Will the project meet public ownership requirements (M.S. 16A.695)?** Yes**Will a use agreement be required (M.S. 16A.695 subd. 2)?** No**Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?** Yes**Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?** No**Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?** Yes**M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required** Yes**M.S. 473.4485: Guideway Project**

Is this a Guideway Project? No

Is the required information included in this request? No

**Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?** Yes

(\$ in thousands)

**New Non-Vehicular Bridge Connection over Mississippi River Connecting North and Northeast Minneapolis**

**AT A GLANCE**

**2026 Request Amount:** \$18,000

**Priority Ranking:** 5

**Project Summary:** The MPRB is requesting \$18 million to design and construct a new recreational crossing of the Mississippi River at 26th Avenue North and 18th Avenue Northeast. The project seeks to fill a longstanding gap in the regional trail system and better connect North and Northeast Minneapolis.

**Project Description**

The Great Northern Greenway runs half-way between Lowry and Plymouth Avenues and travels east-west across the width of Minneapolis, but does not cross the Mississippi River. Previous planning efforts over the last 25 years by multiple agencies have proposed a trail crossing that utilizes the south half of the existing BNSF Railway bridge. MPRB recently completed a feasibility report for a recreational Mississippi River crossing, which concludes that a new crossing is feasible and prudent, and an option to reuse some or all the BNSF bridge structure is not practicable.

State funding would be used to design and construct the new bridge, which can touch down on either side of the river on MPRB-controlled public lands.

**Project Rationale**

Currently, the Lowry Avenue Bridge and the Plymouth Avenue Bridge are the only bicycle and pedestrian-friendly routes crossing the Mississippi River north of Nicollet Island in Minneapolis. Much of Minneapolis is organized around public waterfronts, providing profound benefits to residents and visitors across the state. This is not true in north and northeast Minneapolis, which have been historically cut off from public waters and disconnected from the Grand Rounds Trail system. With state assistance, MPRB recently completed a connection between Ole Olson Park and the 26th Avenue Overlook that creates a major recreational loop passing through North Minneapolis--the first time in the city's history that a connected Grand Rounds loop has benefitted these historically high-BIPOC and lower-wealth neighborhoods.

A new bridge would further enhance equitable connections in north and northeast Minneapolis, linking these residents to other neighborhoods, destinations, and natural resources. It would provide a low-stress environment created solely for human use, away from speeding vehicles, loud trucks, and noxious emissions. A new bridge puts North and Northeast Minneapolis communities on the river rather than providing just a view of it.

**Project Timeline**

Because of the recent completion of the feasibility study, this project can move quickly into design and permitting once state funding is secured. Design, permitting, and construction documents will likely take 12 to 18 months to complete, with bidding therefore taking place in early 2028. Construction of this type is highly dependent on water levels in the river and procurement of multiple complicated permits. If construction were to initiate in 2028, it could take two years to complete.

**Other Considerations**

None

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

Minneapolis Park and Recreation Board

**Who will operate the facility?**

Minneapolis Park and Recreation Board

**Who will use or occupy the facility?**

Minneapolis Park and Recreation Board

**Public Purpose**

Trail connection

**Description of Previous Appropriations**

None

**Project Contact Person**

Adam Arvidson  
Director of Strategic Planning  
612-230-6470  
aarvidson@minneapolisparcs.org

(\$ in thousands)

**New Non-Vehicular Bridge Connection over Mississippi River Connecting North and Northeast Minneapolis**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$18,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$244	\$2,255	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$18,244</b>	<b>\$2,255</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$2,600	\$100	\$0
Project Management	\$0	\$500	\$50	\$0
Construction	\$0	\$15,144	\$2,105	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$18,244</b>	<b>\$2,255</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	No
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Upper St. Anthony Lock in Cooperation with Owamniyomni Okhodayapi**

**AT A GLANCE**

**2026 Request Amount:** \$5,000

**Priority Ranking:** 6

**Project Summary:** This \$5 million funding request is for construction and associated soft costs of implementing a park development project on the downtown Minneapolis riverfront overlooking St. Anthony Falls. Funds granted through this request will be equally matched by philanthropic, MPRB, and third-party sources. This project is being undertaken collaboratively with the Indigenous-led Owamniyomni Okhodayapi (O.O.) organization.

**Project Description**

MPRB has successfully implemented the Water Works site, now home to a park visitor center and the famed Owamni Restaurant. Previous state bonding requests sought to also implement the riverside phase of Water Works according to the original concept for the whole park. With the impending decommissioning of the Upper St. Anthony Lock, the Indigenous-led O.O. organization has taken the lead on re-envisioning what the Mississippi River edge should be. MPRB is collaborating with O.O. on this effort. Restoration of the west bank of the Mississippi River immediately upstream the Upper St. Anthony Falls Lock would focus on naturalizing the river bank, making the river accessible for users of human powered watercraft, restoring water flow over a remaining portion of the historic waterfall, and educational experiences related to Dakota culture.

**Project Rationale**

The Water Works area experienced its first phase of park development by the Minneapolis Park & Recreation Board (MPRB) in the 1990s with the creation of Mill Ruins Park. Park development was based on a compelling park vision that, among other things, extended West River Parkway, converted the Stone Arch Bridge to a trail, and exposed some of the many existing mill ruins to interpret the water power story of Minneapolis’ milling history.

Since its inception as a park, Mill Ruins has gone from non-use to the epicenter of the fourth most visited park in the entire metropolitan area (Central Mississippi Riverfront Regional Park). In its current state of only interim build-out and substantial use, the park is quickly becoming overburdened and its visitor experience lacking. There is no clear point of arrival to the park. There are few visitor services. Trails and historic interpretation are the only recreational offerings. Many of the exposed Mill Ruins are severely decayed. The bustling trail system is disjointed and confusing. The completion of the Mezzanine Phase has addressed many of these issues, but work remains.

Owamniyomni (St. Anthony Falls) is site of great importance to the Dakota people. Supporting an Indigenous-led design for land that could then be stewarded by the same Indigenous people that

have resided there for generations is a unique but critical investment of local and state funding.

**Project Timeline**

Schematic design is currently underway, led by O.O. and funded in part by MPRB. That process is expected to be complete in early 2026. Land transfer of portions of the area from the Federal government to O.O. is underway, but the final timeline is unknown. Ideally, construction documents would be prepared during 2026 and early 2027, as funding comes available. Construction could initiate in 2027. The likely construction duration is two years, plus ongoing establishment time for restored landscapes.

**Other Considerations**

None

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

Minneapolis Park and Recreation Board

**Who will operate the facility?**

Minneapolis Park and Recreation Board

**Who will use or occupy the facility?**

Minneapolis Park and Recreation Board

**Public Purpose**

Trails, education, historic interpretation, events, natural feature viewing, water access.

**Description of Previous Appropriations**

No direct state bonding has been provided for either the Mezzanine nor the Riverside Phase of the project. However, MPRB has used a portion of its allocation of Regional Park funds (which are Metropolitan Council and State bonds) and Parks and Trails Legacy funds for the Mezzanine Phase of the project.

**Project Contact Person**

Adam Arvidson  
Director of Strategic Planning  
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aarvidson@minneapolisparcs.org

(\$ in thousands)

**Upper St. Anthony Lock in Cooperation with Owamniyomni Okhodayapi**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$660	\$92	\$0	\$0
Non-Governmental Funds	\$0	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
Non-Governmental Funds	\$0	\$5,000	\$0	\$0
<b>TOTAL</b>	<b>\$660</b>	<b>\$10,092</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$600	\$1,150	\$0	\$0
Project Management	\$60	\$125	\$0	\$0
Construction	\$0	\$8,817	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$660</b>	<b>\$10,092</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction</b>	<b>Yes</b>

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	No
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Structural Renewal of 36 inch Water Main	1	GO	12,360	0	0	0	0	0
Community Safety Training and Wellness Facility (CHA)	2	GO	19,000	0	0	0	0	0
13th Avenue NE Flood Mitigation	3	GO	13,503	0	0	0	0	0
35th Avenue North Flood Mitigation	4	GO	25,000	0	0	0	0	0
Aldrich Avenue South Sanitary Sewer Improvements	5	GO	6,600	0	0	0	0	0
Pedestrian Access and Safety Improvements	6	GO	5,000	0	0	0	0	0
<b>Total Project Requests</b>			81,463	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			81,463	0	0	0	0	0

**Structural Renewal of 36 inch Water Main**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$12,360
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	Rehabilitate 2.6 miles of a critical drinking water transmission main for the City of Minneapolis. This project will upgrade and extend the life of one of the primary water supply pipes to a large portion of the city including the northside and the downtown central business district.

**Project Description**

The 36-inch transmission main runs the length of Minneapolis' Northside Green Zone. The Northside Green Zone is a group of neighborhoods that faces the combined impacts of environmental pollution and racial, political, and economic marginalization. While failures of the transmission main impact pressures throughout the city, local impacts in the Green Zone are more severe. A December 2022 break of a single 16-foot section of this main caused localized flooding and necessitated a precautionary boil water advisory for 80 properties in the area due to very low pressures. In addition, over 30 properties were without water service for up to five days while the main was repaired and disinfected.

Transmission water mains are the arteries of the drinking water system. These large-diameter pipelines transport the volume necessary to supply the branch systems in each area with safe drinking water for the protection of public health. A key transmission main for the City of Minneapolis is four miles of 36-inch water main that conveys water from the treatment campus in Fridley to north Minneapolis and downtown. This water main was constructed in 1888 of thick-walled cast iron pipe. While this pipe has been resilient, a combination of factors makes it more vulnerable to failure after 135 years of service. The 2.6-mile section of the water main proposed to be rehabilitated by this project is prioritized based on a shallower bury depth, decades of heavy truck traffic on the roadway under which it is buried, proximity to pump stations that introduce pressure fluctuations and transients, and drastic elevation changes as the pipeline drops under the river and under the I-94 interstate. Capital investment is warranted to mitigate the likelihood of failure. In addition to lining the large diameter main, an 8-inch water distribution main will be installed parallel to the transmission main. Individual hydrant and water service connections would be relocated from rehabilitated transmission main to the new distribution main to ensure redundant, reliable local water service and fire protection.

The cost of a 36-inch water main replacement in kind along this corridor would be cost prohibitive. Structural lining of the existing water main is a cost-effective alternative. The lining process involves the excavation of access holes every several hundred feet with the existing pipe used as a host pipe. A structural-grade liner is pulled into the host pipe, adhered to the walls, and then allowed to cure

## **Project Rationale**

The 36-inch water main from the 1880's was constructed of robust thick-walled sand-cast iron that has generally fared well over its years of service. However, in December 2022, a sudden water main break in this water main that dropped system pressure across the city, triggered a precautionary boil water advisory, and caused localized flooding brought to light that the structural integrity this water main may be compromised.

This water transmission main runs directly through the Northside Green Zone into downtown Minneapolis providing water to residents and businesses throughout the city.

- 49.7% residents with limited English proficiency
- 75% people of color
- 56.2% income less than the 200% of the federal poverty level

## **Project Timeline**

Fall/Winter 2025: Engineering Design, Bidding and Contracting

2026: Construction of parallel main and first phase of lining

2027: Second phase of lining

2028: Third phase of lining.

## **Other Considerations**

The of transmission water main in need of rehabilitation is 137-years old. The average age of transmission mains in the Mpls system is 100 years old.

8.7 million gallons of water travel through this water main every day, roughly 16% of the daily flow of 55 million gallons.

## **Impact on State Operating Subsidies**

None

## **Who will own the facility?**

The City of Minneapolis will own and maintain the water transmission main.

## **Who will operate the facility?**

The City of Minneapolis Public Works department will oversee the project construction and will continue to maintain the transmission main.

## **Who will use or occupy the facility?**

Primarily Minneapolis residents, visitors, business patrons and Minneapolis Fire Department but part of interconnected water transmission system that serves wholesale customer cities of Crystal, Golden Valley, New Hope, Columbia Heights, Bloomington, Edina and the MSP International Airport.

## **Public Purpose**

The adequate supply of drinking water with sufficient pressure and volume for fire suppression is

essential to the habitability of all buildings in downtown Minneapolis. This water main is critical infrastructure that supports the viability of the residents, businesses, and government services in the heart of the city.

**Description of Previous Appropriations**

NA

**Project Contact Person**

Annika Bankston  
Director, Water Treatment and Distribution  
612-581-0416  
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(\$ in thousands)

**Structural Renewal of 36 inch Water Main**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$12,360	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$680	\$9,410	\$2,350	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$680</b>	<b>\$21,770</b>	<b>\$2,350</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$40	\$10	\$10	\$0
Project Management	\$20	\$20	\$10	\$0
Construction	\$620	\$21,740	\$2,330	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$680</b>	<b>\$21,770</b>	<b>\$2,350</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Community Safety Training and Wellness Facility (CHA)**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$19,000
<b>Priority Ranking:</b>	2
<b>Project Summary:</b>	\$19 million in state funds is requested: \$10M for land acquisition, \$1M for design, and \$8M for construction of a new Community Safety Training & Wellness Center. The facility will support the Office of Community Safety, MPD, Fire Department, Emergency Responders, community groups, and regional partners, and meet MPD Settlement Agreement requirements with the MN Department of Human Rights.

**Project Description**

The City of Minneapolis currently leases space within the former Hamilton Elementary School at 4119 DuPont Ave. N. from Minneapolis Public Schools. Originally built in 1962 and renovated in 2008 for police use, the 55,050-square-foot facility, now known as the Hamilton Special Operations Center (SOC), has served as a space for MPD training, storage, and youth programming. However, the facility is functionally outdated, too small, and unable to support modern training or wellness needs. As a leased space, the City of Minneapolis has no ability to expand or upgrade the building, rendering it inadequate for today’s public safety demands. To meet the evolving needs of the Minneapolis Police, Fire, and Emergency Response teams, a purpose-built Community Safety Training and Wellness Center is essential. The proposed center will support comprehensive training through classrooms of varying sizes (30 to 100 seats) equipped with modern audio-visual and connectivity systems. It will also include dedicated spaces for wellness and mental health programs to address the psychological toll of first responder work. The facility will also support modern policing needs, including co-responder models and body camera integration, as well as essential infrastructure such as secure storage, locker rooms, showers, and sufficient parking. Advanced training capabilities will feature indoor and outdoor scenario areas, dedicated zones for vehicular and pursuit training, and flexible spaces for virtual reality and reality-based training. There will also be specialized areas for canine units, defensive tactics, and an indoor firing range. The HERO Center in Cottage Grove offers a strong example of the type of modern, multi-use training facility envisioned. In 2024, as part of the Minnesota Department of Human Rights (MDHR) Settlement Agreement with the MPD, a training and wellness assessment was completed. The agreement, approved by the City Council in March 2023, with a Consent Decree adopted in January 2025, requires improved training protocols and timelines. A key recommendation from the assessment is the construction of a new training facility to meet compliance. Beyond fulfilling legal obligations, the new facility represents a strategic, long-term investment in public safety. Its impact could extend beyond Minneapolis, serving other agencies and creating opportunities for regional partnerships. While the final site is still being determined, the City is prioritizing a centrally located, accessible location to maximize its value and reach.

## **Project Rationale**

The City of Minneapolis currently trains public safety personnel in a leased 1962 former school building that is outdated, undersized, and lacks the infrastructure to support modern training methods or wellness programming. The facility cannot be expanded or upgraded, limiting the City's ability to meet evolving needs. A new facility is essential to ensure police, fire, and emergency responders receive adequate training and access to wellness resources. This project is also a critical step toward compliance with the Minnesota Department of Human Rights Settlement Agreement, which mandates improvements in MPD training and facilities. A new center will improve safety outcomes, reduce liability, and enhance the City's ability to deliver equitable, trauma-informed public safety services.

## **Project Timeline**

Pre-design and needs assessment completed by end of 2025. Site search and acquisition as well as design begins early 2026 and continues through year-end. Construction initiates in 2027, reaching substantial completion by the end of 2028 - early 2029. The facility will be fully operational in 2029. The project follows a clear phased timeline with defined milestones aligned to state and local funding cycles.

## **Other Considerations**

This project meets strategic priorities across racial equity, sustainability, and regional safety. It will comply with the Minneapolis Sustainable Building Policy, which follows LEED Gold and B3 guidelines, incorporate public art, and provide space to address trauma and PTSD among first responders. While no location has been secured, central accessibility is prioritized, and partnerships with regional safety agencies are anticipated. This project has been included in the Minneapolis capital budget and has been approved by the City Council and Mayor in previous years. Local funds have already been allocated for predesign work, and additional funding is anticipated in 2026, 2027, and 2028.

## **Impact on State Operating Subsidies**

The Community Safety Training and Wellness Facility will not require ongoing operating subsidies from the State of Minnesota. Once constructed, the City of Minneapolis will own, operate, and maintain the facility. Operating costs will be funded through the City's annual budget. The facility will be managed using an internal rent model administered by Finance and Property Services.

## **Who will own the facility?**

City of Minneapolis will own the project.

## **Who will operate the facility?**

The City of Minneapolis - Property Services department in partnership with Office of Community Safety, the Minneapolis Police Department, the Minneapolis Fire Department, Emergency Responders, community groups, and other regional partner agencies.

## **Who will use or occupy the facility?**

Office of Community Safety, the Minneapolis Police Department (MPD), the Minneapolis Fire

Department (MFD), Emergency Responders, community groups, and other regional partner agencies.

**Public Purpose**

This facility will enhance public safety by ensuring first responders receive modern, effective, and equitable training. It will improve emergency response, reduce risk, and support community trust. By addressing wellness and trauma, the center helps create safer, healthier outcomes for all Minneapolis residents.

**Description of Previous Appropriations**

None

**Project Contact Person**

Jared Jeffries  
Deputy Commissioner of Community Safety  
612-368-0552  
jared.jeffries@minneapolismn.gov

(\$ in thousands)

Community Safety Training and Wellness Facility (CHA)

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$19,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Other Local Government Funds	\$200	\$400	\$0	\$0
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$21,500	\$0	\$0
<b>TOTAL</b>	<b>\$200</b>	<b>\$40,900</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$10,000	\$0	\$0
Predesign Fees	\$200	\$0	\$0	\$0
Design Fees	\$0	\$1,785	\$0	\$0
Project Management	\$0	\$638	\$0	\$0
Construction	\$0	\$23,670	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$230	\$0	\$0
Occupancy Costs	\$0	\$461	\$0	\$0
Inflationary Adjustment	\$0	\$4,116	\$0	\$0
<b>TOTAL</b>	<b>\$200</b>	<b>\$40,900</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.**

Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

13th Avenue NE Flood Mitigation

**AT A GLANCE**

**2026 Request Amount:** \$13,503

**Priority Ranking:** 3

**Project Summary:** This project will replace aging, undersized storm sewer pipes and reduce urban flooding risk to local streets and buildings. Flood reduction will benefit more than 30 buildings, including several prominent restaurants, a high-density residential building, and a fire station. Additional benefits include treating stormwater runoff to remove pollutants, rebuilding deteriorating pavement, and updating the 13th Ave streetscape.

**Project Description**

The Sheridan neighborhood in northeast Minneapolis is home to residents and local businesses and sees multi-modal transportation users pass through – all of which will benefit from increased safety and resilience as a result of this project. Urban flooding is a recurrent issue at the intersection of 13th Avenue NE and 2nd Street NE. The storm sewer pipes at the west end of 13th Avenue NE drain about 150 acres of urban residential and mixed-use development and are not large enough to carry the stormwater runoff resulting from heavy rainfall. Most pipes in the project area reach their flow capacity frequently, when just two to three inches of rain fall. Streets in this part of the neighborhood are very flat and poorly drained, so they frequently fill with water during rainstorms. A notable instance of flooding occurred in August 2011, when stormwater rose above the wheels of cars and caused flooding of businesses and homes. 27 residential and mixed-use properties are directly impacted.

Approximately 2,100 feet of new storm sewer will be installed under 13th Avenue NE, beginning at a new outfall at the Mississippi River and extending to 2nd Street NE. Adding capacity to this portion of storm sewer network provides flood reduction benefits to 2nd Street NE without needing to extend construction along that street. Deteriorating street pavement, gutters, and sidewalks will also be replaced along these five blocks of 13th Avenue NE.

The proposed improvements provide four main benefits:

\*Reduce building flood risk - 27 buildings are at risk of water damage from urban flooding when the 10% chance design storm occurs (about 4” of rain). When the project is built, flooding depth will be reduced for all these at-risk properties, about 20 of which will have flood risk significantly reduced.

\*Reduce street flooding - Currently, 1,400 feet of streets designated as urban neighborhood connectors have more than 12” of standing water during the 10% chance design storm (about 4” of rain). In the intersection most impacted by standing water, the depth is up to 24”. When the project is built, the length of neighborhood streets with more than 12” of standing water can be reduced to less than 100 ft. This will improve safety for pedestrians and vehicles navigating the street and will

maintain access to a church, a school, and at least 10 local businesses. Critically, these streets carry a Metro Transit bus route and provide emergency response access from Fire Station 2 to the rest of the neighborhood.

\*Pavement replacement - The existing pavement, curbs, and sidewalks are deteriorating and will be replaced as part of this project.

\*Streetscape enhancement - The rebuilt street will incorporate ADA ramp and sidewalk improvements. Water quality treatment practices will also be implemented, which will have the added benefit of treating stormwater runoff to remove pollutants and attenuating peak flows from small rainfalls.

### **Project Rationale**

This project will reduce flood-related property damage, reduce street flooding, improve sidewalks and ADA ramps, new street pavement and gutters and streetscape enhancements.

Current impacts of flooding for a typical design storm:

\*27 properties, both residential and mixed-use, are at direct risk of damage during flooding and additional properties experience impacts such as disrupted access.

\*1,400 feet of urban neighborhood connector streets have 12" or more of standing water during a typical design storm. In the intersection most severely impacted, the depth reaches 24".

Potential reduction of flooding for a typical design storm:

\*Reduced flood risk for all at-risk properties, with significant reductions for 20 properties.

\*Fewer than 100 feet of urban neighborhood streets will have 12" or more of standing water.

\*Improved safety and resilience for all street and sidewalk users. Access can be maintained on critical neighborhood routes for property access and pass through travel.

### **Project Timeline**

Design & Engineering: 2027-2028

Construction: 2029

### **Other Considerations**

When connector streets flood more than 12" in this part of the neighborhood, direct access is disrupted to local streets and important neighborhood destinations such as a church, school, and at least 10 local businesses. Past traffic count data indicate about 2,000 vehicles per day travel along 13th Ave NE and about 5,000 vehicles per day travel along 2nd St NE. Three of the blocks most impacted by street flooding carry a Metro Transit bus route that runs from Columbia Heights to south Minneapolis via downtown Minneapolis. Additionally, Fire Station 2 is located one block west of where street flooding is most severe, but most of the station's response area is located east of the intersection. Flooding obstructs routes to neighborhood connector and arterial streets. Future flooding in this area is likely to become more frequent and severe, resulting in additional impacts to the local transportation network and increased property damage if action is not taken.

### **Impact on State Operating Subsidies**

NA

### **Who will own the facility?**

The City of Minneapolis will own and maintain the storm sewer.

**Who will operate the facility?**

The City of Minneapolis Public Works department will oversee the project construction and will continue to maintain the storm sewer.

**Who will use or occupy the facility?**

The City of Minneapolis and residents and business owners of the Sheridan neighborhood. Sheridan is a primarily residential neighborhood with a core of popular local businesses that draw visitors from around the city. In the Sheridan neighborhood: \*66% of households (1,535 total) are renter occupied \*27% of residents are people of color \*23% of residents reported income less than 200% of federal poverty level

**Public Purpose**

Part of the core responsibility of the City is to provide basic services to residents. Included in those basic services is a functioning storm sewer system, benefiting public health and safety of residents. Health and well-being of residents enhances the opportunity for a city to thrive in the State of Minnesota. Improving the storm sewer along 13th Avenue NE will reduce the likelihood that urban flooding obstructs emergency response routes and a Metro Transit bus route on 2nd Street.

**Description of Previous Appropriations****Project Contact Person**

Angie Craft  
Director, Surface Water and Sewers  
612-597-6476  
angie.craft@minneapolismn.gov

(\$ in thousands)

13th Avenue NE Flood Mitigation

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$13,503	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$13,002	\$0	\$0
Non-Governmental Funds	\$0	\$500	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$27,005</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$2,000	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$20,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$5,005	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$27,005</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**35th Avenue North Flood Mitigation**

**AT A GLANCE**

**2026 Request Amount:** \$25,000

**Priority Ranking:** 4

**Project Summary:** This project will construct larger storm sewer pipes to reduce urban flooding risk to local streets and homes. Existing storm sewer pipes are undersized and surcharge stormwater into the street at least once per year. Water reaches a depth that makes streets impassible. Flood reduction will benefit 100 buildings by improving safe access and reducing risk of damage. Additional benefits include treating stormwater runoff to remove pollutants and updating the streetscape.

**Project Description**

The Cleveland neighborhood experiences widespread and recurrent urban flooding. 35th Avenue N, at the western border of the city, experiences severe and recurrent urban flooding. The storm sewer pipes drain 350 acres of urban residential area and are not large enough to carry the stormwater runoff resulting from heavy rainfall. Most pipes in the project area reach their flow capacity frequently, when just one to two inches of rain fall. The ground in this part of the neighborhood is low-lying relative to the surrounding blocks, which results in water filling the streets during rainstorms at least once per year. Homes, garages, and yards are often at risk of flooding as well. At least 100 residential properties are impacted, either by direct risk of water damage or disrupted access.

Nearly 4,000 feet of storm sewer box culvert will be installed under 35th Avenue N, 34th Avenue N, and Washburn Avenue N. Installing larger storm sewer provides stormwater storage capacity under the street, which results in flood reduction benefits. The street width will be narrowed on 34th and 35th Avenues N to help slow down traffic, reduce the amount of paved surface, and make space for green stormwater infrastructure.

The proposed improvements provide five main benefits:

\*Reduce building flood risk - About 100 properties are at risk of water damage from urban flooding when the 10% chance design storm occurs (about 4" of rain). When the project is built, flooding depth will be reduced for about 80 of these at-risk properties, about 20 of which will have flood risk significantly reduced. The school is one of the buildings that will benefit from reduced flood risk.

\*Reduce street flooding - Currently, 1,900 ft of streets have more than 6" of standing water when the 50% chance design storm occurs (about 3" of rain), and some intersections have more than 24" of standing water. These conditions make it dangerous for pedestrians and vehicles to navigate. When the project is built, the street length with more than 6" of standing water can be reduced to about 500 ft.

\*Green stormwater infrastructure - Green space between the street and sidewalks will be widened as part of this project creating additional space for green stormwater infrastructure, such as rain gardens. These features will have the added benefit of treating stormwater runoff to remove pollutants and attenuate peak flows from small rainfalls.

\*Avoid downstream impacts - Flood risk is reduced for streets and buildings in the Cleveland neighborhood while managing no increase in the peak flow rate to Crystal Lake in neighboring Robbinsdale. This is achieved by constructing underground stormwater storage and not changing the size of the outfall pipe to the lake.

\*Traffic calming measures - To address observed high vehicle speeds, a few traffic calming strategies are being incorporated into the design: narrowed street widths, as well as traffic circles and curb bump outs at intersections

### **Project Rationale**

This project will reduce flood-related property damage, reduce street flooding, add green stormwater infrastructure, add traffic speed calming measures, and facilitate connections to the bicycle network. Current impacts of flooding for a frequent design storm:

\*100 properties are at risk of damage during flooding and experience impacts such as disrupted access.

\*1,900 feet of urban neighborhood streets have 6" or more of standing water. In the intersections most severely impacted, the depth reaches 24".

Potential reduction of flooding for a frequent design storm:

\*Reduced flood risk for nearly all at-risk properties, with significant reductions for more than 20, including the school.

\*500 feet of urban neighborhood streets will have 6" or more of standing water.

\*Improved safety and resilience for all street and sidewalk users.

\*Green stormwater infrastructure will treat runoff.

\*No increase in the peak flow rate to downstream Crystal Lake in neighboring Robbinsdale.

### **Project Timeline**

Design & Engineering: 2024-2025

Construction: 2026-2027

### **Other Considerations**

When local streets flood more than 12" in this part of the neighborhood, direct access to and from homes is disrupted. Flooding obstructs routes to neighborhood connector and arterial streets, which are critical for emergency response and resident mobility throughout the neighborhood. Future flooding in this area is likely to become more frequent and severe, resulting in additional impacts to the local transportation network and increased property damage if action is not taken. According to the Centers for Disease Control's 2022 Social Vulnerability Index, the census tract where the project is located is indicated to have a high level of vulnerability

### **Impact on State Operating Subsidies**

N/A

### **Who will own the facility?**

The City of Minneapolis will own and maintain the storm sewer.

**Who will operate the facility?**

The City of Minneapolis Public Works department will oversee the project construction and will continue to maintain the storm sewer.

**Who will use or occupy the facility?**

The City of Minneapolis and residents of the Cleveland neighborhood, which is a primarily residential neighborhood that is also home to Lucy Craft Laney Elementary School. In the Cleveland neighborhood: \*19% of households (1,250 total) are renter occupied \*66% of residents are people of color \*43% of residents reported income less than 200% of federal poverty level

**Public Purpose**

Part of the core responsibility of the City is to provide basic services to residents. Included in those basic services is a functioning storm sewer system, benefiting public health and safety of residents. Health and well-being of residents enhances the opportunity for a city to thrive in the State of Minnesota. Improving the storm sewer along 35th Avenue N will reduce the likelihood that urban flooding obstructs emergency response routes and safe routes to Lucy Craft Laney Elementary School.

**Description of Previous Appropriations**

Implementation Grant for Stormwater Resilience from the Minnesota Pollution Control Agency - \$5.0 million

**Project Contact Person**

Angie Craft  
Director, Surface Water and Sewers  
612-597-6476  
angie.craft@minneapolismn.gov

(\$ in thousands)

35th Avenue North Flood Mitigation

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$25,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$25,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$25,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$25,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Aldrich Avenue South Sanitary Sewer Improvements**

**AT A GLANCE**

**2026 Request Amount:** \$6,600

**Priority Ranking:** 5

**Project Summary:** The Aldrich Avenue South Sanitary Sewer Rehabilitation project will address critical infrastructure improvements of the Lowry Hill East and South Uptown neighborhoods to rehabilitate 4000 feet of sanitary sewer. The deteriorating 60" brick sanitary pipe conveys sanitary flows from approximately 1640 homes and businesses in south Minneapolis. If the sanitary sewer fails, then there would be heightened health concerns along with extensive property damage within an area of marginalized residents.

**Project Description**

This project will implement the placement of a new host pipe within the existing pipe to improve the overall flow and service for the residents, and it will eliminate the need to repair and maintain the original infrastructure that has already exceeded its lifespan. The 121 year old infrastructure along this corridor has seen an increase in repairs and cleaning over recent years, which is increasing the current strain on limited resources. Once the new host pipe is installed, new connections and access points will be completed. Because a trenchless construction method has been selected, major impacts to residents and their daily lives will be reduced during construction.

**Project Rationale**

The City of Minneapolis has public infrastructure that has been built over the last 140 years. 80% of the City's sanitary sewer system is 80 years or older. The standard for the lifespan of a sanitary sewer pipe in the City of Minneapolis sanitary sewer system is estimated to be approximately 120 years. The City is currently completing a comprehensive review of the entire systems' functionality. Through an asset management program, Public Works is compiling an extensive data system that will help determine top priorities for replacement or rehabilitation in order to provide resident's some of the basic services that they expect to receive while living in Minneapolis. This project was identified early on in the review of the system due to various factors including historical pipe failures, on-going high maintenance costs, and equitable service to residents in this area. Project limits were formed by determining the extent of the system that needs to be reconstructed in order to reduce the amount of sanitary sewer built while still capturing many of the failed segments that create high operating costs. The use of state funding will assist in minimizing rate increases to residents along with maintaining a two-year construction project schedule that impacts the residents daily lives.

**Project Timeline**

Public outreach in 2025  
Design in 2025-2026.  
Bidding in 2026  
Notice to proceed in 2026  
Final completion in 2027

## **Other Considerations**

### **Impact on State Operating Subsidies**

None

### **Who will own the facility?**

The City of Minneapolis will own and maintain the sanitary sewer.

### **Who will operate the facility?**

The City of Minneapolis Public Works department will oversee the project construction and will continue to maintain the sanitary sewer

### **Who will use or occupy the facility?**

The project is located in the South Uptown and Lowry Hill East neighborhoods. These neighborhoods consist of:

- Combined population of 15,096
- 31% BIPOC
- 11% income less than the 200% federal poverty level

This project directly impacts 1,080 single family properties, 520 multi-family and apartment properties, and 40 business properties.

## **Public Purpose**

Part of the core responsibility of the City is to provide basic services to residents. Included in those basic services are a functioning sanitary sewer system. They provide a way to maintain the health of residents along with the environment around them. The health and well-being of the residents provide for the opportunity of a thriving city in the State of Minnesota.

## **Description of Previous Appropriations**

### **Project Contact Person**

Angie Craft  
Director, Surface Water and Sewers  
612-597-6476  
angie.craft@minneapolismn.gov

(\$ in thousands)

**Aldrich Avenue South Sanitary Sewer Improvements**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,600	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$400	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$400</b>	<b>\$6,600</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$400	\$6,600	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$400</b>	<b>\$6,600</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Pedestrian Access and Safety Improvements**

**AT A GLANCE**

**2026 Request Amount:** \$5,000

**Priority Ranking:** 6

**Project Summary:** The ADA Transition Plan for Public Works includes twenty recommendations to improve access in the public right of way. This proposal would accelerate our work to upgrade non-compliant and/or deficient pedestrian curb ramps including the necessary addition of APS (Accessible Pedestrian Signals) and/or signal modifications as needed at signalized intersections.

**Project Description**

The City of Minneapolis Public Works Department has been constructing pedestrian curb ramps since 1970. When initially constructed, the pedestrian curb ramps were consistent with the design criteria of that time. However, ongoing modifications to ADA criteria and guidance has resulted in a large number of pedestrian curb ramps that no longer comply with the 2010 Standards or meet best practices for curb ramp design as documented in PROWAG.

Overall, Minneapolis has jurisdiction over 18,000 ramps. According to the pedestrian curb ramp inventory that was completed as part of the 2024 ADA Transition Plan for Public Works, approximately 7,738 ramps are fully compliant with 2010 ADA Standards - equivalent to 43% of all pedestrian curb ramps within Minneapolis.

Intersections with pedestrian signals need to have Accessible Pedestrian Signal (APS) equipment including push buttons for accessibility. The equipment communicates information about the WALK and DON'T WALK status at signalized intersections in visual and non-visual formats such as audible tones and vibrotactile surfaces. The Traffic and Parking Services Division of Public Works started updating their traffic signal inventory in 2018. This inventory will include data on APS equipment information citywide. Approximately 290 of the 820 signalized intersections citywide have APS. This includes signals owned by other agencies and operated by the City of Minneapolis.

Currently, 291 (36%) signals in the City have APS in all four corners of the intersection and 528 either have no APS or have APS in less than all four corners of the intersection. When considering only those intersections where all legs of the intersection are under the City's jurisdiction, we have 228 intersections with either no APS or APS in less than four corners of the intersection. There are another 270 intersections with shared jurisdiction that either have no APS or APS in less than four corners of the intersection.

These upgrades will improve access to businesses, parks, transit, and other destinations; bring pedestrian ramps in compliance with Federal ADA and accelerate transportation equity through investments that will prioritize Black, Indigenous, and People of Color (BIPOC) communities.

Minneapolis Transportation Action Plan: <https://go.minneapolismn.gov/> and 2022 Update ADA Transition Plan :<https://lims.minneapolismn.gov/Download/RCAV2/26538/2022-ADA-Transition-Plan-Update.pdf>

### **Project Rationale**

The ADA is an unfunded federal mandate. Enacted in 1990, the Americans with Disabilities Act (ADA) is a civil rights law that prohibits discrimination on the basis of disability and mandates equal opportunity for individuals with disabilities. The City of Minneapolis is obligated to observe all requirements of Title II of the ADA in its policies, practices, services, programs and activities. Title II requires state and local governments with 50 or more employees to develop a Transition Plan to “identify physical obstacles in the public entity’s facilities that limit the accessibility of its programs or activities to individuals with disabilities; describe in detail the methods that will be used to make the facilities accessible; and specify the schedule for taking the steps necessary to achieve compliance with this section” (28 CFR § 35.150)

### **Project Timeline**

ADA pedestrian ramps projects are currently funded through local bond sales and are anticipated to take 20-30 years.

### **Other Considerations**

The City of Minneapolis is strongly committed to assuring that City programs, services, information and spaces are accessible to its residents and visitors. In accordance with Title II of the ADA, the City of Minneapolis has undertaken a comprehensive evaluation of its policies, programs, and services to ensure the inclusion of people with disabilities.

In 2020 with updates in 2022 and 2024, the ADA Transition Plan for Public Works – focuses on the infrastructure within the public right of way, identifying the improvements needed to that public infrastructure, and outlining the priorities, costs, and schedule for addressing the needed improvements. All of the described Minneapolis ADA Plans are critical to comprehensive ADA compliance for City facilities, programs, services, and activities.

### **Impact on State Operating Subsidies**

NA

### **Who will own the facility?**

The City of Minneapolis will own and maintain the ADA accessible upgrades.

### **Who will operate the facility?**

The City of Minneapolis Public Works department will oversee the project construction and will continue to maintain the curb ramps.

### **Who will use or occupy the facility?**

Funds will be used to improve pedestrian curb ramps and improve access for residents and visitors.

**Public Purpose**

The Census Bureau estimates that more than 11% of Minneapolis residents have a disability and that more than one in three Minneapolis residents who are over the age of 65 have a disability. Funds will be used to improve ped curb ramps and improve access for residents and visitors. Ongoing modifications to ADA criteria and guidance has resulted in a large number of ped curb ramps that no longer comply with the 2010 ADA Standards. Overall, Minneapolis has jurisdiction over 18,000 ramps.

**Description of Previous Appropriations****Project Contact Person**

Jennifer Hager  
Interim Deputy Director/ City Engineer  
612-673-3625  
jenifer.hager@minneapolismn.gov

(\$ in thousands)

**Pedestrian Access and Safety Improvements**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,000	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds	\$0	\$5,516	\$2,000	\$0
<b>Non-State Funds Already Committed</b>				
City Funds	\$9,662	\$12,109	\$8,068	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$9,662</b>	<b>\$22,625</b>	<b>\$10,068</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$9,662	\$22,625	\$10,068	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$9,662</b>	<b>\$22,625</b>	<b>\$10,068</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Minnesota Lake Water Treatment System	1	GO	2,633	0	0	0	0	0
<b>Total Project Requests</b>			2,633	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,633	0	0	0	0	0

## Minnesota Lake Water Treatment System

**AT A GLANCE****2026 Request Amount:** \$2,633**Priority Ranking:** 1**Project Summary:** The City of Minnesota Lake is looking to undergo a utility infrastructure project to improve its drinking water systems. The existing water utility facilities are aging and in poor condition, which have lead to health and safety risks in the community.**Project Description**

The City of Minnesota Lake is in need of an infrastructure improvement project that would improve the city's drinking water systems. The proposed project consists of rehabilitating the city's water treatment system. These improvements include the installation of new gravity filters to address manganese issues, new valves and piping, a new backup generator to mitigate power issues, all new electrical components, all new HVAC for proper ventilation in the building, and a new well connection.

**DRINKING WATER SYSTEM:** The current drinking water system is well beyond its useful life and many components are either working inefficiently or not at all. Water quality is a major issue in the community and the city's current water treatment system is not able to address the rising iron and manganese levels in the water systems. This project will mitigate health and safety risks in the community and provide a cleaner and more trustworthy drinking water supply to its residents, businesses, and visitors.

**Project Rationale**

Of immediate concern is the City's utility infrastructure systems and the associated health and sanitation issues that are occurring. The current water utility systems in place are not nearly sufficient to serve the residents, businesses, and the school in the area. On top of water utility systems failing/lacking necessary improvements, the roads and sidewalks are also in poor condition and are in need of upgrades to reach ADA standards.

**Project Timeline**

06/2026 - Engineering & Design  
 08/2026 - Bid Advertising  
 09/2026 - Bid Closing  
 03/2027 - Construction Start  
 09/2028 - Construction End

**Other Considerations**

The proposed infrastructure improvements are critical but are not viable unless the City of Minnesota

Lake receives state funding to leverage local and federal dollars. Over 43% of Minnesota Lake's households are Low to Moderate income earners. There is a great need for funding support to address the City's needs, which left undone, will continue to jeopardize the health and safety of the local residents.

**Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be request for this project.

**Who will own the facility?**

The City of Minnesota Lake will own the proposed utilities.

**Who will operate the facility?**

City staff will operate the proposed utility project.

**Who will use or occupy the facility?**

Residents and visitors of the City of Minnesota Lake will use the utility systems and pay utility fees.

**Public Purpose**

The public purpose served by this project is to provide clean and safe drinking water to Minnesota Lake residents. Thorough investigations of the City's infrastructure were done to identify and correct all health and safety concerns in the most efficient and cost-effective time frame, and provide a strong foundation of infrastructure for the City and its residents in the foreseeable future.

**Description of Previous Appropriations**

No previous state appropriations.

**Project Contact Person**

Dawn Whitehead  
Clerk  
507-462-3277  
mnlake@bevcomm.net

(\$ in thousands)

Minnesota Lake Water Treatment System

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,633	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$2,634	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,267</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$212	\$0	\$0
Design Fees	\$0	\$315	\$0	\$0
Project Management	\$0	\$700	\$0	\$0
Construction	\$0	\$4,040	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,267</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
MVRRRA Western Rail Corridor Modernization – Fairfax to Hanley Falls	1	GO	19,499	0	0	0	0	0
<b>Total Project Requests</b>			19,499	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			19,499	0	0	0	0	0

MVRRRA Western Rail Corridor Modernization – Fairfax to Hanley Falls

**AT A GLANCE**

**2026 Request Amount:** \$19,499

**Priority Ranking:** 1

**Project Summary:** The Minnesota Valley Regional Rail Authority (MVRRRA) requests \$19.499M in state bonding funds to complete rehabilitation of 50 miles of track and multiple bridges between Fairfax and Hanley Falls. This investment will bring the line to Class 2 standards, support 286,000 lb. capacity, and serve as the 30% local match for a potential \$40+ million federal infrastructure grant.

**Project Description**

MVRRRA is seeking \$16.592 million in General Obligation Bond funds to complete the final phase of a multi-year, multi-county rail line modernization. This project includes environmental documentation, design, and rehabilitation or replacement of aging bridges and track between Fairfax and Hanley Falls. The existing track, built in 1912, currently limits railcars to under 286,000 lbs. and speeds below 10 mph. Upgrading this segment to handle 286,000 lb. loads and 25 mph speeds is critical to the safety, efficiency, and viability of the corridor.

This capital investment could potentially also serve as the 30% local match required to pursue up to \$40 million in federal infrastructure funds (e.g., CRISI or INFRA), enabling full rehabilitation of the corridor and allowing shippers across five counties to access competitive, reliable rail service.

To date, MVRRRA has secured over \$50.15 million in public funding to complete improvements on the eastern half of the line. These upgrades have enabled carloads to grow from zero to nearly 9,000 annually and brought in significant private investment. Between 2010 and 2023, over \$34 million in private funds have been invested by shippers along the corridor.

These private investments support grain elevators, fertilizer terminals, and sidings, demonstrating long-term commitment to the line’s viability and economic value.

In 2023, MVRRRA was awarded a \$520,000 CRISI planning grant from the Federal Railroad Administration to conduct preliminary engineering and environmental review for the 39.5-mile segment between Franklin and Hanley Falls. This federal investment is funding essential work — including NEPA clearance and 30% design — that will position MVRRRA to apply for a much larger construction-phase CRISI grant in the near future.

By aligning state bonding with the progress of this federally funded planning phase, MVRRRA will be uniquely positioned to potentially secure up to \$40 million in additional federal dollars, leveraging the state’s investment at a 2.5:1 ratio. The work already underway through the CRISI grant demonstrates both local and federal commitment to the corridor’s completion — and makes this request a smart

next step for Minnesota’s infrastructure funding strategy.

### **Project Rationale**

This project is needed to maintain economic growth, protect prior investments, and meet industry freight standards. The western half of the line cannot support 286,000 lb. cars or meet the speed needed by modern shippers. Without this work, safety risks rise, reliability declines, and current growth may reverse. The requested state funding unlocks substantial federal match potential and allows rural communities in 5 counties to stay economically competitive.

### **Project Timeline**

If funded in 2026, design and pre-construction activities would begin in early 2027, with construction starting by mid-2027. The midpoint of construction is projected to be October 2028, with substantial completion by late 2029. Work will proceed in phases to accommodate bridge replacements, track work, and surfacing.

### **Other Considerations**

More than 110,000 ties, 44 miles of new rail, and 180,000 tons of ballast have already been installed across the system. MVRRA’s operator, Minnesota Prairie Line, is replacing approximately 4,000 ties annually and performing ongoing maintenance, but full track modernization—including heavier rail, new turnouts, and bridge replacement—is essential for long-term sustainability. Delay in funding risks cost escalation, deferred safety improvements, and lost federal match opportunities.

Additionally, the private sector has heavily invested in rail-served infrastructure in anticipation of full corridor rehabilitation. Without completion of the final 50 miles, these investments remain underutilized, and the full economic impact of the corridor cannot be realized. The project has a proven history of regional return, and continued partnership between state, federal, and local stakeholders is essential to completing this once-in-a-generation freight corridor upgrade.

### **Impact on State Operating Subsidies**

There is no ongoing state operating subsidy required. MVRRA is a self-sustaining public authority with a private operator (MPLI) responsible for operations and maintenance.

### **Who will own the facility?**

The Minnesota Valley Regional Rail Authority (MVRRA) will retain ownership of the railroad infrastructure.

### **Who will operate the facility?**

Minnesota Prairie Line, Inc. (MPLI), under an operating agreement with MVRRA, will operate the railroad and maintain daily operations and safety.

### **Who will use or occupy the facility?**

Freight shippers and agribusinesses across the five-county MVRRA region, including grain cooperatives, ethanol producers, fertilizer distributors, and rural industries, will use the line to move goods to national and global markets.

**Public Purpose**

This project provides essential freight transportation for Southwestern Minnesota’s agricultural economy, reduces wear on public roads, increases rail safety, and enables rural businesses to compete globally.

**Description of Previous Appropriations**

From 2002 to 2024, the State of Minnesota has invested approximately \$35.8 million into MVRRA’s rail infrastructure through a combination of general obligation bonds and capital assistance programs. These appropriations have been critical to modernizing the eastern half of the line and serve as the foundation for the current request to complete the western segment.

**Project Contact Person**

McKenzie Taylor  
Administrator  
507-476-3618  
programs@radc.org

(\$ in thousands)

MVRRRA Western Rail Corridor Modernization – Fairfax to Hanley Falls

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$19,499	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$19,499</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$50	\$0	\$0
Design Fees	\$0	\$216	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$16,326	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$2,907	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$19,499</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Streets and Utility Reconstruction	1	GO	5,811	0	0	0	0	0
<b>Total Project Requests</b>			5,811	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			5,811	0	0	0	0	0

**Streets and Utility Reconstruction**

**AT A GLANCE**

**2026 Request Amount:** \$5,811

**Priority Ranking:** 1

**Project Summary:** A request for \$5.811 million for the construction of street, water main and force main sewer replacements to improve multiple areas throughout the City of the Village of Minnetonka Beach. This appropriation would be for construction of public utilities to replace deteriorated 1970s force main sewer, 1920s water mains, which have surpassed their useful life, and related street reconstruction as located on the included map.

**Project Description**

The project will include the replacement of the following roads, and the water and sewer mains (collectively referred to as "utilities") beneath each of the roads. The accompanying map shows where in the city each of these projects are located.

- Arcola Lane Street and Utility Improvement Project: Street and utility replacement project from Shoreline Drive to Woodbridge Rd – estimated cost of \$1,386,598 (please see No. 9 on the map).
- Woodbridge Rd Street and Utility Improvement Project: Street and utility replacement project from Shoreline Drive to Arcola. Includes upsizing of watermain from water treatment plant to Shoreline – estimated cost of \$939,944 (please see No. 10 on the map).
- Shoreline Drive Force Main Project: Located in the ditch along Shoreline Drive. This project would be a trenchless project such as horizontal directional drilling (HDD), pipe bursting or lining – estimated cost of \$509,232 (please see No. 11 on the map).
- Crystal Bay Force Main: Located in the front yard of the existing homes on Crystal Bay. This project will most likely be a trenchless utility replacement project such as pipe bursting, HDD or lining – estimated cost of \$522,389 (please see No. 1 on the map).
- Westwood Street and Utility Improvement Project: Originally a part of the 2019 Infrastructure project, removed due to insufficient funding – estimated cost of \$707,947 (please see No. 2 on the map).
- Brooks Lane Street and Utility Improvement Project: Includes utility upgrades as well as street improvements - estimated cost of \$1,732,707 (please see No. 4 & 5 on the map).
- Northview Rd Street and Utility Project: This project includes replacement of existing 1930’s water main as well as street reconstruction - estimated at \$898,156 (please see No. 3 on the map).

**Project Rationale**

The City’s water, sewer and road infrastructure is old, deteriorating and needs replacement before emergency repairs need to be made. The City’s sewer forcemains were built in 1974 and the water mains are even older, built in 1924. Their roads are cracking and crumbling. The City cannot feasibly fix all areas of town at one time, so they developed a list of areas and prioritized according to age and

condition. The City cannot bear the costs of the above projects on its own. In taking care of other public service and infrastructure needs, the City has more than \$20 million in existing debt. Annual debt service payments will rise to over \$1.3M by 2026. This would equal an average of \$5,702 per home. That level of annual debt service makes funding road and utility reconstruction projects – totaling an estimated \$26 million – very challenging. The City raised the water usage rate from \$5.94/1000 gallons to \$13.40 and implemented a \$335 quarterly water treatment fee, highest in the area.

### **Project Timeline**

Design / Permitting / Environmental completed by March 2027  
Bidding would take place in April 2027  
Construction start May 2027  
Construction completion by November 2028

### **Other Considerations**

Replacing deteriorating roads and aging water and sewer lines is crucial for maintaining public safety, health, and economic vitality. Crumbling infrastructure can lead to hazardous driving conditions, increasing the risk of accidents and vehicle damage. Additionally, outdated water and sewer systems are prone to leaks and breaks, which can contaminate drinking water, cause flooding, and disrupt essential services. Investing in modern infrastructure not only ensures reliable and safe transportation and sanitation but also supports economic growth by creating jobs and attracting businesses. Addressing these issues proactively can prevent costly emergency repairs and improve the overall quality of life for communities. Financially, deferred maintenance often leads to more expensive emergency repairs and replacements, which can strain public budgets and increase taxes.

### **Impact on State Operating Subsidies**

No impact.

### **Who will own the facility?**

The City will own the project.

### **Who will operate the facility?**

The City will operate the project.

### **Who will use or occupy the facility?**

N/A - this is an infrastructure project

### **Public Purpose**

The improvements are public infrastructure - potable drinking water, safe sanitary disposal, and roads - all used by the public.

### **Description of Previous Appropriations**

None.

**Project Contact Person**

Heidi Honey

City Administrator

952-471-8878

city-admin@ci.minnetonka-beach.mn.us

(\$ in thousands)

**Streets and Utility Reconstruction**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,811	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$1,792	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,603</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$1,339	\$0	\$0
Construction	\$0	\$5,358	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$906	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,603</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	Yes
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Ridgedale & I-394 Fire Station Construction	1	GO	5,330	0	0	0	0	0
<b>Total Project Requests</b>			5,330	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			5,330	0	0	0	0	0

**Ridgedale & I-394 Fire Station Construction**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$5,330
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	Demolition of and reconstruction of Minnetonka's fire station #2 located in the city's northeast quadrant near I-394 and Ridgedale shopping center.

**Project Description**

In 2022, the City of Minnetonka conducted a comprehensive analysis of the emergency response services provided by the Fire and Police Departments. The report included 21 key findings and five actionable recommendations aimed at enhancing public safety services. One notable finding addressed the city’s four satellite fire stations. The report further determined that both the number and location of these stations are appropriate for a city of its size and are capable of meeting the Fire Department’s service level objectives, provided the stations are staffed 24 hours a day.

Following the completion of the study, the Fire Department engaged with a professional architectural services firm to perform a long-term needs assessment of the satellite fire stations. This assessment evaluated the current condition of the buildings and properties to determine their capacity to support 24-hour staffing. The existing four satellite fire stations, all built decades ago when the fire department relied solely on a volunteer response model, are not suited for full-time staffing and living accommodations.

Fire Station No. 2, located in the northeast quadrant of the city near I-394 and the Ridgedale shopping center, typically drives the most emergency responses due to the volume of visitors, employees, and residents in the area and is identified as being the city's highest priority satellite station to be utilized as a 24/7 operation.

**Project Rationale**

Minnetonka is continuing its transition of the fire department from a primarily paid-on-call emergency response department to a more full-time staffing model, which will eventually include 24/7 staffing at all five of its fire stations.

Fire station No. 2 is located near I-394 and the Ridgedale shopping center. The shopping center routinely experiences over 1.4 million visits per month, while the adjacent Interstate 394 accommodates over 100,000 vehicles traveling through the city daily. In addition to shoppers visiting some of the 120 stores within the Ridgedale mall, there are over 500 other businesses in the area, supporting 10,000 jobs in the immediate vicinity. The sheer number of visitors and traffic passing through the city puts a tremendous strain on the city's emergency response resources. In the interest of public safety and ensuring timely responses, the city is currently implementing a plan to staff its four satellite fire stations on a regular basis, which includes Fire Station No. 2. Unfortunately, the life

expectancy of the current facility is nearing the end and is not functional to house staff on a 24/7 basis.

The City of Minnetonka's Fire Station No. 2 was constructed in 1976 and is 5,440 gross square feet in size. The design of this station is typical of this era and was exclusively a volunteer response model station. There are no sleeping spaces in this facility, and support spaces are limited. The site for Station 2 is located at 1815 Hopkins Crossroad and is an "L" shaped area, slightly under 1 acre in size. Space for expansion of this station is limited.

Two options were developed for Station 2. The first option would be to renovate the building to accommodate three sleeping rooms with some internal renovations to provide some decontamination and gear storage space. The second option would demolish the existing station and construct a new 13,350 square-foot fire station on this site, either as a single-story or two-story solution.

The second option, demolishing and constructing a new fire station, provides a better long-term solution as it addresses appropriate housing, safety and training needs.

### **Project Timeline**

Assuming state bonding is appropriated for this project during the 2026 legislative session, the city will begin pre-design and design work in the fall of 2026, with the anticipation of starting demolition and subsequent construction in the summer of 2027. Estimated completion would be April 2029.

### **Other Considerations**

The Ridgedale and I-394 area is a significant economic engine for the region and the State of Minnesota. There are over 650 businesses in the area, creating more than 10,000 jobs with an estimated property value of \$600 million. Minnetonka residents and businesses support first responders (police and fire) through their local property taxes. However, the additional burden that this vibrant economic engine puts on its local property taxpayers can be substantial.

The city is in the midst of implementing a five-year public safety plan that will hire nearly 30 full-time firefighters to ensure the city's response time meets national standards and the public's expectations. As mentioned earlier, as the city continues to hire additional full-time firefighters, the available space to house firefighters is becoming problematic. The city's next phase is to remodel or replace the four satellite fire stations. This capital outlay is obviously an expensive endeavor. This city is requesting financial assistance to support the reconstruction of one of its four fire stations, located in a heavily concentrated commercial district that draws visitors from the metro and greater Minnesota. The city fully intends to be financially responsible for remodeling or replacing satellite fire stations located in more residential areas. A state partnership on rebuilding Fire Station No. 2 would aid the city financing the remaining three locations.

### **Impact on State Operating Subsidies**

N/A

### **Who will own the facility?**

City of Minnetonka

**Who will operate the facility?**

City of Minnetonka

**Who will use or occupy the facility?**

City of Minnetonka Fire Department

**Public Purpose**

A new fire station will provide a more efficient and effective public safety response to a large regional commercial district that is also responsible for the highest fire call volume compared to any other area of the city.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Darin Nelson  
Finance Director  
952-939-8253  
dnelson@minnetonkamn.gov

(\$ in thousands)

**Ridgedale & I-394 Fire Station Construction**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,330	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$5,331	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,661</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$67	\$0	\$0
Design Fees	\$0	\$1,602	\$0	\$0
Project Management	\$0	\$568	\$0	\$0
Construction	\$0	\$6,300	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$775	\$0	\$0
Inflationary Adjustment	\$0	\$1,349	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,661</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	No
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
City of Moorhead Flood Mitigation Improvements - Continuation	1	GO	18,500	0	0	0	0	0
Moorhead Dewatering, Phosphorus, Facility & Lift Station Improvements	2	GO	10,000	0	0	0	0	0
<b>Total Project Requests</b>			28,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			28,500	0	0	0	0	0

## City of Moorhead Flood Mitigation Improvements - Continuation

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$18,500
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of Moorhead requests \$18.5M from the DNR Flood Hazard Mitigation Program to construct improvements to 7 storm water/flood control lift stations for Moorhead's remaining in-town flood protection, which has been in progress since 2009 and is 89% complete.

**Project Description**

The requested lift station improvements are needed to meet FEMA and USACE risk and reliability standards. FEMA and USACE standards require permanent power and redundancy. Currently, the City is relying on manual operation using tractors and on-site staff for pump monitoring during flood events. Some stations do not have adequate system redundancy.

An updated project evaluation was conducted in 2024. The current request is focused on only the highest priority lift stations. The project scope has gotten smaller--7 lift station conversions instead of 11; however, the costs have increased due to inflation (\$18.5 M in 2026, \$16M in 2025 vs. \$14.715M in 2024). All lift stations are within Moorhead city limits along the Red River corridor.

The City's request would be reduced by any funding allocated to the City by the DNR from the 2025 capital investment bill.

**Project Rationale**

Moorhead and the State of Minnesota have been working through a comprehensive flood mitigation plan since Moorhead's flood of record in 2009. The plan is 89 percent complete. As flood improvements have been made over the past 16 years, Moorhead's experience is that flood protection is much more cost effective than flood recovery. Seven of the top ten Red River flood events in Moorhead - Fargo have occurred in the last 30 years.

The flood mitigation projects provide neighborhoods with practical flood protection and will also reduce flood insurance costs for residents and businesses.

**Project Timeline**

If funding is awarded in 2026, the project can be bid out in 2026 and 2027 and constructed in 2027 and 2028.

**Other Considerations**

The City's flood mitigation work is integral to the FM Diversion Project (funded primarily by federal sources (\$750M), State of North Dakota (\$850M), City of Fargo, and Cass County ND), which offers

permanent flood risk reduction for Moorhead and Clay County. This request does not cover projects outside of the City of Moorhead within the state of Minnesota. Other improvements in Minnesota have an estimated cost of \$37.7M (2025 \$) beyond what is needed in Moorhead.

**Impact on State Operating Subsidies**

Investing in flood mitigation reduces the need for disaster recovery funds, which the City, it's residents, and businesses have needed many times, including three years in a row 2009, 2010, and 2011.

**Who will own the facility?**

City of Moorhead will own the project.

**Who will operate the facility?**

City of Moorhead will operate the project.

**Who will use or occupy the facility?**

The service areas of the high priority lift stations cover the majority of the City.

**Public Purpose**

Flood protection is an excellent investment. The strategy is to keep Moorhead in business during flood events, benefiting public and private property owners, keeping schools and businesses open, and negating the need for disaster recovery. With the many improvements already in place since 2009, sandbags needed for a flood at the river level experienced in 2009 have been reduced from 2.85M to 3,700. The temporary levee construction need has been reduced from 52,600 cubic yds to 6,830 cubic yds.

**Description of Previous Appropriations**

To date, a total of approximately \$124.3 million in Federal, State and City resources have been invested in flood mitigation improvements in Moorhead, including approximately \$94.2 million in State FHM grant funds. The City of Moorhead has committed and expended the statutory local match of \$19.9 million and provided and expended an additional over-match of \$9.9 million. Approximately \$0.3 million has been provided from Federal and other sources.

**Project Contact Person**

Lisa Bode  
Governmental Affairs Director  
218-299-5372  
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(\$ in thousands)

City of Moorhead Flood Mitigation Improvements - Continuation

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$18,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$18,500</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$3,800	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$14,700	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$18,500</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Moorhead Dewatering, Phosphorus, Facility & Lift Station Improvements**

**AT A GLANCE**

**2026 Request Amount:** \$10,000

**Priority Ranking:** 2

**Project Summary:** The City of Moorhead seeks to construct a biosolids dewatering facility at its Wastewater Treatment Facility (WWTF) that serves Moorhead and Dilworth. The project will also improve phosphorus removal from treated wastewater to protect the Red River of the North and Lake Winnipeg, implement UV light disinfection to replace the use of highly hazardous chemicals (chlorine and sulfur dioxide), and rehabilitate other wastewater equipment including four lift stations.

**Project Description**

The City of Moorhead is seeking funding to conduct a substantial wastewater upgrade with 4 components:

**BIOSOLIDS DEWATERING:** Installing dewatering technology and facilities to reduce the volume of treated biosolids. The Moorhead WWTF is projected to have adequate capacity for growth through the year 2040, however, the existing storage capacity for biosolids is inadequate and has not been modified since 1994. The current process of hauling liquid biosolids to local agricultural producers is excessively time consuming and conflicts with agricultural practices, especially during times of wet weather. The project also includes installation of a chemical phosphorus removal system to address MPCA nutrient reduction goals for the Red River and Lake Winnipeg. The phosphorus removal process will produce additional biosolids, and without dewatering to reduce volume, would result in additional storage and hauling constraints. Lastly, biosolids dewatering will provide flexibility to adapt to potential future land application constraints related to PFAS.

**ASSET REPLACEMENT:** The Moorhead WWTF has been in service since 1983, and many assets are beyond their useful life. Following a thorough condition assessment, a number of assets have been prioritized for replacement based on risk and consequence of failure. High priority improvements for this project include tank repairs/rehabilitation and replacement of other critical equipment to ensure reliable treatment and protection of the environment.

**UV LIGHT DISINFECTION SYSTEM:** The Moorhead WWTF disinfects effluent wastewater with chlorine and utilizes sulfur dioxide for removal of residual chlorine. Both chemicals are stored as a gas and pose a severe health and safety risk to the community should a leak or release occur. Also, the chlorine contact basin, which provides time for disinfection to occur, is undersized. To reduce risk to staff and the public, Moorhead is seeking to replace chlorine disinfection with a UV light disinfection system.

**LIFT STATIONS:** As part of the City's asset management program, four large lift stations are currently

scheduled for rehabilitation and are included in the overall project budget due to the large cost for each.

### **Project Rationale**

**AGING INFRASTRUCTURE:** This project includes replacement of critical systems and equipment beyond their useful life.

**USER RATE IMPACTS:** The loss of the largest wastewater customer in Dec 2024 (see Other Considerations) significantly impacts future budgets, user rate increase forecasts, and the ability to remain competitive with rates in ND border cities.

**HEALTH AND SAFETY:** Eliminate the use of dangerous chemicals with potential serious on and off-site consequences.

**ENVIRONMENT/POLLUTANT LIMITS:** Reduces nutrient discharge to the Red River and Lake Winnipeg for permit compliance and to help achieve MPCA nutrient reduction goals.

**REGIONAL CONSIDERATIONS:** Maintain reliable service and treatment at the Moorhead WWTF serving both Moorhead and Dilworth.

### **Project Timeline**

March 2025: Facility Plan submitted to MPCA

March 2025: MPCA Project Priority List request submitted

April 2025: Final design initiated

July 2025: Submit Point Source Implementation Grant application to MPCA

March 2026: Plans & specifications complete, submit to MPCA

June 2026: Submit MPCA/PFA Intended Use Plan request

**\*UPON FUNDING AWARD\***

August 2026: Advertise for bids

October 2026: Start construction

December 2028: Final completion

### **Other Considerations**

Planning and preliminary engineering for the project are well underway. The original financial plan was intended to be funded through moderate rate increases. However, in December 2024, the City's largest wastewater customer (Busch Agricultural Resources Malting Facility) permanently closed, resulting in a loss of \$1.4M/year of service charge revenue. Without grant funding, rate increases of 8-10% are needed in each of the next four years to make up the lost revenue, complete the necessary improvements, and maintain a minimum budget reserve.

The City also intends to apply for a Point Source Implementation Grant (\$12M) to help finance portions of the project related to phosphorus removal.

The Moorhead WWTF is a regional facility treating all wastewater from the City of Dilworth.

All costs are inflated to 2026 dollars to match the project bid schedule (award in September 2026).

### **Impact on State Operating Subsidies**

None

**Who will own the facility?**

The City of Moorhead will own the project.

**Who will operate the facility?**

The City of Moorhead will operate the project.

**Who will use or occupy the facility?**

The City of Moorhead and the City of Dilworth are served by this regional Wastewater Treatment Facility.

**Public Purpose**

This project will ensure wastewater from Moorhead and Dilworth continues to be reliably collected, treated, and discharged in accordance with applicable State and Federal regulations, rules, and permits in a safe and environmentally sound manner.

This project will advance the MPCA nutrient reduction strategy for the Red River and Lake Winnipeg. This project removes the use of highly hazardous wastewater disinfection chemicals that pose a risk to staff and the public.

**Description of Previous Appropriations**

No previous state appropriations related to this project. However, the City intends to apply for Clean Water Revolving Fund Loan and a Point Source Implementation Grant.

**Project Contact Person**

Lisa Bode  
Governmental Affairs Director  
218-299-5372  
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(\$ in thousands)

**Moorhead Dewatering, Phosphorus, Facility & Lift Station Improvements**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$10,000	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$12,000	\$0	\$0
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$19,237	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$41,237</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$5,341	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$35,896	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$41,237</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Moose Lake Inflow & Infiltration Reduction Project	1	GO	1,575	0	0	0	0	0
<b>Total Project Requests</b>			1,575	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,575	0	0	0	0	0

## Moose Lake Inflow &amp; Infiltration Reduction Project

**AT A GLANCE****2026 Request Amount:** \$1,575**Priority Ranking:** 1

**Project Summary:** The City of Moose Lake's wastewater treatment ponds are currently operating at 93% of design capacity which is limiting growth and development in the City. The City is requesting \$1,575,000 in state funds to implement sewer improvements that would increase the available space in the City owned treatment ponds to allow for increased development opportunities within the City that can lead to job creation, an increased tax base, and provide housing opportunities.

**Project Description**

Several proposed residential and commercial developments in the City of Moose Lake are currently stalled by the lack of treatment capacity in their wastewater ponds. The City treats wastewater flows from the City, nearby townships, a Minnesota Department of Correction (DOC) facility, and a Minnesota Sex Offender Program (MSOP) facility. Currently, the City wastewater pond system is at 93% of design capacity. The MPCA typically begins evaluation of pond facilities at 80% of treatment capacity. In their current situation, the City can either expand the current ponds or reduce the amount of Inflow/Infiltration (I&I) into their collection system. The City's pond system is the second largest in the state and would unlikely receive permitting to expand them. Lining the sewers to limit I&I is the most cost-effective solution and has the benefit of revitalizing the City's mostly clay sewer lines that are beyond their designed life. The City is seeking \$1.575M (50% of total cost) in state capital budget funds to complete a \$3.150M sewer lining project that would finish the sewer lining effort the City has been working on for the past five years. The City was awarded \$658K in grant funding from the "MPCA Implementation Grant for Wastewater Resilience" to help fund the remaining 50% of project costs. Any remaining costs that cannot be covered through state or federal programs will be funded with local funds. The lining of approximately 15,000 feet of sanitary main and 88 sanitary manholes is included in the project. Estimates show this project would reduce flow to the treatment ponds by 77,000 gallons per day and greatly increase pond capacity. Extra pond capacity would quickly lead to increased housing, tax base, and job creation through new development.

Recent requests for new developments in the City or nearby townships include:

City housing development (2 phases)

City campground expansion (21 site expansion)

Moose Lake Brewery Expansion (proposed 4 times current production)

Sand Lake Resort (proposed 70 units)

Residential Development on TH 73 (single and multi-family homes)

Old Moose Lake School Redevelopment (TBD)

In addition, the DOC and MSOP campuses are not at full capacity and if their population increased, the City would not be able to treat the additional wastewater flows.

The city has been proactive for the last five years by completing small lining projects. These projects have been successful but their budget severely limits how much lining they can complete in a year. The five recent projects have increased pond capacity by the equivalent of about 60 new house connections which has allowed phase one of their housing development to be permitted.

### **Project Rationale**

Private development within Moose Lake and the surrounding township is currently limited by the capacity of the wastewater treatment ponds. This limitation is not allowing the City to increase housing options, tax base, or jobs. The most efficient and cost-effective method to increase treatment pond capacity is to reduce the I&I in the system. Funding for this project would quickly create treatment pond capacity which would allow Moose Lake to approve new developments which would create jobs, housing opportunities, and increase the City tax base. In addition, completing this project will allow the DOC and MSOP campuses to operate at their full capacity in the future.

### **Project Timeline**

The City of Moose Lake anticipates design, permitting in 2026 and bidding to occur in 2027. Construction of the improvements would occur starting in May 2027 through November of 2029. Private and City developments could begin soon after completion of the project in late 2029 or early 2030.

### **Other Considerations**

The City of Moose Lake has received numerous development inquiries from property owners and businesses interested in expansion or new development. However, the City is not currently in a position to approve development due to the capacity of their wastewater ponds. By completing this I&I reduction project, economic opportunities in Moose Lake and surrounding areas will be created. Additionally, housing developments can move forward and alleviate the housing shortage faced by the City.

### **Impact on State Operating Subsidies**

The City of Moose Lake will not be applying for any state funding to pay for any ongoing operation and maintenance cost for this project.

### **Who will own the facility?**

The City of Moose Lake will own all public infrastructure including the sanitary sewer mains and the wastewater treatment pond.

### **Who will operate the facility?**

The City of Moose Lake will operate the sanitary sewer system and the wastewater pond.

### **Who will use or occupy the facility?**

There are approximately 500 households and 100 businesses in Moose Lake. In addition, the

Department of Corrections and Sex Offender Program campuses currently have a population of over 1,400. Nearby townships also send wastewater from 450 homes to the City. All listed homes and businesses would be served by the lining improvements.

**Public Purpose**

As stated above, the City of Moose Lake has received numerous development inquiries from property owners and businesses interested in expansion or new development within the City and Township. However, the City has not been able to officially approve any new development or expansions due to the treatment capacity limitation. Implementation of this project will benefit the City, its residents, the state managed facilities, and private businesses.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Ellissa Owens  
City Administrator  
218-485-4010  
eowens@ci.mooselake.mn.us

(\$ in thousands)

**Moose Lake Inflow & Infiltration Reduction Project**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,575	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$1,575	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,150</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$10	\$0	\$0
Design Fees	\$0	\$252	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$2,888	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,150</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Water Treatment Facility	1	GO	29,869	0	0	0	0	0
<b>Total Project Requests</b>			29,869	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			29,869	0	0	0	0	0

**Water Treatment Facility**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$29,869
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of Mound intends to construct a water treatment facility to provide clean drinking water free of manganese.

**Project Description**

The City of Mound intends to construct a water treatment facility to provide clean drinking water free from manganese, elevated levels of which have been found in the City's drinking water supply. Engineers have indicated that because manganese is present in the aquifer from which the City currently draws its water, and other aquifers in the in the area also have different contaminants, the construction of a new water treatment facility is the sole solution available to the City to provide clean, safe drinking water. The request for 2026 is to request the remaining portion of the original \$36 million water treatment plant package, of which \$10.3 million was appropriated in 2024 in the form of an amended bill that was originally passed in 2023. The City's previous appropriation is being used for a new well and for trunk water main replacements in the area of the new water treatment facility site, as well as for the design of the water treatment facility. This request is for the construction of the water treatment facility itself.

**Project Rationale**

In 2021, the City of Mound was notified by the Minnesota Department of Health that elevated levels of manganese had been detected in the City's treated drinking water supply. Subsequent testing confirmed these elevated levels. The Minnesota Department of Health began applying "health-based guidelines" established by the EPA and required the City of Mound to make a "do not drink" advisory based on the levels of manganese discovered. After making the do not drink advisory notice, the City embarked on an engineering study to examine and proposed a solution to removing the Manganese from the city's drinking water. The engineers indicated that because the manganese is present in the aquifer that the City currently draws its water from, and other aquifers available in the area also have different contaminants, that the construction of a water treatment facility is the sole solution available to the City to provide clean safe drinking water.

**Project Timeline**

The City's previously appropriated funding of \$10.3 million is currently being used to design, bid, and build a new well and replace trunk water mains in the area of the new water treatment facility. These portions of the project will be constructed through the summer of 2025. Taking place currently is also the design of the water treatment facility, which is anticipated to be completed by summer/fall of 2025.

If the City secures the remaining funding for construction of the water treatment facility, then bid award would take place as soon as the funding is confirmed, with construction taking place over the course of roughly two years. Substantial completion of the entire project would be by mid-year 2029.

### **Other Considerations**

The MPCA has adopted the EPA's health based guidelines for exposure limits to Manganese in drinking water. The manganese has likely been present for some time, but the recent change in policy resulted in a requirement that Mound issue a "Do not drink" advisory for its residents and water customers. Unfortunately, the MPCA has not also matched the presence of Manganese with the prioritization of available funds and low interest loans. Mound has applied for the use of funds and low interest loans through the Minnesota Public Facilities Authority (PFA), and has been ranked very low, and has not received any funds as a result of those applications.

### **Impact on State Operating Subsidies**

No additional funds are requested beyond the project costs.

### **Who will own the facility?**

The City of Mound will own the proposed improvements.

### **Who will operate the facility?**

The City of Mound and its staff will operate the proposed water treatment facility.

### **Who will use or occupy the facility?**

The City of Mound and its residents and water customers that are served by the City of Mound in Minnetrista and Spring Park will be the primary users of the project.

### **Public Purpose**

Provide safe drinking water for the residents of the City of Mound and its water customers in Spring Park and Minnetrista.

### **Description of Previous Appropriations**

Mound was appropriated \$10.3 million in 2023, though an amended version of the appropriation was subsequently ratified in 2024.

### **Project Contact Person**

Jesse Dickson  
City Manager  
952-472-0609  
jessedickson@cityofmound.com

(\$ in thousands)

Water Treatment Facility

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$10,300	\$29,869	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$960	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$11,260</b>	<b>\$29,869</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$3,000	\$0	\$0	\$0
Project Management	\$1,300	\$1,847	\$0	\$0
Construction	\$6,960	\$25,351	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$2,671	\$0	\$0
<b>TOTAL</b>	<b>\$11,260</b>	<b>\$29,869</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	No
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
City of New Auburn Water and Wastewater Improvement Project	1	GO	9,000	0	0	0	0	0
<b>Total Project Requests</b>			9,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			9,000	0	0	0	0	0

City of New Auburn Water and Wastewater Improvement Project

**AT A GLANCE**

**2026 Request Amount:** \$9,000

**Priority Ranking:** 1

**Project Summary:** The City of New Auburn submitted a Preliminary Engineering Report (PER) to USDA-RD that identified approximately \$18.8M of needs for the community of about 411 people. The project consists of improvements to the City's wastewater treatment facility, and the water, sanitary, and storm collection and distribution systems. USDA-RD is in the review process and funding packages have not been obligated. The City is requesting consideration of funding to address \$9M of the project.

**Project Description**

The City of New Auburn is in need of improvements to the gravity sanitary sewer collection system to reduce infiltration and inflow into the existing system. Improvements to the entire sanitary system within the City's right-of-way area via a combination of open cut, CIPP lining, and pipe-bursting construction is recommended to reduce the flows. In addition, effort needs to be made to reduce the number of drain tiles enter the system, and to eliminate any sump pumps that may be currently connected to the system. Storm sewer improvements will include construction of several new trunk lines that will replace small diameter drain tile systems.

In order to improve the water quality and flow in the current system and reduce costly emergency repairs, localized replacement of the water distribution system within city limits via a combination of open cut and HDD construction is recommended. Included in this project will be construction of new water main loping, which will improve the water quality in the immediate vicinity of the improvements.

The New Auburn wastewater treatment facility does not have adequate capacity for the influent flows and requires improvement to address aged infrastructure and equipment. The proposed alternative provides pond storage volume for the max flow condition, addresses concerns with flooding of the existing sprayfield, and improves the existing facilities to avoid operational failures.

**Project Rationale**

Televising of the sanitary collection system reveal misaligned and sagging pipes and active infiltration. The nearly 50-year-old system requires improvement, primarily through pipelining and/or bursting. Excessive inflow and infiltration (I/I) strains the system, allowing too much water into the sanitary sewers.

The storm drainage system, consisting of old and inadequate drain tiles, will also be replaced and upgraded with new trunk mains to improve drainage and mitigate local flooding. Any discovered cross connections between storm and sanitary systems will be removed.

I/I reduces the effectiveness of wastewater treatment by lowering biochemical oxygen demand (BOD) loading and adding sand and grit to treatment ponds, which limits their peak flow capacity. I/I results from crack, root intrusions, broken manholes, and direct stormwater connections. Addressing these issues through infrastructure repair and upgrades is critical to mitigating I/I and ensuring system performance.

**Project Timeline**

Public Hearing:  
Submit Preliminary Engineering Report to USDA-RD: March 2023  
USDA-RD reviews PER: February 2025  
Land and easement acquisition: November 2025  
Authorize preparation of design documents: May 2026  
Submit Plans and specifications to MPCA: November 2026  
Receive MPCA approval of plans and specifications: December 2026  
Advertise project for bids: December 2026  
Receive bids and award contract: January 2027  
Begin construction: May 2027  
Improvements operational: October 2027  
Final Completion: July 2028

**Other Considerations**

The City of New Auburn could be considered a low-income community with the median household income of \$34,625 based on U.S. Census Bureau 2020 American Community Survey.

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

City of New Auburn

**Who will operate the facility?**

City of New Auburn

**Who will use or occupy the facility?**

City of New Auburn

**Public Purpose**

There are various health and sanitary issues to the public. The existing sanitary collection system within the project area has high I/I leading to the treatment system operating above design flow. Proper wastewater treatment is vital to the health, sanitation, and security of the City of New Auburn. The WWTF must be able to treat all influent and loads to the regulated limits.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Roberta Zaske

City Clerk

320-864-5831

[newauburn.city@gmail.com](mailto:newauburn.city@gmail.com)

(\$ in thousands)

City of New Auburn Water and Wastewater Improvement Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$9,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$9,800	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$18,800</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$500	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$2,800	\$0	\$0
Project Management	\$0	\$600	\$0	\$0
Construction	\$0	\$14,900	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$18,800</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
New Germany Wastewater Treatment Project	1	GO	10,244	0	0	0	0	0
<b>Total Project Requests</b>			10,244	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			10,244	0	0	0	0	0

**New Germany Wastewater Treatment Project**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$10,244
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of New Germany is requesting \$10,244,000.00 to complete wastewater treatment plant improvements to meet the MPCA phosphorous limits and allow for growth within the community.

**Project Description**

The City of New Germany needs to upgrade their wastewater treatment facility to allow for more homes and industries to be built and to meet MPCA requirements for phosphorous limits. After evaluating several options, the recommended alternative is to convert the existing stabilization ponds to an aerated pond system. This option allows them to re-use their existing infrastructure (ponds) and add enough capacity for planned growth for the next 20 years. The system can also be modified in the future for even more capacity if needed and address future regulatory requirements for total nitrogen standards with minimal construction and cost. The improvements include: - Adding aerators to the pond system - Installation of new blowers for the aeration system - Construction of a polishing reactor (in-ground gravel bed) to achieve ammonia limits - Installation of a disc filter to achieve TSS and phosphorus limits - Installation of an ultraviolet disinfection system for effluent disinfection - Construction of building to house the blowers and ultraviolet disinfection system

**Project Rationale**

The MPCA will not currently allow any sewer extensions until more capacity is added. Unfortunately, the City of New Germany cannot afford to increase the capacity of the wastewater plant because of the outstanding debt from a major infrastructure project in 2012. In order to complete the 2012 project, the City took on loans from USDA Rural Development and general obligation bonds and they'll be paying off this debt until 2053. The City is already at the maximum debt amount they can consider and has subsequently seen a decline in their credit rating due to the debt load they carry. They've already increased property taxes by 33% to help cover the debt service. An additional utility rate increase is also not an option because the rates are already extraordinary high to pay off the existing debt. Residents of New Germany are paying on average \$150/month just for sewer costs, which is twice as much as is considered affordable by industry standards. Increasing the number of homes and residents in the community would help to reduce the burden on the current residents and help to meet the housing demand.

**Project Timeline**

Design - July 2026 Bid - August 2027 Construction start - October 2027 Construction complete - September 2029 Post-construction complete - December 2030

**Other Considerations**

There are currently two housing developments, Trophy Lakes Estates, and Black Forest Estates Second Addition, that are currently ready for construction but cannot be built because a sewer extension is needed. Residential and business growth are limited due to lack of capacity for wastewater treatment. Due to such an economic burden on the residents, the city is requesting no match from the city in this bonding bill.

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

City of New Germany

**Who will operate the facility?**

City of New Germany

**Who will use or occupy the facility?**

City of New Germany

**Public Purpose**

The public purpose includes the positive environmental outcomes and community benefits of the project. The community benefits by being in compliance with MPCA regulation and being able to have additional homes and industries built in the city. This will help to stabilize or maybe even decrease utility rates in New Germany. It will also help the entire region by providing much needed housing. Housing in New Germany is more affordable than elsewhere in the County, and this project would provide additional housing opportunities for families that may otherwise be priced out of the market.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Twyla Menth  
City Clerk  
952-353-2488  
ngcityhall@gmail.com

(\$ in thousands)

New Germany Wastewater Treatment Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$10,244	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$2,239	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,483</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$1,470	\$0	\$0
Construction	\$0	\$9,198	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$1,815	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,483</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	N/A
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	Yes
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Front Street Gravity Sewer & Water Main Replacement Project	1	GO	2,011	0	0	0	0	0
<b>Total Project Requests</b>			2,011	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,011	0	0	0	0	0

**Front Street Gravity Sewer & Water Main Replacement Project**

**AT A GLANCE**

**2026 Request Amount:** \$2,011

**Priority Ranking:** 1

**Project Summary:** \$2.01 million is requested (of a \$4.021 project) from the state for design and construction to complete 3 blocks of gravity sewer and water main replacement as well as the decommissioning, environmental assessment and demolition of an aged lift station.

**Project Description**

The City of New Ulm Public Utilities has a lift station that is believed to have been constructed in 1972. The lift station receives industrial flow, commercial and residential flow. The lift station has operated and served its' purpose for over 50 years and is showing its' age with corrosion and other signs and conditions that need significant attention and investment to continue full operations and reduce safety concerns. The process, electrical, and mechanical equipment typically has a life expectancy of 20 years which has been surpassed. Concrete can have an expected life of 50 to 100 years in favorable conditions however this lift station is seeing signs of corrosion due to the harsh environment.

The City of New Ulm's Street Reconstruction CIP has been working to replace the sewer main which the lift station accesses. The replacement of the sewer main was designed to provide a gravity sewer flow system in that area which would allow for the decommission of the aging and unsafe lift station. Significant dollars have been spent to reconstruct the sewer main which would bypass the lift station. At current, 18 block of sewer/water main have been replaced at an estimated cost of \$6,900,000. Currently there are three blocks remaining to complete the connection and finish the gravity sewer flow system. These three block are at the deepest point in the replacement and are the most costly to replace. The urgency of completing the connection at this time is the condition of the lift station is at a pivotal point. A significant amount of money would be needed to bandage the system together to maintain a safe work environment. Due to budgetary constraints, these three blocks to complete the project are not within the City of New Ulm's CIP budget in the foreseeable future so the replacement is self funded by the Utility. Within the three blocks to be reconstructed, the water main needs to be replaced at the same time due to age and condition. Two of the three blocks of water main are of cast iron material and installed in 1897. The other block is 1937 asbestos cement water main. It is assumed that there are also lead service lines in this area. Funding for this project would complete the gravity sewer flow system, demolition and removal of an aging and unsafe lift station and the replacement of aging water main. This will finalize a project worked on over many years and will reduce the maintenance costs and the electrical usage of operating an inefficient lift station. The gravity sewer and water main should have an average life of 75-100 years.

## **Project Rationale**

Rehabilitation of the aging lift station is necessary due to the condition of the building and infrastructure. At this time it is unsafe to enter the lift station due to cement corrosion and maintenance is being done through access windows around the building. The failure of the equipment in this lift station would cause property damage to all business and residences along this line due to sewer back up or there is the potential of sewer entering the Minnesota River.

The preliminary engineered estimate, completed in 2023, to re-habilitate the lift station is \$2,234,000, however due to the age of the infrastructure and inability to access all parts of the lift station, this estimate is considered low once the project is further reviewed in the design stage. With this option the aging water main would not be replaced.

The cost to complete the gravity sewer flow system and decommission/demolish the lift station is estimated at \$2,356,000 (this estimate does not include road replacement). It makes economic sense to complete the gravity sewer flow system and replacement of the water main to get a system that will last 75 years rather than the rehabilitation of a lift station with a 20 year life.

## **Project Timeline**

Design/Preparation of Plans and Specs - 08/2026 - 12/2026  
Bid/Award - 01/2027  
Award Project - 02/2027  
Construction Start - 04/2027  
Construction Substantially Complete - 11/2027  
Final Road Completion & Demolition of Old Lift Station - 2028

## **Other Considerations**

### **Impact on State Operating Subsidies**

None

### **Who will own the facility?**

The gravity sewer and water main will be located in the right of way in the City of New Ulm and will be owned by the New Ulm Public Utilities, a municipal utility.

### **Who will operate the facility?**

New Ulm Public Utilities

### **Who will use or occupy the facility?**

New Ulm Public Utilities and citizens of the city of New Ulm.

## **Public Purpose**

The public purpose of this project is to ensure the safe work environment for our employees as well as the protection of citizen housing and businesses. The goal is to have a system that effectively and efficiently transfers sanitary to the sewer plant for the proper treatment as established by the MPCA

and deliverance of water to these same citizens.

### **Description of Previous Appropriations**

#### **Project Contact Person**

Kris Manderfeld  
Utilities Director  
507-233-2131  
krism@newulmmn.gov

(\$ in thousands)

Front Street Gravity Sewer & Water Main Replacement Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,011	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$2,010	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,021</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$779	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$3,242	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,021</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Inflow & Infiltration Phase 2 Project	1	GO	7,660	0	0	0	0	0
<b>Total Project Requests</b>			7,660	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			7,660	0	0	0	0	0

**Inflow & Infiltration Phase 2 Project**

**AT A GLANCE**

**2026 Request Amount:** \$7,660

**Priority Ranking:** 1

**Project Summary:** Newport has aging water infrastructure causing significant inflow and infiltration (I & I), rain, and other water entering into sanitary sewer lines, issues for the City and for the Metropolitan area. The pipes were constructed in the 1960's in bedrock trenches and unfortunately with any rain event large amounts of clean water is then treated causing significant environmental impacts for the region and the Mississippi River. This is a comprehensive I & I reduction project for the highest offender.

**Project Description**

Appropriation. \$7,660,000 is appropriated from bond proceeds fund to the Public Facilities Authority for a grant to the City of Newport to acquire right-of-way for and to pre-design, design and construct the removal, replacement and installation of water, sanitary sewer and storm sewer system infrastructure and reconstruction of affected streets in the project area. For purposes of this section, 'project area' means 3rd Avenue between 16th Street and 15th Street and between 14th Street and 12th Street, 2nd Avenue between 15th Street and 11th Street, Cedar Lane between 15th Street and 2nd Avenue and 12th Avenue. west of 4th Avenue in the City of Newport

**Project Rationale**

Newport is considered the highest I&I violator. This issue causes environmental issues because the Met Council is then "cleaning" clean water. Any leaks and cracks in the sanitary sewer lines also cause leakage into groundwater near the Mississippi River. Newport is a small town with a population of 4,200. The median household income is \$62,000 about half of Washington County's average of \$110,800. Newport is not in a position to borrow or tax for this work and seeks support to kick-start needed upgrades while also helping to limit the environmental impacts of I&I. Any time it rains in Newport there is a significant increase in infiltration. Even a modest 3.1" rain event resulted in 10 times the average amount of Newport wastewater being treated by the regional wastewater system. This is a sound investment of taxpayer dollars.

**Project Timeline**

If funding is provided Newport would like to begin and then complete this project in 2026/2027.

**Other Considerations**

Newport is a diverse (one-third BIPOC) and economically challenged community that is located at the intersection of vital transportation routes, I-494 and Hwy 61. The expansion of Hwy 61 two decades ago divided the community, severely impacting our business sector and limiting development

opportunities, while significantly stimulating the commercial and residential expansion of Cottage Grove, Hastings, Woodbury and Oakdale. This investment will help a community that contributes significantly to the overall economy of the Metro-area.

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

City of Newport

**Who will operate the facility?**

N/A

**Who will use or occupy the facility?**

Residents, visitors, and businesses in Newport.

**Public Purpose**

The public benefits include public health protection by reducing exposure to untreated sewage, bacteria and pathogens; environmental stewardship through minimizing pollutants entering the soil and nearby Mississippi River; improved infrastructure resilience/efficiency, cost savings from lower operational costs, ensuring adequate system capacity for new development and population growth, and avoidance of fines for excessive I+I entering the Metropolitan wastewater system.

**Description of Previous Appropriations**

Newport received \$2.75million in the 2023 Environmental Omnibus bill for I&I work. The work is schedule to begin in 2025.

**Project Contact Person**

Joe Hatch  
651-556-4600  
jhatch@newportmn.gov

(\$ in thousands)

Inflow & Infiltration Phase 2 Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$7,660	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,660</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$7,660	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,660</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	Yes
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
West Central Regional Water District	1	GO	10,000	0	0	0	0	0
<b>Total Project Requests</b>			10,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			10,000	0	0	0	0	0

**West Central Regional Water District**

**AT A GLANCE**

**2026 Request Amount:** \$10,000

**Priority Ranking:** 1

**Project Summary:** The West Central Regional Water Supply Project will provide a new potable water source to the cities and rural residents of Polk, Norman, and Clay Counties. Rural residents and city residents alike are facing issues with water quality, quantity, high capital costs, and lack of experienced operators. The maximum safety threshold of arsenic is 10 µg/L, currently 43% of tested wells within Norman County, 39% of wells in Clay County, and 21% of wells within Polk County exceed the safety threshold.

**Project Description**

This project will serve residents of Norman, Clay, and Polk Counties within the boundary of the West Central Regional Water District (WCRWD), formed under Minnesota Statute 116A. The WCRWD is the first regional water district established in Minnesota since approximately 1985. Its purpose is to ensure access to drinking water that exceeds local and federal quality standards through a cost-effective and sustainable regional water system.

The project will centralize water treatment through a regional pipeline network connecting multiple communities to shared treatment, pumping, and storage facilities. This approach replaces the traditional silo model, where each community would require its own treatment plant, which is more costly and less efficient. By consolidating infrastructure, the project will mitigate challenges related to aging facilities, variable groundwater quality and quantity, and local workforce shortages in certified water operators. Additionally, this system will enhance long-term water sustainability by spreading high capital costs across a broader population.

**Scope of Work**

The project includes the study, design, and construction of a pipeline network linking communities and rural areas to a centralized system. Key cities served in the initial phase include Climax, Nielsville, Beltrami, Halstad, Hendrum, Perley, Borup, Georgetown, and Felton. Concurrently, preliminary engineering and studies will be conducted to support future phases, including rural customer sign-ups and extending transmission lines to eastern portions of Norman, Clay, and Polk Counties.

**Total Project Costs and Funding Request**

The estimated cost for this phase is \$24.93 million. Of this total, \$10 million is requested from the Minnesota Legislature, with the remaining to be funded through a combination of local share and matching funds. This local share will be supported through utility rates, membership fees, and funding from other sources, including USDA programs, Congressional Direct Spending, Minnesota

DEED, State Revolving Fund (SRF), and Water Infrastructure Fund (WIF).

To date, approximately \$3.5 million has already been spent locally to support this project, demonstrating a strong commitment from the region to advancing this critical infrastructure.

This project represents a transformational investment in regional water infrastructure, improving access, reliability, and quality for communities across three counties.

### **Project Rationale**

1. Life and Safety: Treats water for PFAs, manganese, nitrates, and arsenic, with 43% of wells in Norman, 39% in Clay, and 21% in Polk Counties exceeding safe arsenic levels (10 µg/L).
2. Preserving Infrastructure: Utilizes a regional approach with regional centralized infrastructure, listed as State Drinking Water Fund Project #1540003-2.
3. Community Engagement: Over 75 public meetings held with residents, municipalities, and counties.
4. Child Health: Reduces arsenic exposure, improving growth, brain function, and reducing cancer risks.
5. Equity: Replaces aging rural infrastructure, spreading costs to ensure affordability.
6. Exceeds 50% Local Match: Includes approximately \$15M in additional funding.
7. Local Support: Backed by over 20 agency and municipality letters of support and 500+ rural water requests.
8. Climate Resilience: Regionalization ensures drought resilience and reduces energy use through system consolidation.

### **Project Timeline**

\*2020–2025 - Held over 75 public meetings with residents, municipalities, and counties regarding the WCRWD.

Secured over 20 letters of support, resolutions, and 500+ rural water requests.

Approximately 30 separate funding requests for the project.

\*December 2022 - North River Crossing to City of Climax became operational.

\*January 2023 - Legislation introduced by Senators Kupec and Johnson and Representatives Kiel and Joy.

\*May 2023 - Clay, Norman, and Polk Counties passed resolutions to form the WCRWD.

\*Summer 2023 - Judicial proceedings initiated to authorize the WCRWD public water system.

\*January 2024 - Legislation reintroduced.

\*Fall 2025 - Conclude judicial proceedings.

\*Winter 2025–2026 - Design phase

\*Fall-Winter 2026 - Construction begins.

\*Spring 2028 - Substantial Completion of Phase 1

### **Other Considerations**

Cities like Perley and Felton are in dire need of a sustainable water solution, making this project critical for their future. Traditional funding mechanisms in Minnesota do not adequately address a project of this scale and complexity, which is unprecedented since the 1980s. This is the fifth time the project has been submitted for bonding consideration, underscoring its importance and the urgency of securing support.

The regional approach will provide significant benefits to rural communities by ensuring reliable, high-quality drinking water while addressing workforce shortages in water operations. Additionally, the project's long-term cost efficiency and savings stem from consolidating water treatment and

distribution, reducing redundancy, and spreading costs over a larger population. This ensures affordability for rural residents and delivers sustainable infrastructure for decades to come.

### **Impact on State Operating Subsidies**

No ongoing operational funding required as part of this effort.

### **Who will own the facility?**

The project will be owned and operated by the West Central Regional Water District, established through a collaborative effort by Clay, Norman, and Polk Counties.

### **Who will operate the facility?**

The project will be operated by the West Central Regional Water District, ensuring efficient management of the system through its regional approach. By consolidating operations under a single district, the WCRWD can streamline resources, reduce redundancy, and provide cost-effective solutions compared to individual city-run systems. This model enhances operational efficiency and ensures reliable, high-quality service across the region.

### **Who will use or occupy the facility?**

This is a regional solution to provide safe, reliable, and sustainable drinking water to residents in Polk, Norman, and Clay Counties. It addresses water quality issues, such as arsenic levels above the EPA's safety threshold, and ensures adequate water quantity for future growth. Aging infrastructure, lack of licensed operators, and rising maintenance costs pose ongoing risks to water service reliability. This project will prevent critical failures and support long-term community development.

### **Public Purpose**

This is a regional solution to provide safe, reliable, and sustainable drinking water to residents in Polk, Norman, and Clay Counties. It addresses water quality issues, such as arsenic levels above the EPA's safety threshold, and ensures adequate water quantity for future growth. Aging infrastructure, lack of licensed operators, and rising maintenance costs pose ongoing risks to water service reliability. This project will prevent critical failures and support long-term community development.

### **Description of Previous Appropriations**

To date, the project has not received any state appropriations. However, it has been submitted for bonding consideration during the previous five legislative sessions.

### **Project Contact Person**

Keith Berndt  
County Engineer  
218-784-7126  
keith.berndt@normanmn.gov

(\$ in thousands)

West Central Regional Water District

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$10,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$5,300	\$0	\$0
Other Local Government Funds	\$0	\$3,500	\$0	\$0
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$6,128	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$24,928</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$308	\$0	\$0
Predesign Fees	\$0	\$257	\$0	\$0
Design Fees	\$0	\$1,439	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$22,924	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$24,928</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
documents?	
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Caswell Park Improvements - Phase 2	1	OT	15,500	0	0	0	0	0
<b>Total Project Requests</b>			15,500	0	0	0	0	0
<b>Other State Funding (OT) Total</b>			15,500	0	0	0	0	0

## Caswell Park Improvements - Phase 2

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$15,500
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	\$15.5 million in state funds is requested to complete Phase 2 of the Caswell Park Improvements consisting of expanding Caswell Park's local, regional, and statewide benefit by constructing, furnishing, and equipping an indoor field house. The project will be located on property owned by the City of North Mankato immediately adjacent to Caswell Park.

**Project Description**

Total project cost is \$28 million dollars. Local revenue available for the project is \$12.5 million dollars generated from future GO Bonds and Sales Tax Bonds tied to existing sales and use tax extended by voters in 2016 and approved by the Legislature in 2018. The remaining \$15.5 million dollars needed for the project is requested to come from a state of Minnesota bonding appropriation.

\$2.0 million dollars was approved by the Legislature in the fall of 2020 to complete Phase 1 consisting of upgrades to the existing Caswell Regional Sporting Complex (concession upgrades, restroom upgrades, parking lot addition, replace fencing, replace field lights, replace scoreboards, perform necessary site work, increase size of four fields to 300 feet, install knee wall and backstop nettings, provide additional spectator seating, replace the public announcement system, add gateway signage, and install turf field at Caswell North soccer complex. The softball portion of Caswell Park is located on a 27 acre parcel (1,176,120 square feet of which 4,000 square feet is concessions).

\$28 million dollars will be used to construct a 108,000 square foot indoor field house. The field house will include four full sized basketball courts and six tennis courts. The basketball portion of the facility can be converted into eight youth sized basketball courts or eight full sized volleyball courts. The tennis courts can be converted into 12 pickle ball courts. Associated support space is included in the 108,000 square feet such as concessions, restrooms, meeting space, and storage.

More information can be found at <https://www.caswellsports.com/bondingrequest>

**Project Rationale**

1. Responds to regional planning efforts
2. Partners with an existing statewide asset
3. Business leaders demanding more amenities
4. Local youth sporting demand & partnership with Minnesota State University,
5. Positions Mankato/ North Mankato region for future prosperity

The Caswell Regional Sporting Complex bonding request is the product of nearly a decade's worth of regional discussion about recreational needs in the Mankato/North Mankato Metropolitan Statistical Area, successful extension of an existing sales and use tax, and coordinated regional planning. At least three independent feasibility studies have been completed addressing the need for indoor recreational/court space in the area, including one by the Minnesota Amateur Sports Commission. All agree sufficient demand exists for construction of a fieldhouse in an area of the state underserved by this type of asset. The indoor fieldhouse is a critical piece of a constellation of recreational investments in the Mankato/North Mankato area aimed at strengthening south central Minnesota for future economic and livability success.

Conversations with business leaders in the community continue to include reports of difficulties attracting workers of all professional levels to the Mankato/North Mankato Metropolitan Statistical Area due to a lack of indoor amenities like the proposed fieldhouse. As a result, business leaders are demanding these types of investments as a way to attract talent that will help them continue to sustain and grow their companies in the area. The fieldhouse expansion will increase the regional economic impact of Caswell by increasing the number of months the park operates from six to twelve with the addition of indoor winter sports like basketball, volleyball, tennis, and pickleball. In the Mankato/North Mankato area a need exists for additional events hosted in the winter to draw visitors to the area, fill hotels, and provide customers to entertainment oriented businesses. The fieldhouse expansion at Caswell will also address these needs.

Lack of space and available time is continually mentioned by sporting groups looking to invest in local athletes and grow their programs. This lack of space limits regular practice times, performance training, and the ability to host regional tournaments. Numerous examples of citizens traveling into the Twin Cities Metro Area with children to participate in sporting leagues can be offered as a result of the lack of these amenities. The constraints mentioned above induced the area basketball, volleyball, and tennis groups to sign letters of intent with specific hours and rates to locate to the proposed facility. These letters of intent include larger regional institutions like Minnesota State University Mankato's tennis team and Bethany Lutheran College's tennis team. As a result, the Caswell Sports Regional Bonding Request not only assists local programs, but also guarantees partnership between the community and higher education institutions by co-locating uses in the same facilities. Therefore, it is a terrific example of partnership between the state and local entities.

Awarding the \$15.5 million dollars in state bonding appropriations responds to regional planning efforts, invests in a time proven existing statewide asset, addresses the demands of business leaders, resolves inequities in access to youth sporting facilities based on geography, and provides an asset that will be leveraged for decades for the prosperity of the region. It can also address an equity issue by considering the average household income in the Mankato/North Mankato area is lower than other areas of the state.

## **Project Timeline**

Construction would start in Fall 2026 with an anticipated opening in Fall 2027.

## **Other Considerations**

The Caswell Regional Sporting Complex bonding request answers each and every call Governor Walz made to Minnesotan's. The request provides opportunities for youth and adults in the region, invests

in a time proven state asset requiring enhancements to continue meeting the expectations of its visitors, and partners with an entire region seeking to secure its future prosperity by creating amenities that will attract workers and residents to Minnesota. The Caswell Regional Sporting Complex request is not simply a youth sporting facility, it is a critical piece to ensuring the Mankato/North Mankato MSA continues to prosper and eliminates barriers to that success linked to geography

The Caswell Regional Sporting Complex was in the governor's bonding bill for both 2022 and 2023. As a statewide regional asset, continued investment in Caswell Park secures additional support to a wide variety of business institutions and enhances a Minnesota jewel.

### **Impact on State Operating Subsidies**

None

### **Who will own the facility?**

City of North Mankato

### **Who will operate the facility?**

City of North Mankato

### **Who will use or occupy the facility?**

General public, local youth athletic teams, area public schools, in-state visiting teams, out of state visiting teams, international visiting teams, Minnesota Attack Volleyball Club, Minnesota Rise AAU basketball, the Mankato Area Basketball Association, the Mankato Area Tennis Association, Minnesota State University Mankato Tennis Team, Bethany Lutheran College Tennis Team, Caswell Regional Sporting Complex staff, other local groups.

### **Public Purpose**

See "other considerations" response. To promote the economic and social benefits of sports and sports tourism.

### **Description of Previous Appropriations**

\$2.0 million appropriated by the State of Minnesota in the fall of 2020 to complete Phase 1 of the Caswell Park Improvements. This included upgrades to the existing outdoor fields, construction of an artificial field, and full design documents for the indoor fieldhouse. The \$2.0 million appropriation was matched with \$2.3 million from the City of North Mankato and \$700,000 in donation from local groups.

### **Project Contact Person**

Kevin McCann  
City Administrator  
507-625-4141

kmccann@northmankato.com

(\$ in thousands)

Caswell Park Improvements - Phase 2

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$0	\$15,500	\$0	\$0
General Obligation Bonds	\$0	\$0	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$12,500	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$28,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$2,000	\$0	\$0
Construction	\$0	\$26,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$28,000</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

# North Zumbro Sanitary Sewer District

# Projects Summary

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
North Zumbro Sanitary Sewer District Wastewater System	1	GO	44,800	0	0	0	0	0
<b>Total Project Requests</b>			44,800	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			44,800	0	0	0	0	0

(\$ in thousands)

North Zumbro Sanitary Sewer District Wastewater System

**AT A GLANCE**

**2026 Request Amount:** \$44,800

**Priority Ranking:** 1

**Project Summary:** The project will be creating a new regional sanitary district to serve the communities of Goodhue, Pine Island, Wanamingo, and Zumbrota. The project includes land purchased by Prairie Island Indian Community in Pine Island, which requires the necessary infrastructure for future development. A new wastewater facility will be built near the City of Zumbrota. Lift stations and piping will be installed to connect all four communities, including Prairie Island Indian Community.

**Project Description**

Each community has aging facilities and are facing more restrictive permit discharge limits. A new facility, pumping, and piping system will allow the communities to make better use of tax dollars by economy of scale, lower cost per gallon for treatment, better performance and reliability, staff efficiencies and reduced sampling and testing. There is an anticipated \$1,000,000 per year operations and maintenance savings on a new treatment plant compared to operating four aging facilities.

**Project Rationale**

The communities of Goodhue, Pine Island, Wanamingo and Zumbrota have wastewater treatment facilities that are nearing the end of their life cycles. Prairie Island Indian community requires the necessary infrastructure, including wastewater treatment, to develop land within Pine Island City limits. In a collaborative effort the communities are working toward construction of a regional sanitary sewer district to process the municipal wastewater. The project has received \$10 million of State appropriations to predesign, design, engineer and acquire land for a new state-of-the-art regional wastewater treatment facility. Benefits of a regional facility include gained efficiencies due to an economy of scale which could lead to a lower cost per gallon for treatment, staff efficiencies including better wastewater operator retention, one single point of discharge into a public receiving water, one wastewater discharge permit to manage and comply with, and decreased long-term financial burden.

**Project Timeline**

Land has been purchased for the site. The project is currently in the design services and permitting phase, which is expected to be completed by June 2025. If funding is approved, construction is anticipated to take two years to complete.

**Other Considerations**

The construction of a regional wastewater treatment facility and collection system benefits will

include land owned by Prairie Island Indian Community near Pine Island. Prairie Island plans to develop land for future housing expansion and other economic development opportunities. Without the necessary infrastructure, including wastewater treatment, the development can not proceed.

### **Impact on State Operating Subsidies**

No operating dollars requested

### **Who will own the facility?**

The treatment facility will be owned by the North Zumbro Sanitary District.

### **Who will operate the facility?**

The treatment facility will be operated and maintained by the North Zumbro Sanitary District.

### **Who will use or occupy the facility?**

Cities of Goodhue, Pine Island (Including Prairie Island Indian Community within City limits), Wanamingo, and Zumbrota

### **Public Purpose**

Provide regional wastewater treatment for the communities of Goodhue, Pine Island (including Prairie Island Indian Community), Wanamingo, and Zumbrota that will serve as a model for other State-wide collaborative efforts. A Sanitary District will improve the water quality in the Zumbro River and provide better flood protection. There will be only one discharge rather than four separate discharges. This new facility will increase the opportunity for residential, commercial, and industrial growth.

### **Description of Previous Appropriations**

2023 State Bonding Capital Appropriation of \$10 Million \$10,000,000 was appropriated from the general fund to the Public Facilities Authority for a grant to the joint powers sanitary district created pursuant to Minnesota Statutes, section 471.59, comprising the cities of Zumbrota, Goodhue, Pine Island, and Wanamingo, to predesign, design, engineer and acquire land for a new state-of-the-art regional wastewater treatment facility to be located in Goodhue County.

### **Project Contact Person**

Michael Boulton  
Wanamingo City Administrator  
507-824-2477  
cityadministrator@cityofwanamingo.com

**North Zumbro Sanitary Sewer District**

**Project Detail**

(\$ in thousands)

**North Zumbro Sanitary Sewer District Wastewater System**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$10,000	\$44,800	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$54,800	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$10,000</b>	<b>\$99,600</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$1,000	\$0	\$0	\$0
Predesign Fees	\$8,500	\$0	\$0	\$0
Design Fees	\$500	\$7,000	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$92,600	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$10,000</b>	<b>\$99,600</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Facility Project for the Northern Lights Academy (NLA)	1	GO	6,500	0	0	0	0	0
<b>Total Project Requests</b>			6,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			6,500	0	0	0	0	0

(\$ in thousands)

**Facility Project for the Northern Lights Academy (NLA)****AT A GLANCE****2026 Request Amount:** \$6,500**Priority Ranking:** 1

**Project Summary:** The Northern Lights Academy (NLA) currently leases space in two old buildings which are 5 miles apart and not designed for students with significant behavioral challenges and needs. It doesn't have the funding sources to renovate or build a building that would provide a safe and equitable space for the students who come from 12 school districts for a higher level of specialized support.

**Project Description**

The NLA needs a school facility specifically designed for students with significant needs in emotional regulation due to their disabilities. NLA currently occupies space in two different buildings in two towns five miles apart because there is not enough space in one building to accommodate all the students. The project will either build new or renovate a building if one is found that could be repurposed when renovated.

The need is for approximately 30,000 sq. ft. for classrooms, a gym, breakout spaces, offices, and mental health support spaces. It also needs to have outdoor space with a playground. Currently, students have to access a local area park 1-2 blocks away in order to have a playground.

The total cost is now estimated to be approximately \$17 million (M) with a request to be included in the bonding bill for \$6.5 million.

One funding source is the \$64/pupil lease levy authority that each of the 12 districts we serve have. This will generate approximately one-third of the cost of the building. The districts are all looking at having to cut costs for the next school year and are not able to contribute any more than the lease levy authority.

A request has also been made to the federal government in the form of community projects through the Minnesota Legislators. Unfortunately, the Northern Lights Academy does not have other funding sources. Other cooperative schools have been able to receive grants from organizations like Sourcewell, but there is not a like organization in our region that is able to contribute funds.

**Project Rationale**

Regular independent school districts who need a building work with their communities to pass referendums to build and remodel (when appropriate) schools. Cooperative school districts do not have the same option. The 12 districts we serve do not have the funding to support a facility project without significant funding from other sources and we have been unable to find other sources.

The students who attend NLA deserve to attend school in a building that is designed to meet their complex needs. The two old buildings we occupy do not have adequate spaces to provide for all the students needs. One of the buildings is in jeopardy of not being able to be insured because the amount of monty needed to upgrade systems (one being the electrical system) in not available.

### **Project Timeline**

At this time, it is hard to provide a timeline because we have not secured funding for the project. As soon as we can secure funding, we would move into the design phase with a plan to move forward with building/remodeling as soon as the design plan is approved by the state.

The project timelines include:  
Six months for design.  
Four months for plan review.  
Two months for bidding/contract awards.  
16 months for facility construction.

### **Other Considerations**

The Northern Lights Academy is in discussions with Carton County and Mr. Ryan Pervenanze, Economic Development Director, on securing land for the new school building. This land donation offsets costs budgeted for land acquisition, providing additional opportunities for students attending Northern Lights Academy.

### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

The Northern Lights Special Education Cooperative and the Northern Lights Academy would own the project.

#### **Who will operate the facility?**

The Northern Lights Academy cooperative would operate the project.

#### **Who will use or occupy the facility?**

Students requiring federal setting 4 special education supports and services as well as the staff needed to teach them would use and occupy the facility

### **Public Purpose**

The purpose of the building is to provide an equitable and safe educational environment for students who require a high level of staff supervision and support. An educational setting that is designed to focus on safety and emotional regulation enables students to learn and practice choices in all areas and allows progress on the goals on their Individual Education Plan (IEP) and towards general education standards.

### **Description of Previous Appropriations**

### **Project Contact Person**

Billie Jo Steen  
Executive Director for the Northern Lights Academy and Northern Lights Special Education  
Cooperative  
218-655-6018  
bsteen@nlsec.org

(\$ in thousands)

Facility Project for the Northern Lights Academy (NLA)

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$10,688	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$17,188</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$433	\$0	\$0
Predesign Fees	\$0	\$13	\$0	\$0
Design Fees	\$0	\$1,384	\$0	\$0
Project Management	\$0	\$519	\$0	\$0
Construction	\$0	\$12,863	\$0	\$0
Relocation Expenses	\$0	\$121	\$0	\$0
One Percent for Art	\$0	\$39	\$0	\$0
Occupancy Costs	\$0	\$225	\$0	\$0
Inflationary Adjustment	\$0	\$1,591	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$17,188</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Lake Bemidji Wastewater Project	1	GO	8,000	0	0	0	0	0
<b>Total Project Requests</b>			8,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			8,000	0	0	0	0	0

Lake Bemidji Wastewater Project

**AT A GLANCE**

**2026 Request Amount:** \$8,000

**Priority Ranking:** 1

**Project Summary:** Northern Township requests \$8 million in state bonding for Phase 2 of its sanitary sewer project along Lake Bemidji. This phase will extend sewer from the Beach Ln boat access south along Lavinia and Waville Roads to the township’s border, replacing many aging septic systems also improving land use. When complete, the two-phase project will sewer 100% of the township’s lakeshore, protecting water quality at the Mississippi headwaters and ensuring long-term environmental and economic health.

**Project Description**

Northern Township respectfully requests \$8 million in state capital investment to complete **Phase 2** of its regional sanitary sewer project on Lake Bemidji. This environmental and infrastructure project will replace failing septic systems with a centralized municipal system, protecting water quality, preserving the Mississippi River headwaters, and completing a vision over 50 years in the making. **Phase 2** will extend south from the **Beach Ln Boat Access** along Lavinia Road and Waville Road to the Township’s southern border. This phase will sewer approximately three miles of shoreline and finish connecting **100% of Northern Township’s properties on Lake Bemidji** to public sewer. The project serves primarily residential areas with many small, constrained lots and aging or failing septic systems. These conditions pose serious risks to groundwater and surface water quality, and limit land use and property value.

The full project is being implemented in two consecutive phases:

- **Phase 1**, beginning construction in 2026, focuses on the northern lakeshore and includes key facilities such as **Lake Bemidji State Park**, the **Minnesota DNR Regional Headquarters**, and **Ruttger’s Birchmont Lodge**. These major stakeholders have end of life septic systems and have long supported centralized sewer as the most sustainable option. Phase 1 also includes critical coordination with **Beltrami County’s reconstruction of CSAH 20**, saving an estimated **\$1.5 million** in combined infrastructure costs by aligning road, storm sewer, and sanitary construction.
- **Phase 2**, proposed for construction in 2027, builds on this foundation and completes the remaining southern shoreline. Once complete, all Northern Township properties along Lake Bemidji—from the northwest boat landing to the southern Township boundary—will be protected by a state-of-the-art sanitary sewer system.

The system includes:

- ~12,000 linear feet of gravity sewer and forcemain
- 40 manholes and over 100 sewer service connections

- 1 municipal lift station
- Final connection to a modern enclosed mechanical treatment facility

This treatment plant will use advanced nutrient removal to exceed MPCA standards, dramatically reducing phosphorus and nitrate loading into the lake. This helps prevent harmful algal blooms and long-term nutrient buildup, protecting aquatic health and recreation. The plant will serve both phases and is a scalable solution for long-term regional needs.

This project is a rare opportunity to:

- Eliminate hundreds of individual septic systems, most over 25 years old
- Prevent phosphorus leaching into a high-use recreational lake
- Support tourism and public facilities that rely on clean water
- Improve property values and enable sustainable lot use
- Fulfill a longstanding regional infrastructure plan

Lake Bemidji is one of Minnesota’s most visited lakes, welcoming hundreds of thousands of visitors each year. As the first lake community on the Mississippi River, its condition sets the tone for the entire river system. Northern Township, Beltrami County, and other stakeholders recognize the need for coordinated environmental stewardship—and this project exemplifies that commitment.

The Township has already secured **over \$6 million in federal funding** for Phase 1 and is contributing additional local funds through township road funds, bonding, and assessments. Engineering and environmental planning are well underway, and the Township is prepared to move quickly upon securing state investment.

This \$8 million request will complete a shovel-ready, environmentally transformative project that serves public, private, and state stakeholders. State support is essential to ensure this final phase is constructed in 2027, bringing the full benefits of this once in a generation opportunity for infrastructure improvement to Minnesota’s headwater region.

## Project Rationale

Northern Township’s Phase 2 sanitary sewer extension is a vital public investment to complete a once-in-a-generation clean water project. This initiative will eliminate failing and outdated septic systems along the remaining portion of Lake Bemidji’s eastern shoreline, protect the Mississippi River headwaters, and deliver long-term benefits for residents, the environment, and Minnesota’s broader economy.

### Aging Septic Systems and Increasing Risk

More than **63%** of septic systems are **over 25 years old**, and an additional portion—potentially raising the total to **nearly 70%**—have no documented installation records. These systems were designed and installed under outdated standards and often lack modern nutrient filtration capabilities.

Many systems are operating well beyond the window in which typical maintenance and replacement occur. Given the area’s small, substandard lots, high groundwater table, and sandy soils, even a functioning system may contribute to cumulative nutrient loading in surrounding soils and waterbodies.

Importantly, most properties do not have the physical space to replace or upgrade their systems in compliance with current standards. As time progresses, the likelihood of system failure—and the associated cost, environmental, and regulatory implications—will only increase.

Replacing these systems with a centralized, professionally managed municipal system is a proactive approach to avoiding future contamination events, enforcement burdens, and costly one-off system repairs or variances. This is a public investment in **prevention**, not reaction.

#### **Environmental Protection and Clean Water**

Lake Bemidji is already classified as mildly eutrophic, and its phosphorus levels have crossed impairment thresholds in the past. Though water clarity has improved in recent years—partially due to the filtering effects of zebra mussels—underlying nutrient inputs remain high and threaten long-term lake health.

The region’s **sandy, well-drained soils and high groundwater table** offer little resistance to nutrient leaching, allowing phosphorus and nitrogen from aging septic systems to enter both shallow aquifers and the lake itself. With hundreds of septic systems clustered close to the shoreline, this is a clear and escalating environmental risk.

Phase 2 will connect more than 100 additional properties to a centralized treatment system designed to **exceed MPCA discharge standards**, drastically reducing nutrient loading and virtually eliminating septic contributions to the lake. It builds on the environmental investment of Phase 1 and completes the systemwide solution for the Township’s lakeshore.

As a headwater lake of the Mississippi River, protecting Lake Bemidji is not just a local priority—it is a regional and national imperative.

#### **Better Land Use and Community Planning**

The residential areas included in Phase 2 were developed long before modern zoning and wastewater standards were established. As a result, many lots are small, substandard in width or area, and already densely built. In many cases:

- Septic systems take up most usable yard space
- Homeowners have installed long drain lines to off-site lots
- Any future improvements or additions are impossible due to system spacing and setback rules

Installing a centralized sewer system allows these properties to **remove or retire on-site systems**, instantly freeing up land for garages, additions, porches, or accessory units. Setback relief, lot flexibility, and reduced system maintenance costs are immediate benefits to homeowners. In the long term, this infrastructure unlocks more sustainable land use and keeps families from needing variances or off-lot easements just to maintain habitable homes.

#### **Completing a Cohesive Regional Strategy**

Phase 2 is not a standalone initiative—it is the second and final phase of a regional sanitary sewer plan that has been studied for more than **five decades**. Since the 1970s, Northern Township, Beltrami County, Bemidji State University researchers, and multiple consultants have examined ways to modernize wastewater infrastructure around Lake Bemidji.

A consistent conclusion has emerged: a centralized system, managed locally, offers the highest environmental protection, the most flexibility, and the best return on investment.

**Phase 1**, funded in part by **\$6 million in federal EPA grants**, begins construction in 2026 and includes:

- Lake Bemidji State Park
- Minnesota DNR Regional Headquarters
- Ruttger’s Birchmont Resort
- Strategic coordination with Beltrami County’s CSAH 20 reconstruction, saving **\$1.5 million**

**Phase 2**, starting in 2027, completes the system by extending service from the Beach Ln Boat Access south to the Township’s border. With this final connection, the Township will have sewered 100% of

its Lake Bemidji shoreline.

#### **Local and Regional Economic Benefit**

Modern infrastructure sends a signal to homebuyers, investors, and businesses that a community is planning for the future. This project protects one of northern Minnesota's premier recreation lakes and enhances the viability of nearby state and regional tourism attractions.

**Property values** increase when water quality is protected and when homes are served by reliable utilities. Research from Bemidji State University (Krysel et al., 2003) has repeatedly shown that water quality is directly correlated with lakeshore property value, buyer interest, and regional development. This investment protects not just water quality, but the economic health of the entire Lake Bemidji region—home to over 40,000 residents and a vital part of the state's tourism economy.

#### **Project Readiness**

Unlike early-stage or speculative requests, this project is fully scoped and planned for execution within the capital request timeline:

- Environmental and design engineering for both phases is already underway
- The mechanical treatment facility site has been secured
- A professional engineering firm (Freeberg & Grund) is under contract
- Community outreach and property owner engagement are ongoing
- Local matching funds are committed through Township road funds, bonding, and assessments
- Federal funds for Phase 1 are already secured
- The project is scheduled for construction in **two consecutive years**—2026 (Phase 1) and 2027 (Phase 2)

The Township is ready to obligate funds promptly upon receipt, ensuring fast mobilization and efficient use of state investment.

#### **Project Timeline**

Phase 2 of the Northern Township Wastewater Project is scheduled for construction in **Spring 2027**, immediately following the completion of Phase 1. While Phase 1 includes the wastewater treatment plant and required permitting, **Phase 2 consists solely of extending the sewer collection system**, making the schedule for this second phase more streamlined and construction-focused.

Key anticipated milestones for Phase 2 are as follows:

- **Winter 2025–Spring 2026:** Preliminary design and survey work (conducted concurrently with final Phase 1 engineering)
- **Summer 2026:** Final engineering, plan preparation, project public hearing
- **Fall 2026:** Township Board authorization to bid
- **Late Fall 2026:** Bidding and contractor selection
- **Winter 2026/27:** Contract award and pre-construction coordination
- **Spring 2027:** Mobilization and construction begins
- **Summer–Fall 2027:** Construction of sewer collection infrastructure (gravity mains, manholes, services, lift station)
- **Late Fall 2027:** System testing, restoration, and project closeout

The total construction window is expected to be **one full construction season**, with final site

restoration by late 2027. All state funds will be fully obligated within 12 months of receipt, and Northern Township is prepared to manage construction seamlessly with its consulting engineer and local oversight.

By completing both phases in consecutive years, the Township will achieve 100% sewer coverage of its lakeshore properties, avoid inflationary cost increases, and maximize contractor continuity and community momentum.

## **Other Considerations**

### **Impact on State Operating Subsidies**

This project will have **no impact on state operating subsidies**. Northern Township will own, operate, and maintain the sewer collection infrastructure and mechanical treatment facility using local revenue sources, including user fees, special assessments, and Township funds. No ongoing operational or maintenance funding is being requested from the State of Minnesota. The Township has already planned for long-term system sustainability, including staffing, utility billing systems, and MPCA permit compliance, and is committed to operating the system without future reliance on state operating subsidies.

### **Who will own the facility?**

Northern Township

### **Who will operate the facility?**

Northern Township

### **Who will use or occupy the facility?**

Northern Township Residents

## **Public Purpose**

Phase 2 of the Northern Township Wastewater Project will protect Lake Bemidji and the Mississippi River headwaters by replacing aging, substandard septic systems with a modern municipal sewer system. This final phase will connect hundreds of lakeshore properties along Lavinia and Waville Roads, completing the sewerage of 100% of the Township's Lake Bemidji shoreline. The project serves a clear public purpose by preserving water quality, reducing nutrient pollution, protecting public and environmental health, and supporting sustainable land use in a sensitive lakeshore area. It also enhances property values, protects local drinking water, and secures the long-term recreational and economic vitality of one of Minnesota's most iconic lakes. By proactively addressing aging infrastructure and environmental risk, this project ensures lasting public benefit for current residents, visitors, and downstream communities.

## **Description of Previous Appropriations**

None

## **Project Contact Person**

Chris Lahn  
Northern Township Administrator  
218-444-1857  
chris.lahn@northerntownship.com

(\$ in thousands)

Lake Bemidji Wastewater Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$8,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$6,000	\$0	\$0
City Funds	\$0	\$1,000	\$0	\$0
Other Local Government Funds	\$0	\$5,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$900	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$19,100	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in	Yes
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**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Northfield Community Resource Center Improvement	1	GO	2,500	0	0	0	0	0
<b>Total Project Requests</b>			2,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,500	0	0	0	0	0

**Northfield Community Resource Center Improvement**

**AT A GLANCE**

**2026 Request Amount:** \$2,500

**Priority Ranking:** 1

**Project Summary:** Funding will support vital repairs and upgrades to the Northfield Community Resource Center, enhancing safety, accessibility, security, and technology updates. These will benefit key social service providers like Healthy Community Initiative, Community Action Center, Three Rivers Community Action Center, FiftyNorth, Rice County Health & Human Services, Rice County United Way, and Northfield Community College Collaborative.

**Project Description**

The requested funding will support critical repairs and upgrades to the Northfield Community Resource Center (NCRC), ensuring it remains a safe, accessible and functional space for regional community and social service providers. Planned improvements include security and technology upgrades, new flooring and paint, new solar array to meet zero carbon goals and reduce operating costs to social service providers, renovated public restrooms, and replacement of the boiler, chiller, and air handling units. Locker room and pool updates are also included. With additional funding, improvements to organization-specific areas - such as the food shelf, offices, outdoor spaces and senior center - can be made.

The NCRC houses several critical government and non-profit service providers including Health Community Initiative (HCI), Rice County satellite offices, Rice County United Way, FiftyNorth, Community Action Center (CAC), Northfield Community College Collaborative, Workforce Development, Three Rivers Community Resource Center Head Start, and satellite location of the Northfield Public Library.

These organizations deliver essential services to Northfield and surrounding communities. Upgrading the NCRC will enhance the efficiency, accessibility, and long-term sustainability of these services, maximizing public benefit and supporting community well-being.

**Project Rationale**

Upgrading the Northfield Community Resource Center is a strategic and responsible use of taxpayer dollars because it strengthens the well-being, resilience, and economic stability for Northfield and surrounding communities. By preserving and repairing the building asset and basic systems of the building, the facility will continue to provide key social service net support services for decades to come. There are early childhood programs including the Head Start program that will benefit youth. The Northfield Community College Collaborative provides direct MN community college coursework to traditionally underserved populations of color and low income for high demand career

opportunities including nursing, police, and emergency medical technicians. The Community Action Center provides workforce training and support services for low income households as well as a food shelf that has seen substantial increased demands in recent years. Healthy Community Initiative (HCI) is a dynamic nonprofit organization that facilitates health and racial equity alongside people and partners. They invest in community-driven programming for the benefit of youth and their families living in Rice County.

The facility also will be upgraded with on-site solar to provide energy to the facility to meet carbon reduction climate goals of the City and State.

**Project Timeline**

Preliminary design and specifications are completed. Additional scoping details and construction ready design would occur after State funding and contract administration agreements are in place in 2026.

The improvements are scheduled for completion in 2027.

**Other Considerations**

**Impact on State Operating Subsidies**

None.

**Who will own the facility?**

City of Northfield, MN

**Who will operate the facility?**

City of Northfield, MN

**Who will use or occupy the facility?**

City of Northfield, MN and users will continue to occupy the spaces.

**Public Purpose**

Public purpose is for improvement of City owned asset. Operational use include City of Northfield, Rice County and other non-profits outlined in the summary.

**Description of Previous Appropriations**

None

**Project Contact Person**

Ben Martig  
City Administrator  
507-645-3009  
ben.martig@northfieldmn.gov

(\$ in thousands)

Northfield Community Resource Center Improvement

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$2,500	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$5,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
PFAS Water Treatment	1	GO	1,600	0	0	0	0	0
<b>Total Project Requests</b>			1,600	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,600	0	0	0	0	0

## PFAS Water Treatment

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$1,600
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of Oak Park Heights is seeking \$1,600,000 for the design and engineering of improvements to our water treatment infrastructure for the remediation and removal of per- and polyfluoroalkyl substances (PFAS) from our municipal water supply.

**Project Description**

The City of Oak Park Heights is located in Washington County on the banks of the lower St. Croix Scenic Riverway, which is the state border between Minnesota and Wisconsin. The City of Oak Park Heights is undertaking a critical infrastructure project to address the presence of per- and polyfluoroalkyl (PFAS) in our municipal water supply. PFAS are a group of human-made substances that pose public health concerns due to their persistence in the environment and potential link to adverse health outcomes. Water testing in Oak Park Heights has confirmed the detection of PFAS compounds at levels that warrant proactive intervention to ensure the continued safety and reliability of the City's drinking water system.

To address PFAS contamination, the City is proposing a comprehensive water treatment design project. The project is a vital component of the City's commitment to delivering safe, clean water to residents, businesses, and regional visitors. Given the scope and complexity of PFAS contamination, the City is seeking \$1,600,000 in state funding to support the design phase of this project.

**Project Rationale**

The City of Oak Park Heights faces an environmental and public health challenge with the presence of PFAS in our municipal water supply. PFAS compounds are associated with a range of health risks and potential link to adverse health outcomes. PFAS is not effectively removed by conventional water treatment systems and require specialized treatment technologies, making remediation complex and costly.

The City is committed to protecting public health and meeting current and future Minnesota Department of Health and Environmental Protection Agency regulations for PFAS. Early action is essential to maintain public trust, avoid long-term costs and ensure compliance with evolving standards. However, the financial burden of this necessary work will place a significant strain on City resources. The design phase alone represents a major upfront investment. The City looks to move efficiently to evaluate treatment options, complete design work and be positioned for future construction.

In addition to protecting residents, this project has regional significance as the City is home to a high-traffic commercial corridor and serves as a retail and service destination for surrounding

communities. A safe and sustainable water system supports regional economic vitality, public health and environmental stewardship. For these reasons, the City respectfully requests State of Minnesota assistance for the design portion of this vital public health infrastructure design project.

**Project Timeline**

Start - July 2026  
Completion - June 2027

**Other Considerations**

NA

**Impact on State Operating Subsidies**

There will be no impact on state operating subsidies.

**Who will own the facility?**

The City of Oak Park Heights will own the project.

**Who will operate the facility?**

The City of Oak Park Heights will operate the project.

**Who will use or occupy the facility?**

The City of Oak Park Heights will occupy the project.

**Public Purpose**

The public purpose of our PFAS design project is to protect public health and ensure safe drinking water for all residents, businesses, and visitors. PFAS are a group of human-made substances that pose public health concerns due to their persistence in the environment and potential link to adverse health outcomes. Water testing in Oak Park Heights has confirmed the detection of PFAS compounds at levels that warrant proactive intervention to ensure the continued safety and reliability of the City's drinking water system. The City is taking proactive steps to address this issue and design funding is a critical first step as we develop an effective, long-term solution.

**Description of Previous Appropriations**

The City has been awarded grant funds from DEED.

**Project Contact Person**

Jacob Rife  
City Administrator  
651-439-4439  
jrife@cityofoakparkheights.com

(\$ in thousands)

**PFAS Water Treatment**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,600	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,600</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,600	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,600</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	N/A
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Okabena Infrastructure Improvements	1	GO	3,741	0	0	0	0	0
<b>Total Project Requests</b>			3,741	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,741	0	0	0	0	0

## Okabena Infrastructure Improvements

**AT A GLANCE****2026 Request Amount:** \$3,741**Priority Ranking:** 1

**Project Summary:** The City of Okabena is engaging in a multi-phased infrastructure improvement plan to repair, replace, or construct portions of Okabena's drinking water distribution, wastewater, and stormwater systems. This will alleviate increasing health and safety issues and provide the residents and businesses of Okabena with a safe and dependable infrastructure systems.

**Project Description**

Portions of Okabena's water distribution system proposed for replacement are cast iron pipe (CIP), in poor condition, and have experienced multiple breaks over the last 10 years. The oldest portion of the water distribution system consists of 16,900 feet of existing watermain (75%) that was installed in the 1950's and 1970's. This area of the City has experienced 8 breaks in the last 10 years and prompted a project in 2017 to replace two blocks of watermain. During this project, the City experienced 3 separate watermain breaks within a 2-block radius of the work being completed, indicating how fragile the existing CIP has become. Approximately half of the gate valves do not operate, and the City has difficulty isolating the system when repairs are needed. In addition to the inoperable gate valves, many curb stops also do not operate. System operation, repair and maintenance is difficult due to portions of the water main that are located in narrow alley R.O.W and the close proximity of other utilities that are located above the water lines. The City operates dual, parallel watermains comprised of both modern and 1950's cast iron pipe (poor condition). The lack of water meters restricts the City from billing and regulating water usage appropriately. This project will replace the failing watermain pipes, repair additional components of the watermain system that are failing, and install water meters.

The City's sanitary sewer collection and treatment system was constructed in 1978 and is comprised primarily of polyvinyl chloride pipe (PVC), vitrified clay pipe (VCP), and precast concrete manholes. In 2022, jetting and televising of the system showed it in poor to-good condition as well as 10 to 12 locations indicating infiltration. The roofing and siding on the existing lift station is in poor condition and the building lacks an exhaust system for the portable generator. Portions of the sanitary sewer system require replacement, the lift station needs repairs, and the wastewater treatment pond system requires improvements to comply with Minnesota Pollution Control Agency (MPCA) requirements and recommendations.

The existing storm sewer along city streets was constructed at an unknown time, most likely when the streets were first constructed in the early 1950's. Streets and culverts in the Sherwood Park Addition were constructed in the 1960's. The existing storm sewer along CSAH 44 was constructed at

an unknown time. In 1978, the existing storm sewer along CSAH 9 was constructed. Due to age and condition issues, a select portion of the City's storm sewer conveyance system is also in need of replacement.

### **Project Rationale**

The City of Okabena's drinking water and distribution, wastewater, and storm sewer systems are experiencing numerous issues due to advanced age and failing condition, and these issues are affecting the health and safety of Okabena residents. Infrastructure improvements will eliminate the health and safety risks associated with infrastructure failures and provide the residents and businesses of Okabena with safe and sustainable infrastructure systems.

### **Project Timeline**

06/2026: Prepare Plans & Specs  
10/2026: Submit Plans & Specs to MDH and MPCA  
10/2026: Submit Plans & Specs to RD  
01/2027: Advertise for Bids  
04/2027: Award Contract  
06/2027: Proposed Start of Construction  
09/2029: Proposed End of Construction

### **Other Considerations**

Investing taxpayer dollars in water infrastructure projects is a prudent and essential endeavor for several reasons:

1. **Public Health and Safety:** Upgrading aging systems and repairing leaks contribute to healthier communities and a healthier environment.
2. **Economic Benefits:** Water infrastructure projects create jobs, stimulate local economies, and support industries that rely on water resources (such as agriculture, manufacturing, and tourism). Improved water systems attract businesses and enhance property values, leading to economic growth.
3. **Environmental Stewardship:** Investing in water infrastructure promotes environmental sustainability. Upgraded systems can reduce pollution, prevent sewage overflows, and protect natural water bodies.

### **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

### **Who will own the facility?**

The City of Okabena will own the project.

### **Who will operate the facility?**

The City of Okabena will operate the project.

### **Who will use or occupy the facility?**

The residents and businesses of Okabena will use the utility systems and pay utility fees.

**Public Purpose**

This proposed project supports and aligns with the Regional Comprehensive Economic Development Strategies identified in the 2022-2027 report. These investments will yield significant benefits not only for Okabena, but also for the broader region as a whole by providing economic benefits, improving the quality of life for area residents, and environmental sustainability.

**Description of Previous Appropriations**

None

**Project Contact Person**

Rachael Caspers  
City Clerk  
507-853-4500  
okabenacity@gmail.com

(\$ in thousands)

**Okabena Infrastructure Improvements**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,741	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$1,247	\$0	\$0
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$10,439	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$15,427</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$534	\$0	\$0
Design Fees	\$0	\$673	\$0	\$0
Project Management	\$0	\$3,829	\$0	\$0
Construction	\$0	\$10,391	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$15,427</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
City of Olivia Water Treatment Plant Centralized Softening (RO)	1	GO	5,265	0	0	0	0	0
<b>Total Project Requests</b>			5,265	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			5,265	0	0	0	0	0

## City of Olivia Water Treatment Plant Centralized Softening (RO)

**AT A GLANCE****2026 Request Amount:** \$5,265**Priority Ranking:** 1

**Project Summary:** Amount of funding requested for project:\$5,265,000 (including 10.3% inflation) for addition of centralized softening at the water treatment plant to allow removal of point-of-use water softeners to meet new Water Quality Based Effluent Limits (WQBELs) for chlorides that are included in the City's Wastewater Treatment Facility (WWTF) reissued effluent permit. The city has MDH approved design plans and needs to construct the project as soon as possible to meet MPCA permit requirements.

**Project Description**

Due to new Water Quality Based Effluent Limits (WQBELs) for chlorides that are included in the city's latest issued Wastewater Treatment Facility (WWTF) effluent permit, the city must find a solution to lower the chloride amounts in the city's wastewater. The best way to reduce chlorides is to add reverse osmosis (RO) for centralized softening at the water treatment plant (WTP) and remove point-of-use water softeners from homes that create a high level of chlorides in the city's wastewater. Membrane equipment, clean-in-place equipment, antiscalant feed, and a membrane bypass line (for partial membrane bypass blending) will be added. Ozone pretreatment will also be added at the WTP to maximize RO treatment efficiency.

A WTP Building expansion will be required to house the new equipment. The existing WTP has an approximately 3,123 square feet footprint. The addition will be approximately 1,878 square feet.

Project Cost Summary:  
 Construction Cost \$4,620,000  
 Engineering & Admin \$ 895,000  
 Contingency \$ 462,000  
 Subtotal \$5,997,000  
 Inflation \$ 584,000  
 TOTAL \$6,581,000

**Project Rationale**

The city must lower chloride amounts in its wastewater to meet new Water Quality Based Effluent Limits (WQBELs) that are included in the City's Wastewater Treatment Facility (WWTF) reissued effluent permit. The best way to reduce chlorides is to add reverse osmosis for centralized softening at the WTP and remove point-of-use water softeners from homes that create a high level of chlorides in the city's wastewater. While RO will work, its also expensive. While the city can absorb some costs, these mandates are not feasible financially. We ask for bonding bill grant money to help make this

financially feasible as we comply with new permit limits. A compliance schedule has been included in the latest WWTF discharge permit to accommodate the time required to design, fund, and construct a Reverse Osmosis (RO) system at the WTP. The city has MDH approved design plans and needs to construct the project as soon as possible to meet MPCA permit requirements.

**Project Timeline**

RO Pilot Testing: Completed  
MDH approval of plans and specifications: January 13, 2024  
Target Bid Advertisement: Summer 2026

Construction: Dependent on availability of funding (as noted in compliance schedule in the WWTF's reissued permit)

**Other Considerations**

The citizens want to discharge environmentally cleaner water, but also already have high bills in utilities. This funding will off set that cost. There is also the cost to the home owner to remove their own water softeners and many have newer ones that they just paid for.

**Impact on State Operating Subsidies**

NA

**Who will own the facility?**

City of Olivia

**Who will operate the facility?**

City of Olivia

**Who will use or occupy the facility?**

City of Olivia

**Public Purpose**

To meet the mandates and comply with MPCA regulation pertaining to the chloride discharge. The residents and business already have a financial burden with utility and other monthly obligations. The city wants to be fiscally and financially responsible as well as do the right thing with MPCA. This bonding money will help our city and residents to comply and be fiscally responsible at the same time.

**Description of Previous Appropriations**

NA

**Project Contact Person**

Shawn Hanson  
Finance Director  
320-523-2361

shanson@olivia.mn.us

(\$ in thousands)

City of Olivia Water Treatment Plant Centralized Softening (RO)

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,265	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$1,316	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,581</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$58	\$0	\$0
Design Fees	\$0	\$584	\$0	\$0
Project Management	\$0	\$254	\$0	\$0
Construction	\$0	\$5,685	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,581</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Regional materials recovery facility	1	GO	18,606	0	0	0	0	0
Proposed Interchanges at CSAH 3 and TH 14 and CSAH 5 and TH14	2	GO	5,600	0	0	0	0	0
		THB	2,400	0	0	0	0	0
Community Reuse and Recycling Center	3	GO	13,513	0	0	0	0	0
<b>Total Project Requests</b>			40,119	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			37,719	0	0	0	0	0
<b>Trunk Highway Bonds (THB) Total</b>			2,400	0	0	0	0	0

Regional materials recovery facility

**AT A GLANCE**

**2026 Request Amount:** \$18,606

**Priority Ranking:** 1

**Project Summary:** Olmsted County requests \$18,606,000 state capital investment to construct and equip a regional materials recovery facility (MRF) with objectives to reclaim recyclable materials and remove recoverable and noncombustible materials from the waste stream to be further processed. The MRF will convert municipal solid waste from a liability to an asset and create opportunities that are sustainable and environmentally focused. There is currently no regional MRF in southeastern Minnesota.

**Project Description**

The materials recovery facility (MRF) will expand upon the county's integrated resource recovery system by reclaiming materials and removing problematic items from the waste stream. The new 49,000 square foot building addition is proposed to be constructed contiguous to the south side of the existing OWEF. Commercial collection vehicles transporting municipal solid waste (MSW) and source-separated recyclables will be unloaded into two corresponding separate areas on the concrete tipping floor.

The proposed equipment requirements for a proven materials processing system capable of processing at least 60 tons per hour (TPH) of MSW or 20 TPH of single-stream recyclables will include conveyors, sorting, separation, and processing equipment. This equipment will process the MSW on a different operating schedule from the source-separated recyclable materials. With both the MSW and source-separated recyclables, designated recyclables will be recovered and processed to meet market specifications. Fine materials will be separated, as well as mixed glass. This facility currently accepts waste from Olmsted and Dodge counties and the City of Red Wing as a backup when the Xcel Energy facility is down for maintenance.

The primary objective of the MRF is to improve recycling and the characteristics of the MSW being sent to the OWEF by greatly reducing the metals, glass, grit, and other non-combustible waste items. This will improve the reliability of the OWEF, which will reduce operational and maintenance costs. This may also decrease air pollutant emissions and ash metals content. Not only will these materials no longer wear the OWEF equipment, but they will also be recovered in a marketable form, providing enhanced recycling as well as additional revenue to the solid waste enterprise fund. The metals component in the MSW will be converted from a liability to an asset.

Recycling is an essential component of waste management in Olmsted County. Recycling (along with reduction, reuse, and composting) is at the top of the state's waste management hierarchy and plays a critical role as a waste abatement strategy to minimize solid waste disposal at waste-to-energy and

landfill facilities. Minnesota Statute §115A.551 requires counties to develop and implement recycling goals and submit program strategies to the MPCA for approval.

The total cost of the project is \$57.211 million which has increased significantly from previous estimates in 2022. The increase is primarily due to specialized equipment cost increases, inflation of construction materials, and increasing the size of the building by 19,000 square feet to better meet regional needs into the future. The county has been appropriated \$10 million from the state through the 2023 bonding bill and will secure up to \$15 million county bond funds in the fall of 2025 to begin the project. The 2026 request seeks \$18.606 million in state bonding to help ensure the project will be completed.

### **Project Rationale**

Currently there is no regional MRF located in southeastern Minnesota. A regional MRF will promote innovation and collaboration and be responsive to the changing recycling industry. This project will help meet state recycling goals, meet many of the county's long-range solid waste management goals, and provide better waste management options for the communities in the region.

The new MRF will: 1) support population growth and development in the region; 2) improve local recycling rates and provide a regional option for processing recyclables; 3) reduce transportation emissions by sorting and processing the materials locally in the region; 4) delay expansion of the landfill and OWEF; and 5) provide better waste management options for regional partners, private haulers, businesses, families, and individuals.

### **Project Timeline**

The following is the tentative timeline, pending the award of state capital investment:

- Design, permitting, and bidding: July - October 2025
- Order pre-engineered metal building: October 2025
- Order/contract for equipment: October 2025 (expected delivery July 2026)
- Construction: April 2026 - April 2027
- Begin operation: July 2027

### **Other Considerations**

The MRF will serve the entire southeast region of the state. Several counties and local private businesses have indicated support for the Olmsted County MRF project and we are continuing to reach out to other counties and regional partners.

### **Impact on State Operating Subsidies**

None known.

### **Who will own the facility?**

Olmsted County

### **Who will operate the facility?**

Olmsted County

**Who will use or occupy the facility?**

Olmsted County, neighboring counties, private haulers, private businesses, individuals, and other regional partners.

**Public Purpose**

Minnesota Statute §115A.551 requires counties to develop and implement programs to reach state recycling goals. Olmsted County is committed to improving recycling outcomes in the region by strengthening partnerships with other counties, businesses, nonprofits, and the waste and recycling industry. The project will help achieve the state's solid waste and climate goals and the county's long-range sustainability goals while providing better waste management options for communities in the region.

**Description of Previous Appropriations**

Minnesota Session Laws - 2023, Regular Session Chapter 72 appropriated \$10,000,000 in general obligation bonds to the Pollution Control Agency for a capital assistance grant to Olmsted County to design, construct, and equip a new materials recovery facility.

**Project Contact Person**

Jennifer Berquam  
Legislative/Policy Analyst  
651-308-8266  
jennifer.berquam@olmstedcounty.gov

(\$ in thousands)

Regional materials recovery facility

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$10,000	\$18,606	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Other Local Government Funds	\$0	\$15,000	\$0	\$0
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$13,605	\$0	\$0
<b>TOTAL</b>	<b>\$10,000</b>	<b>\$47,211</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$300	\$0	\$0
Design Fees	\$800	\$970	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$8,900	\$38,480	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$300	\$4,650	\$0	\$0
Inflationary Adjustment	\$0	\$2,811	\$0	\$0
<b>TOTAL</b>	<b>\$10,000</b>	<b>\$47,211</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.**

Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Proposed Interchanges at CSAH 3 and TH 14 and CSAH 5 and TH14**

**AT A GLANCE**

**2026 Request Amount:** \$8,000

**Priority Ranking:** 2

**Project Summary:** Olmsted County in partnership with the City of Byron seeks \$8,000,000 in state capital investment for environmental review, preliminary design, and design of proposed interchanges at the intersections of County State Aid Highway (CSAH) 3/Trunk Highway (TH) 14 and CSAH 5/TH 14. Objectives of the project are to improve safety and support regional growth and economic development.

**Project Description**

The project consists of environmental review, preliminary design, and design of proposed interchanges at CSAH 3/TH 14 and CSAH 5/TH 14. Objectives of the project are to improve safety and support regional growth and economic development.

The intersection of CSAH 3/TH 14 is located east of the City of Byron in Olmsted County. In 2023, a reduced conflict intersection (RCI) was constructed at CSAH 3/TH 14 as an interim safety improvement measure. The severity rate of crashes at this intersection is above the critical threshold. The proposed interchange will provide a grade separated intersection which will span TH 14 and the Canadian Pacific railroad to improve safety. The new interchange will also encourage new commercial and industrial development in the surrounding area.

The intersection of CSAH 5/TH 14 is located in the middle of the City of Byron. It is currently a signalized intersection and has a higher than normal crash rate. The severity rate of crashes at this intersection is above the critical threshold. The proposed interchange will be located approximately 650 feet south of the existing intersection due to constraints with the existing frontage road on the north side of TH 14. The relocation of the roadway will result in the availability of the current right-of-way for potential commercial use. The existing frontage road currently only has businesses on the north side, this will allow full redevelopment of the existing right-of-way without significant infrastructure cost. In addition to the right-of-way reuse, property south of the new intersection will become marketable for commercial and industrial uses, creating new jobs.

The project will improve safety with the removal of three existing at-grade intersections and an at-grade railroad crossing. The grade separated interchanges will result in removal of traffic signals at CSAH 5/TH 14 and at 10th Avenue/TH 14 and replacement of the temporary RCI intersection at CSAH 3/TH 14. The intersection of 10th Avenue/TH 14 will be permanently closed when the interchanges are complete. The severity rate of crashes at this intersection is also above the critical threshold.

The design of these two interchanges is vital to the economic expansion of the City of Byron. This project will open up over 300 acres of commercial and industrial land for development and the

creation of new high paying jobs. The elimination of the only traffic signals on TH 14 between New Ulm and Rochester fosters safety, efficiency, and economic development for the entire region.

**Project Rationale**

The project will address safety, mobility, and capacity/growth goals. The proposed interchanges remove an at-grade railroad crossing, three at-grade intersections, and two traffic signals, greatly improving safety on this portion of the TH 14 corridor. The severity rate of crashes at each at-grade intersection is above the critical threshold. Approximately 170 accidents have occurred at these locations in the last 10 years, including fatalities.

The region is experiencing population growth greater than the state and national average and is an economic driver for the state. TH 14 is an important east-west connection for local trips between Kasson and Byron and to and from Rochester. TH 14 is also a priority corridor for freight movement in southeast Minnesota. Removal of the at-grade intersections and traffic signals will eliminate congestion, traffic signal queuing, and turning movement conflicts, thereby greatly improving safety of the TH 14 corridor as well as addressing capacity and mobility concerns.

**Project Timeline**

- Preliminary design and environmental documentation - September 2026 through December 2027
- Final design - January to December 2028

**Other Considerations**

An adopted official map has been completed. In addition, the project is included in the Olmsted County Capital Improvement Plan, the Rochester-Olmsted Council of Governments Long-Range Transportation Plan, the Byron Comprehensive Plan, and the 2021 U.S. 14 Corridor Analysis.

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

Byron, Olmsted County, and the Minnesota Department of Transportation (MnDOT)

**Who will operate the facility?**

Byron, Olmsted County, and the Minnesota Department of Transportation (MnDOT)

**Who will use or occupy the facility?**

Traveling public

**Public Purpose**

Infrastructure

**Description of Previous Appropriations**

No state appropriations have been provided for the proposed interchanges at CSAH 3/TH 14 or CSAH 5/TH 14.

**Project Contact Person**

Jennifer Berquam  
Legislative/Policy Analyst  
651-308-8266  
jennifer.berquam@olmstedcounty.gov

(\$ in thousands)

Proposed Interchanges at CSAH 3 and TH 14 and CSAH 5 and TH14

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,600	\$0	\$0
Trunk Highway Bonds	\$0	\$2,400	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$3,000	\$0	\$0
Design Fees	\$0	\$5,000	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

Community Reuse and Recycling Center

**AT A GLANCE**

**2026 Request Amount:** \$13,513

**Priority Ranking:** 3

**Project Summary:** Olmsted County requests \$13,513,000 in state capital investment coupled with county funds to design, construct, and equip a community reuse and recycling center (CRRC). The project will improve the county's integrated waste management system and help achieve county and state solid waste and sustainability goals by further processing waste and moving it up the solid waste management hierarchy.

**Project Description**

Olmsted County has worked closely with a consulting firm to conduct a feasibility study and prepare a conceptual design for the community reuse and recycling center (CRRC) project. The current bonding request includes final design, construction, and equipping the CRRC, which will be an integral part of the Olmsted County integrated waste management system.

The CRRC will expand upon the county's integrated solid waste management system and sustainability goals by further processing residential and business waste and moving it up the solid waste management hierarchy through reusing, reclaiming, recycling, and resource recovery. A new 75,000 square foot building is proposed to be constructed on the east side of the existing Resource Recovery Campus. The facility will provide individuals and private businesses a location for convenient and easy drop-off of their waste materials. Staff will assist customers with their waste and direct them to the appropriate drop-off location(s). The material will be directed to areas within the facility for reuse, reclamation, recycling, processing for resource recovery, or landfilling as a last resort.

The CRRC will have dedicated areas for reuse, reclamation, recycling, resource recovery, and landfill materials based on the solid waste management hierarchy. The reuse and reclamation area will include building materials (lumber, doors, windows, cabinetry, sinks, plywood, sheetrock, gutters, fencing), household items (plates, bowls, artwork, mirrors, shelving, pots, pans, blinds), furniture (tables, chairs, couches, mattresses, dressers), sporting and leisure equipment (bikes, exercise equipment, toys, bats, balls, ski's, golf clubs), lawn and garden supplies (grills, patio items, garden pots, weed whips, lawnmowers, wheelbarrows), and personal use items (books, board games, clothing, toys, purses, sports bags).

These items will be moved to the reuse center within the larger reuse and recycling center, where they will be organized and made available to the public during open hours. The recycling area will include scrap metal (ferrous and aluminum), copper (pipe, wire, and windings), brass, aluminum (car rims, radiators, beverage cans), stainless steel, batteries (lead acid, nickel-based, lithium-based), and

motors/starters/transformers. These materials will be marketed to private companies.

### **Project Rationale**

The community reuse and recycling center is needed because it will:

- Provide a safe, environmentally-focused, and cost-effective community reuse and recycling center.
- Allow our community, including local individuals and small businesses, convenient access to a community reuse and recycling center.
- Increase reuse, reclamation, recycling, and resource recovery rates.
- Improve our solid waste system by moving materials management up the solid waste hierarchy while gaining environmental, social, and economic benefits.
- Meet state and local solid waste objectives.
- Give new life to waste materials through reuse and reclamation.
- Prepare quality recyclable materials that are marketable for end-use manufacturers.
- Increase resource recovery of waste materials reducing the amount that goes to landfilling.
- Reduce overall greenhouse gas emissions by reusing, reclaiming, recycling, and resource recovery of waste materials.

### **Project Timeline**

Begin engineering and design - July 2026

Complete design work and value engineering - April 2027

Contract with construction management firm - May 2027

Contract for contractors and pre-engineered building requirements - July 2027

Begin construction - October 2028

Complete construction - September 2029

### **Other Considerations**

#### **Impact on State Operating Subsidies**

None known.

#### **Who will own the facility?**

Olmsted County

#### **Who will operate the facility?**

Olmsted County

#### **Who will use or occupy the facility?**

Individuals and businesses in Olmsted County and the southeast region of the state.

## **Public Purpose**

Minnesota Statute §115 requires counties to develop and continue improving the integrated solid waste management system to protect the state's natural resources and public health. Olmsted County supports the goals of the Waste Management Act hierarchy - improving public health, reducing the reliance on landfills, conserving energy and natural resources, and reducing pollution and greenhouse gas emissions. The county is committed to strengthening partnerships with other local units of government, businesses, nonprofits, and the waste and recycling industry. The Community Reuse and Recycling Center project will promote innovation and collaboration and will be responsive to the changing solid waste industry. This project will help achieve the state's solid waste and climate goals and the county's long-range sustainability goals while providing a more effective and efficient waste management system for the residents of Olmsted County and the southeast region.

## **Description of Previous Appropriations**

No state appropriations have been provided to Olmsted County for a community reuse and recycling center

## **Project Contact Person**

Jennifer Berquam  
Legislative/Policy Analyst  
651-308-8266  
jennifer.berquam@olmstedcounty.gov

(\$ in thousands)

Community Reuse and Recycling Center

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$13,513	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$13,514	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$27,027</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,500	\$0	\$0
Project Management	\$0	\$50	\$0	\$0
Construction	\$0	\$19,400	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$1,550	\$0	\$0
Inflationary Adjustment	\$0	\$4,527	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$27,027</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Transitional Youth Work Force Housing	1	GO	1,050	0	0	0	0	0
<b>Total Project Requests</b>			1,050	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,050	0	0	0	0	0

Transitional Youth Work Force Housing

**AT A GLANCE**

**2026 Request Amount:** \$1,050

**Priority Ranking:** 1

**Project Summary:** Construction of a 12-unit multi-purpose transitional facility to be owned by the Otter Tail County Community Development Agency. The facility will provide and link transition age youth experiencing substance use disorders, mental health concerns, and other challenges, with comprehensive services in a stable and supportive setting. Programming will be provided by community partners who will support the youth in finding gainful employment, housing, and other resources.

**Project Description**

The multi-purpose facility will link comprehensive supportive services in a transitional residential setting to be owned by the Otter Tail County Community Development Agency. The facility will contain offices for supportive service staff and county employees as well as training space. There will be 12 studio units for occupancy by youth experiencing substance use disorder, mental health concerns, and other barriers to stable living, including housing and employment. Transition age youth served will be 15-19 years of age, or up to the age of 21 if subject to Extended Jurisdiction Juvenile disposition and/or eligible for extended foster care. Programming will be provided by community partners and county staff who will support the youth in developing cognitive behavioral skills, reducing aversions to school attendance, disrupting the school-to-prison pipeline, establishing life skills, maintaining gainful employment, finding stable housing, and accessing other resources needed to overcome the challenges they face. Youth accepted into the program will work with staff to develop a comprehensive plan to achieve short-term and long-term goals, such as investing in overall health and well-being, earning an educational degree, developing occupational readiness, obtaining a driver's license, and improving social and self-care skills. The length of residency will be short-term (6-18 months), with a goal to assist participants in finding permanent, stable housing and employment. There is considerable local support by major employers, education partners, law enforcement, and other community stakeholders for this program to demonstrate the ability to expand workforce participation and positively impact the community.

**Project Rationale**

Otter Tail County currently has an annual unemployment rate of 3%. Research suggests transition age youth have barriers to employment and stable housing. This program will provide a starting point for youth as they transition into the community by providing safe and stable housing, help finding gainful employment, and the support needed to overcome any challenges they face. This integrated, residential supportive service model is unique and does not exist in Greater Minnesota. Existing housing and service programs are not compatible with this type of programming, making funding very

challenging. Providing additional supports and resources for youth who generally struggle with poverty, abuse, or neglect creates a pathway for a successful future and reduces negative law enforcement interactions. Investing in our youth through a supportive environment empowers them to thrive and reach their fullest potential for long-term success in our communities.

### **Project Timeline**

Construction of the multi-purpose youth transitional facility would commence in fall 2027 with unit occupancy by late 2028. Similar programming for adults is already established and currently being provided. This would allow for an extension of programming to serve transition age youth.

### **Other Considerations**

#### **Impact on State Operating Subsidies**

Research suggests that this supportive environment reduces the need for other state supported subsidies and interaction with public safety, emergency care, etc.

#### **Who will own the facility?**

Otter Tail County Community Development Agency

#### **Who will operate the facility?**

Otter Tail County Community Development Agency will oversee the construction and long-term maintenance of the facility. Programming will be provided by local agencies, educational partners and other community stakeholders.

#### **Who will use or occupy the facility?**

Program participants are transition age youth, 15-19 years of age (or up to the age of 21 if subject to an Extended Jurisdiction Juvenile disposition and/or eligible for extended foster care), who are experiencing substance use disorder, mental health concerns, and other challenges.

### **Public Purpose**

Research indicates that, without such housing and supportive services, transition age youth are more likely to be in the criminal justice system, receiving emergency room care, and other higher cost support for safety net services. This program will reduce participants interactions with public safety, social services and other higher cost interventions. A secondary public benefit is the introduction of these individuals to the workforce.

### **Description of Previous Appropriations**

#### **Project Contact Person**

Amy Baldwin  
Community Development Director/Executive Director of Otter Tail County Community Development Agency  
218-988-8050

abaldwin@ottertailcounty.gov

(\$ in thousands)

Transitional Youth Work Force Housing

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,050	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$0	\$1,065	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,115</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$40	\$0	\$0
Predesign Fees	\$0	\$10	\$0	\$0
Design Fees	\$0	\$60	\$0	\$0
Project Management	\$0	\$80	\$0	\$0
Construction	\$0	\$1,925	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,115</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	
Has the predesign been submitted to the Department of Administration?	
Has the predesign been approved by the Department of Administration?	
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	
Is the required information included in this request?	
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
City of Owatonna - Public Safety Center	1	GO	25,089	0	0	0	0	0
<b>Total Project Requests</b>			25,089	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			25,089	0	0	0	0	0

City of Owatonna - Public Safety Center

**AT A GLANCE**

**2026 Request Amount:** \$25,089

**Priority Ranking:** 1

**Project Summary:** The Public Safety Center would include space for the fire department, police department as well as new regional training facilities that does not currently exist. The new facility would provide emergency services in the region and support other area police and fire departments under the city's mutual aid agreements. It would also serve as the primary county emergency operations center, a regional training site for area police and fire departments, and host classes and scenario training.

**Project Description**

The City of Owatonna is currently planning a 90,000 square foot joint public safety center (fire and police). This facility will house the following programmatic needs:

**Fire Department:** Administration, dorms, fitness and well-being support spaces, decontamination facilities, equipment storage and maintenance facilities, and an apparatus bay to house all of the department's vehicles and equipment.

**Police Department:** Administration, investigations, patrol, records, equipment storage, interview rooms, secure in-custody holding, secure evidence processing and storage, vehicle and equipment storage, fitness and well-being support spaces.

**Emergency Operations Center (EOC):** Hardened and secure emergency operations center that will serve the City of Owatonna, Steele County, surrounding communities, fire, police and other groups such as Skywarn and Community Emergency Response Team (CERT) during time of emergency.

**Training Facilities:** Facilities that will support the training of firefighters and police in the region with a training tower, flexible scenario training built into the apparatus bay and flexible meeting rooms.

**Project Rationale**

The City of Owatonna is experiencing growth and increasing demands on public safety. Aging police and fire department facilities are inadequate for current safety standards and first responder needs. Both require modernization to enhance operational efficiency, safety and service delivery. Structural and mechanical issues like water leaks, sewage problems, roofing, windows and HVAC systems need addressing. Additionally, the facilities lack functional spaces for operations and future expansion as the departments grow.

The police facility lacks secure holding areas, evidence processing spaces and private areas for victim and suspect interactions.

The fire department needs adequate and safe parking for emergency vehicles, dedicated

decontamination spaces, adequate equipment storage and private living quarters. Both facilities also lack secure perimeters, adequate parking, training and meeting spaces and wellness areas.

**Project Timeline**

Site evaluation/selection - January - June 2025  
Schematic Design - July - August 2025  
Design Development - September - Mid-November 2025  
Construction Documents - Mid-November 2025 - April 2026  
Bid - May - Mid-June 2026  
Contract Execution - Mid-June - July 2026  
Procurement - August - December 2026  
Construction - September 2026 - April 2028  
Occupancy - March 2028

**Other Considerations**

The City of Owatonna is using a multi-phased approach:

Phase One - Assessment

In 2024, the City appointed a Public Safety Task Force and invested \$42,750 to conduct a detailed assessment of the City's public safety facilities, identifying deficiencies and evaluating options for modernization and improvement.

Phase Two - Development

Based on the assessment, the Owatonna City Council allocated \$2,946,315 in December 2024 for phase two. In 2025, the City will refine the project scope, including site location and facility design. The Task Force will recommend a solution to enhance operational efficiencies, improve training and support regional emergency operations.

Phase Three - Construction

Anticipated to begin in late Summer/early Fall 2026. The City will seek funding to construct a joint public safety facility. This includes the construction and equipping of a new facility for fire protection and law enforcement, serving as a primary emergency operations center and regional training site. The estimated cost of phase three is \$50 million.

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

City of Owatonna

**Who will operate the facility?**

City of Owatonna

**Who will use or occupy the facility?**

Owatonna Fire Department Owatonna Police Department Skywarn Steele County Community Emergency Response Team (CERT) Invited communities for combined training Steele County (Regional Emergency Operations Center)

**Public Purpose**

Provide public safety services to the citizens of the City of Owatonna and surrounding communities in an efficient and safe work environment for first responders. A new facility will also provide a coordinated response to regional emergencies through an emergency operations center and ongoing training to enhance skills and readiness among emergency personnel.

**Description of Previous Appropriations**

None

**Project Contact Person**

Jenna Tuma  
Assistant City Administrator  
507-444-4300  
Jenna.Tuma@owatonna.gov

(\$ in thousands)

City of Owatonna - Public Safety Center

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$1,500	\$25,089	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$1,543	\$28,543	\$0	\$0
<b>Non-State Funds Pending</b>				
Non-Governmental Funds	\$0	\$5,267	\$0	\$0
<b>TOTAL</b>	<b>\$3,043</b>	<b>\$58,899</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$3,500	\$0	\$0
Predesign Fees	\$43	\$0	\$0	\$0
Design Fees	\$3,000	\$0	\$0	\$0
Project Management	\$0	\$5,258	\$0	\$0
Construction	\$0	\$44,874	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$5,267	\$0	\$0
<b>TOTAL</b>	<b>\$3,043</b>	<b>\$58,899</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Pease Water Supply PFAS Mitigation Project	1	GO	3,000	0	0	0	0	0
<b>Total Project Requests</b>			3,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,000	0	0	0	0	0

**Pease Water Supply PFAS Mitigation Project**

**AT A GLANCE**

**2026 Request Amount:** \$3,000

**Priority Ranking:** 1

**Project Summary:** The City of Pease is requesting \$3,000,000.00 for water improvements for mitigation of PFAS contamination in Pease water supply. The project includes the design and construction of a water treatment plant, additional water storage and a new well.

**Project Description**

The City of Pease is in need of improvements to their water system, which consists of two municipal wells, a 25,000 gallon water tower that serves as water storage and to maintain distribution pressure, chemical feed systems, and a distribution system that serves customers within the city limits. The wells contain manganese in excess of MDH health-based value recommendations, and PFAS in excess of EPA requirements. The well pumps do not have adequate capacity to flush city water lines. The project would consist of constructing a water treatment plant including a package filter for the removal of iron and manganese, granular activated carbon contactors for the removal of PFAS, process piping, pumping equipment, HVAC and mechanical components as well as all necessary maintenance of the existing well house. The water treatment plant would also include additional water storage to meet MDH and Ten States Standards recommended water storage quantities, and an additional well to meet MDH water source requirements.

Total estimated project cost - \$5,000,000.

**Project Rationale**

The City of Pease source water exceeds EPA primary standards for PFOA and PFOS, and secondary standards for manganese, and there is no water treatment in place. The City currently has no means to treat water for manganese or PFAS. The project would allow the City to distribute water free from PFAS and manganese to its residents.

**Project Timeline**

- Design Start: August 2026
- Design Complete: January 2027
- Bid Project: March 2027
- Award Contract: April 2027
- Begin Construction: June 2027
- Substantial Completion: October 2028
- Final Completion: November 2028

**Other Considerations**

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

City of Pease

**Who will operate the facility?**

City of Pease

**Who will use or occupy the facility?**

City of Pease

**Public Purpose**

This would allow the City to distribute water free from PFAS and manganese to its residents.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Jeffery T Hansen

Clerk

320-369-3630

cityofpease@gmail.com

(\$ in thousands)

Pease Water Supply PFAS Mitigation Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$2,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,000	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$4,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	N/A

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Wastewater Treatment Pond System Update	1	GO	7,000	0	0	0	0	0
<b>Total Project Requests</b>			7,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			7,000	0	0	0	0	0

**Wastewater Treatment Pond System Update**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$7,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of Pine City is requesting \$7,000,000 in state funds for the design and construction of their wastewater treatment pond system update project.

**Project Description**

The proposed improvements include pond bank reinforcement with slope repairs and riprap to protect against wave action and wildlife damage. The initially installed aeration system in the three aerated ponds from 1972 has reached the end of its useful life and is very inefficient. Only 1 of the original 5 air blowers is functioning and the piping system between the blowers and the pond bottoms suffers from numerous breaks/leaks. The proposed improvements would replace this old aeration system with a more energy efficient system that may include solar or other renewable energy options. The last improvement item is the replacement of the existing bar screen as the untreated wastewater enters the pond system. The current bar screen is wearing out due to the extremely corrosive environment it functions in which is increasing the frequency of manual maintenance to keep the bar screen clean and large objects out of the pond. A new mechanical bar screen is planned to reduce maintenance and increase screening efficiency.

**Project Rationale**

The wastewater ponds operated and maintained by the City of Pine City serve not only the 3,300 residents of Pine City, but also nearly 2,000 homes in southern Pine County. Cross Lake Sewer District, Pokegama Lake Sewer District as well as the City of Henriette have their wastewater conveyed to and treated at the Pine City wastewater ponds. The wastewater ponds were constructed in 1961, with upgrades in 1972. Without a major upgrade since 1972, the ponds are in need of significant maintenance and upgrades to continue their reliable and efficient treatment of wastewater for the greater Pine City area.

**Project Timeline**

- Design and Permitting Start - August 2026
- Project Bid - February 2027
- Construction Begin - May 2027
- Project Completion - December 2029

**Other Considerations**

The proposed improvements are estimated to cost 14 million dollars. The City has placed the project on the Project Priority List (PPL) as well as requested bonding money assistance for the project. In addition to outside funding sources, the City of Pine City and the other three entities are reviewing

their connection agreements and rates to help address these significant improvements.

**Impact on State Operating Subsidies**

Pine City and its participating communities will be responsible for all annual operation and maintenance costs for this system and will not seek these types of funds from the state.

**Who will own the facility?**

Pine City

**Who will operate the facility?**

Pine City and participating entities.

**Who will use or occupy the facility?**

The wastewater ponds operated and maintained by the City of Pine City serve not only the 3,300 residents of Pine City, but also nearly 2,000 homes in southern Pine County. Cross Lake Sewer District, Pokegama Lake Sewer District as well as the City of Henriette have their wastewater conveyed to and treated at the Pine City wastewater ponds. The wastewater ponds were constructed in 1961, with upgrades in 1972. Without a major upgrade since 1972, the ponds are in need of significant maintenance

**Public Purpose**

This project will provide wastewater treatment to the City of Pine City and surrounding communities.

**Description of Previous Appropriations**

NA

**Project Contact Person**

Kent Bombard  
Mayor  
320-629-2575  
kbombard@pinecitymn.gov

(\$ in thousands)

Wastewater Treatment Pond System Update

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$7,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$4,000	\$0	\$0
Other Local Government Funds	\$0	\$3,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$14,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$2,000	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$12,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$14,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
City Center Redevelopment and Revitalization	1	GO	26,000	0	0	0	0	0
<b>Total Project Requests</b>			26,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			26,000	0	0	0	0	0

**City Center Redevelopment and Revitalization**

**AT A GLANCE**

**2026 Request Amount:** \$26,000

**Priority Ranking:** 1

**Project Summary:** Plymouth has endeavored to reimagine the City Center area to create a thriving space that attracts and retains residents and visitors alike through targeted investment in public amenities. The scope of the project includes a parking ramp to serve new uses, roadway realignment and relocation, expansion of the regional ice facility and regional stormwater treatment.

**Project Description**

**Regional Stormwater Ponding \$5 million**

The stormwater requirements that existed when City Center developed were much different than they are today. Because of the changes in form and function of the area, redevelopment is being planned in a holistic manner incorporating current best practices for stormwater management. This project funding will create the opportunity to increase density in City Center creating a pedestrian scale environment where regional bus rapid transit can succeed in serving the residents of Plymouth and surrounding communities.

**Public Parking Ramp-300 stalls \$10 million**

As City Center Plymouth redevelops with a vision for increased density, regional amenities that serve the greater metro area and public spaces that are accessible for all, parking is an essential item that must be addressed. As the built form changes from a largely suburban land use pattern with parking dedicated based on individual uses to a denser, mixed-use environment, a centralized parking ramp is necessary to accommodate the increased regional offerings that will be found in City Center. Metro Transit will be initiating a pilot to provide all day transit service every 15-minutes to the area which is expected to end at the PIC parking lot in City Center. This is also the planned termini of the Hwy 55 Bus Rapid Transit(BRT), currently being studied.

**Roadway Realignment \$5 million**

This project largely seeks to redevelop land within an existing area and will require roadway realignment to accommodate the expansion of the Regional Ice Facility. There will be minimal impact to the adjacent uses outside of the City Center area however one roadway will require adjustment including relocation of public and private utilities.

**Expansion of Regional Ice Facility \$32 million**

The Plymouth Ice Center (PIC) is a three-sheet facility that was built in 1999. Since the original construction, the third sheet was added to accommodate increased use in 2007. The facility is home to the Wayzata Youth Hockey Association, the second largest youth association in the state of Minnesota with annual participation of 1,200 players from mites to junior golds, the Providence High School Hockey team, the Wayzata High School Girls and Boys Junior Varsity and Varsity Hockey

programs, Total Performance Hockey, a growing hockey academy and MAPFIT, an off-ice development and training program. In 2022, the PIC had just over 900,000 visitors through the doors and is programmed from 6am-11pm 360 days per year. The facility has been identified as a facility of choice by USA Hockey for hosting the national High School Tournament, and myriad other events that keep the facility operating at a high-level year-round. The need for a fourth sheet can be seen in the number of hours that our youth associations must rent at other cities facilities as we can't accommodate the growth in the sport. The expansion will add 77,100 square feet to the existing facility.

### **Project Rationale**

Plymouth's City Center is geographically located to serve residents both of Plymouth and the surrounding communities with the future inclusion of Bus Rapid Transit. In order to catalyze redevelopment and ensure a viable mixed use activity center, the City is committed to the vision and ensuring a successful redevelopment program. The regional ice center is in good condition however it is over 25 years old and was not built with year round use in mind. As the sport of hockey has become a year round endeavor, it is necessary to expand to accommodate growth in the sport. The parking ramp and regional stormwater components are critical to the success of the project to ensure that redevelopment is not done on a lot by lot basis but is coordinated in an approach that ensures the highest and best use of land within City Center. As facilities age, investment is necessary to ensure they stand the test of time and remain relevant for our next generation of residents and users.

### **Project Timeline**

Conceptual plans and cost estimates have been completed. Formal design for construction documents will start after approval of bonding request.  
Regional stormwater construction will continue into 2025  
Additional public engagement June-August 2026  
Ice Center Expansion construction documents July 2026-December 2026  
Parking Ramp construction documents July 2026-December 2026  
Public bidding and award of Ice Expansion and Parking Ramp-January 2027  
Start construction January 2027  
Complete construction October 2028  
Influencing factors will include coordinating the project timeline with weather, permitting and phasing of projects.

### **Other Considerations**

The City of Plymouth has a current population of 81,091. The total regional population within a five mile radius of Plymouth is over 600,000. The total regional population within a ten mile radius of Plymouth exceeds 1.5 million illustrating the regional impact of the proposed project.

### **Impact on State Operating Subsidies**

N/A

### **Who will own the facility?**

The City of Plymouth will own and maintain the project.

**Who will operate the facility?**

The City of Plymouth by and through its Parks and Recreation and Public Works Departments.

**Who will use or occupy the facility?**

City Center will be used by residents and visitors alike. The regional draw of the PIC creates the opportunity for six high school teams, over 1,200 youth players and 15-20 state and national tournaments per year. The parking ramp creates the opportunity to implement the vision of Bus Rapid Transit for the community and surrounding areas.

**Public Purpose**

The PIC provides three sheets of ice for users throughout the metro area with over 900,000 users annually. The expansion will create the opportunity to increase use in the facility creating greater economic impact for the City of Plymouth. City Center redevelopment will create the need and ability to support Bus Rapid Transit and a centralized mixed use area. The facilities will be open to the general public, community residents and visitors.

**Description of Previous Appropriations**

none

**Project Contact Person**

Jen Tomlinson  
763-509-5201  
jtomlinson@plymouthmn.gov

(\$ in thousands)

**City Center Redevelopment and Revitalization**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$26,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$25,000	\$0	\$0
Non-Governmental Funds	\$0	\$1,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$52,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$5,000	\$0	\$0
Design Fees	\$0	\$2,200	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$44,800	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$52,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	Yes
Has the pre-design been submitted to the Department of Administration?	No
Has the pre-design been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
I-35 Commercial Development - Utility Extensions & Upgrades	1	GO	3,500	0	0	0	0	0
<b>Total Project Requests</b>			3,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,500	0	0	0	0	0

**I-35 Commercial Development - Utility Extensions & Upgrades**

**AT A GLANCE**

**2026 Request Amount:** \$3,500

**Priority Ranking:** 1

**Project Summary:** The City of Proctor desires to increase development opportunities within the City that can lead to job creation, increased tax base, and housing opportunities. There is 50 acres of land zoned as Commercial District which allows for multifamily housing, commercial, light industrial and retail. The City of Proctor is requesting \$3,500,000 in state funds to design and construct this project.

**Project Description**

There is approximately 150 acres within Proctor City limits that is located adjacent to and south of Interstate 35. With its proximity to I-35, Hwy 2, and being adjacent to the City of Duluth, this area would be an ideal location for future development. All of the 150 acres are currently zoned as Commercial District (C-2) which allows for multifamily housing, commercial, light industrial and retail. This area is not currently served by public utilities (water, sewer) making any large development impractical. The first goal of this infrastructure project is to extend water, sewer, and electric utilities from Ugstad Road on the north side of I-35 to the south side and extend along the frontage of the 150 acres. With utilities in place, the property would become an ideal area for a large development. The second goal of the project is to replace the existing water and sewer mains that would serve this development. The existing sanitary sewer that would serve this area is some of the oldest in Proctor. It consists of a 8” Clay sanitary sewer that is beyond its useful life. The sewer has displaced joints, root intrusion, and adds high amounts of unnecessary Infiltration to the sanitary system. Replacing the clay sanitary main would provide long term reliability for the new development area and reduce I/I into the City sanitary system.

**Project Rationale**

This area is not currently served by public utilities (water, sewer) making any large development impractical. Funding for this project will be used to extend water and sewer utilities from Ugstad Road on the north side of I-35 to the south side and extend along the frontage of the 150 acres. Funding for this project would open up 150 acres of commercially developable land within the City of Proctor greatly expanding the ability to create jobs, housing opportunities, and increase the City tax base.

**Project Timeline**

The City of Proctor anticipates design & permitting in 2026 and bidding to occur in 2027. Construction of the improvements would occur from May 2027 and through September 2029. The property would be ready for development in late 2030.

## **Other Considerations**

The City of Proctor has received numerous development inquiries from property owners and businesses interested in development along Proctor's I35 corridor. However, the cost of extending utilities under Interstate 35 and replacing existing utilities has impeded successful development of this property. By completing the utility extensions to south Proctor, economic and housing development opportunities along the I35 corridor will be created.

## **Impact on State Operating Subsidies**

The City of Proctor will not be applying for any state funding to pay for any ongoing operation and maintenance cost for this project.

## **Who will own the facility?**

The City of Proctor will own all public infrastructure including the sanitary sewer, watermain, hydrants, valves, and manholes.

## **Who will operate the facility?**

The City of Proctor and the Proctor Public Utility Commission will operate the sanitary sewer system and watermain system.

## **Who will use or occupy the facility?**

Although there are no identified developers or business for this property, the City of Proctor has received numerous development inquiries from property owners and businesses interested in development along Proctor's I35 corridor. However, the cost of extending utilities under Interstate 35 and replacing existing utilities has impeded successful development of this property. By completing the utility extensions to south Proctor, economic and housing development opportunities along the I35 corridor will be created.

## **Public Purpose**

The City has repeatedly studied and considered the possibility of development in this area. For any development to occur, the utility extension and upgrades would be required. This was studied in detail in 2004 and again in 2019. The City of Proctor Comprehensive Plan identifies commercial and/or light industrial development opportunities along the Interstate Highway 35 corridor to spur additional economic development in the region. The Proctor Economic Development Authority (PEDA) has reported economic development interest in the property South of Interstate 35. Most recently, in 2021, an economic development project which would have brought over 100 jobs to the area and increased Proctor's tax base, passed on moving their business to Proctor because of the cost to run utilities under Interstate 35. The Proctor Utility Commission and PEDA have conducted joint meetings to explore ways to fund this project. Proctor Public Utilities is in support of the project but cannot fund it.

## **Description of Previous Appropriations**

The City of Proctor will not be applying for any state funding to pay for any ongoing operation and maintenance cost for this project.

**Project Contact Person**

Jess Rich  
City Administrator  
218-628-6261  
jrich@proctormn.gov

(\$ in thousands)

**I-35 Commercial Development - Utility Extensions & Upgrades**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$3,500	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,000	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$6,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Park at RiversEdge	1	GO	20,000	0	0	0	0	0
Aldrich Arena & Community Event Center	2	GO	6,600	0	0	0	0	0
<b>Total Project Requests</b>			26,600	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			26,600	0	0	0	0	0

Park at RiversEdge

**AT A GLANCE**

**2026 Request Amount:** \$20,000

**Priority Ranking:** 1

**Project Summary:** Ramsey County is requesting \$20 million in state funds for the acquisition, design, furnishing and construction of a nine-acre urban park that will dramatically expand public access to the Mississippi River; create a new and vibrant front door to downtown Saint Paul and the Mississippi riverfront; and offer a dynamic community gathering place for public events, dedicated retail and restaurant space, and trails that connect people to the Mississippi.

**Project Description**

The Park at RiversEdge is a unique extension of public realm space cascading from the river bluff over Shepard Road and the adjacent railway, extending downtown Saint Paul directly to the Mississippi River.

The project increases the site's usable space from four to almost 10 acres, supporting and surrounding a private development that will include a variety of uses including residential, retail, hotel and office space. Independently, the public realm will increase access, connectivity, and quality of life for residents of Saint Paul, bringing new space to gather and enjoy the river. In its totality this project will bring new residents, new business, and new activity playing a key role in the growth of downtown. This project will be instrumental to the state's economic vitality.

The lid is an integral facet of a larger public realm network, including city and regional parks and trails; streets, plazas and skyways; the Capital City Bikeway; and the City of Saint Paul's River Balcony. For residents, employees, and visitors, the project provides a unique public connection on a signature site that showcases the natural beauty of the Mississippi National River and Recreation Area and the river's relationship with the capital city.

The Park at RiversEdge enhances an innovative public-private project adjacent to the site that creates jobs, revitalizes our capital city's historic riverfront and expands public access to one of Minnesota's greatest natural resources – the Mississippi River.

**Project Rationale**

Not only will the Park at RiversEdge create a signature attraction along the Mississippi National River and Recreation Area, facilitate hundreds of millions of dollars in vibrant private development, and support the creation of more than 5,000 jobs, but the park is also part of a deliberate strategy to ensure that everyone has access to the benefits that parks provide. The desire to engage with outdoor spaces was never been more apparent than during the pandemic and people are trying to

incorporate that into their lives. Both residents and visitors are seeking more options for exploring the outdoor recreation amenities in downtown Saint Paul and along the Mississippi River, one of two national parks in the state of Minnesota.

As an anchoring and transformative physical amenity within this long-vacant hardscape, the land lid would support an exciting new residential, hotel, office, and retail development connected by public space to the Mississippi River and downtown Saint Paul that will attract residents, workers, and visitors for decades to come.

### **Project Timeline**

August 2023-2026: Final Design and Engineering  
Spring 2027: Construction Start

### **Other Considerations**

This land parcel is owned by the county and was previously the site of the county jail. Prior to that it was the Thomson Reuters - West Publishing building. The county board invested \$17 million to deconstruct these former buildings and that work was completed in 2017.

### **Impact on State Operating Subsidies**

None. No additional state funding will be required for project operating costs.

### **Who will own the facility?**

Ramsey County will own the public realm space.

### **Who will operate the facility?**

Ramsey County is prepared to operate the Park at RiversEdge. Given the role that private development will play at the overall site, the final negotiated development agreement of will have bearing on the total operations of the full project.

### **Who will use or occupy the facility?**

The Park at RiversEdge is intended to be safe, welcoming and accessible to all. Amenities will serve diverse communities in the region and downtown Saint Paul, which is 30% people of color and 16% people with disabilities.

### **Public Purpose**

The Park at RiversEdge will be a new, vibrant public space on one of Minnesota's greatest natural resources— the Mississippi River. This park will be a statewide asset, attracting residents, workers, and visitors, including those who visit downtown Saint Paul's other statewide assets, including the Science Museum of Minnesota, the Ordway Center for the Performing Arts, the Saint Paul RiverCentre, and the Xcel Energy Center.

### **Description of Previous Appropriations**

The county received \$6.22M in the 2023 capital appropriations bill.

**Project Contact Person**

Jennifer ORourke  
Director of Government Relations  
651-366-7276  
Jennifer.orourke@ramseycounty.us

(\$ in thousands)

Park at RiversEdge

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$20,000	\$0	\$0
General Fund Cash	\$6,220	\$0	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$2,100	\$0	\$24,200	\$0
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$0	\$21,732	\$43,463
Non-Governmental Funds	\$0	\$0	\$18,035	\$18,035
<b>TOTAL</b>	<b>\$8,320</b>	<b>\$20,000</b>	<b>\$63,967</b>	<b>\$61,498</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$1,875	\$0	\$0
Predesign Fees	\$2,442	\$358	\$0	\$0
Design Fees	\$5,878	\$12,375	\$0	\$0
Project Management	\$0	\$1,428	\$1,428	\$1,428
Construction	\$0	\$3,925	\$61,920	\$59,580
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$39	\$619	\$490
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$8,320</b>	<b>\$20,000</b>	<b>\$63,967</b>	<b>\$61,498</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

**Aldrich Arena & Community Event Center**

**AT A GLANCE**

**2026 Request Amount:** \$6,600

**Priority Ranking:** 2

**Project Summary:** In an effort to better serve community the Aldrich Arena is being transformed from an Ice Arena into a multi-purpose Community Event Center as the facility has seating for 3,500 people and with modifications can host a broad variety of regional and statewide events. The facility already has hosted the Suni Lee Olympic gold medalist celebration and other regional events including ice events. Further investments will make this facility an asset for Minnesotans from across the state to enjoy.

**Project Description**

Ramsey County's Parks & Recreation staff operate the Aldrich Arena which was built in 1962. Staff have worked with community to broaden the variety of uses as it is a uniquely sized facility with convenient access and is affordable. In order to accommodate the growing diversity of use, future growth, funding is needed to make this facility a state-wide asset for generations to come.

Several facility improvements will be accomplished through this work including:

- 1) Improved building amenities to support a broad variety of uses including rest room and locker room remodeling and expansions.
- 2) The creation of a new entrance to better manage traffic flow and facilitate smooth entry and exit from the building for attendees.
- 3) Creating a new loading dock that will accommodate large trucks and equipment needed for a large variety of events including concerts, regional ice tournaments, artistic performances, trade shows, and more.
- 4) Installing new and additional lighting and security features to ensure a safe experience for all attendees.
- 5) ADA upgrades to make sure that the facility is equipped to be accessible and meet the needs of all users.
- 6) Making on-going energy efficiency upgrades.
- 7) Other site facility upgrades including but not limited to interior painting, upgraded seating, improved staging area, and more.

**Project Rationale**

Renovation of the facility will not only enhance the ability to support the growing variety of facility rentals, but also tackle projects necessary to run the facility more efficiently and to improve accessibility. Through community engagement conducted in 2022, we heard that the current users support improvements and people who haven't yet used the Arena and Event Center would like access to hold their events.

## **Project Timeline**

### **Other Considerations**

N/A

### **Impact on State Operating Subsidies**

There will not be any state operating subsidy.

### **Who will own the facility?**

Ramsey County.

### **Who will operate the facility?**

Ramsey County.

### **Who will use or occupy the facility?**

Ramsey County will operate the facility but members of the public will be able to rent the facility for a broad variety of uses.

### **Public Purpose**

In 2023 and 2024 rentals included the St. Paul Farmer's Market, Hmong New Year, trade shows, union meetings, a dog show, Asian night markets, Eid prayer services, high school band concerts, community college and high school graduations, Latinx concerts, Oromo concert, R & B showcase, Thai boxing event, quinceañera celebrations, wedding reception, electric vehicle show, paper shredding and household hazardous waste clean up, and bicycle safety events. In addition to these events, the arena rents ice for hockey practice, games and sectionals plus open skating and figure skating. Whether on the ice, on the floor without the ice or in the parking lot, Aldrich Arena has evolved into an event center that serves many communities.

### **Description of Previous Appropriations**

We have not received any bonding dollars for Aldrich that staff is aware of.

### **Project Contact Person**

Jennifer ORourke  
Director of Government Relations  
651-366-7276  
Jennifer.orourke@ramseycounty.us

(\$ in thousands)

**Aldrich Arena & Community Event Center**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,600	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$0	\$6,600	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$13,200</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$151	\$0	\$0
Design Fees	\$0	\$152	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$12,897	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$13,200</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Ranier Public Works Maintenance Facility	1	GO	554	0	0	0	0	0
<b>Total Project Requests</b>			554	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			554	0	0	0	0	0

**Ranier Public Works Maintenance Facility****AT A GLANCE****2026 Request Amount:** \$554**Priority Ranking:** 1**Project Summary:** To construct a heated public works maintenance facility to be used by city of Ranier public works staff to store city public works equipment and house a public works shop. To provide funds for design of the public works facility.**Project Description**

To construct a heated building for public works department with water, sewer and electricity to store city's equipment. The building would have an area for working on plumbing and wood projects. The building would include plumbing for a restroom and in-floor drain to wash vehicles and drain melting snow and ice from the vehicles in the winter months.

**Project Rationale**

The city of Ranier currently has a one stall garage attached to its Community Building to use as a public works maintenance building. The garage is not adequate to house the city's equipment and provide a work shop area. The city equipment currently includes a skid steer and its attachments, two pick-up trucks with snow plow attachment, 3 lawn mowers, and a golf cart that must sit outside in the elements risking deterioration to over \$250,000 worth of equipment. There is not currently an area to thaw snow plow truck and Bobcat in the winter - staff have to go to a neighboring business to thaw equipment.

Our small city (589 population) has a limited tax capacity, yet still must provide essential services to its citizens.

**Project Timeline**

To be completed by 2029.

**Other Considerations****Impact on State Operating Subsidies**

It is not anticipated that additional funds would be requested from the state.

**Who will own the facility?**

The city of Ranier would own the project.

**Who will operate the facility?**

The city of Ranier would operate the facility.

**Who will use or occupy the facility?**

The city of Ranier would occupy the project.

**Public Purpose**

The public purpose is to provide an adequate facility to house the city's public works department.

**Description of Previous Appropriations**

No funds have been previously appropriated for this project.

**Project Contact Person**

Sherril Gautreaux  
City Administrator  
218-286-3311  
cityofranier@frontiernet.net

(\$ in thousands)

Ranier Public Works Maintenance Facility

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$554	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$554</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$10	\$0	\$0
Project Management	\$0	\$10	\$0	\$0
Construction	\$0	\$480	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$54	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$554</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Raymond Infrastructure Improvements	1	GO	4,000	0	0	0	0	0
<b>Total Project Requests</b>			4,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,000	0	0	0	0	0

## Raymond Infrastructure Improvements

**AT A GLANCE****2026 Request Amount:** \$4,000**Priority Ranking:** 1

**Project Summary:** Raymond's infrastructure project includes improvements to the water distribution, storm sewer, water treatment systems, a new water tower, and improvements to roads within the project area. The City's water treatment plant is at the end of its service life, the water tower is 113 years old and inadequately sized, the existing water distribution system contains cast iron pipes with lead joints, inoperable gate valves and curb stops, and has experienced multiple failures.

**Project Description**

The current age and condition of Raymond's infrastructure is causing numerous issues, and these issues will continue to increase until the City updates or replaces these systems. Raymond's infrastructure project includes improvements to the water distribution system, storm sewer system, water treatment plant, a new water tower, and roadways within the project area will be improved.

Infrastructure improvements include:

**Drinking Water Treatment:** Construct a new water treatment plant including a pressure filtration treatment system, chemical feed to support arsenic removal, and disinfection with chloramines.

**Drinking Water Storage:** Construct a new 150,000-gallon tower.

**Drinking Water Distribution:** Replace the cast iron pipe (CIP) portions of the water distribution system and add looping (Approximately 6,000 LF of 8-inch watermain). This will remove the current portions of the system that have exceeded their designed service life and replace them with new watermains, gate valves, fire hydrants, and service laterals/curb stops between the mains and the right-of-way. Replacing the failing water distribution system will reduce the city's operation and maintenance costs and increase system reliability and water quality.

**Lead Service Lines:** Replace all lead service lines. This brings the City and effected residents into compliance with current drinking water policies and standards.

**Storm Sewer:** Add and/or replace portions of the storm system (approximately 2,200 LF) using standard open-cut construction methods.

**Roadways:** Roadways within the proposed project area are deteriorating and have exceeded design life. Issues include alligator cracking, frost heaving, potholes, numerous joints from patching, insufficient longitudinal grade to carry storm water effectively, and excessive crown from previous overlay.

## **Project Rationale**

The drinking water system consists of 3 wells that supply water to the WTP. Arsenic levels exceed primary drinking water standards in well #2. The WTP is approximately 60 years old and is undersized with a design capacity of 200 gpm. A sanitary survey from MDH in 2020 stated the WTP is reaching the end of its useful life and many components need to be replaced or reconditioned. Raymond's 33,000-gallon water tower is 113 years old and undersized. The average daily water usage greatly exceeds state guidelines for public water supplies for one-day storage capacity. Due to the age of the water tower, there is a high probability of the existence of lead in the existing coatings. The water distribution system is in poor condition and has experienced 11 failures since 2006. There are several areas that lack sufficient looping which is contrary to 10 States Standards. Portions are also undersized which prohibits adequate flow and pressure for sufficient fire suppression.

## **Project Timeline**

06/2026: Prepare Plans & Specs  
10/2026: Submit Plans & Specs to MDH and MPCA  
10/2026: Submit Plans & Specs to RD  
01/2027: Advertise for Bids  
03/2027: Award Contract  
06/2027: Proposed Start of Construction  
09/2028: Proposed End of Construction

## **Other Considerations**

The proposed infrastructure improvements are critical but are not viable unless the City of Raymond receives state funding to leverage local and federal dollars. The poverty rate of Raymond is 18.1% which is almost double the State of MN poverty rate of 9.3%.

## **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

## **Who will own the facility?**

The City of Raymond will own the proposed utilities.

## **Who will operate the facility?**

City staff will operate the proposed utility project.

## **Who will use or occupy the facility?**

Residents and businesses of the City of Raymond will use the utility systems and pay utility fees.

## **Public Purpose**

The public purpose served by this project is to provide clean and safe drinking water and adequate storm sewer service to Raymond residents. Strategic planning has been incorporated into Raymond's proposed project and has included thorough investigations into the entire infrastructure of the City, in an effort to maximize funding potential, keep costs as low as possible for the City and its residents,

and correct all concerns within the systems in the most efficient and cost-effective manner.

**Description of Previous Appropriations**

None

**Project Contact Person**

Trista Rand  
City Clerk  
320-967-4226  
cityofc@frontiernet.net

(\$ in thousands)

Raymond Infrastructure Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,000	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$9,624	\$0	\$0
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$14,106	\$0	\$0
City Funds	\$0	\$2,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$29,730</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$50	\$0	\$0
Predesign Fees	\$0	\$1,042	\$0	\$0
Design Fees	\$0	\$1,335	\$0	\$0
Project Management	\$0	\$3,970	\$0	\$0
Construction	\$0	\$23,333	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$29,730</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Red Lake County Courthouse Project	1	GO	2,100	0	0	0	0	0
<b>Total Project Requests</b>			2,100	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,100	0	0	0	0	0

**Red Lake County Courthouse Project**

**AT A GLANCE**

**2026 Request Amount:** \$2,100

**Priority Ranking:** 1

**Project Summary:** \$2.1 million in state funds is requested to preserve and renovate the Red Lake County Courthouse. The courthouse is in need of a ventilation and cooling system, new windows and concrete work. The courthouse is of great historical significance and has only had band-aids applied over the years.

**Project Description**

The courthouse in Red Lake Falls does not have a cooling or ventilation system. Our courtroom is served by two ductless min-split air conditioners, only one is working and it leaks freon. The sheriff's office is served by a DX fan coil with remote condensing unit. All other offices are using window air conditioning units. There are 69 windows in the courthouse and all of them need to be replaced as the wind blows through and around them. The South and East concrete walls at the base of the courthouse are cracked and deteriorated. All three of the stone entrance thresholds have deteriorated from normal wear and tear.

**Project Rationale**

We are not up to code as we do not have a ventilation system. We lose heat in the winter because our windows are old, and we pay more in the summer because our window units are not energy efficient and are damaging the window frames. We do not have the funding to make the repairs unless we increase property taxes in our county.

**Project Timeline**

Predesign was started in 2022, once funding is available, we will be able to start the work as soon as possible. There is a 45-week lead time on the chiller that is needed to operate the cooling system.

**Other Considerations**

We are a public entity that relies on the taxpayers money to operate. With only 5000 residents that live in Red Lake County, this project is exactly what the funds are meant to be used for.

**Impact on State Operating Subsidies**

**Who will own the facility?**

Red Lake County

**Who will operate the facility?**

Red Lake County

**Who will use or occupy the facility?**

Red Lake County

**Public Purpose**

Red Lake County Courthouse

**Description of Previous Appropriations**

**Project Contact Person**

Kelsey Gervais  
County Auditor  
218-253-2598  
kmgervais@co.red-lake.mn.us

(\$ in thousands)

Red Lake County Courthouse Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,100	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$300	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,400</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$75	\$0	\$0
Project Management	\$0	\$75	\$0	\$0
Construction	\$0	\$1,965	\$0	\$0
Relocation Expenses	\$0	\$124	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$161	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,400</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	No
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
2026 RLF Infrastructure Rehabilitation Project	1	GO	5,947	0	0	0	0	0
<b>Total Project Requests</b>			5,947	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			5,947	0	0	0	0	0

**2026 RLF Infrastructure Rehabilitation Project**

**AT A GLANCE**

**2026 Request Amount:** \$5,947

**Priority Ranking:** 1

**Project Summary:** The City of Red Lake Falls is seeking \$5,947,000 in State Assistance to aid in rehabilitating critical utility infrastructure (sanitary sewer, and storm sewer) and streets. Due to many years of stagnant tax base the City’s infrastructure condition had to take a backseat to other priorities, however the City is now in a position where the aging infrastructure can no longer be ignored.

**Project Description**

The City owns and maintains more than 16 miles of water main, nearly 11 miles of gravity sanitary sewer, and another 3 miles of sanitary force main. Up until 2019, nearly all the existing underground distribution/collection lines were constructed of materials that were either failing or have exceeded their expected useful life, with some utilities surpassing 70 years of life. These aged utilities have lent to excessive infiltration and inflow into the wastewater collection system, provide undersized and non-redundant water distribution systems, and experience increasing frequencies of pipe failure and the associated repairs.

Unfortunately, due to a stagnant tax base, the City of Red Lake Falls did not have the capacity to fund any sort of infrastructure rehabilitation project for well over a decade. Due to this, the already compromised infrastructure continued to deteriorate, and the amount of rehabilitation needed began to compound.

In 2019 the City of Red Lake Falls was finally able to fund a long overdue project to replace the worst of these areas. This project solved approximately 20% of the City’s infrastructure problems, however due to the inability to fund projects for such a long time, there are additional critical areas of town that yet need to be addressed. The 2019 project placed a large burden on local taxpayers through the levying of special assessments and increasing of the general tax levy to pay for a project that had very little outside assistance. Since this time, the City has developed a Capital Improvement Plan to take a more holistic look at the infrastructure needs of the community to ensure that reinvestments into the infrastructure is being done at the right time and right place. The City submitted a funding application to Rural Development in November of 2021. That proposed project includes approximately 28 blocks of utility replacement throughout the City. The City recently received funding through Rural Development for an infrastructure improvement project, but it came with \$8,310,000 in loan money, and approximately \$2.588 million in grant funds. The City will need to organize a way to repay the loan funds received through that funding and it will continue to push the City into further debt which will affect homeowners and businesses throughout the City. In 2023 the City decided to proceed with a much-needed water tower rehabilitation to bring the tower into OSHA and

AWWA compliance. The City did take \$1,100,000 out of reserves for this project, which has really depleted our water fund reserves.

This 2026 proposed project encompasses 28 blocks of utility replacements throughout the City. The improvements consist of the following rehabilitation elements:

1. Initially the City made a request for funding for water main improvements, but since Rural Development funding was secured (and mainly focused on water main related items), the City now no longer requests funds to help with water system improvements. This request will be for sanitary sewer, storm sewer, street, and miscellaneous improvements.
2. Sanitary Sewer Rehabilitation - The deteriorating sewer collection system within the project area will be rehabilitated to decreased breakages, infiltration, and inflow. It is proposed to rehabilitate the sewer collection system using a combination of Cast-in-place-pipe (CIPP) and traditional open cut methods, depending on the situation and the severity of the pipe deterioration.
3. Sanitary Sewer Service Replacement - All sanitary sewer services within the project area will be replaced with PVC from the property line to the sewer main. This will ensure that all sewer utilities within the City right-of-way are consistent in age and condition. This will also solve the issues that are commonly present in the VCP service lines such as collapsing due to age, root intrusion, and substantial infiltration.
4. Grinder Stations Rehabilitation – In addition to the Sewer collection rehabilitation, the City owns approximately 20 sewer grinder pumps that are located directly adjacent to private residences. These grinder stations have expanded their design life and are beginning to fail. The City intends to change these failing grinder stations to gravity system as part of this project to reduce ongoing maintenance costs.
5. Street Rehabilitation – All streets within the project area will be rehabilitated by some manner. In areas where utilities will be replaced using trenchless methods the streets will be milled and overlaid. In areas where utilities will be replaced using traditional open cut methods the streets will be fully reconstructed, including curb and gutter replacement.
6. Storm Sewer - With the increasing climate changes and storm intensity the City's storm sewer collection system is not adequately sized but so far has been operational. The collection systems are typically as old as the water and sewer utilities. In areas where a street will be fully reconstructed due to condition of the water/sewer/street infrastructure, the storm sewer will also be replaced in order to provide a street with consistent infrastructure age and quality.
7. Sidewalks - In areas where underground utilities (Water and/or Sewer), including service laterals, are rehabilitated utilizing a traditional open trench method, disturbed sidewalks will be replaced in a manner consistent with pre-existing improvements. At the present time the City has only a few ADA compliant sidewalks. Where the streets are to be fully reconstructed the sidewalk will be improved to meet ADA requirements as well.

The total cost of the project is projected to be \$12,354,000 and will be funded through a combination of funding sources including local funding, special assessments, USDA Rural Development Funding, and MN PFA. The levels of each funding source is yet to be determined based on results of ongoing applications.

The City of Red Lake Falls is requesting \$5,947,000 to help offset the cost of the project to lessen the burden of the project costs on the local taxpayers. Fulfillment of this request would also help the city accelerate the completion of future phases of the rehabilitation work that needs to be completed to

continue providing essential services to the residents.

**Project Rationale**

This project is required in order to continue providing essential services to the residents of the City of Red Lake Falls. Due to the aged condition of the infrastructure, the utilities experience periodic failures that result in loss of service to residents, and increased costs to the residents.

Additionally, a completed Capital Improvement plan has been completed for the proposed project to ensure that the project addresses the needs of the community in the most financially responsible way.

**Project Timeline**

Pre-design: October 2025  
Design: January 2026  
Construction Start: May 2026  
Construction Substantial Completion: October 2026  
Construction Final Completion: June 2027

**Other Considerations**

The City of Red Lake Falls is annually increasing utility rates to help pay for these infrastructure rehabilitation costs, however like many small communities the aged infrastructure needs significant attention, and these costs easily overshadow the City’s revenue generation capabilities.

Approximately 30% of the project total cost will be assessed directly to residents as was done in 2019, however in 2019 the City was able to cover the remaining 70% with bonding. This additional bonding offset some older bonding that was dropping off, but it was still needed to supplement further with general tax dollars. This proposed project will not have the benefit of additional bonding dropping off so the general tax levy may need to be further increased to account for these costs.

**Impact on State Operating Subsidies**

NONE

**Who will own the facility?**

The City of Red Lake Falls

**Who will operate the facility?**

The City of Red Lake Falls

**Who will use or occupy the facility?**

City of Red Lake Falls businesses and residents.

**Public Purpose**

The utility and street work needed as part of this project address the basic life, safety, and welfare responsibilities of the City in providing essential services to citizens and businesses of the community.

**Description of Previous Appropriations**

NONE

**Project Contact Person**

Kathleen Schmitz  
City Administrator  
218-253-2684  
rdlkfals@gvtel.com

(\$ in thousands)

**2026 RLF Infrastructure Rehabilitation Project**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,947	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$1,682	\$0	\$0
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$4,725	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,354</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,923	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$10,431	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,354</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Redwood Falls Municipal Airport Runway and Lighting Replacement	1	GO	3,386	0	0	0	0	0
Preservation of Historic Swayback Bridge	2	GO	1,300	0	0	0	0	0
<b>Total Project Requests</b>			4,686	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,686	0	0	0	0	0

Redwood Falls Municipal Airport Runway and Lighting Replacement

**AT A GLANCE**

**2026 Request Amount:** \$3,386

**Priority Ranking:** 1

**Project Summary:** The project involves the bituminous mill and overlay of Runway 12|30, taxi lanes, apron, replacement of the runway lighting system and installation of a storm water management system for future projects outlined on the Airport Layout Plan (ALP). The runway lighting system replacement includes edge lights, runway end identifier lights (REILS), and precision approach path indicator lights (PAPIS). See attached project maps.

**Project Description**

The project consists of a bituminous mill and overlay of Runway 12/30 for the full existing 4001'x100' and supporting pavement including: taxi lanes, and apron. In addition, replacement of the runway lighting system and installation of a storm water management system for future projects outlined on the Airport Layout Plan (ALP).

The runway lighting system replacement includes edge lights, runway end identifier lights (REILS), and precision approach path indicator lights (PAPIS) to a new efficient LED system. The current system is an antiquated incandescent lighting system with limited availability of parts. Most parts are salvaged from other airports that have already made the switch to LEDs.

The drainage enhancement portion of the project will effectively manage storm water issues and improve resiliency from intense weather patterns due to climate change that have been commonly experienced over the recent past years. These high intensity/quantity rainfall events exceeding the 1,000 year intervals are causing flooding that has never been experienced for decades and has even led to the annual attraction of waterfowl which compromises airport safety by increasing the probability of bird strikes.

The intent is to leverage \$4,046,000.00 of Federal discretionary/ airport improvement plan (AIP) funding with \$3,386,000.00 in State Bonding funds. The total project cost for pavement, lighting and storm water has been engineer estimated at \$7,432,000.00. The State contribution will be roughly 46% of the total project cost with 54% being Federally funded.

**Project Rationale**

**ELIGIBILITY AND JUSTIFICATION:**

Runway 12/30 was originally constructed in 1986. The last pavement rehabilitation project was a mill and overlay completed in 2009. The current pavement distresses include longitudinal and transverse cracking, raveling, cupping, alligator cracking, and weathering. The pavement has exceeded its useful

life and needs to be reconstructed. Similarly, the runway lighting system is old incandescent and should be upgraded. The City is finding it more difficult to find replacement parts for the antiquated system and many times recycling parts from other airports.. Reconstructing Runway 12/30 will greatly increase the operational safety of aircraft operating at the airport due to the current pavement distresses. Since the project is an improvement of existing pavement, an environmental assessment or categorical exclusion, will not be required.

**LONG-TERM ECONOMIC SUSTAINABILITY:**

The reconstruction of Runway 12/30 would increase operational safety for aircraft currently utilizing the Airport and allow the Airport to attract transient aircraft to the airfield. Increased aviation activity would also increase fuel sales and hangar rentals providing more revenue for the City to operate the airport.

**PRIOR TRACK RECORD IN PROJECT DELIVERY AND GRANT ADMINISTRATION:**

The City of Redwood Falls has an excellent record of accountability with regard to FAA grants. The City consistently remains compliant with FAA Grant Assurances and promptly completes FAA Grant Administration tasks.

**PROPOSED PROJECT SCHEDULE:**

The Runway 12/30 Rehabilitation project will be let for bids in August of 2024 after the State contracts are signed, with earliest construction starting in October 2024. The City of Redwood Falls has requested discretionary or state apportionment funds for reconstruction of Runway 12/30 in Federal FY 2024 (October 1, 2023)

**Project Timeline**

2025

January-August: Prepare Planning, Engineering and developing Bid Documents.

September- October: Execute Grant Agreements from MNDOT Aeronautics and FAA

2026

February-March: Bid Project and plan project phasing.

June: Award Project.

June-November: Substantially complete the project.

Dec-January: Break for Winter.

2027

April-September: Final landscaping and punch list items completed- Close Project.

**Other Considerations**

The project is to improve runway, taxi lane/apron safety and our intention is to maintain our current runway length of 4000' and 100' width with a lighting upgrade from incandescent lighting to LED- all safety critical projects. This has a life expectancy of a minimum of 10 years on the pavement and 20 for the lighting with standard maintenance.

Combining the projects allows for an economies of sale and a cost savings rather than breaking the proposed project up over 3 projects that extend into 2029. As stated earlier, the State contribution will be roughly 46% of the total project cost with 54% being Federally funded.

Currently the City has developed a new 100 acre business park and 200 acre multi family and single residential housing development. We haven't begun to realize the aviation needs of the future industry that will reside in the in the industrial park and subsequent use of the airport.

**Impact on State Operating Subsidies**

None.

**Who will own the facility?**

City of Redwood Falls

**Who will operate the facility?**

City of Redwood Falls

**Who will use or occupy the facility?**

City of Redwood Falls for the benefit of its residents and aviation public. The Redwood Falls Municipal Airport affects 68 FTEs, 4.4 million in payroll which yields 3.7 million in spending with an overall impact of \$8 million in economic activity as reported in the MNDOT Aeronautics statewide airport economic study.

**Public Purpose**

AIR-SIDE FACILITIES The air-side facilities include the primary airport infrastructure to accommodate airport operations including the runway, taxiway, and apron facilities. The Redwood Falls Municipal Airport (RWF) was activated as a public facility in 1942. Major airfield improvements were made in 1961, 1962, 1974, 1981, 1996 and 2009.

**Description of Previous Appropriations**

No previous funding has been allotted to the project to date.

**Project Contact Person**

James Doering  
Public Works Project Coordinator  
507-616-7400  
jdoering@ci.redwood-falls.mn.us

(\$ in thousands)

Redwood Falls Municipal Airport Runway and Lighting Replacement

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,386	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$4,418	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,804</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,561	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$6,243	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,804</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Preservation of Historic Swayback Bridge**

**AT A GLANCE**

**2026 Request Amount:** \$1,300

**Priority Ranking:** 2

**Project Summary:** Preservation and restoration of the historic WPA 1938 Swayback Bridge, number 89859. Appropriation includes funding for cofferdam access, sourced stone replacement and tuck-pointing necessary to preserve and protect the granite-masonry structure.

**Project Description**

The Works Progress Administration (WPA) Swayback bridge was constructed by hand in 1939. A marvel in engineering and historically unique design being the only stone and mortar structure of this design in the United State and is one of two known bridges in the lower 48, with the other being comprised of metal framing. This uniqueness has put the Swayback Bridge on the National Registry of Historic Places and is the key feature of the 256 acre Ramsey Park.

The project will be a design-bid-build to preserve and restore by tuck pointing over 4000 square feet of hand cut granite rock exterior, replace missing stones sourced from the original quarry, replacing pier caps, fortifying undermined pier footings and abutment footings as revealed from under water inspections.

In addition, mobilization and de-watering by installation of cofferdams in order to divert the Redwood River and expose pier and abutment footings for repair and allow for pier tuck pointing will be needed. These areas are normally under water during the open water construction season.

Crack sealing and expansion joint repair of the traffic surface are also included in the project scope.

**Project Rationale**

Previously under County jurisdiction, the bridge was re-decked by Redwood County and was then turned back to the City in 2013 and went from what was known as County State Aid Highway 31 to Municipal State Aid Route 118.

Since that time the Swayback Bridge has withstood consecutive federally declared flood disasters of 2014, 2018 and 2019. In addition to two state declared flood disasters of 2017 and 2023. Simply put the Swayback Bridge has withstood five major flooding disasters over the past 10 years.

With this unprecedented stress caused by climate change and destructive results of highly intensified rainfall events, projected to worsen in the near future, it is imparative to act quickly with restoration efforts to fortify the bridge for upcoming events.

The disasters over the past 10 years have undermined pier footings and removed masonry tuck-

pointing that binds the hand cut granite block exterior making it susceptible to the loss of blocks threatening structural integrity.

**Project Timeline**

2026

January-July: Solicit Bonding Request.

September- October: Execute Grant Agreements from MNDOT

October- December: Prepare Planning, Engineering and developing Bid Documents.

2027

January - March: Bid Project, Award Bids and develop project schedule.

April - May: Begin Construction.

June-November: Substantially complete the project.

**Other Considerations**

FEMA funding has not been available as this work is viewed as mitigation against future disasters. FEMA funds are to repair and replace back to previous conditions after the structure has failed or been destroyed by a particular flood event. FEMA has viewed this as a compilation of damage due to multiple events over time and not one catastrophic declared disaster.

This funding request is for 100% of the engineer estimated project cost to repair and fortify the historic bridge. The City of Redwood Falls is making the request under MS16A.86, Subd4, part b; referencing that this request is a result of multiple disasters previously mentioned and to prevent the future loss of the historic bridge.

State funding would always be utilized, either with Bridge funding where 84% is earmarked for the Counties or the use of Minnesota State Aid System (MSAS) funding . The use of either funding source would push the project to 2035 exposing the bridge another 11 years risking catastrophic loss.

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

City of Redwood Falls

**Who will operate the facility?**

City of Redwood Falls

**Who will use or occupy the facility?**

Open to public traffic as a Municipal State Aid Bridge located in the MnDOT District 8 transportation system.

**Public Purpose**

Open to public traffic as a Municipal State Aid Bridge located in the MnDOT District 8 transportation system.

**Description of Previous Appropriations**

None

**Project Contact Person**

James Doering  
Public Works Project Coordinator  
507-616-7400  
jdoering@ci.redwood-falls.mn.us

(\$ in thousands)

Preservation of Historic Swayback Bridge

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,300	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,300</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$22	\$0	\$0
Design Fees	\$0	\$160	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$1,118	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,300</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Revere Storm Water Infrastructure Repair and Street Reconstruction	1	GO	3,600	0	0	0	0	0
<b>Total Project Requests</b>			3,600	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,600	0	0	0	0	0

**Revere Storm Water Infrastructure Repair and Street Reconstruction**

**AT A GLANCE**

**2026 Request Amount:** \$3,600

**Priority Ranking:** 1

**Project Summary:** The current age and condition of the City of Revere's streets and storm water infrastructure is causing numerous health and safety issues and these issues will continue to increase until the City updates and/or replaces this system. The proposed project includes replacing deteriorated and undersized components of the storm water conveyance system that is causing localized flooding. Street pavement, curb, and sidewalk (1950's era) are also in poor condition and require improvements.

**Project Description**

Proposed storm water improvements include replacing the deteriorated storm sewer conveyance system and installing approximately 7,700 LF of storm sewer, manholes, and catch basins, as well as an outfall to Pell Creek. Storm sewer pipe sizing will be corrected based on industry standard design criteria such as the 10-year storm event. Storm service laterals will be maintained by installing wye pipe fittings and 4-inch pipe to the Right of Way (ROW). Catch basins will be relocated and/or added to correct existing design issues. All improvements to the storm sewer will coincide with street reconstruction improvements. All bituminous street pavement, curb, and sidewalk within the City will be regraded and fully reconstructed.

**Project Rationale**

The City of Revere's storm water conveyance system consists of 7,400 feet of 8-inch to 12-inch vitrified clay pipe constructed at an unknown time. At one time the system was used as a combined sanitary sewer and storm sewer system, so it contains wye and service laterals, most of which are still in use and carry sump pump and foundation tile discharge. A separate sanitary sewer collection system was installed in 2004. The existing storm sewer system is vastly undersized, has deteriorated past its service life, and is in poor condition with multiple collapses and backups. The system's catch basins are composed of an assortment of concrete and modular block structures that are deteriorating. Many locations throughout the City experience localized flooding after moderate-to-heavy rain events due to the lack of catch basins or improper catch basin placement. The bituminous street pavement, curb, and sidewalk within the City are in poor condition. These structures were most likely constructed in the 1950's and have not received rehabilitation commensurate with their age since that time. The bituminous pavement contains many areas of severe alligator cracking, potholes, and general deterioration. During installation of the sanitary sewer collection system in 2004, the trenches were not properly compacted and, as a result, significant trench settlements are present at most sewer main and service lateral locations causing uneven pavement.

**Project Timeline**

06/1/26 - Engineering and Design

10/1/26 - Bidding

4/1/27 - Start of Construction

10/31/28 - End of Construction

**Other Considerations**

The proposed infrastructure improvements are not viable unless the City receives financial support through grants. There is a great need for support to address the City's infrastructure needs in their entirety which will support the health and safety of Revere's residents and sustainability of the City for future generations.

**Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project

**Who will own the facility?**

The City of Revere will own the project.

**Who will operate the facility?**

The City of Revere's staff will operate the proposed infrastructure project.

**Who will use or occupy the facility?**

Residents and visitors of the City of Revere will use the infrastructure and pay utility fees.

**Public Purpose**

Improving Revere's failing storm water system by installing the proper size and material will alleviate flooding issues, increase public safety, and reduce the risk of health hazards and property damage. Storm water system improvements will coincide with street reconstruction improvements. All bituminous street pavement, curb, and sidewalk within the City will be regraded and fully reconstructed.

**Description of Previous Appropriations**

None

**Project Contact Person**

Kristi Butler

Clerk/Treasurer

507-829-6003

cityclerkrevere@gmail.com

(\$ in thousands)

Revere Storm Water Infrastructure Repair and Street Reconstruction

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,600	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$1,916	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,516</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$205	\$0	\$0
Design Fees	\$0	\$292	\$0	\$0
Project Management	\$0	\$440	\$0	\$0
Construction	\$0	\$4,579	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,516</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.**

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Jones Lake Climate Resiliency Improvement Project	1	GO	6,840	0	0	0	0	0
<b>Total Project Requests</b>			6,840	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			6,840	0	0	0	0	0

Jones Lake Climate Resiliency Improvement Project

**AT A GLANCE**

**2026 Request Amount:** \$6,840

**Priority Ranking:** 1

**Project Summary:** Ramsey County Ditch 2, a critical regional stormwater system managed by RCWD, serves Roseville, St. Anthony, and New Brighton, helping prevent flooding damage to public and private infrastructure. This \$6.84 million funding request will support upgrades to a regional stormwater facility, increasing flood storage, reducing flood risks to regional and interstate roads, and enhancing protection for over 400 private properties.

**Project Description**

The Rice Creek Watershed District (RCWD), in cooperation with the cities of New Brighton, Roseville, and St Anthony, are undertaking a project on Jones Lake to protect the public safety, health and welfare of its residents from flood impacts following heavy rainfalls. The project has several components including: 1) replacement of a 45-year old water control structure, 2) increasing water storage in a large wetland that collects stormwater from a large drainage area, and 3) creation of a water storage pond to capture and treat pollutant laden stormwater runoff. In conjunction with the project the City of New Brighton will independently develop a community park and open space area adjacent to the project.

The current stormwater facilities, dating back to 1970s, are in very poor condition and must be replaced. The current structure was installed in 1979 to control water levels within the Jones Lake basin and reduce the release of water from the lake to protect downstream areas from flooding. Given the current condition of the structure, along with increased high intensity rainfall events, it is no longer effectively achieving this objective. The proposed structure will restore and enhance the ability of the Jones Lake basin to temporarily store stormwater runoff and protect public infrastructure and residents during flood events. To further enhance flood protection, dredging / excavation will be completed within and surrounding the Jones Lake basin.

The area served by this project is nearly 11 square miles or 7,000 acres in total and has a population of approximately 40,000. The majority of the watershed was urbanized in the middle the 20th century prior to modern stormwater management techniques. The stormwater runoff from the watershed (which is approximately 50% impervious paved surfaces roads, parking lots, commercial structures, residences, and waterbodies) is largely unmanaged and creates substantial flood risk as precipitation patterns have trended towards greater amounts and becoming more intense. The density of development and lack of modern storm water prevention facilities left unmitigated will continue to put public and private infrastructure at risk causing a significant threat to public health, welfare and safety.

The Jones Lake project will increase flood resiliency for over 400 properties, 6 county highways, two interstate highways and many local roadways across the 3 cities. Additionally, the project provides enhanced recreational opportunities to residents through water quality treatment.

Total costs are projected to be \$8.0 million (July 2025 est). The RCWD, having taxing authority, intends to utilize a general levy and/or a special assessment district over the watershed to generate a local cost share contribution. Additionally, the RCWD was awarded \$1.17 million from the MPCA for partial implementation which will be used to construct items #1 and #3 above (outlet replacement and water storage pond, respectively).

### **Project Rationale**

Effective stormwater management in this highly developed watershed is crucial for reducing flood risks, which continue to rise due to increasing rainfall events and runoff volume.

Without this project, private properties and public infrastructure will remain at a high level of risk to flooding, as existing land uses offer limited solutions to resolve localized flooding in the watershed. Attempting to address isolated flooding issues through local infrastructure improvements, without the Jones Lake project, will worsen regional flooding downstream. Currently, frequent street, residential, and commercial property flooding leads to property damage, disrupts use of public facilities, and threatens public safety during times of flooding.

The project area's proximity to major highways, I-35W and I-694, which carry a combined average of nearly 250,000 vehicles daily, means severe rainfall events can significantly impact traffic and transportation infrastructure.

### **Project Timeline**

Completed: Development of a regional watershed plan in conjunction with cities, -Climate resiliency analysis contemplating future rainfall projections, Construction of previous phases of projects in comprehensive stormwater management plan (Hansen Park, Mirror Pond, and 4th St Stormsewer) RCWD projecting to complete:

- Jones Lake final project design (currently in progress and completion planned in late 2025)
- Regulatory approvals (currently in progress and completion planned in early 2026)
- 2026 – construct initial phase of Jones Lake project (outlet structure and water storage pond)
- 2026 – commit remaining funding

With funds appropriated in 2026

- Bidding in 2026, Construction in late 2026-2028.

The RCWD and partners have identified additional projects to alleviate flooding, that can't proceed until the Jones Lake project is implemented. Once funding is secured, RCWD and partners can proceed with development of these other planned projects to further address localized flooding.

### **Other Considerations**

The RCWD has collaborated with the 3 partner cities to develop a comprehensive stormwater management plan. This plan balances the need for drainage improvements with regional storage projects to prevent adverse impacts after implementation. The Jones Lake project, the largest in the plan, serves as a linchpin, enabling the cities to move forward with other key projects. A capital project grant will greatly expediate overall implementation.

Due to the flood risk to interstate highways and the significant reduction of that risk through this

project, its benefits extend beyond local residents to a regional and state level. These benefits include enhanced public safety and uninterrupted commerce, as even temporary interstate closures result in substantial economic costs. Given this broader impact, a reduced local cost share of 10% is requested. RCWD plans to use its taxing authority, either through ad valorem or a special water management district levy, to collect the local cost share.

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

RCWD will be the owner of the infrastructure constructed as part of this project. The land physically occupied by the infrastructure is owned by the City of New Brighton and private landowners who have conveyed easements to the City. The City of New Brighton has committed to providing access to RCWD for project implementation. The RCWD and City will establish a long-term partnership agreement granting access to the RCWD for operation and maintenance of the infrastructure.

**Who will operate the facility?**

RCWD will operate the project. Funds necessary to operate and maintain the project will be derived from the RCWD taxing authority.

**Who will use or occupy the facility?**

All residents in the community and other individuals that rely on the regional and interstate highways will indirectly use the flood components of the project. No individuals, public institution or private enterprises will occupy the project.

**Public Purpose**

The Jones Lake project will enhance flood water management within the watershed, improving public health, safety, and well-being for residents within and adjacent to the project area, as well as those who depend on regional and interstate roadways. Additional benefits include expanded outdoor recreation opportunities and environmental enhancements.

**Description of Previous Appropriations**

None

**Project Contact Person**

Nicholas Tomczik  
Administrator  
763-398-3079  
ntomczik@ricecreek.org

(\$ in thousands)

Jones Lake Climate Resiliency Improvement Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,840	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$1,173	\$0	\$0
<b>Non-State Funds Already Committed</b>				
Other Local Government Funds	\$0	\$804	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,817</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$947	\$0	\$0
Project Management	\$0	\$100	\$0	\$0
Construction	\$0	\$6,948	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$822	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,817</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.**

Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	No
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Rice Lake Sewer and Water Extensions	1	GO	3,800	0	0	0	0	0
<b>Total Project Requests</b>			3,800	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,800	0	0	0	0	0

Rice Lake Sewer and Water Extensions

**AT A GLANCE**

**2026 Request Amount:** \$3,800

**Priority Ranking:** 1

**Project Summary:** Rice Lake is requesting funding to design and install 6,900 lin. ft of gravity sewer and 10,200 lin. ft. of water main extensions along Martin Road and Rice Lake Road to provide safe, clean, reliable drinking water for all residents.

**Project Description**

Rice Lake is requesting funding to design and install 4,700 lin. ft of gravity sewer along Rice Lake Road and Martin Road to prepare the area for commercial and mixed use residential development and to complete the work prior to a large road reconstruction project by St. Louis County. Part of the St. Louis County road project is constructing a new city street that will function as a frontage road providing an alternate route for this extremely busy road and to open up access to more land for development. We are requesting funding to design and install 2,200 lin. ft. of gravity sewer and water along this new frontage road. This funding request is also for designing and installing 8,000 lin. ft. of water main along Martin Road to provide safe, clean, reliable drinking water for all residents along this road, who are currently struggling with well issues that frequently run dry, and to complete a water loop that will be a benefit to our entire water system.

**Project Rationale**

Rice Lake Road is our commercial corridor and is primed for commercial, light industrial, and mixed-use residential development and the intersection of Rice Lake Road and Martin Road are being designed as a new City Center or Downtown of Rice Lake. Rice Lake was previously a township and incorporated as a city in 2015, so we do not have a traditional downtown as most cities do. Rice Lake has been working with St. Louis County, since both of the above mentioned roads are county roads, to redesign this area to create a new city center, improve access for property owners while still maintaining the connectivity of the road system, and to increase safety on this heavily traveled corridor.

St. Louis County has received Federal and State grants for this road reconstruction project in the amount of \$40 million. Rice Lake plans to install sewer and water infrastructure before St. Louis County reconstructs the Rice Lake Road corridor, avoiding the need to tear up newly paved roads. This infrastructure is necessary to open up opportunities for commercial, light industrial, and residential development in this area and address the need for the housing shortage in Minnesota. Rice Lake has received \$3,344,000 in an EDA grant to extend sewer and water along Martin Road (west of Rice Lake Rd, while this request is for Martin Road east of Rice Lake Rd) to a new industrial park located on Duluth International Airport Property. The small gravity sewer extensions included in this request would help complete all of the needed utility infrastructure in this area, so we can collaborate on all three projects and get them done sequentially without having to go back and tear

up new pavement or new lawns to complete this project after the other two projects are completed. Rice Lake is committed to improving the quality of life for its current residents by installing gravity sewer and water main extensions along Martin Road and Rice Lake Road to provide safe, clean, reliable drinking water and for its future residents by installing the needed infrastructure now to help lessen the costs of new housing in this area as well as opening up commercial and light industrial development so all Rice Lake residents can enjoy living, working, eating, and playing in our community.

We want to be smart with the grants and opportunities that have been given to Rice Lake in the next 2 to 4 years from our state, federal, and county partners, but we need a little extra help to complete these MISSING LINKS within our utility infrastructure.

### **Project Timeline**

We hope to start this project in fall of 2026, if feasible, or summer of 2027. The EDA funded project completion deadline is end of 2026 and the county project is scheduled for 2027 to 2029. We would like to coordinate this project with those two projects.

### **Other Considerations**

As I stated before, we want to be smart with the grants and funds Rice Lake and the county have received for the two other projects in this area, so we want to coordinate this project with those and make sure we are not redoing things or having to tear up new pavement in order to complete these sewer and water extensions, that does not seem to be a good use of public funds. Rice Lake is committed to developing this area of our city, but we need a little help with funding for these MISSING LINKS in our utility system, as we don't have enough cash on hand to get them completed right now.

### **Impact on State Operating Subsidies**

This request should not impact State Operating Subsidies.

### **Who will own the facility?**

Rice Lake will own this project.

### **Who will operate the facility?**

Rice Lake Public Works will operate this project after completion in conjunction with the rest of our utility system.

### **Who will use or occupy the facility?**

The sewer and water mains will be in the road right-of-way, so Rice Lake will use the infrastructure to provide sewer and water to the property owners along the project.

### **Public Purpose**

The public purpose on this project is to provide reliable, clean drinking water to our residents and provide municipal sewer to them as well as preparing this area of our city for substantial commercial, light industrial, and residential development.

## **Description of Previous Appropriations**

### **Project Contact Person**

Toni Blomdahl  
City Administrator  
218-249-0733  
tblomdahl@ricelakecitymn.com

(\$ in thousands)

Rice Lake Sewer and Water Extensions

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,800	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$150	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,950</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$703	\$0	\$0
Project Management	\$0	\$151	\$0	\$0
Construction	\$0	\$3,096	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,950</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Nicollet Avenue Reconstruction	1	GO	10,000	0	0	0	0	0
Richfield Emergency Water Interconnect	2	GO	2,500	0	0	0	0	0
<b>Total Project Requests</b>			12,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			12,500	0	0	0	0	0

**Nicollet Avenue Reconstruction**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$10,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	\$10 Million in State funds is requested for the City of Richfield to participate in the reconstruction of 1.4 miles of roadway, active transportation, and public utility infrastructure on Nicollet Ave (CSAH 52) from 77th Street to 66th Street (CSAH 53) in Richfield.

**Project Description**

Nicollet Avenue (CSAH 52) will be reconstructed and modernized between 77th Street and 66th Street (CSAH 53) within the City of Richfield, providing the opportunity to include enhanced pedestrian facilities, improved transit stops, safer vehicle movements, and a dedicated bicycle facility along the entire length of the corridor. The project is being led by Hennepin County, in partnership with the City of Richfield, and is programmed for construction in 2026-2027.

The project will reconstruct existing assets, including pavement, curb, storm water structures, sidewalk facilities, and traffic signals. Complete streets design strategies such as curb extensions, raised medians, crossing beacons, bikeway accommodations, and streetscaping features are being considered and will benefit multimodal users. Improvements to the existing bikeway accommodations are also being considered during the project development process to enhance bikeway connections to the nearby Nine Mile Creek Regional Trail and 66th Street (CSAH 53). It is anticipated that this project will complement MnDOT's ongoing I-494 Corridors of Commerce Project that will make improvements to Nicollet Avenue (CSAH 52) between American Boulevard and 77th Street.

City-owned watermains along the corridor are also reaching end of life and will be reconstructed as part of the roadway reconstruction project.

Current cost estimates point to a total right-of-way acquisition and construction cost of approximately \$25.4 million. Per Hennepin County cost share policies, \$11.1 million of that work will be paid by the City of Richfield. This \$11.1 million includes \$5.1 million of shared roadway and storm sewer costs, \$975,000 of shared right-of-way acquisition costs, and \$3.2 million of needed city watermain improvements, and \$1.8 million for engineering costs. The remaining \$14.2 million for project construction will be paid by Hennepin County.

**Project Rationale**

There were 226 crashes from 2018-2022, approximately 12% of the total non-freeway or ramp vehicle crashes in Richfield. This included 5 crashes with a pedestrian or bicyclist (8% of city total), 71

crashes with minor/possible injuries (16% of city total), 5 with serious injuries (19% of city total), and 2 crashes with fatalities (50% of city total).

The existing roadway (last reconstructed in 1961) has reached the end of its useful life. Routine maintenance activities are no longer cost effective in preserving assets. The original concrete roadway has since been overlaid with bituminous pavement, resulting in premature surface cracking at joints. The existing sidewalks are located adjacent to the roadway; causing discomfort for people walking and making snow removal near impossible in the winter months. The curb has settled, diminishing its ability to collect water and define the roadway edge. Many intersections do not meet current standards for ADA accommodations.

### **Project Timeline**

Design: June 2024 through November 2025

Letting: November 2025

Construction: March 2026 through November 2027

Construction currently aligns with planned construction schedule for Nicollet Ave bridge over I-494, work to be done in 2026 with I-494 Corridors of Commerce Design-Build project.

### **Other Considerations**

The Nicollet Ave corridor is a key regional economic and social corridor for the City of Richfield and Hennepin County. Between I-494 and Highway 62, there are 3 schools, a library, the Richfield Community Center, two city parks, 2 churches, and 6 retail blocks including multiple regional and national retail and dining chains. It serves as a key connection into Minneapolis and Bloomington for all modes of transportation, carrying pedestrians, Metro Transit's Route 18 and approximately 10000 vehicles daily in 2022. Nicollet has been identified by the Metropolitan Council for future arterial BRT service. Nicollet also serves as a bicycle connection into Minneapolis north of 66th Street, and the corridor has been identified by Three Rivers Park District as a future regional trail corridor, which would extend that connection along the length of the project, to create a bike connection between Minneapolis and Bloomington through Richfield.

### **Impact on State Operating Subsidies**

No impact

### **Who will own the facility?**

Hennepin County and City of Richfield, with specific ownership detailed in a future construction and maintenance agreement.

### **Who will operate the facility?**

Hennepin County and City of Richfield, with specific operational responsibilities detailed in a future construction and maintenance agreement.

### **Who will use or occupy the facility?**

Project will be a public road facility used by the general public for transportation, recreation, and economic purposes.

**Public Purpose**

Project will improve safety and mobility conditions for active transportation and safety conditions for vehicles, on the roadway in Richfield with the most fatalities in the past 5 years. This project will enhance active transportation connections throughout the region, between Minneapolis and Bloomington through Richfield, and create additional connections between Regional Trails. This project will also rehabilitate critical public utilities at the end of their original life.

**Description of Previous Appropriations**

None

**Project Contact Person**

Katie Rodriguez  
City Manager  
612-861-9702  
krodriguez@richfieldmn.gov

(\$ in thousands)

**Nicollet Avenue Reconstruction**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$10,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$1,140	\$0	\$0
County Funds	\$0	\$14,240	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$25,380</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$1,950	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,830	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$21,600	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$25,380</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

## Richfield Emergency Water Interconnect

**AT A GLANCE****2026 Request Amount:** \$2,500**Priority Ranking:** 2

**Project Summary:** The Richfield Emergency Water Interconnect is a drinking water infrastructure project that will hydraulically connect the drinking water systems of Richfield and Minneapolis. The project involves the installation of an 18-inch water supply line from Minneapolis' transmission watermain to an interconnection point with Richfield's distribution system. The project's funding package, construction, and ownership will rest with the City of Richfield.

**Project Description**

MDH and MnDNR have consistently sent the message that public water utilities make the investment in a water system interconnect and explore viable source water alternatives to improve infrastructure resiliency. In addition, Metropolitan Council's Water Policy Plan emphasizes the importance of diversifying and protecting source water supplies to ensure long-term sustainability. This project is to strengthen the City's critical infrastructure. Since 2009, Richfield has been exploring alternatives for an emergency backup for the water distribution system. In 2023, a study was commissioned to ascertain which neighboring municipality could provide the requisite demand. Interconnections with Edina, Bloomington, and Minneapolis were evaluated. The results of that study revealed that the most favorable connection is with Minneapolis. Minneapolis is able to provide more than enough water to satisfy the current and future demands of the residents and business owners of Richfield. It will also create more opportunities for Richfield to take-action on other critical water system improvement projects that would not have been possible without a secondary source of water.

**Project Benefits:**

- Drinking water and storage redundancy;
- Potential to lessen the burden on metro area groundwater aquifers; and
- Satisfies EPA Safe Drinking Water Regulations for Emergency Preparedness.

**Project Rationale**

This project will bolster Richfield's compliance with SDWA (1433) provisions for Risk and Resilience and Emergency Response. It also provides a clean and reliable secondary source of potable water for the residents and businesses within Richfield in the event of any measurable changes to the water quality for the current (groundwater) source water, cyber attacks, or unplanned plant outages.

**Project Timeline**

Construction is currently programmed to begin late March 2027 and complete by the end of October 2027.

**Other Considerations**

None at this time.

**Impact on State Operating Subsidies**

None.

**Who will own the facility?**

City of Richfield

**Who will operate the facility?**

City of Richfield

**Who will use or occupy the facility?**

City of Richfield.

**Public Purpose**

The project will construct a physical water connection (pipeline) between the City of Richfield and the City of Minneapolis water systems which could be placed into service in the event Richfield's water treatment plant could not produce water for public consumption. Richfield currently has no redundant/alternate sources of potable water to use in the event of an emergency. The provision of clean & safe drinking water is the primary mission of the Richfield Water Utility division and residents expect and rely on this.

**Description of Previous Appropriations**

No state appropriations have been previously received for this project.

**Project Contact Person**

Scott Kulzer  
Senior Analyst  
612-861-9172  
skulzer@richfieldmn.gov

(\$ in thousands)

**Richfield Emergency Water Interconnect**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$2,500	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$630	\$0	\$0
Project Management	\$0	\$170	\$0	\$0
Construction	\$0	\$4,200	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Public Works Facility	1	GO	20,000	0	0	0	0	0
<b>Total Project Requests</b>			20,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			20,000	0	0	0	0	0

## Public Works Facility

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$20,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	The City of Robbinsdale currently operates out of a 1950s-vintage Public Works facility, that no longer meets the needs of the City. Between not being able to house modern day equipment, and continued structural and operational failures, the facility needs replacing.

**Project Description**

The primary goal for the project is to provide a consolidated facility, sized appropriately for operational needs.

The benefits of this goal include:

1. Vehicles kept inside are less problematic in cold weather conditions and require less start-up time and prep in a snow and ice event. In addition, staff are better able to troubleshoot and address concerns and problems as they arise in a controlled environment.
2. The condition, maintenance requirements, security, and longevity of the fleet will be improved.
3. Consolidating operations in one building eliminates the need to maintain separate mechanical/electrical systems in multiple buildings. Newer buildings are dramatically more energy efficient in terms of insulation, lighting, water use, etc. making the operating cost per square foot lower.
4. A newer building addresses current code and OSHA compliance issues within the existing operation.

Some key design factors include:

1. Provide space programming that includes long-term planning forecasts to right size the facility for current and potential future needs.
2. Site access, vehicular circulation, and overall traffic flow.
3. Provide natural lighting throughout the facility.
4. Provide comfortable finishes and furnishings while maintaining a high-level of durability.
5. Provide adequate air ventilation, specifically at the vehicle areas. Ensure proper separation between vehicle and office/staff areas.
6. Overall office, shop, wash bay, and maintenance operational needs.
7. Vehicle and equipment storage requirements.
8. Provide safe but usable “common sense” security measures for staff, equipment, and materials.
9. Conveys the message of being a community service.
10. Provide design flexibility to adapt to the changing nature of the Public Works over time

## **Project Rationale**

In Robbinsdale, reconstruction and maintenance of utilities remain a high priority - some infrastructure is more than 100 years old. A network of dozens of miles (roads, alleys, water, sewer, storm water, etc...) requires a highly skilled staff, and the proper equipment to carry out the work. And, as a City of roughly 15,000, some are surprised the Public Works Department does much more than that. The team provides regular duties related to the City's 14 parks, 3 lakes, 2 watersheds, and general efforts to keep the wonderful community that is Robbinsdale functioning at a high level.

As a local government unit (LGU), the City of Robbinsdale must also work with agencies in and around the City – these include State agencies, Hennepin County, Three Rivers Parks District, Shingle Creek Watershed, Basset Creek Watershed, the Robbinsdale School District, and neighboring communities of Minneapolis, Golden Valley, Crystal, and Brooklyn Center.

Ultimately, the time has come to “fix the stuff that fixes the stuff”. Robbinsdale’s Public Works Facility is a vintage 1950’s facility that has long served the community. Unfortunately, the building has now reached its full life, and requires replacement. Beyond concerns related to a leaky roof, failing HVAC systems, and limited functionality for personnel... the building isn’t large enough to house modern day equipment.

## **Project Timeline**

Schematic Design - Summer 2025  
Design Development - Later Summer 2025  
Construction Documents Creation - Fall 2025-Spring 2026  
Bidding Phase - Spring 2026  
Construction - Summer 2026 - Fall/Winter 2027

## **Other Considerations**

The City of Robbinsdale continues to meet and exceed many goals shared by state agencies and the Metropolitan Council. As a built-out City, new development is rare, but the City continues to place a priority on preservation of Naturally Occurring Affordable Housing (NOAH). As all are in agreement, there is a shortage of housing (more specifically, a shortage of affordable housing), Robbinsdale boasts a higher amount than our neighbors and state averages - a blueprint for more communities. With that, we have a limited tax base so supporting these goals of the state can be a detriment to the needs - like a new Public Works facility. In combination with receiving no state bonding in recent history, we believe this project should be a strong candidate for consideration.

## **Impact on State Operating Subsidies**

NA

## **Who will own the facility?**

City of Robbinsdale

## **Who will operate the facility?**

City of Robbinsdale

**Who will use or occupy the facility?**

City of Robbinsdale

**Public Purpose**

As described, the Public Works facility will be owned and operated by the City of Robbinsdale and serve the community in those capacities - meeting the Public Purpose requirements.

**Description of Previous Appropriations**

NA

**Project Contact Person**

Tim Sandvik  
City Manager  
763-531-1258  
tsandvik@robbinsdalemn.gov

(\$ in thousands)

Public Works Facility

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$20,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$18,000	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$2,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$40,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$6,650	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$33,350	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$40,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	No
Has the pre-design been submitted to the Department of Administration?	No
Has the pre-design been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Airport Parking Infrastructure & Energy Components	1	GO	3,308	0	0	0	0	0
East Zumbro Sewer & Water for Housing Opportunities	2	GO	9,224	10,892	9,778	0	0	0
Planning for Civic Center Drive and South Broadway Ave	3	GO	2,125	4,875	0	0	0	0
<b>Total Project Requests</b>			14,657	15,767	9,778	0	0	0
<b>General Obligation Bonds (GO) Total</b>			14,657	15,767	9,778	0	0	0

**Airport Parking Infrastructure & Energy Components**

**AT A GLANCE**

**2026 Request Amount:** \$3,308

**Priority Ranking:** 1

**Project Summary:** The proposed project involves the reconstruction of the Rochester International Airport’s passenger terminal parking lot as well as the addition of electric vehicle (EV) charging stations and covered parking stalls topped with solar panel arrays. The project includes predesign, design and construction with a total estimated project cost of approximately \$6.6 million. The City is requesting \$3.3M in state funding (half the project cost).

**Project Description**

The City of Rochester requests \$3.3.M in state bonding (50% of \$6.6 million project) to reconstruct 14,000 square yards of the Rochester International Airport's passenger and rental car parking lots as well as install solar panel arrays and EV charging stations. The solar panel arrays will create 45,000 square feet of covered parking, providing shelter for approximately 150 vehicles. The new 720kW photovoltaic system is expected to generate approximately 810,000 kWh of electricity annually, enough to meet the power needs of the passenger terminal building.

**Project Rationale**

In support of its foundational principles of environmental stewardship and sustainability, the City of Rochester is incorporating renewable energy into its proposed passenger terminal parking lot reconstruction project at the Rochester International Airport (RST). The proposed project will help the City to meet its 100% renewable energy target by 2030 by reducing energy use, curbing greenhouse gas emissions, and saving money.

**Project Timeline**

- Design: Fall 2026
- Start of Construction: Spring 2027
- Complete Construction: Fall 2027
- Operational Date: October 31, 2027

**Other Considerations**

The City of Rochester is seeking federal tax credits.

**Impact on State Operating Subsidies**

**Who will own the facility?**

The City of Rochester

**Who will operate the facility?**

The City of Rochester

**Who will use or occupy the facility?**

General public

**Public Purpose**

The development of renewable energy resources will reduce our dependence on fossil fuels and reduce greenhouse gas emissions. This project will also provide an increase in user experience and all-season accessibility.

**Description of Previous Appropriations**

The passenger terminal parking lot is planned to be reconstructed in three phases, with the renewable energy components being included in Phase 1. There have been no prior State appropriations for this project.

**Project Contact Person**

Heather Corcoran  
Legislative Affairs and Policy Director  
507-269-9893  
hcorcoran@rochestermn.gov

(\$ in thousands)

**Airport Parking Infrastructure & Energy Components**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,308	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$1,500	\$0	\$0
City Funds	\$0	\$1,808	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,616</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$40	\$0	\$0
Design Fees	\$0	\$960	\$0	\$0
Project Management	\$0	\$200	\$0	\$0
Construction	\$0	\$4,799	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$617	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,616</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

East Zumbro Sewer & Water for Housing Opportunities

**AT A GLANCE**

**2026 Request Amount:** \$9,224

**Priority Ranking:** 2

**Project Summary:** The City of Rochester seeks state bonding funding to help support for a sewer and water infrastructure project that will unlock approximately 1,000 acres of developable land, promoting housing affordability and economic growth. The project targets critical sewer and water capacity upgrades in southeast Rochester, east of the Zumbro river.

**Project Description**

The request is phaseable and can be broken into stages. In 2026, the state bonding request is \$9.224 million, which is 50% of the first phase cost of \$18.45 million. The East Zumbro Sewer and Water Investment Project addresses a key infrastructure need to enable new housing, commercial, and industrial development in southeast Rochester. This area has limited developable land due to existing sewer and water pipe capacity constraints, despite sufficient treatment capacity at the city’s water reclamation plant and potable water supply.

The project includes modeling, design, and construction to upsize the sewer and water pipes serving this region. The total estimated cost of the project is \$59.8 million, with a state bonding request covering 50%, or approximately \$29.9 million. The investment is incremental and can be implemented in stages. Once complete, it would support housing development and the expansion of commercial estate, including potential industrial uses near Rochester International Airport. The City is seeking federal support for this project as well.

This project aligns with the city's broader strategy to expand housing opportunities citywide by opening new areas to development, improving affordability through increased lot availability, and reducing infrastructure costs borne by individual developers. Rochester, along with other cities in Minnesota, is facing challenges to keep up with the high demand of housing development. Expanding infrastructure to unlock more developable land in the southeast region will help the overall state and city’s housing needs. As Rochester’s population and land development continues to expand, providing crucial infrastructure upgrades will continue the development of Minnesota’s third largest city.

**Project Rationale**

Rochester’s existing sewer and water infrastructure was originally designed for a population of 120,000. The population has already surpassed the original design limits and is expected to continue to grow in coming years. Although the wastewater treatment facility has sufficient capacity, the existing pipe infrastructure in the southeast portion of the city lacks the necessary size and reach to support additional growth. The municipal water distribution system does not have sufficient

conveyance capacity extending south of Highway 52 in Rochester to support continued development of the southeast service area. This capacity restriction is due to a single 12-inch diameter water main crossing Highway 52 near Broadway Avenue.

The current Rochester wastewater facility is undergoing a \$90 million upgrade to update treatment facilities and support rapid growth of construction to provide better infrastructure for developers, citizens, and future land use. With a better wastewater and water pipe system in southeast Rochester, the city can continue to develop its infrastructure for current and future citizens.

Currently, most new housing developments are constrained to the northwest quadrant of the city due to infrastructure availability. This project would rebalance growth, enabling the southeast to contribute meaningfully to the city's housing supply and economic development.

Without support, the timeline for this project would be significantly delayed. With other cities in greater Minnesota undergoing similar upgrades, Rochester is not as competitive when seeking traditional Public Facilities Authority (PFA) funding. As Minnesota's third-largest city, Rochester's needs align more closely with metropolitan-scale infrastructure demands. State bonding support would ensure Rochester remains a viable hub for economic development and housing expansion.

### **Project Timeline**

The East Zumbro Project will be completed in four overlapping phases over six years.

Phase 1: Begins at the north end of project at Silver Lake, includes upsizing sewer and water systems.

Design & approvals: 2026

Construction: Starts 2027

Phase 2: Extends southward from Phase 1 with continued enlargement upgrades to water and sewer pipes.

Design & approvals: 2027

Construction: 2028–2029

Phase 3: Continues south, combining joint and separate water and sewer improvements.

Design & approvals: 2029

Construction: Starts 2030

Phase 4: Final stretch, focused on upsizing and extending systems.

Design & approvals: 2030

Construction: Starts 2031

Note: Additional sewer extension will be evaluated in 2030.

Timeline may shift due to funding, permitting, or weather conditions.

## **Other Considerations**

### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

City of Rochester

#### **Who will operate the facility?**

City of Rochester

#### **Who will use or occupy the facility?**

City of Rochester/General Public

### **Public Purpose**

The project will expand infrastructure to support housing development that will support the city and state's goals related to the critical housing shortage.

### **Description of Previous Appropriations**

#### **Project Contact Person**

Heather Corcoran  
Legislative Affairs & Policy Director  
507-269-9893  
hcorcoran@rochestermn.gov

(\$ in thousands)

East Zumbro Sewer & Water for Housing Opportunities

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$9,224	\$10,892	\$9,778
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$9,224	\$10,892	\$9,778
<b>TOTAL</b>	<b>\$0</b>	<b>\$18,448</b>	<b>\$21,784</b>	<b>\$19,556</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$2,108	\$1,645	\$1,138
Project Management	\$0	\$1,442	\$2,311	\$1,138
Construction	\$0	\$11,544	\$13,868	\$13,725
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$3,354	\$3,960	\$3,555
<b>TOTAL</b>	<b>\$0</b>	<b>\$18,448</b>	<b>\$21,784</b>	<b>\$19,556</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Planning for Civic Center Drive and South Broadway Ave**

**AT A GLANCE**

**2026 Request Amount:** \$2,125

**Priority Ranking:** 3

**Project Summary:** Civic Center Drive and Broadway Avenue are two of the highest-traffic corridors in greater Minnesota, carrying an average of over 20,000 daily trips. These transportation assets are essential for visitors, workers, and residents traveling to downtown Rochester and throughout the southeast Minnesota region. These corridors pose significant safety and accessibility challenges for both motorists and other modes of transportation.

**Project Description**

The City requests \$2.125M in state bonding funding for the 2026 phase of the project to accelerate planning on critical strategic arterial roadways to improve safety, accessibility, and multimodal functionality for the region. The proposed improvements and planning will take place between 2026 and 2028. The city seeks to secure state bonding for 50% for each phase.

Civic Center Drive and Broadway Avenue are designated Strategic Arterial streets in Rochester, serving as vital commuter corridors. According to Olmsted County, approximately 33,000 commuters travel into Rochester each day, with 61% using Civic Center Drive and Broadway Avenue. These routes carry an average of 20,361 daily trips and connect neighborhoods, commercial areas, and major highways such as US 14 and US 52. They also provide critical access to downtown Rochester and over 60 businesses along the route. With adequate planning and state funding, the original 1961 streets can be safer gateway roadways for the region.

These corridors are currently difficult to navigate safely for vehicles, pedestrians, and cyclists due to changing traffic patterns from the road’s original design in 1961, high traffic volumes, and other safety challenges in key segments such as the interchange from US 14/US 52 into Civic Center Drive NW. The proposed planning would occur along two miles of the strategic arterial streets to plan for safety along roadways, sidewalks, and railroad crossings.

On both Civic Center Drive NW and Broadway Avenue, the Canadian Pacific Kansas City Railway intersects with the roadway. At both intersections between the CPKC and the roadways, the rails are supported with outdated wood ballasts. With both trains and high-volume traffic crossing the wooden ballasts, the railroads need an upgrade. With updated planning, railroad crossings can be improved for all modes of transportation.

The Civic Center Drive NW bridge presents an infrastructure improvement opportunity. Its current weight restriction limits access for freight and commercial vehicles, thus constraining the movement of commercial goods to over 60 local businesses along Civic Center Drive and Broadway Avenue. This impacts delivery, economic activity, and regional access to businesses.

In addition to freight limitations, pedestrian safety along the bridge is an opportunity for improvement. Each morning, workers and visitors are observed crossing multiple lanes of high-volume vehicular traffic to access nearby workplaces and transit connections. Due to discontinuous sidewalks and distant designated pedestrian crossings, many result to unsafe mid-block crossings. These patterns of pedestrian behavior reflect critical gaps in infrastructure that compromise safety for both pedestrians and motorists alike.

Since Civic Center Drive's construction in 1961, minor improvements have been made to the pavement, including many patches. With the continued aging of the pavement, upgrades are needed to keep up with high-traffic demand and to ensure safety.

South Broadway Ave was not designed for non-motorized travel, currently having wide lanes, high speeds, inadequate sidewalks along the corridor, poorly marked crosswalks, and no bike lanes. The lack of design has created numerous challenges for many potential new economic opportunities through redevelopment, along with safety and quality-of-life concerns for residents.

Crash data from 2020-2024 underscores the need for safety improvements. In those years, 192 total crashes were reported with almost one-third resulting in injury. Within the five-year range, crashes at the following intersections were reported:

- Civic Center Drive NW and 11th Ave NW- 41 total crashes, 14 had injuries
- Civic Center Drive and 16th Ave NW – 38 total crashes, 14 had injuries
- Broadway and Civic Center Dr NW - 36 total crashes, 4 had injuries
- Broadway and 2nd St SW/SE - 25 total crashes, 6 had injuries
- Broadway and 4th St SW/SE - 28 total crashes, 9 had injuries
- Broadway and 6th St SW - 24 total crashes, 8 had injuries

These figures reflect broader safety concerns that can be addressed through better design, speed management, and consistent accommodation for all modes of travel.

## **Project Rationale**

The proposed improvements are rooted in strong safety, health, and transportation policy rationales. High crash rates along Civic Center Drive indicate that the corridor is not functioning safely under current traffic volumes. Inadequate infrastructure for non-motorized users further limits safe and equitable access and can discourage choices around active transportation.

In addition to safety and health benefits, the project addresses significant regional mobility concerns. According to a 2022 Olmsted County transportation report, approximately 33,000 people commute to Rochester each day for work. This includes an estimated 20,000 commuters from outside Olmsted County and 13,000 residents traveling from other parts of the county into the city. These regional commuting patterns place considerable strain on Rochester's major corridors during peak travel hours. Improvements to Civic Center Drive and Broadway Avenue are essential for managing this demand and supporting future growth in the region.

The 2022 Community Health Needs Assessment (CHNA), conducted by Olmsted County in partnership with Mayo Clinic, highlighted several public health concerns tied to the current transportation network. Specifically, the report cited a connection between air pollution from motor vehicle traffic

and elevated rates of asthma and other respiratory conditions. These findings underscore the value of transportation improvements that control motorist traffic and protect non-motorist travel.

**Project Timeline**

Spring 2026 – Begin Feasibility Study  
Summer 2026 – Begin Public Engagement  
Spring 2027 – Spring 2028 – Preliminary Design  
Spring 2028 – Begin Property Acquisition  
Summer 2028 – Summer 2029 – Final Design

**Other Considerations**

**Impact on State Operating Subsidies**

**Who will own the facility?**

City of Rochester

**Who will operate the facility?**

City of Rochester

**Who will use or occupy the facility?**

General Public

**Public Purpose**

The project will focus on planning for strategic arterial roads in Rochester, the third-largest city in Minnesota, to provide safer accommodations for motorists, pedestrians, and cyclists.

**Description of Previous Appropriations**

**Project Contact Person**

Heather Corcoran  
Legislative Affairs & Policy Director  
507-269-9893  
hcorcoran@rochestermn.gov

(\$ in thousands)

Planning for Civic Center Drive and South Broadway Ave

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,125	\$4,875	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$2,125	\$4,875	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,250</b>	<b>\$9,750</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$2,000	\$0
Predesign Fees	\$0	\$3,500	\$0	\$0
Design Fees	\$0	\$0	\$7,000	\$0
Project Management	\$0	\$750	\$750	\$0
Construction	\$0	\$0	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,250</b>	<b>\$9,750</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Roseau Community & Wellness Center	1	GO	8,300	0	0	0	0	0
<b>Total Project Requests</b>			8,300	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			8,300	0	0	0	0	0

## Roseau Community &amp; Wellness Center

**AT A GLANCE****2026 Request Amount:** \$8,300**Priority Ranking:** 1**Project Summary:** The City of Roseau is seeking financial assistance to construct a community recreation and wellness center. This project fills a critical need for a public year-round social, health, wellness and recreational opportunities in our rural and isolated community.**Project Description**

A local stakeholder group made up of representatives from the City of Roseau, Roseau School District 682, LifeCare Medical Center and local employers have developed a plan for a 27,000 SF public wellness facility that is centrally located providing an indoor space to meet the health, wellness, social and recreational needs of the community. The facility is designed to provide opportunities for all ages and interests. It will also serve as a vital community gathering space for area residents to come together to socialize and create community. The facility is designed to not only provide physical activity spaces, but also important social spaces. Prominent features of the facility include a lap and leisure pool with supporting locker room/shower facilities, multi-sport court gymnasium, indoor walking track, classroom space, party room, indoor youth playground, climbing wall, multi-purpose meeting/game room, cardio/weightlifting areas, and a group fitness classroom. Currently, no other similar public facility exists within a two-hour drive of the Roseau area.

**Project Rationale**

Wellness centers provide a positive impact to local communities. They provide opportunities for active living and recreation in a safe and inclusive environment. These facilities become essential to personal health and wellness by creating a positive atmosphere, thereby reducing reliance on healthcare and other costly social services. Today, more than ever wellness centers are a beacon of social responsibility for residents, leading the way in educating about health, nutrition, and general wellbeing. Community centers are multi-purpose hubs that connect people from all walks of life and offer different things for different people. The social bonds created help build strong, safe, and inclusive communities, promoting social interaction, volunteerism and civic pride. Wellness centers also promote healthy living through physical activity that decreases disease risk while improving physical and mental wellbeing. A community center provides ways to be healthy and stay active. Finally, wellness centers combat loneliness. Studies show that nearly one-fifth of the population feels lonely all the time or often. Community centers provide a space for routine visits, events, and socialization for all community members, young and old. From youth recreation activities to mother's groups, to senior events community centers offer regular opportunities to come together as a group and form connections with fellow locals. Wellness centers also provide critical childcare facilities and activities for area residents.

The goal of the Roseau Wellness Center project is to recreate Roseau's historical central community gathering place which was the Roseau Community School. Roseau was unique in that it had been very successful in creating a strong social fabric through its community school concept. The Roseau Community School employed a unique design that promoted community life within its walls supporting the entire community with recreational, social, wellness, educational opportunities and overall wellbeing. However, the realities of the world encroached on this unique central community gathering place when school safety and security became paramount, as it has across the nation. Today, the school district has had to severely restrict public access to the school facility, eroding community togetherness and access to any indoor wellness and recreational facilities. This became particularly acute during the COVID pandemic and its aftermath when the school was completely closed to the public. The Roseau Wellness Center, which is a collaborative effort of the City of Roseau, Roseau Park Board, Roseau School District, LifeCare Medical Center and local employers, seeks to construct a new facility to not only recreate the community and wellness facilities that existed at the Roseau School, but add features including new amenities, activities and programming. The Roseau Wellness Center is proposed for a site adjacent to Roseau's centralized school, keeping it at the heart of the community, but still removing the general public's need to access the school proper. The unique design and siting will take advantage of the existing school lap pool to reduce project costs and create operating efficiencies. This project maintains school security while at the same time recreating the community facilities that previously allowed for our community wellness and socialization. Unfortunately, without outside State funding assistance our very small community cannot undertake this vitally important project.

### **Project Timeline**

June 2026 - Seek authorization for local sales tax  
September 2026 - Complete Project Plans  
November 2026 - Local Sales Tax Referendum  
December 2026 - Project Bidding  
January 2027 - Implement Local Sales Tax  
January 2027 - Contractor Selection and Pre-Construction  
April 2027 - Begin Construction  
December 2027 - Construction Substantial Completion  
March 2028 - Facility Opening

### **Other Considerations**

Roseau County is home to many large industrial employers like Polaris Industries, Central Boiler and Marvin that depend on being able to recruit employees from across the country. However, these industries rely on a growing skilled labor force to be able to continue to maintain productive facilities in our rural region. Without access to health, wellness, social and recreational facilities such as the proposed Roseau Wellness Center it becomes exceedingly difficult to compete for new residents and to retain our youth as they come to expect these basic health, wellness and recreational facilities in their community. Unfortunately, Roseau's very small size creates difficulty in being able to afford such a significant capital project without outside public assistance. The project stakeholder committee is made up of representatives from public agencies, healthcare and local private industry and all see this facility as being critical to keeping this region of Minnesota viable for these jobs that could be lost to other more populous regions, in particular urban centers in North and South Dakota, that can provide basic quality-of-life amenities for both physical and mental health. To date, the local community and its industrial leaders have raised over \$1.255 million in private pledges towards this project, but will need a significant injection of State, Federal and local funding to complete the project.

## **Impact on State Operating Subsidies**

No additional state operating dollars will be requested for this project

## **Who will own the facility?**

The Roseau Wellness Center is proposed for a site adjacent to the Roseau Community School through a land lease to the City of Roseau who would be the facility owner. The location takes advantage of an existing school lap pool that will be expanded and improved as part of the new Wellness Center saving considerable costs.

## **Who will operate the facility?**

The City of Roseau is investigating two models for facility operation. The first would be to lease the facility to an independent non-profit organization such as a branch YMCA or other non-profit. The second option is for the city to operate the facility as a part of its Parks and Recreation Department. Both options are still being considered.

## **Who will use or occupy the facility?**

The Roseau Wellness Center will be operated for the benefit of the general public of the Roseau area to include surrounding communities. The Roseau Wellness Center would be membership based to support the on-going staffing and operating costs of the facility. The membership fee structure would be set to be affordable to all area residents and include subsidized rates for low-income residents. It is the goal to make this facility accessible to all.

## **Public Purpose**

This request is an appropriate use of taxpayer funds because it provides basic public health and social amenities to meet the needs of area residents. These facilities are essential to personal and public health and wellness in our region which is devoid of any other similar public or private facilities. In addition, access to public health, wellness and recreational facilities such as the proposed Roseau Wellness Center allows our rural region to remain competitive in recruiting and retaining residents as most people now expect a community to provide basic health, wellness and recreational opportunities. However, the cost of these facilities is outside the ability of our small community to be able to fully fund without outside assistance.

## **Description of Previous Appropriations**

None

## **Project Contact Person**

Todd Peterson  
Community Development Coordinator  
218-463-5003  
todd.peterson@city.roseau.mn.us

(\$ in thousands)

Roseau Community & Wellness Center

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$8,300	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Non-Governmental Funds	\$40	\$1,255	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$2,000	\$0	\$0
Other Local Government Funds	\$0	\$3,500	\$0	\$0
Non-Governmental Funds	\$0	\$1,545	\$0	\$0
<b>TOTAL</b>	<b>\$40</b>	<b>\$16,600</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$75	\$0	\$0
Design Fees	\$40	\$1,040	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$15,235	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$250	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$40</b>	<b>\$16,600</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
John Rose MN OVAL Updates	1	GO	1,632	0	0	0	0	0
<b>Total Project Requests</b>			1,632	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,632	0	0	0	0	0

**John Rose MN OVAL Updates****AT A GLANCE****2026 Request Amount:** \$1,632**Priority Ranking:** 1

**Project Summary:** The City of Roseville is requesting \$1.632M in state funding to complete Phase Two renovations at the John Rose MN OVAL. Improvements include roof replacement, ADA restrooms, rink lighting, and HVAC upgrades. These upgrades address critical needs identified in the facility's 2018 assessment to sustain and modernize this statewide, year-round recreational and athletic asset.

**Project Description**

The City of Roseville is requesting \$1,632,000 in state funding to complete Phase Two of a comprehensive \$5,000,000 renovation of the John Rose Minnesota OVAL. The original renovation request was submitted in 2020, and \$3,900,000 was successfully funded in that year's Capital Investment Bonding Bill. Phase One improvements were completed on time and under budget. This request addresses the remaining priorities from the original 2020 request, along with updated stadium lighting needs. These improvements are guided by the 2018 Condition Assessment Report conducted by Stantec Engineering, which outlined critical upgrades needed to prepare the facility for its next 25 years of operation.

**PROJECT COMPONENTS****Renovate Banquet Facility and Rooftop HVAC Units – \$150,000**

Replace aging and inefficient heating and cooling units that work with the facilities geothermal heating and cooling system.

**Roof Replacement for Lobby, Mechanical Room, and Banquet Center – \$600,000**

Replace original roofing and prepare the facility to be solar-ready, enhancing energy efficiency and long-term sustainability.

**Upper Level Bathroom Remodel - \$250,000**

Renovate upper-level restrooms to meet ADA standard and better accommodate large crowds and major events.

**Stadium Lighting System - \$300,000**

Replace outdated and inefficient rink lighting with modern, energy-efficient LED system.

**Design, contingency, and (MMB system generated) inflation - \$332,000****Project Rationale**

The John Rose MN OVAL (Minnesota OVAL) opened in December 1993, funded primarily through a

partnership with the State of Minnesota. Now over 30 years old, the facility is experiencing the effects of age, and critical capital improvements are required to maintain structural integrity, safety, and functionality. This funding request will support urgent health, safety, accessibility, energy-efficiency, and infrastructure needs, ensuring the OVAL remains a statewide asset for generations to come.

In 2020, the City of Roseville submitted a capital request of \$5,000,000 to the State of Minnesota. The State generously approved \$3,900,000, which funded the first phase of improvements—completed on time and under budget. That phase addressed the rink slab, refrigeration system, and key infrastructure, but several high-priority improvements remained unfunded.

The City now seeks \$1,632,000 in capital investment from the State in 2026 to complete those remaining needs. These include:

- Replacing failing HVAC rooftop units in the banquet and event spaces;
- Renovating upper-level bathrooms to improve ADA accessibility and functionality for large events;
- Replacing aging roofs and preparing facility structures for future solar-readiness;
- Upgrading outdated rink lighting with new energy-efficient LED systems.

These investments will ensure the Minnesota OVAL remains safe, functional, and cost-efficient for statewide users.

#### **The OVAL Benefits the State of Minnesota**

- The majority of users and event participants come from outside the City of Roseville.
- The OVAL supports amateur and professional athletes from Minnesota, including Olympic-level speedskaters, national bandy teams, and local hockey organizations.
- The OVAL hosts national and international events, regularly drawing hundreds of athletes and visitors from across the U.S. and abroad; the OVAL is currently in the running for a World Bandy Championship in 2026, and a US Jr. National Speedskating Event in 2027.
- The OVAL annually hosts the Hockey Without Limits Camp with the Minnesota Wild to provide hockey opportunities for individuals with physical disabilities (sled hockey and blind hockey) and financial limitations.
- The OVAL offers year-round recreational access for users of all abilities, including winter skating, family-friendly programming, and community gatherings.

The OVAL is home to numerous regional user groups, including Greater MN Speedskating, Midway Speedskating, USA and MN Bandy, and local hockey organizations. It features the largest outdoor refrigerated ice sheet in the world, with over 110,000 square feet of ice and 81 miles of refrigeration piping.

Given its regional, statewide, and international significance, the State of Minnesota has partnered with the City on several past investments, including capital support in 1998, 2006, 2008, and 2020. While the City continues to fund annual operations, it depends on the State to support major capital upgrades—just as it did for the original construction and previous improvement phases.

This funding is essential to preserve a world-class Minnesota facility, safeguard public investment, and ensure continued access to high-quality recreation and athletic opportunity.

## **Project Timeline**

Due to the failing condition of several of the assets that this project will update, the City is anxious to complete the project as expeditiously as possible.

The City has conducted much of the planning work necessary for these projects and is ready to move quickly when funds are awarded. Some additional planning will be required for the restroom updates. If funding is awarded in 2026, the City anticipates that projects can be completed by late summer/early fall of 2027.

## **Other Considerations**

\$3,900,000 of the \$5,000,000 requested was granted in 2020. This is for the remainder of the project that could not be funded at that time, plus updates to the aging and inefficient outdoor rink lighting system.

## **Impact on State Operating Subsidies**

None

## **Who will own the facility?**

The City of Roseville will continue to own the facility.

## **Who will operate the facility?**

The City of Roseville will continue to operate the facility, including an annual operational subsidy.

## **Who will use or occupy the facility?**

The John Rose Minnesota OVAL serves the entire State of Minnesota, with the majority of users coming from outside the City of Roseville. It provides a training venue for amateur and professional athletes, frequently hosts national and international competitions, draws hundreds of international athletes and visitors to the state for each event and provides a safe environment for families from throughout the state.

## **Public Purpose**

The John Rose Minnesota OVAL provides a safe and welcoming environment for individuals and families of all ages and abilities from across Minnesota to enjoy winter outdoor recreation. As one of only four full-size speedskating rinks in the United States—and the largest refrigerated sheet of ice in North America—the OVAL is a unique asset that allows Minnesotans to embrace and celebrate our winter climate.

The facility supports training and competition for both amateur and professional athletes. In addition to its recreational and athletic value, the OVAL draws visitors from across the country and around the world, contributing to the economic vitality of the region and the State of Minnesota.

## **Description of Previous Appropriations**

The John Rose Minnesota OVAL has been a long-standing partnership between the State of Minnesota and the City of Roseville. Throughout its existence, the State has supported major capital improvements, while the City has funded minor capital needs and covered ongoing operations,

typically contributing an annual subsidy of \$100,000 or more.

The State of Minnesota has provided the following capital support:

- 1991–1992: \$1,900,000 appropriation for design and construction of the OVAL
- 1998: \$500,000 appropriation for banquet/meeting space and locker rooms
- 2006: \$500,000 appropriation to add restrooms and improve safety of the OVAL
- 2008: \$600,000 appropriation for multiple improvements and enhancements
- 2020: \$3,900,000 of a \$5,000,000 request was generously granted. This support was deeply appreciated, particularly given the number of competing requests at the time.

**The 2026 funding request pertains to the remaining capital improvements not funded in 2020, as well as one new critical need: the replacement of the facility’s aging ice lighting system.**

#### **Project Contact Person**

Matthew Johnson  
Parks and Recreation Director  
651-792-7101  
matthew.johnson@cityofroseville.com

(\$ in thousands)

John Rose MN OVAL Updates

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,632	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,632</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$50	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$1,430	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$152	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,632</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	N/A
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	Yes
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Phase 2 Utilites Project	1	GO	4,000	0	0	0	0	0
<b>Total Project Requests</b>			4,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,000	0	0	0	0	0

## Phase 2 Utilities Project

**AT A GLANCE****2026 Request Amount:** \$4,000**Priority Ranking:** 1

**Project Summary:** Russell has significant utility system deficiencies in all utilities including watermain breaks, asbestos piping, sewer backups, and more. Each of these systems require significant capital investment which is out of reach to the City on its own. Phase 1 has been funded at \$9.7M with USDA RD and city funds. An add'l \$13.825M is needed for Phase 2 which will also compliment planned industrial park & housing developments.

**Project Description**

Phase 1 Project Scope (FYI):

Phase 1 improvements (\$9.7M) for the City of Russell included a new sanitary main lift station and the rehabilitation of three others. Other improvements included installing a PVC watermain, gate valves, hydrants, and a new storm sewer pipe. Street restoration will be included on all streets that are affected by utility replacement. Phase 1 has been funded and is currently in design.

Proposed Phase 2 Project Scope:

Proposed Phase 2 improvements (\$13.825M) include upgrades to drinking water, wastewater, and storm water systems as follow:

**Drinking Water** - A looping water main is being added to help eliminate stagnant water within the distribution system, and new valves are being added to allow for easier shutdowns during maintenance sessions (currently the City does not have an easy way of repairing sections of watermain because many of the main gate valves do not work). The City will also be extending the watermain out to new developments that will provide housing opportunities for people looking to move to Russell.

**Wastewater** – Improvements include extending the Sanitary Sewer Collection system to include the two new housing developments and repairing sections of the collection system that are failing and allowing high levels of Infiltration and Inflow.

**Stormwater** – A storm pond by the new water tower will be used for an industrial park area and allow for stormwater storage and detention time. Other ponding issues around Russell will also be addressed.

**Project Rationale**

The City of Russell has had ongoing drinking water and wastewater issues over numerous previous years. Some current examples include: The City has had several watermain breaks over the past year causing them to shut down entire city blocks and streets of their community in order to repair the watermain break. Since their watermain is asbestos pipe, this poses health and safety risks to residents when it breaks or leaks. Likewise, sanitary sewer backups in homes throughout the entire

city over the years have resulted in some homeowners having wastewater in their basements which is a major health threat. The city's main sewer lift station is an open-pit and experienced an overflow discharge in 2017 where 13,000 gallons of wastewater overflowed and soaked into the ground. Again, a major health safety concern.

Another consideration for this capital budget request surrounds the City's current active work in establishing an industrial park area and a new 16-lot residential housing development in order to meet business development interest and increased area housing needs. Likewise, the proposed storm sewer infrastructure will mitigate flooding events from Clear Lake and prevent further damage to public and private properties.

### **Project Timeline**

06/2026 – Engineering and Design  
02/2027 – Bidding  
05/2027 – Start of Construction  
11/2028 – End of Construction

### **Other Considerations**

The proposed infrastructure improvements are not viable unless Russell receives some grant funding. Although there has been some success in funding portions and phases of the overall project, there is still significant need for state funding support to leverage federal funding and address all of the City's needs which include the health and safety of its residents.

### **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

### **Who will own the facility?**

The City of Russell will own the proposed utilities.

### **Who will operate the facility?**

City staff will operate the proposed utility project.

### **Who will use or occupy the facility?**

Residents and visitors of the City of Russell will use the utility systems and pay utility fees.

### **Public Purpose**

This project aims to provide clean and safe drinking water to Russell residents, address flooding and sewer backups to improve health and sanitary conditions, and enhance wastewater and stormwater management. Strategic planning has been employed to investigate the city's infrastructure, maximize funding, and minimize costs. The goal is to resolve health and safety issues efficiently and establish a solid infrastructure foundation for the future of industrial and housing development in Russell.

### **Description of Previous Appropriations**

None

**Project Contact Person**

Laurie Millner

City Clerk

507-823-4366

cityofrussell@woodstocktel.net

(\$ in thousands)

Phase 2 Utilites Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$7,550	\$0	\$0
City Funds	\$0	\$2,275	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$13,825</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$362	\$0	\$0
Design Fees	\$0	\$827	\$0	\$0
Project Management	\$0	\$1,017	\$0	\$0
Construction	\$0	\$11,619	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$13,825</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Utilities Project	1	GO	3,900	0	0	0	0	0
<b>Total Project Requests</b>			3,900	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,900	0	0	0	0	0

Utilities Project

**AT A GLANCE**

**2026 Request Amount:** \$3,900

**Priority Ranking:** 1

**Project Summary:** Ruthton has significant utility system deficiencies including a water tower that needs to be replaced, water treatment filtration plant that is at the end of its service life, lack of watermain looping, lack of auxillary valves on hydrants, and service lines with excessive debris build up. Each of these systems require significant capital investment which is out of reach to the City on its own.

**Project Description**

The City of Ruthton has already spent \$45K in planning costs to develop this project. Pipestone County has also contributed \$30K that has been used in planning costs to develop this project. The City is facing significant and urgent utility infrastructure deficiencies that threaten the reliability, safety, and regulatory compliance of its water and sanitary sewer systems. Key components of the water system have exceeded their useful life and are in critical need of replacement. The City’s water tower, constructed in 1937, was recently inspected and found to require extensive and costly repairs due to age-related deterioration. Given the tower’s condition and the high cost of rehabilitation, full replacement is recommended to ensure adequate water storage, maintain pressure for fire protection, and support system reliability. Similarly, the existing water treatment plant is nearing the end of its service life and is no longer effective in treating high levels of iron and manganese present in the City’s raw water supply. A new water treatment facility is essential to meet current water quality standards and provide safe, clean drinking water to residents.

In addition to the tower and treatment plant, the water distribution system requires multiple critical upgrades. Many service lines have experienced excessive debris buildup, which restricts flow and affects water quality, necessitating their replacement. The system also lacks sufficient watermain looping, resulting in dead-end mains that reduce pressure and contribute to water stagnation. Looping improvements are necessary to enhance circulation and ensure consistent pressure throughout the system. Furthermore, numerous fire hydrants lack auxiliary isolation valves, which limits the City’s ability to perform maintenance or respond to emergencies without widespread service disruptions. Installing these valves will improve operational flexibility and reduce the impact of future repairs. The City also plans to replace outdated water meters that no longer provide accurate readings, hindering effective billing, leak detection, and system management.

The sanitary sewer system is similarly in need of rehabilitation. Several segments of the system have been identified with cracks and leaks, increasing the risk of groundwater infiltration and environmental contamination. These defects will be addressed using Cured-in-Place Pipe (CIPP) lining, a trenchless technology that restores pipe integrity with minimal surface disruption. Where CIPP is

not feasible, open cut excavation and full surface restoration will be required to ensure long-term performance. Taken together, these infrastructure needs represent a substantial financial burden that exceeds the City's available resources. External funding is critical to help the City protect public health, maintain regulatory compliance, and ensure the long-term sustainability of its utility systems.

### **Project Rationale**

The existing water tower, built in the 1930s, is nearing the end of its service life, with lead-based paint coatings and a structure that cannot support re-coating materials. Similarly, the water treatment facility, constructed in the 1970s, is also outdated, and the Minnesota Department of Health (MDH) has recommended its replacement. Its current location within the City maintenance garage, which houses hazardous materials, is not ideal, and relocation to a separate building is advised. The water distribution system has several dead ends, which MDH suggests should be looped to improve water quality. Additionally, hydrant leads lack auxiliary gate valves, which will be installed as part of the proposed project. Many water service lines have excessive debris and build-up, leading to restricted flow and requiring flushing when meters or curb stops are replaced.

### **Project Timeline**

06/01/2026 - Engineering and Design  
09/01/2026 - Bidding  
10/01/2026 - Start of Construction  
10/01/2028 - End of Construction

### **Other Considerations**

The proposed infrastructure improvements are not viable unless Ruthton receives some grant funding. Although there has been some success in funding portions and phases of the overall project, there is still significant need for state funding support to leverage federal funding and address all of the City's needs which include the health and safety of its residents.

### **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

### **Who will own the facility?**

The City of Ruthton will own the proposed utilities.

### **Who will operate the facility?**

City staff will operate the proposed utility project.

### **Who will use or occupy the facility?**

Residents and visitors of the City of Ruthton will use the utility systems and pay utility fees.

### **Public Purpose**

The public purpose served by this project is to provide clean and safe drinking water to MN residents living in Ruthton. Strategic planning has been incorporated into the planning phase of this project,

including thorough investigations into the entire infrastructure of the City, in an effort to maximize funding potential to keep costs as low as possible for the City and its residents, correct all health and safety concerns within the systems in the most efficient and cost-effective time-frame, and to provide a strong foundation of infrastructure for the City and its residents for the foreseeable future.

**Description of Previous Appropriations**

None

**Project Contact Person**

Rochelle VanderWoude  
City Clerk/Treasurer  
507-658-3902  
cityofruthton@woodstocktel.net

(\$ in thousands)

Utilities Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,900	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
	\$45			
	\$30			
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$6,812	\$0	\$0
<b>TOTAL</b>	<b>\$75</b>	<b>\$10,712</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$425	\$0	\$0
Design Fees	\$75	\$657	\$0	\$0
Project Management	\$0	\$1,048	\$0	\$0
Construction	\$0	\$8,582	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$75</b>	<b>\$10,712</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Phase 3 Infrastructure Improvements	1	OT	6,894	0	0	0	0	0
		GO	2,000	0	0	0	0	0
<b>Total Project Requests</b>			8,894	0	0	0	0	0
<b>Other State Funding (OT) Total</b>			6,894	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,000	0	0	0	0	0

**Phase 3 Infrastructure Improvements****AT A GLANCE****2026 Request Amount:** \$8,894**Priority Ranking:** 1**Project Summary:** Since 2012, Sacred Heart has spent \$15.7 million in two phases of citywide improvements to replace failing water, sewer, storm, and street infrastructure. Phase 3 infrastructure improvements include improvements to the drinking water treatment and water tower rehabilitation.**Project Description**

The purpose of this project is to complete the necessary infrastructure improvements that the City of Sacred Heart has been phasing due to affordability, since 2012. This final phase will complete the drinking water treatment and water tower rehabilitation.

The City's Drinking Water Treatment Facility (DWTF), originally constructed in 1969 and requires significant improvements to address environmental and public health concerns. Recently, the City received a Notice of Violation due to the discharge of backwash from the DWTF into the storm sewer system, which contains high concentrations of chlorides. The current ion exchange salt softener processes an average of 60,000 gallons of water daily and requires 40,000 lbs. of salt approximately every 41 days, resulting in the discharge of 356,000 lbs. of salt annually. This discharge negatively impacts local streams and rivers, contributing to contamination in the community's water supply. To address this, the City plans to install a Reverse Osmosis (RO) system, which will effectively remove the chlorides and meet the regulatory requirements set by the Minnesota Department of Health (MDH) and the Minnesota Pollution Control Agency (MPCA). The new system will prevent further contamination and ensure cleaner water for residents.

Additionally, the City's water tower, which is covered in lead paint and not compliant with current OSHA standards, will undergo a rehabilitation project to bring it up to code. This initiative is particularly important for the local community which has a 68% moderate to low-income population. By improving water quality and public health, this project will ensure access to clean, safe drinking water for all residents. Furthermore, it aligns with the comprehensive economic development strategies developed in 2022 by the regional development commission. The upgrades to the DWTF and water tower will help protect the environment, support sustainable practices, and improve the overall quality of life in Sacred Heart.

**Project Rationale**

This project is vital for Minnesota and the local community as it addresses critical environmental and public health concerns. The City's Drinking Water Treatment Facility, built in 1969, discharges harmful chlorides into the stormwater system, impacting local waterways. By upgrading to a Reverse Osmosis

(RO) system, the project will eliminate 356,000 lbs. of salt annually, protecting water quality and meeting state requirements. Additionally, the water tower rehabilitation ensures compliance with safety standards. This project provides safe drinking water and supports sustainable environmental practices, benefiting both current and future generations.

### **Project Timeline**

06/2026: Prepare Plans & Specs  
10/2026: Submit Plans & Specs to MDH and MPCA  
10/2026: Submit Plans & Specs to RD  
01/2027: Advertise for Bids 03/2027: Award Contract  
06/2027: Proposed Start of Construction  
09/2029: Proposed End of Construction

### **Other Considerations**

The proposed infrastructure improvements are not viable unless the city receives funding support. Although there has been some success in funding portions of the overall project, there is still a great need for funding support to address all of the City's needs which impact the health and safety of its residents. Upgrading aging infrastructure systems and enhancing treatment facilities contribute to healthier communities and a healthier environment. Water infrastructure projects also create jobs, stimulate local economies, support industries that rely on water resources (such as agriculture, manufacturing, and tourism), attract businesses, and enhance property values.

### **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

### **Who will own the facility?**

The City of Sacred Heart will own the project.

### **Who will operate the facility?**

City staff will operate the proposed utility project.

### **Who will use or occupy the facility?**

Residents and businesses of the City of Sacred Heart will use the utility systems and pay utility fees.

### **Public Purpose**

This project will address the violation of several NPDES permit limits and provide the necessary infrastructure improvements for efficient and effective utility systems. Strategic planning has been incorporated to maximize funding potential to keep costs as low as possible for the City and its residents, correct all health and safety concerns within the systems in the most efficient and cost-effective time frame, and to provide a strong foundation of infrastructure for the City.

### **Description of Previous Appropriations**

N/A

**Project Contact Person**

Kari Gislason  
City Administrator  
320-765-2559  
kari.gislason@cityofsacredheart.com

(\$ in thousands)

Phase 3 Infrastructure Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$2,199	\$6,894	\$0	\$0
General Obligation Bonds	\$0	\$2,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$13,500	\$4,176	\$0	\$0
City Funds	\$0	\$53	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$15,699</b>	<b>\$13,123</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$351	\$0	\$0
Design Fees	\$0	\$389	\$0	\$0
Project Management	\$0	\$2,182	\$0	\$0
Construction	\$15,699	\$10,201	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$15,699</b>	<b>\$13,123</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Sandstone History Center	1	GO	1,740	0	0	0	0	0
<b>Total Project Requests</b>			1,740	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,740	0	0	0	0	0

Sandstone History Center

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$1,740
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	State funding is requested for the predesign, design, construction, furnishing and equipment for the renovation of a vacant building in Sandstone, Minnesota for use by the Sandstone History and Art Center.

**Project Description**

The scope of the project is to redevelop an existing building for use by the Sandstone History and Art Center (“Sandstone History Center”). The Sandstone History Center was established in 1990 with the mission to hold community events, host historic displays, and acquire photos and artifacts of significance to the regional Sandstone area. The building to be redeveloped is the "auditorium" portion of the Historic Sandstone School, located at 502 Commercial Avenue North, downtown, Sandstone. The historic school building, which was built in 1901 and rebuilt and expanded in 1910 after being destroyed by fire, is listed on the National Register of Historic Places. The school was expanded in 1937 with an auditorium and gymnasium addition. The Sandstone Economic Development Authority (Sandstone EDA) has been working with developer Meghan Elliott (Principal of Jillpine) to redevelop the classroom portion of the building into workforce housing. Construction on the workforce housing project will begin in August 2025 and be completed in Summer 2026. The auditorium addition will be retained by the Sandstone EDA as the new location for the Sandstone History Center.

The auditorium is approximately 6,000 square feet and remains generally unchanged from its original construction and design. The main floor consists of a large, open, double-height space that served as the gym and auditorium for the historic school. The building height is approximately 25 feet. There is a balcony that was used for audience viewing. There are two ticket booths located in the front lobby of the building. The auditorium has its own entrances, pedestrian access, and utilities. On-site parking will be made available as part of the workforce housing project. A drive lane for accessible and mobility-impaired drop off will also be created as part of the housing project.

The project scope includes exterior repairs and interior renovation. Exterior repairs include replacing the roof, repairing the sandstone masonry exterior, and strengthening the structural roof framing. The interior will be renovated to accommodate the new use, and specifically to provide ADA-accessible community spaces as well as all new building systems (mechanical, electrical, fire suppression and plumbing). Other interior work includes removing and replacing the existing hardwood flooring, painting, creating restrooms, meeting room, classrooms, office space, kitchenette area, storage areas, intake and cataloging collections area, exhibit space, research kiosk, and gift shop area. The exhibit space will be flexible to accommodate a wide variety of exhibit types and community events.

**Project Budget:**  
60,000 Predesign fees

140,000 Architect and engineering design fees  
30,000 Project management  
2,500,000 Construction costs  
300,000 Furniture, fixtures & equipment  
277,000 Inflationary Adjustment - 2025  
173,000 Construction contingency  
3,480,000 Total project budget

Key funding sources include State Bonding, the Sandstone Economic Development Authority, and the United States Department of Agriculture (USDA) Rural Development. A request to the Minnesota Historical Society to support the relocation of the Sandstone History Center's collection will also be submitted. Local philanthropic support will also be solicited.

## **Project Rationale**

The Sandstone History Center currently operates in a City-owned building, located at 402 Main Avenue in downtown Sandstone. This is a two-story building of approximately 2,400 square feet. The Sandstone History Center operates on the first floor, roughly 1,200 square feet. The building is not ADA-accessible, and does not offer the space needed for exhibits, intake and cataloging collection material, ADA-compliant restroom facilities, storage, offices or community gathering space. The City completed a feasibility study in 2020 to review the possibility of co-locating the Sandstone History Center, the Old School Arts Center (an existing business), and the Sandstone Public Library in this auditorium space, as well as an option for construction of a separate, new facility. Six concept designs were considered for the auditorium and potential new construction. However, it was concluded that adding all three of these entities to the site would conflict with the workforce housing reuse of the historic Sandstone School. The Sandstone EDA also evaluated building a new facility to house these three entities on a separate parcel owned by the Sandstone EDA, located just north of the historic Sandstone School property. Cost estimates for this option started at \$12,000,000, and quickly increased. The option for new construction was determined to be too expensive for the community of Sandstone.

In the meantime, the City applied for, and was awarded, a \$1,000,000-matching grant from the State Library Construction Grant program, and moved forward with purchasing and redeveloping an existing building in Sandstone for use as the Sandstone Public Library. This project was successfully completed and the Sandstone Public Library moved into the new space in 2023. Also, during this same time period, the United Church of Christ parishioners voted to decommission their church. They donated it to the Old School Arts Center, now renamed 210 Gallery & Arts Center. The Art Center moved into this new location in the fall of 2022.

With the Library and the Art Center both finding new homes to accommodate their needs, the Sandstone History Center is looking for a place where they can grow, and a place that will accommodate their needs as well as the needs of the broader community. The proposed project will provide much-needed additional space for displays, events, storage of rotating displays, and a work space to catalog artifacts and items. The expanded space will also create a viewing area for patrons to watch DVDs of historic information (such as, the Sandstone Quarry, the past businesses, the historic Sandstone school, the railroad and roundhouse, and more). The current space does not provide these opportunities. The themes and artifacts on display can be expanded to appeal to broader audiences and visitors, including exhibits on geologic origins, native peoples, business and commerce, and recreation. The new facility will be more accessible, more energy efficient, and will serve an expanded base of visitors. The new facility will have both pedestrian access and parking, which are also lacking at the current facility.

Additionally, the re-use of the Auditorium building has been a priority of the Sandstone Economic Development Authority, along with the re-use of the historic Sandstone School. Plans are complete for the redevelopment of the historic Sandstone School for 32 units of workforce housing. In 2023, plans and specifications were created to repair and replace the roof structure of the classroom portion of the building, thanks to a grant from the MN Historical Society. In 2024 the construction work required to repair and replace the roof structure was completed, thanks to another grant from the MN Historical Society. A grant from MN DEED was also received to conduct hazardous materials abatement and to demolish the one-story 1960's-era non-historic addition on the east side of the school building, along with a loan from the USEPA Revolving Loan Fund. In 2024, a deferred loan was awarded for \$3,950,000 from the MN Housing Finance Agency (MHFA) Workforce Housing Development Program for the workforce housing project. The Historic Sandstone School will be redeveloped for workforce housing, with construction to start in the Summer of 2025. The re-use of the Auditorium building for the Sandstone History Center would be an amenity for the Sandstone community, Pine County, as well as housing residents. The new location of the Sandstone History Center is a complementary use for the housing, and will be located in a high-pedestrian area. The completion of the redevelopment of this long-vacated property, which has been a site for vandalism, blight, and deterioration ever since the school district vacated the property in 2004, is a priority for the community.

### **Project Timeline**

Construction for the redevelopment of the long-vacant site will be completed in three phases. Project Phases include:

Phase 1: Hazardous materials abatement of the whole building (including the auditorium addition), roof repair and replacement of the classroom building, demolition of a non-historic one-story addition, and new utility services to the site and building. This work is on schedule to be completed by June 30, 2025.

Phase 2: Conversion of the classroom building to workforce housing, site work, landscaping, and pedestrian access (including access to the auditorium addition). This work will begin in August, 2025 and is expected to be complete by August, 2026.

Phase 3: Renovation of the auditorium addition for reuse by the Sandstone History Center, and relocation of the existing collections.

The design and construction of Phase 3 will be completed as follows:

Architect Selection: April to May 2026

Predesign: June to August 2026

Engineering/Design: September 2026 to April 2027

Bidding and Contract Negotiation: May to July 2027

Construction: August 2027 to April 2028

Move-in: June 2028

### **Other Considerations**

The Sandstone History Center was established in 1990, and has been registered with the State of Minnesota as a non-profit corporation since 1991. The purpose of the Sandstone History Center is the collection, preservation and dissemination of knowledge about the history of the Sandstone area and to relate it to the history of the State of Minnesota. Objectives of the organization include: (1) to locate, collect, and preserve any material which may help to establish, illustrate or interpret the

history of the Sandstone area in such themes as exploration, settlement, development, activities in peace and war, ethnic groups, health, government, wealth, education, arts, science, agriculture, manufacturing, social services, trade, transportation, religion, finance, sports, etc.; (2) to disseminate historical information to interested persons, groups, and institutions and to arouse interest in the past by publishing historical materials, holding meetings featuring addresses, lectures, papers, conducting historical tours, marking or restoring historic buildings, sites, and trails, and operate a museum; and (3) to accomplish these goals through the establishment of clearly defined collection, conservation, and interpretation policies.

The Board of the Sandstone History Center meets on a monthly basis, holding an annual meeting each year to elect officers. They are open to the public during the summer, and visitors are welcome to call one of the Board members (noted on the door of the building) if they happen to come through town during a time when the History Center is not open. The Board member will meet them at the Center and allow the visitors to enjoy the exhibits and artifacts, answering any questions they have. They average 500 visitors a year, with over 800 hours a year contributed in volunteer hours arranging displays, attending meetings, hosting the Center, conducting building maintenance, record keeping, data entry, research, website updates, etc.

The redevelopment of the site is maximizing opportunities to integrate alternative and renewable energy production. A geothermal feasibility study was conducted and determined that the property can support geothermal infrastructure. A geothermal planning grant was awarded from the Minnesota Commerce Department in April, 2025. Likewise, energy efficiency will be prioritized in equipment and appliance selection, and electric vehicle (EV) chargers will be located in the parking area. The new location for the Sandstone History Center will be much more energy efficient.

The City has successfully obtained and delivered projects using state funding. Recent projects include the Sandstone Public Library (State Library Construction Grant), Robinson Quarry Park (three Legacy grants, MN Historical Society Grant), Historic Sandstone School (MN Historical Society Grants, MN DEED Redevelopment Grant, DEED EPA Revolving Loan Fund), Skatepark project (MN Amateur Sports Commission), Water Improvements Project (MN Public Finance Administration Grant), Housing/Commercial Property Rehab (Small Cities Development Program Grant).

### **Impact on State Operating Subsidies**

Zero. The Sandstone History Center conducts independent fundraising to raise funds for their operations. Neither the City of Sandstone nor the Sandstone Economic Development Authority will incur additional expenses that will require additional state operating dollars for this project.

### **Who will own the facility?**

The Sandstone Economic Development Authority will own the auditorium facility. The Sandstone History Center will be a tenant, with a long-term lease for \$1.00 annually.

The classroom portion of the Historic Sandstone School building and the land will be transferred in July 2025 to a private single-purpose entity for the redevelopment and ownership of the workforce housing portion of the project. The existing single tax parcel has been divided so that the auditorium portion remains in the ownership of the Sandstone Economic Development Authority.

### **Who will operate the facility?**

The Sandstone Economic Development Authority will lead the redevelopment of the auditorium for the Sandstone History Center. The project will be coordinated with the overall site redevelopment, and specifically the conversion to workforce housing. New History will provide project management services.

### **Who will use or occupy the facility?**

The Sandstone History Center will be the sole tenant of the auditorium addition. They will also make the space available to other community groups to host events. 700 to 800 visitors per year are anticipated. A Use Agreement will be established and adopted between the Sandstone EDA and the Sandstone History Center.

### **Public Purpose**

Several public goals are accomplished with this project. A long-vacant and blighted property in downtown Sandstone will be placed back in service, contributing to the revitalization of the downtown core. Energy efficiency and alternative energy use will also increase. Likewise, the services of the Sandstone History Center will be improved and increased, to accomplish their mission of collecting and preserving the area history and offering exhibits and events that will educate people about the history of Sandstone and the surrounding area, including Pine County and the cities of Finlayson, Askov, Hinckley, Sturgeon Lake, Ruttledge, Willow River, and others.

### **Description of Previous Appropriations**

In 2014, the City of Sandstone received a Sandstone Business Park Special Appropriation Grant in the amount of \$200,000, SPAP-14-0005-P-FY14, Minnesota Laws 2014, Chapter 295, Section 10, Subdivision 10.

### **Project Contact Person**

Kathy George  
City Administrator  
320-245-5241  
administrator@sandstonemn.gov

(\$ in thousands)

Sandstone History Center

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,740	\$0	\$0
GO Bonds-User Financing	\$0	\$0	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$1,740	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,480</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$60	\$0	\$0
Design Fees	\$0	\$140	\$0	\$0
Project Management	\$0	\$30	\$0	\$0
Construction	\$0	\$2,950	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$300	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,480</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<p>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</p>	<p>Yes</p>
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	Yes
Has the pre-design been submitted to the Department of Administration?	No
Has the pre-design been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
City of Sartell Central MN Healthcare Hub Regional Infrastructure Project	1	GO	22,750	0	0	0	0	0
<b>Total Project Requests</b>			22,750	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			22,750	0	0	0	0	0

## City of Sartell Central MN Healthcare Hub Regional Infrastructure Project

**AT A GLANCE****2026 Request Amount:** \$22,750**Priority Ranking:** 1

**Project Summary:** The City of Sartell is requesting fund for regional infrastructure improvements as phase 2 of the Central Minnesota Healthcare Hub project to support critical development and economic growth, including Niron Magnetics and the U of MN School of Medicine. The project request includes funds for predesign, design, engineering, acquisition of right-of-way, construction and replacement or repair of utilities, street construction, and reconstruction related to necessary roadway corridor work.

**Project Description**

The project includes the construction and reconstruction of 5 critical roadway corridors within the Central MN Healthcare Hub (CMHH). The improvements include the reconstruction of 4,200 Linear feet of the Leander Avenue corridor and a new roundabout at the intersection with Scout Drive/Dehler Drive, as well as reconstruction of 1,500 linear feet of the LeSauk Drive corridor, construction of 1,700 linear feet of the 23rd Street South corridor, construction of 2,600 linear feet of the 15th Street South corridor, and reconstruction of 1,400 linear feet of the 4th Avenue South corridor.

Scout Drive and Leander Drive were construction in 2022 as part of Phase 1 of the Central Minnesota Healthcare Hub (CMHH) project and have already created over 200 jobs, \$9M in tax base revenue, and most recently the recruitment of the U of MN Medical School and Niron Magnetics to add to the expansive medical professional offerings in the CMHH.

Total project cost for Phase 2 of the Central MN Healthcare Hub is \$22,750,000. However the project is scalable and top priorities include the Leander Avenue corridor (\$8,050,000), followed by the LeSauk Drive corridor (\$4,400,000) and the 4th Avenue South corridor (\$2,170,000). These corridors have the most immediate redevelopment requests from active economic development opportunities that are inhibited by the roadway construction and need completion immediately. The economic development projects awaiting roadway improvements and provide submitted site plans include a new, 84 room hotel complex and 700-unit multi-family housing project. In addition, Niron Magnetics additional expansion will exist along 4th Avenue South and cannot occur until this roadway is funded and improved for logistics and shipping access critical for their operations. This will drive an additional 175 jobs and 200,000 square foot manufacturing facility in the CMHH.

The requested appropriation includes money for the predesign, design, engineering, acquisition of right-of-way, and full construction/reconstruction of the roadway corridor, including utilities, street,

pedestrian improvements, lighting, and improvements or upgrades related to roadway corridor work. As proven by Phase 1 of the CMHH, the completion of this work will have an immediate and direct return on investment, with Phase I creating 210 new medical and professional job opportunities, \$225,000 in permit revenue, 30 different subcontractor contracts, \$9,175M in project valuations, and over \$200,000 in new tax base for the City, School, and County in the CMHH. Phase II is necessary to continue the expansion of these efforts and direct benefit to our Greater St. Cloud region and CMHH.

### **Project Rationale**

The Central MN Healthcare Hub project provides the necessary infrastructure to accommodate ongoing growth for critical regional medical, business, commercial and industrial development. Phase I, completed in 2022, fostered the development of a 170 childcare facility, 12,000 SF Children's mental health facility, 5,000 sf expansion of an existing orthopedic clinic, and a commercial development with 7 new retail and commercial corporate businesses. It also drove the recruitment of the University of Minnesota Medical School in central Minnesota due to its proximity to the CMHH and medical technical professional services. Greater Minnesota is a desert for a regional medical complex such as the "Destination Medical Center" in Rochester and legislatively support efforts in Duluth. The focus on rural medicine and regional impact of the CMHH cannot be understated as greater MN lacks these same resources as the metro, Rochester, and Duluth regional ecosystems.

The current request for Phase II funding will support a 30,000 sf expansion to the CentraCare health system, University of MN School of Medicine development, and Niron Magnetics industrial development. It will also include a new 84-room hotel complex, 700-unit multi-family apartment campus, and multiple ancillary medical professional clinics to support the CMHH and region. Many of these initiatives and projects have submitted site plans, which are stalled waiting for the roadway infrastructure to be in place before construction. The project includes public improvements and new infrastructure to support this critical regional development of the Central MN Healthcare Hub, having a significant impact on the economic development and health care community on a regional level.

As presented in the professionally completed "IMPLAN Economic Impact Analysis" for the CMHH and this specific funding request, when the multiplier effects of this construction spending are included, the \$22,750,000 million in local construction expenditures increase total economic activity in the region by \$32.3 million as a result of \$4.4 million in indirect effects, from local construction related purchases, and \$5.2 million in induced effects, as a result of the jobs and income created and supported. The infrastructure improvements will create approximately 285 construction jobs over the 1-year period, with an additional 49 jobs created by the indirect and induced effects for a total employment count of 334 jobs created over the period. There is a 1-year total of \$10.2 million in wages and salaries associated with these 334 jobs.

The estimate also models total federal, state, and local tax revenues created by this project. These improvements will increase federal tax revenues by \$2.3 million, state tax revenues by over \$977,000, and local tax revenues by over \$100,000. It is important to note that these impact figures are the aggregate impacts over the 1-year construction period. This is proposed to create a \$3.6 million State, local, and Federal tax revenue increase over the construction period alone.

## **Project Timeline**

The City has already completed a feasibility report for the project. If funded, the project will move directly into preliminary design, right-of-way acquisition and then final design. Construction of the project will be able to start within one year of being given authorization to proceed. Once construction has commenced, it will be substantially completed within 12 months and ready for final acceptance and closeout within 18 months.

In addition to the City being well prepared to begin the work immediately, there is a large development opportunity (Vantage Point Hotel) along LeSauk Drive that has already committed to concept plans, should the road be improved. Leander Drive has also resulted in the sale and redevelopment opportunities for a 700-unit multi-family housing campus, should the roadways be improved. The project is well poised for immediate ROI.

## **Other Considerations**

The City of Sartell and Greater St. Cloud Development Corporation (GSDC) have taken a collaborative focus on partnering for the CMHH to be the "destination medical center" of central Minnesota. In 2024, the announcement of the University of MN Medical School in the CMHH at the CentraCare Health Plaza site is further recognition and support for this area being the premier medical technical hub of the region. The U of MN Medical School will require additional ancillary medical professional services to be successful and the CMHH is well poised to allow this development. The critical infrastructure necessary for the continued expansion of the CMHH are the remaining roadways within this request and the City has a proven track record of turning bonding support into immediate ROI for the region and State. The economic impact analysis for the current request is expected to increase economic activity in the region by \$32.2 million and create 334 more jobs, earning \$10.2 million in salaries and \$3.6 million in tax revenues. Upon completion of construction, the regional impact of the further development of the CMHH will benefit the medical and technical services of rural, greater Minnesota for decades to come.

## **Impact on State Operating Subsidies**

Not Applicable

## **Who will own the facility?**

The City of Sartell will own the roadway corridors, maintaining full responsibility for their operation, maintenance, and upkeep. Ownership includes managing critical infrastructure to ensure safe and efficient transportation for residents, visitors, and businesses. These corridors serve not only local needs but also regional connectivity, supporting the healthcare hub, Niron Magnetics, and commercial areas, emphasizing their significance beyond the immediate community.

## **Who will operate the facility?**

The City of Sartell will manage and operate the newly constructed streets and roadway corridors, ensuring their long-term functionality and safety. Responsibilities include routine road maintenance, snow plowing, and necessary repairs to maintain accessibility and serviceability. This commitment ensures reliable transportation for residents, visitors, and businesses while supporting regional connectivity and meeting the needs of the growing community.

### **Who will use or occupy the facility?**

The project will serve residents, visitors, employees, and regional traffic, acting as critical corridors connecting the CMHH, Niron Magnetics, CentraCare Plaza, U of MN Medical School, and regional businesses or amenities. These roads support daily commutes, economic activity, and access to amenities while linking Sartell to neighboring communities and the broader transportation network. As significant regional roadways, they provide benefits that extend beyond local needs, ensuring connectivity and supporting the regional economy for the development of the CMHH.

### **Public Purpose**

As noted, the critical infrastructure will support expanded roadways for redevelopment within the CMHH. This development will provide ancillary services for the U of MN Medical School, as well as critical support services for the recruitment of Niron Magnetics, which is directly connected to the CMHH via Leander Drive and 4th Avenue South, two roadways requested within this bonding ask. The economic impact of Niron Magnetics alone is 175 new jobs and \$66.5M regionally in GDP.

### **Description of Previous Appropriations**

The City received \$5,500,000 in 2022 to complete Phase 1 of the Central Minnesota Healthcare Hub project. This project included the construction of 3,000 linear feet of Scout Drive and 2,600 linear feet of Dehler Drive (1.0 miles of new roadway). Scout and Dehler Drives were critical west-east corridors within the Central MN Healthcare hub. The project supported the new development of over a dozen new businesses and/or business expansions and \$10M in economic growth of tax base alone. It also led to the business recruitment of Niron Magnetics, expansion of the CentraCare Health System, addition of the U of MN Medical School, and site plan submittals for a hotel and multi-family campus.

### **Project Contact Person**

Anna Gruber  
City Administrator  
320-292-4046  
anna.gruber@sartellmn.com

(\$ in thousands)

City of Sartell Central MN Healthcare Hub Regional Infrastructure Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$22,750	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$2,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$24,750</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$1,098	\$0	\$0
Predesign Fees	\$0	\$412	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$3,125	\$0	\$0
Construction	\$0	\$19,902	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$213	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$24,750</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	N/A

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
PFAS Abatement and Mitigation	1	GO	3,600	0	0	0	0	0
Mayhew Creek Regional Sports Complex Access Improvements	2	GO	1,000	0	0	0	0	0
<b>Total Project Requests</b>			4,600	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,600	0	0	0	0	0

**PFAS Abatement and Mitigation**

**AT A GLANCE**

**2026 Request Amount:** \$3,600

**Priority Ranking:** 1

**Project Summary:** The City of Sauk Rapids is seeking \$3,600,000 for design and construction of water improvements for the abatement and mitigation of PFAS contamination in Sauk Rapids. This includes the design and construction of three new drinking water wells, a new well house, booster station improvements, ground storage tank yard piping improvements, raw water main upgrades, necessary modifications to the existing Water Treatment Plant, and developing and implementing a PFAS monitoring program.

**Project Description**

Funds will be used to design and construct three new drinking water wells, new well house, booster station improvements, ground storage tank yard piping improvements, raw water main upgrades, flushing hydrants along the entire existing raw water main to address mineral buildup and necessary modifications to the existing Water Treatment Plant (WTP) and appurtenant SCADA work, and develop and implement a PFAS monitoring program.

The City of Sauk Rapids' existing water supply has been routinely tested for polyfluoroalkyl substances (PFAS) by the Minnesota Department of Health (MDH) and has been found to exceed Environmental Protection Agency (EPA) Maximum Contaminant Levels (MCLs) and MDH health risk-based values in Wells No. 2 and 3, with the detection of multiple PFAS compounds in all the wells, indicating the local aquifer is contaminated with PFAS. To address this issue and ensure safe drinking water for residents, the City is expanding their wellfield away from Wells No. 2 and 3 by adding three new drinking water wells, constructing a combined well house for four of the City wells, decommissioning Wells No. 2 and 3 and directing all remaining and new wells to the WTP, making improvements to the raw water main to increase supply to the water treatment plant, modifying the city's booster station and ground storage tank yard piping to accept increased flows, modifying the existing WTP, and preparing and implementing a PFAS monitoring program.

This project is being completed in phases, with the first phase completed by the City due to the urgency of the project. The first phase includes construction of a new well (Well No. 7), booster station improvements, and ground storage tank yard piping at a cost of \$1,000,000. The second phase includes installation of two additional new wells (Wells No. 8 and 9), new well house to serve Wells No. 6, 7, 8 & 9, upgrades to raw water main, modifications to the existing Water Treatment Plant, and developing and implementing a PFAS monitoring program at a cost of \$6,200,000.

**Project Rationale**

Having safe drinking water is of critical importance, making this project a priority for the community.

The U.S. Environmental Protection Agency (U. S. EPA) recently announced the finalized National Primary Drinking Water Regulation (NPDWR) establishing legally enforceable Maximum Contaminant Levels (MCLs) for six (6) different PFAS compounds and gives water utilities until 2029 to lower PFAS levels below the MCLs. Sauk Rapids' drinking water wells (Wells No. 2 and 3) have PFAS levels exceeding several of the MCLs and need to be replaced. Said well replacement triggers several necessary water system improvements. This project will address this issue by modifying the existing wellfield and abating and mitigating high PFAS levels to provide safe drinking water for our residents.

**Project Timeline**

Design - October 2025  
Bidding - April of 2026  
Construction Begins - July of 2026  
Construction Complete - September of 2028

**Other Considerations**

Since 2022, the Minnesota Department of Health (MDH) has been sampling Sauk Rapids' City wells to evaluate PFAS contamination. Along with drinking water standards, several of the PFAS compounds detected in Sauk Rapids' drinking water wells (Wells No. 2 and 3) have also been identified as hazardous substances under CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act) as administered by the U.S. EPA. In late 2024, the Minnesota Pollution Control Agency (MPCA) Site Assessment Program notified the City that they have now been tasked with investigating the PFAS contamination in Sauk Rapids' municipal supply wells. These programs will have significant regulatory implications moving forward for the City of Sauk Rapids as they work to provide a clean drinking water source to their residents.

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

City of Sauk Rapids

**Who will operate the facility?**

City of Sauk Rapids

**Who will use or occupy the facility?**

City of Sauk Rapids

**Public Purpose**

The public purpose is providing safe drinking water for Sauk Rapids' residents and visitors.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Ross Olson  
City Administrator  
320-258-5302  
rolson@ci.sauk-rapids.mn.us

(\$ in thousands)

**PFAS Abatement and Mitigation**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,600	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$2,300	\$0	\$0
City Funds	\$0	\$1,300	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,200</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,080	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$6,120	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,200</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

**Mayhew Creek Regional Sports Complex Access Improvements**

**AT A GLANCE**

**2026 Request Amount:** \$1,000

**Priority Ranking:** 2

**Project Summary:** The City of Sauk Rapids is seeking \$1,000,000 for design and construction of infrastructure improvements including roadway, trail, storm water, and utility improvements to provide safe and improved multi-modal access to the 120-acre Mayhew Creek Regional Sports Complex (MCRSC), the existing Sauk Rapids-Rice High School, and future (2027) Early Childhood Center campus.

**Project Description**

Funds will be used to design and construct roadway, trail, storm water, and utility improvements. This project would provide needed infrastructure improvements, including providing safe pedestrian and vehicle options for students, residents, and visitors to the park and district campuses. Currently, this regional park is highly used by students and residents and will draw more users as more amenities are developed. The City of Sauk Rapids has partnered with Sauk Rapids-Rice Public Schools in the early stages of building an early childhood center and multi-purpose (lacrosse, soccer, football) fields in Mayhew Creek Park. Additionally, the existing trails are used by the high school students for cross-country running and skiing practice. A 4-field little league baseball complex is under construction with completion scheduled for 2026. Funding is needed to move forward with design and construction of the roadway, trail, storm water facilities, and utilities to serve the increased multimodal traffic and user demands of the regional sports and recreational facilities, and early childhood center campus.

Total Estimated Cost: \$2,000,000.

**Project Rationale**

Local and regional benefits include increased access to recreation and outdoor learning opportunities. Activities completed to date are an aggregate surfaced trail system, a regionally significant disc golf course, tennis courts, and sledding hill. Youth baseball fields are currently under construction, and a new childhood center will be completed by 2027. Additionally, the proposed park will host youth tournaments, which will positively impact local hospitality-related businesses. Future planned amenities are multi-purpose athletic fields, more trails, disc golf course enhancements, and outdoor winter hockey/skating area. Additionally, with the school adjacent to the park, there is potential for more shared spaces.

**Project Timeline**

- Design - August of 2026
- Bidding - January of 2027
- Construction Begins - June of 2027

Construction Complete - October of 2027

**Other Considerations**

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

City of Sauk Rapids

**Who will operate the facility?**

City of Sauk Rapids

**Who will use or occupy the facility?**

City of Sauk Rapids

**Public Purpose**

The public purpose is to provide safe and improved multi-modal access to the 120-acre Mayhew Creek Regional Sports Complex (MCRSC), the existing Sauk Rapids-Rice High School, and future (2027) Early Childhood Center campus for Sauk Rapids' residents and visitors.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Ross Olson  
City Administrator  
320-258-5302  
rolson@ci.sauk-rapids.mn.us

(\$ in thousands)

Mayhew Creek Regional Sports Complex Access Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$1,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$375	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$1,625	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	N/A

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Highway 13 Reconstruction Project	1	OT	0	73,000	0	0	0	0
		GO	2,823	27,177	0	0	0	0
<b>Total Project Requests</b>			2,823	100,177	0	0	0	0
<b>Other State Funding (OT) Total</b>			0	73,000	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,823	27,177	0	0	0	0

## Highway 13 Reconstruction Project

**AT A GLANCE****2026 Request Amount:** \$2,823**Priority Ranking:** 1

**Project Summary:** The City of Savage is seeking \$30 million in state funds to be directed to MnDOT to complete non-trunk highway elements and local system improvements necessary to support the Highway 13 Project through the Cities of Savage and Burnsville. The Highway 13 Project will construct grade-separated intersections along Trunk Highway (TH) 13, including non-motorized connections, at key intersections (Quentin Ave, Lynn Ave, Chowen Ave, and Washburn) in Savage and Burnsville, Minnesota.

**Project Description**

Highway 13 is a critical freight corridor and principal arterial, connecting US 169 and I-35W, and carrying over 55k vehicles a day, including 4,400 heavy commercial vehicles. It is the second most congested highway for freight traffic in the Twin Cities, with up to 109 hours of delay per day. The corridor experiences high crash rates, including 1,026 crashes over a 10-year period, with eight fatalities and 11 serious injuries.

Highway 13 provides sole roadway access to the Ports of Savage, the largest private intermodal inland waterway facility in the upper Midwest. The Ports serve agricultural and industrial businesses, but congestion limits the operational capacity 40-50%. The corridor supports other major businesses, including Amazon Fulfillment Center, Cargill, and Chart Industries.

Congestion and failing infrastructure are also impacting non-motorized and transit access. Transit services, including Minnesota Valley Transit Authority (MVTA) routes, face delays due to congestion. The corridor lacks adequate pedestrian and bicycle infrastructure, creating barriers to multimodal travel.

The frontage road and other local system improvements, funded by this request, will contribute to improvements at the following key Highway 13 intersections to enhance safety, reduce congestion, and improve multimodal connectivity.

**Quentin Avenue:** Conversion of an at-grade intersection into a High-T interchange that allows motor vehicle and transit traffic on Highway 13 to pass through without conflicting with left-turning vehicles. Includes a channelized receiving lane for safe merging onto Highway 13. Includes a roundabout intersection at Quentin and 123rd Ave for improved local system operations and facilitation of non-motorized travel along 123rd Ave to and from Downtown Savage.

**Lynn Avenue:** Conversion of an at-grade intersection into an off-set (to the east) grade-separated interchange. Includes a 6-leg roundabout at the ramp terminals to improve access to the Savage

ports. Includes a partial-access overpass to eliminate stop conditions for through-traffic on Highway 13. Improves safety by reducing high-speed right-angle crashes. Eliminates Savage Ports commercial trucks queuing on Highway 13 shoulders while railroad crossing guard is down.

Chowen Avenue: Conversion of an at-grade intersection into a grade-separated interchange. Includes a 6-leg roundabout to streamline access and reduce travel delays to and from Downtown Savage and adjacent highway commercial destinations. Includes a non-motorized, grade separated crossing of Highway 13. This will accommodate a future trail connection for the Dakota County Minnesota River Valley Greenways Trail.

Washburn Avenue: Partial Highway 13 access with direct frontage road access to nearby full interchange at County Road 5.

The Highway 13 project does include improvements to the intersection of Nicollet Ave and Highway 13, however this request does not include funds for that section.

## **Project Rationale**

Highway commercial and industrial uses along Highway 13, in the project area, have continued to grow, with the corridor developing into a key linkage for several industrial supply chains. Businesses such as the Ports of Savage are vital for national, state and local industry and provide local opportunities for jobs in the warehousing, medical and retail fields. Within a half mile of the project, there are six thousand jobs.

As a result, the region has seen a significant uptick in congestion, severe crashes and other operational issues that impact the reliability of trip times for freight, transit and commuters. The Highway 13 project builds on 25 years of incremental improvements to the corridor and aligns with local, regional, and state transportation plans. Recently project partners further identified needs during the Highway 13 Corridor Study, completed in 2021. This was a collaboration between MnDOT and the cities of Burnsville and Savage, as well as Dakota and Scott counties.

## **Project Timeline**

The Highway 13 Project follows a comprehensive, multi-year development timeline.

- From 2019 to 2021, MnDOT led the Highway 13 Corridor Study which identified the needs and developed options for improvements
- Between 2020 and 2024, concept development and a funding strategy were advanced.
- Preliminary design and environmental documentation began in Fall 2024 and will continue through Winter 2025.
- Right-of-way (ROW) acquisition is scheduled for Winter and Spring 2027.
- In Spring 2027, final design, permitting, and plan approvals will be completed.
- The project will be advertised for bids in August 2027, with letting and contract awards occurring by September/October 2027.
- Construction is scheduled from Fall/Winter 2027 through Spring 2030.

## **Other Considerations**

The project incorporates significant equity and environmental benefits to improve quality of life and economic vitality for the State of Minnesota.

**Equity Benefits:**

- Enhances access for transit-dependent and subsidized housing residents.
- New ADA-compliant ped/bike facilities throughout.
- Safe multimodal crossings and connections to jobs, services, and transit stations.
- Reduces congestion and travel times, improving daily commutes.

**Environmental & Stormwater Benefits:**

- Reduces idle time and congestion lowering GHG emissions.
- Promotes use of lower-carbon freight modes like rail and barges.

**Impact on State Operating Subsidies**

The final design effort will include reaching an agreement between MnDOT and the cities for maintenance of all proposed facilities.

**Who will own the facility?**

The Cities of Savage and Burnsville will own and maintain the frontage road and other local street improvements and pedestrian facilities built with these funds. Some sections of the frontage road are currently within trunk highway right-of-way but will be turned over to the local agencies after completion of the project.

**Who will operate the facility?**

The final design effort will include reaching an agreement between MnDOT and the cities for maintenance of all proposed facilities.

**Who will use or occupy the facility?**

The proposed project will be for public use.

**Public Purpose**

The public purpose of this project is to provide a safe and efficient state highway and the connecting local transportation network for pedestrians, bicyclists, motorists, and freight haulers. Expanded frontage road facilities will proactively meet access demand, update outdated design, relieves congestion, and expand the local sidewalk and trail system. Overall, the project improves regional connectivity, reduces transportation deficiencies, and fosters inclusive growth for the community.

**Description of Previous Appropriations**

This section of the Highway 13 project has not received any previous state appropriations. The project has received awards from the Corridors of Commerce program, the Minnesota Highway Freight Program, and two awards from the Metropolitan Council's Regional Solicitation process. Additionally, the Cities of Savage and Burnsville and Scott County have committed local funds. All amounts are represented in the project funding sources table.

**Project Contact Person**

Seng Thongvanh  
City Engineer/Utilities Director

952-451-4486  
sthongvanh@savagemn.gov

(\$ in thousands)

## Highway 13 Reconstruction Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$0	\$0	\$73,000	\$0
General Obligation Bonds	\$0	\$2,823	\$27,177	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$0	\$24,300	\$0
City Funds	\$0	\$0	\$300	\$0
County Funds	\$0	\$0	\$15,000	\$0
Non-Governmental Funds	\$0	\$0	\$55,633	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,823</b>	<b>\$195,410</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$7,800	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$2,371	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$156,300	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$452	\$31,310	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,823</b>	<b>\$195,410</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Merriam Junction Trail Phase 2-Louisville Segment	1	GO	6,478	0	0	0	0	0
<b>Total Project Requests</b>			6,478	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			6,478	0	0	0	0	0

Merriam Junction Trail Phase 2-Louisville Segment

**AT A GLANCE**

**2026 Request Amount:** \$6,478

**Priority Ranking:** 1

**Project Summary:** Scott County requests \$6.4785 Million in state funds to design, purchase right of way and construct 4.3-mile multi-use trail, including elevated boardwalks over wetland/lake areas, closing an existing gap in the regional trail system in northern Scott County. This project links Phase 1 of the Merriam Junction Regional Trail (connects Scott & Carver Counties) to the Big Woods Regional Trail in Scott County and connect the communities of Shakopee, Prior Lake, and Louisville Twp.

**Project Description**

The Louisville Regional Trail Corridor project is located in Scott County in Louisville Township, about 30 miles southwest of downtown Minneapolis. The trail project completes an initiative to build a multi-use, accessible destination trail connecting the final segment of the Merriam Junction Regional Trail to the Big Woods Regional Trail. The project builds on the planning of a regional trail master plan and the completion of a segment of trail over Highway 169, a significant barrier in Scott County. The trail corridor initiative was identified as a need in both the 2030 and 2040 Scott County Comprehensive Plans. The trail will close a gap to create a 20-mile regional trail network loop that traverses both Scott and Carver Counties (with access to Hennepin County) and will build on existing opportunities created by the Merriam Junction and Big Woods Regional Trails to link the communities of Shakopee, Prior Lake, Chaska, Chanhassen, Carver, and Louisville Township. There are limited bike and pedestrian connections in this part of the southwest metropolitan area due to the barrier presented by the Minnesota River. The proposed trail project builds upon these critical existing river crossing connections by expanding access to these crossings and completing a continuous loop between them on both sides of the river, which greatly enhances recreational (and transportation) opportunities and connections along and across the Minnesota River Valley.

This section of trail is the final regional trail connection in northern Scott County, closing the gap between the Merriam Junction and Big Woods Regional Trails which anticipates between 129,000 and 250,000 annual user visits. Both of these regional trails provide a connection to and across the Minnesota River Valley and to the rest of the regional trail system. These key connections, along with Louisville Township’s proximity to the Twin Cities Metro area to the northeast and the regional center of Mankato to the south, make this proposed trail of regional and statewide significance.

The trail project supports bike and pedestrian access from across the western metropolitan area to public and private outdoor recreation venues that have a statewide draw. Scott County is home to some of the Midwest’s largest and most vibrant attractions and festivals. Major entertainment, historical, and scenic destinations include Canterbury Park (horse racing), Severs Fall Festival, Scott County Fair, Mystic Lake Resort and Casino, Shakopee Mdewakanton Sioux Community Hockokata Ti

Cultural Center, Minnesota Renaissance Festival, Minnesota River Valley National Wildlife Refuge, Valleyfair Amusement Park, and The Landing-Minnesota River Heritage Park. Each year more than 10 million visitors come to the unique attractions and world-class festivals located in Scott County. All these major attractions are located near the Louisville Regional Trail Corridor. The proposed trail will support bicycle day trips to these destinations as well as the public wildlife and recreational lands and historic downtowns along the Minnesota River, enhancing economic development and tourism opportunities.

The local share of the project will be funded with county and other funds (may include funding from the Metropolitan Transportation Advancement Account).

### **Project Rationale**

By connecting the Minnesota River Bluffs Regional Trail in Carver County via the Merriam Junction Regional Trail to the Scott County Regional Trail Network, the project will eliminate a gap in the Regional Bicycle Trail Network. Eliminating this barrier would create significant travel time savings and creates a safer corridor for bicyclists and pedestrians. This project will develop the final 4.3 miles of multi-use trail, including a boardwalk over wetland and lake areas in a 20-mile loop connecting to Carver and Hennepin Counties. The proposed trail is also a vital corridor connecting the communities of Shakopee, Prior Lake, and Savage to greater Scott, Carver, and Hennepin Counties.

Housing in Louisville Township and neighborhoods north of the project area in the City of Shakopee and Prior Lake will gain access to the trail once constructed. Manufactured home communities are located north of the project area which has a higher concentration of minority populations, low-income, and senior residents. The trail will provide access to recreational opportunities and a connection to goods, services, jobs, entertainment venues, and other amenities in the City of Shakopee, Prior Lake, and the Shakopee Mdewakanton Sioux Community. Louisville Township is above the regional average and growing in the percentage of the population in poverty and population of color. Approximately 13.14% of the residents identify as Black, Indigenous, and/or people of color, a 12% increase since 1990. 8% of the population identifies as Hispanic or Latino, which is higher than the regional average. 15.2% of the population lives below the poverty level. Additionally, 20.8% of the population is over the age of 62, almost double the rate for Scott County. All of these population groups would benefit from safe bicycle and pedestrian infrastructure, enhanced connections to other communities and job centers, and nearby recreational opportunities. By 2040 Scott County is expected to see continued growth, adding 22,030 households between 2020 and 2040 according to a Commercial/Industrial Analysis for Scott County which was conducted by an independent research company in 2016. Constructing the trail now will be an added local, regional, and state benefit to future developers, residents, and employers.

With the construction of the Louisville Regional Trail connecting to the greater regional trail network, the project will support local businesses and will provide a non-motorized transportation alternative for residents living in the area. Visitors utilizing the trail would contribute to the economic growth of Scott County. With the increase in trail use, there is an economic gain from increased visits to local businesses and the dollars spent will go directly back into the local economy.

The Shakopee Mdewakanton Sioux Community (SMSC) has been extensively involved in the planning and implementation of trails in Scott County and is a supporter of the County's regional trail efforts. As a majority landowner of the trail right of way, it is anticipated that will be working cooperatively with the County on the Louisville Regional Trail project.

## **Project Timeline**

### **Other Considerations**

Quality of Life is a primary purpose of the project. A goal of Scott County's 2020-2025 Strategic Plan is to provide Safe, Healthy, and Livable Communities and these values will be supported by the Louisville Regional Trail Project. According to the 2040 Scott County Resident Survey, "25% of respondents felt the biggest barrier to active living in Scott County is the lack of trails." The project will reduce the barrier to active living and will support a safe, accessible, healthy, free, and active transportation alternative for all residents.

### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

Scott County

#### **Who will operate the facility?**

Scott County

#### **Who will use or occupy the facility?**

This regional trail segment is envisioned to accommodate a wide range of user groups with varying abilities and offers access to many populations. With relatively flat grades, there is ample opportunity for trail visitors of all abilities to use the trail. The project will provide paved ADA access which does not exist today, benefiting people with disabilities and the elderly with access to something that they did not have access to before. This project also provides a healthy alternative to vehicle use in Scott County. Ensuring recreational opportunities are affordable and accessible (by various modes of transportation) to all citizens is an existing Scott County initiative. Scott County is committed to providing trail access to all uses therefore there will be no fee charged for utilizing the trail. The proposed trail will serve regional and statewide recreational users by supporting bicycle day trips to several entertainment destinations as well as the public wildlife and recreational lands and historic downtowns along the Minnesota River.

### **Public Purpose**

The regional trail development will provide recreational and transportation opportunities for residents and visitors in Scott County and beyond. Completing the existing gap in the regional network will allow visitors to come to Scott County without having to utilize vehicular transportation.

### **Description of Previous Appropriations**

None on this phase, \$4 Million for riverbank stabilization in 2023 for phase 1 of the Meriam Junction trail project.

### **Project Contact Person**

Lisa Freese  
Transportation Services Director  
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lfreese@co.scott.mn.us

(\$ in thousands)

Merriam Junction Trail Phase 2-Louisville Segment

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,478	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$0	\$6,479	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,957</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$2,120	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,500	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$7,550	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$1,787	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,957</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Innovation Hub	1	GO	4,000	0	0	0	0	0
City of Shakopee - Downtown Quiet Zone Improvements	2	GO	3,000	0	0	0	0	0
<b>Total Project Requests</b>			7,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			7,000	0	0	0	0	0

**Innovation Hub**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$4,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	\$4 million in state funds requested to design, construct and furnish and equip a new building for the region that will serve as a hub for innovation and training to be located in downtown Shakopee.

**Project Description**

The project is a new, 30,000 square foot Innovation Hub. The total project cost is \$12.5 million. The Shakopee Economic Development Authority already has acquired the site and completed a Phase 1 and Phase 2 and preliminary design and full cost estimates have been completed. The project has already received \$2.5 million in directed Congressional spending from Senators Klobuchar and Smith and Congressperson Craig that has been secured in Minnesota's HUD office. The City is working with another local government funder for a major contribution. The building will be owned and operated by the City of Shakopee through its Economic Development Authority. The 30,000 square foot building will have classrooms, high bay training space, offices for Small Business Development Center (SBDC) counselors, resident entrepreneurs to provide guidance and support for startup businesses, makers space, commercial kitchen for food entrepreneurs, and space for a business accelerator and space for the Scott County Center for Entrepreneurship. It will be also home to FoundryMN, a group founded by the city, that is a statewide effort to support startup companies that sell product or services outside of Minnesota. The group now consists of 37 companies from throughout the state. The project is supported by the Shakopee Chamber of Commerce, Scott County, the cities of Eden Prairie, Belle Plain, Carver County and the Shakopee School District. The city has already signed a memorandum of understanding with Minnesota State University - Mankato to provide courses, training and entrepreneurial support for the facility while also providing continuing education classes and training for employers.

**Project Rationale**

Scott County currently lacks post-secondary education institutions and technical training centers. This proposed facility will fill that gap by serving the broader region, offering specialized courses, degree completion programs, graduate-level classes, and workforce training tailored to the needs of local employers and the evolving marketplace. The facility will include dedicated space for advanced manufacturing training—an essential component in addressing Minnesota’s workforce challenges. Currently, Minnesota ranks 46th out of 50 states in manufacturing training capacity. Enhancing this capacity is critical to expanding the state’s export economy and increasing household incomes. Nationwide, there are only two hard-tech innovation hubs, both located on the East Coast. Establishing a similar hub in Minnesota would position the state as a national leader in manufacturing

innovation and workforce development.

Additionally, Minnesota ranked 49th in a recent national entrepreneurship study, having dropped 20 places from the previous year. While the state maintains a strong business survival rate (4th overall) and ranks high in patents per capita (6th overall), it suffers from declining startup activity and an overreliance on large, established companies.

In response, the City has launched a local entrepreneurial group, FounderyMN, now with 37 participating businesses. This group meets regularly and has identified key unmet needs in the region. It will serve as an anchor for the facility, helping to attract and support new entrepreneurial ventures across Scott County and beyond. This model—widely successful in other parts of the country—is notably absent in Minnesota and is essential to fostering sustainable economic growth.

### **Project Timeline**

Predesign has been completed. Full construction documents will be completed in the summer of 2026 with construction starting in the Winter of 2026/27 and completion by the end of 2027.

### **Other Considerations**

In partnership with the Shakopee Mdewakanton Sioux Community, the facility will offer targeted business assistance and counseling for Native American entrepreneurs and startups. Across the country, similar facilities have demonstrated success in fostering critical thinking skills, building self-confidence, and creating inclusive environments where BIPOC communities can access expert guidance and support.

The facility will also serve Shakopee's diverse population—more than 30% of whom identify as minorities—as well as residents from the broader region. It will provide business counseling, training programs, and entrepreneurial support to help individuals launch and grow successful ventures. One key offering will be the Minnesota State Entrepreneurial Bootcamp, an intensive program designed to help participants test and validate business ideas. This proven model will bring immediate value to aspiring business owners in the region.

A commercial kitchen within the facility will support food-based entrepreneurs by allowing them to test products, develop packaging, and prepare goods for sale in the consumer market.

Additionally, the facility will house key partners in the entrepreneurial ecosystem, including offices for angel investors, business support organizations, the Scott County Center for Entrepreneurship, Small Business Development Center (SBDC) resources, the Shakopee Chamber of Commerce, and regional accelerators such as gener8tor and BETA. The Shakopee Economic Development Authority recently entered into an agreement with BETA (the only city in the state to be a participant) that provides a pathway for BETA companies to engage in additional support while also allowing local companies to access support from mentors and other companies statewide.

### **Impact on State Operating Subsidies**

None

### **Who will own the facility?**

City of Shakopee's Economic Development Authority with a management committee consisting of entrepreneurs, Minnesota State University - Mankato staff, Scott County CDA representative and city of Shakopee staff.

**Who will operate the facility?**

City of Shakopee Economic Development Authority in partnership with Minnesota State University–Mankato, entrepreneurs, companies training workers, Shakopee Chamber of Commerce and Scott County CDA's Center for Entrepreneurship.

**Who will use or occupy the facility?**

Startup businesses, small businesses, entrepreneurs, Minnesota State University - Mankato, CDA Center for Entrepreneurs, Shakopee Chamber of Commerce for job training, Shakopee EDA staff, a Business Accelerator and one or more Angel Investor Funds that will be providing support to businesses.

**Public Purpose**

This facility will serve as a regional hub, offering specialized courses, degree completion programs, graduate-level education, and workforce training tailored to the needs of local companies. It will also include dedicated space for advanced manufacturing training—an essential resource for strengthening the region’s industrial capabilities.

As an economic development catalyst, the facility is expected to positively impact more than 800,000 people across the region. It will play a key role in expanding Minnesota’s entrepreneurial ecosystem and supporting the growth of its advanced manufacturing sector.

**Description of Previous Appropriations**

None for this project.

**Project Contact Person**

Michael Kerski  
Director of Planning & Development  
952-233-9346  
mkerski@shakopeemn.gov

(\$ in thousands)

**Innovation Hub**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$2,500	\$0	\$0
City Funds	\$125	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
Non-Governmental Funds	\$0	\$5,500	\$0	\$0
<b>TOTAL</b>	<b>\$125</b>	<b>\$12,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$100	\$0	\$0	\$0
Design Fees	\$25	\$900	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$10,850	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$250	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$125</b>	<b>\$12,000</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

City of Shakopee - Downtown Quiet Zone Improvements

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$3,000
<b>Priority Ranking:</b>	2
<b>Project Summary:</b>	\$3,000,000 in state funds is requested for the construction of rail crossing improvements to establish a Quiet Zone in downtown Shakopee. The sounding of train horns, especially in the evening and overnight hours, is a public nuisance along the Union Pacific Railway corridor in Shakopee. The implementation of a Quiet Zone will eliminate the routine sounding of horns at rail crossings, positively impacting the economic development of downtown and improving the quality of life throughout the City.

**Project Description**

The City of Shakopee desires to establish a Quiet Zone in downtown Shakopee due to increased rail traffic in recent years which has brought with it a higher volume of train horn noise and frequent delays for motorists at crossings. In order to establish the Quiet Zone, the City must construct certain rail crossing improvements at intersections.

The specific project improvements include upgrading the existing rail crossing measures along the UPRR mainline rail corridor extending from Fuller Street to Shenandoah Drive in Shakopee. This corridor includes 10 existing public street rail crossings. Currently, the majority of the crossings consist only of flashing warning lights, painted stop bars and train horn as trains approach the crossing (three crossings include gates). The proposed rail crossing improvements, along with their risk reduction and cost per location, include:

- Street closures eliminating crossings at Fuller Street and Minnesota Street (Risk reduction of 100%; \$70,000)
- Basic crossing upgrades, including gates, flashing lights and constant warning time train detection (CWT) - required at each crossing (Risk reduction between 15 and 20 percent; \$750,000)
- Non-traversable medians and channelization devices (Risk Reduction between 75 and 80 percent; \$120,000)
- Four-quadrant gates that block both the approach and departure side of the roadway (Risk reduction between 77 and 82 percent: \$1,500,000)

The City completed a Quiet Zone study in 2016 to better understand the improvements necessary to establish the Quiet Zone. The study evaluated multiple scenarios of improvements that could be considered necessary for the Quiet Zone implementation. The full scope of the improvements will be based on the funding that the city is able to acquire. At a minimum, to implement the Quiet Zone, the Quiet Zone Risk Index (QZRI) with the improvements must be reduced below the Risk Index With Horns (RIWH), and each crossing within the designated Quiet Zone must be upgraded with supplementary safety measures. The total project cost is \$10,240,000 and would be funded by a

combination of Federal, State and local funds.

This project aligns with the requirements and is eligible for funding for the Consolidated Rail Infrastructure and Safety Improvement Program (CRISI), as it meets the following criteria:

- A project that benefits freight rail service,
- A highway-rail grade crossing improvement project, including installation, repair, or improvement of grade separations, railroad crossing signals, gates, and related technologies, highway traffic signalization, highway lighting and crossing approach signage, roadway improvements such as medians or other barriers, railroad crossing panels and surfaces, and safety engineering improvements to reduce risk in quiet zones or potential quiet zones.

### **Project Rationale**

Establishing a Quiet Zone will significantly enhance the community's economic development potential by eliminating routine train horn noise, particularly in areas targeted for redevelopment and investment in downtown. By improving quality of life, reducing noise pollution, and creating a more attractive environment for residents, businesses, and visitors, a Quiet Zone supports increased property values, higher occupancy rates, and stronger retail performance. It also encourages real estate development especially mixed-use, multifamily, and commercial projects—by making adjacent parcels more viable for investment. The resulting livability improvements aid in workforce attraction and retention and make the area more competitive for corporate relocations. In addition, enhanced safety infrastructure required for Quiet Zone designation can reduce accident risk, benefiting long-term economic stability. Overall, the Quiet Zone aligns with Shakopee's community goals in Envision Shakopee 2040.

### **Project Timeline**

If successful in acquiring the necessary funding, the project engineering would be completed in 2026, with construction beginning and finishing in 2028. Early coordination with UPRR is critical to the project's success as they would assist in designing the rail crossing improvements that connect to their railway. The UPRR coordination and design would be initiated in 2026 prior to the detailed engineering for the project. The project may be implemented in phases if the full funding necessary to implement the Quiet Zone is not obtained in the 2026 funding requests.

### **Other Considerations**

This rail corridor has a unique configuration wherein the tracks are located in the middle of Second Avenue spanning the historic downtown Shakopee with one lane of traffic on each side of the tracks. The track has existed in the city since 1858 when the city passed an ordinance granting permission to UPRR's predecessor – the Southern Minnesota Railroad Company – to run an east-west mainline track through the city. Redevelopment continues to occur in downtown Shakopee, bringing in more residents and commerce to the community. The sounding of train horns, especially in the evening and overnight hours, is a public nuisance and is disruptive to the community. Under the Federal Railroad Administration's (FRA) Train Horn Rule, railroads are required to sound the train horn at all public crossings. Exceptions to this requirement can be made through the implementation of a railroad Quiet Zone.

### **Impact on State Operating Subsidies**

The implementation of a Quiet Zone is not anticipated to result in any significant impact on public

operating subsidies, including those provided by the State. Quiet Zone projects typically involve localized infrastructure improvements such as median barriers, upgraded warning devices, or other safety enhancements designed to reduce the need for routine train horn sounding at public crossings. These improvements are generally capital in nature and funded through a combination of local, federal and sometimes private sources.

### **Who will own the facility?**

As part of the proposed quiet zone implementation, the City of Shakopee is prepared to assume full ownership and ongoing maintenance responsibility for any new railroad-related infrastructure installed as part of the project. This includes any new supplemental safety measures, signage, traffic control devices, or crossing surface improvements that are required to support the establishment of the Quiet Zone. The City recognizes the long-term commitment associated with quiet zone implementation.

### **Who will operate the facility?**

The City will be responsible for operating the project, in coordination with the Union Pacific Railroad. This includes pavement, curbs, sidewalks, traffic signals, and any supplemental safety measures installed within the public right of way to support the quiet zone. Union Pacific will continue to maintain and operate its rail infrastructure and associated facilities within the railroad right of way that traverse the Shakopee community.

### **Who will use or occupy the facility?**

All rail infrastructure within the Union Pacific right of way remains under the ownership and operational control of the railroad. The City and Union Pacific will coordinate as needed to ensure the safe and effective operation of both roadway and rail infrastructure, with each party responsible for maintaining their respective assets in accordance with applicable regulations and standards.

### **Public Purpose**

The Quiet Zone in Shakopee will reduce train horn noise pollution and enhance rail crossing improvements at key intersections, improving public health, safety, and quality of life. The project will serve as a catalyst for economic development in our downtown, increasing property values, attracting new investment, improving business retention and enhancing the overall appeal of our community to residents and visitors alike, while maintaining compliance with federal rail safety standards.

### **Description of Previous Appropriations**

In addition to the 2026 Capital Budget Request, the City previously requested state funding for the Quiet Zone improvements be included in the 2026 State Transportation Bill (ultimately unsuccessful), and federal funding through the 2026 Congressionally Directed Spending and Community Project Funding requests. The Congressionally Directed Spending requests were successfully submitted to the Senate Appropriations Committee for consideration, after receiving support from Senators Klobuchar and Smith.

### **Project Contact Person**

Alex Jordan  
City Engineer  
952-233-9361  
ajordan@shakopeemn.gov

(\$ in thousands)

City of Shakopee - Downtown Quiet Zone Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$2,510	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$1,500	\$0	\$0
City Funds	\$0	\$3,230	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,240</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$187	\$0	\$0
Project Management	\$0	\$45	\$0	\$0
Construction	\$0	\$8,596	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$1,412	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,240</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Two Inlets at Bdé Hežáka - Omashkooz Zaaga'igaans Regional Park	1	GO	2,500	0	0	0	0	0
US 10 and CSAH 11 Highway and Railroad Crossing Safety Improvements		GO	2,500	0	0	0	0	0
		THB	2,500	0	0	0	0	0
<b>Total Project Requests</b>			7,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			5,000	0	0	0	0	0
<b>Trunk Highway Bonds (THB) Total</b>			2,500	0	0	0	0	0

Two Inlets at Bdé Hežáka - Omashkooz Zaaga'igaans Regional Park

**AT A GLANCE**

**2026 Request Amount:** \$2,500

**Priority Ranking:** 1

**Project Summary:** This project proposes to restore a landscape characterized as significant and sacred to both Dakota and Ojibwe Cultures. Recently acquired by Sherburne County to manage as a nature-based park, the protection, restoration and development of this Native American Cemetery and village area has been the subject and focus of a partnership between Sherburne County, three Minnesota Tribal Nations. Partners seek to deconstruct contemporary buildings within the cemetery area and develop the park.

**Project Description**

Sherburne County purchased a private tract of land in Clear Lake Township between the north shore of Big Elk Lake to the south and Briggs Lake to the north with Rush Lake to the northeast along the Elk River to the west and Lilly Creek to the east. The land encompasses an area measuring 424 acres and used primarily for agriculture with woodlands and wetlands along the north shore of Big Elk Lake and along Lilly Creek and Elk River. The land is designated by Sherburne County Parks as Two Inlets Bdé Hežáka, Omashkooz Zaaga'igaans Regional Park, intended to restore and protect native plant communities and preserve sacred cultural resources. The primary motivating factor in the County's acquisition was the protection of cultural resources from private development. In public ownership, the culturally sensitive resources can be protected, managed according to Traditional Cultural protocol, and accessed by those with ancestral ties to conduct ceremony and honor their relatives. The County worked with Tribal Historic Preservation Offices (THPOs) on the process and understands the collective perspective of the THPOs to be that public ownership by the County is better than the land being privately owned, where they have no right to access it for understanding their past and preserving their culture.

Building on the work to date, including land acquisition, initial property clean up, and expansive native habitat restoration and enhancement, funding is needed to work with partnering Tribal Historic Officers from the Mille Lacs Band of Ojibwe, the Upper Sioux Community, the Lower Sioux Indian Community, contractors, and archeologists to restore the landscape consistent with Traditional Cultural protocol. First and foremost, this includes careful dismantling of buildings in burial areas. The contracted deconstruction process must be in concert with Tribal Cultural Monitoring and archaeological monitoring to ensure appropriate protocols are followed throughout any potential ground disturbing work.

Infrastructure to focus visitors access in areas outside of the most culturally sensitive cemetery requires additional funding. Creative design is necessary to convey a sense of welcome in the space while fostering respect for the natural, cultural, and contemporary historic, resources. Concurrent with the landscape restoration process, partners require financial resources to develop interpretive

features for the publicly accessed areas within the park.

## Project Rationale

The primary motivating factor in the County's acquisition was the protection of cultural resources from private development. In public ownership, the culturally sensitive resources can be protected, managed according to Traditional Cultural protocol, and accessed by those with ancestral ties to conduct ceremony and honor their relatives. The County worked with Tribal Historic Preservation Offices (THPOs) on the process and understands the collective perspective of the THPOs to be that public ownership by the County is better than the land being privately owned, where they have no right to access it for understanding their past and preserving their culture.

"This public space offers an opportunity for Native people to communicate with ancestors, as well as with trees, animals and plants that are nourished by and connected to the cemeteries and former villages of the ancestors. There was a time when both Dakota and Ojibwe met and lived together at Big Elk Lake. Places like this remind us that both cultures are here. Our ancestors are buried here.

Places like Big Elk Lake are placed on the landscape so people can come here and connect with the past. In the present, people have computers to connect with collective knowledge. In the past, Native people had places like this to connect with ancestors and gain tribal knowledge."

Terry Kemper, Mille Lacs Band of Ojibwe Elder

The landscape is within the 1837 land cession treaty with the Dakota (Figure 3). In 1837, the first major land cessions by Dakota and Ojibwe People in present-day Minnesota took place. These treaties predate statehood of Minnesota, which occurred in 1858. The Big Elk Lake property has deep cultural and spiritual significance and is home to a previously recorded Native American burial mound group (OSA Site 21SH0002, Moorhouse Mounds). The mound group was recorded by Theodore H. Lewis in 1886 and reported later by Winchell in 1911 (Winchell 1911:289-291). The land also contains a farmstead at address 6001 104th Avenue SE Clear, Minnesota 55139.

Prior to acquisition, Sherburne County contracted a professional archaeology firm to complete a Phase I Archaeological Survey, which identified nine archaeological sites with materials ranging from the Archaic through recent Historic periods. The survey recommended that six of the sites were potentially eligible for listing on the National Register of Historic Places and that their status should be further evaluated. Additionally, the report recommended a broader examination of the surrounding area through surface surveys and collector/landowner interviews to enable archaeologists, researchers, and planners to consider the landscape of the park as part of a large cultural district significant to Native Americans over the past several thousand years. The clear recommendation of the report to conduct further study, prompted the County to work with Tribal Historic Preservation Officers to develop a path of evaluation that would not cause cultural conflict. The typical evaluation path would have been to conduct a Phase II Archaeological Survey that involved even more extensive excavation and removal of sacred artifacts. Through dialogue that facilitated a deeper understanding partners and stakeholders determined that a Traditional Cultural Place Survey (TCP), according to National Register Bulletin 38 is a legitimate evaluation to determine eligibility for listing based on cultural significance.

As a component of the TCP, Tribal Cultural Surveys were conducted which consisted of walking surveys led by Tribal Partners and consulting archaeologists. Tribal Partners also conducted site visits and informational interviews to document cultural/natural locations important to Tribal Community members and provide connections to the broader cultural landscape. A geophysical element was also included to provide tangible evidence of subsurface cultural resources.

Ultimately the TCP Evaluation verifies the determinations of the Phase I Archaeological Survey, in that Two Inlets at Bdé Hežáka, Omashkooz Zaaga’igaans and the surrounding cultural landscape has been inhabited by Indigenous Peoples for thousands of years. Further, the TCP surveys found that the area was used for ceremonial purposes and habitation. Diagnostic artifacts show that occupation began by the Archaic Period (7,500 – 800 B.C.) as short-term habitation camps used during seasonal migration. Over time, large, longer lasting habitation was practiced during the Woodland Period (800 B.C. to European Contact) and includes the time which the burial mounds were constructed. While there are multiple significant sites within the landscape of Two Inlets at Bdé Hežáka, Omashkooz Zaaga’igaans, referred to as heritage sites, the TCP recommended that they are connected and the landscape should be considered as a single heritage site. Ultimately, the heritage sites that exist at this place, the ethnographic cultural patterns represented by similar sites within and proximal to the place, in combination with the biodiverse wildlife and plant communities used by Tribes ancestral to this area, when combined provide the necessary components and character to define the collective features of this place as a Traditional Cultural Place. When we consider the enormity of the opportunity given to Sherburne County to steward such a tremendous resource and the typical park development path that could have been followed behind the tens of thousands of national, state and local parks that have been developed on cultural lands with no regard to Tribal input – this project clearly stands out as an exemplary process of Tribal/Government Relations that justifies investment to advance cross cultural understanding through interpretive features, park infrastructure, cultural resource protection and restoration; and to serve as a model. Doing so will serve the residents of this State, including those of Tribal Nations, by allowing access to learn and share Cultural perspectives, history, and enjoy nature-based recreation, and conduct Traditional Ceremonies.

### **Project Timeline**

Develop Nomination for list on National Register of Historic Places (funded) – 2025  
Phase I Park Infrastructure (funded through Legacy) – 2026  
Phase III Building Deconstruction and Cultural Resource Restoration (bonding request) – 2026 through 2028  
Phase II Park Infrastructure (bonding request) - 2026 through 2028

### **Other Considerations**

### **Impact on State Operating Subsidies**

### **Who will own the facility?**

Sherburne County will operate, manage and maintain the project in close consultation with the Tribal Historic Preservation Offices of the Upper Sioux Community, the Lower Sioux Indian Community and the Mille Lacs Band of Ojibwe.

### **Who will operate the facility?**

Sherburne County will operate, manage and maintain the project in close consultation with the Tribal Historic Preservation Offices of the Upper Sioux Community, the Lower Sioux Indian Community and the Mille Lacs Band of Ojibwe.

**Who will use or occupy the facility?**

Sherburne County residents, regional visitors, and community members from Sherburne County's partnering Tribal Nations will be regular visitors and users of the project.

**Public Purpose**

Parks in general provide value on many levels to public and perform environmental services that serve beyond the boundary of the park property, parks provide aesthetic, health, education, and recreation benefits. The proposed bonding project will take all of these expected benefits to the next level through culturally competent design and public engagement. Garnering input and guidance from a wide variety of stakeholders, Sherburne County will work to maximize the opportunity to foster understanding of sustainable environmental stewardship, cultural history of Ojibwe and Dakota landuse, and contemporary history.

**Description of Previous Appropriations**

Sherburne County Parks has not been a recipient of previous state appropriations.

**Project Contact Person**

Andrew Witter  
Sherburne County Engineer and Public Works Director  
763-765-3300  
andrew.witter@co.sherburne.mn.us

(\$ in thousands)

Two Inlets at Bdé Hečáka - Omashkooz Zaaga'igaans Regional Park

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,500</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$2,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,500</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	N/A

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	
Has the predesign been submitted to the Department of Administration?	
Has the predesign been approved by the Department of Administration?	
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**US 10 and CSAH 11 Highway and Railroad Crossing Safety Improvements**

**AT A GLANCE**

**2026 Request Amount:** \$5,000

**Priority Ranking:** No Rank

**Project Summary:** Sherburne County will build upon previous planning efforts & complete planning, environ. review, concept development, design & property acquisition for a grade-separated rail crossing. The project is expected to reduce fatal & serious injury crashes at the intersection/railroad crossing, improve mobility for passenger & freight vehicles, and promote connectivity and economic vitality throughout the region & entire state by reducing travel times & improving connectivity between TH10 & I-94.

**Project Description**

Sherburne County is requesting \$2.5M in General Obligation funds and \$2.5M in Trunk Highway funds to complete planning, environmental review, concept development, design and property acquisition for grade separation of CSAH 11 where it crosses the BNSF railway line and TH 10 in Becker Township, Minnesota. This at-grade intersection and BNSF rail crossing is an area of safety and mobility concern and has shown the need for grade separation in several past studies. The intersection has been the site of one fatal and three serious injury crashes in the past 10 years, resulting in a crash rate of 1.52. Vehicles also experience significant delays at the intersection due to the existing geometric limitations and the frequency of freight trains that impact northbound and southbound traffic on CSAH 11.

The grade separation of this intersection is a high priority for Sherburne County, Becker, Becker Township, Big Lake, Big Lake Township and the Minnesota Department of Transportation (MnDOT). CSAH 11 carries a high volume of vehicles (12,800 per day) and operates at a Level of Service D during peak PM hours (LOS E by 2040). Based on observations during the Highway 10 and CSAH 11 Intersection Study, 44 trains pass this intersection every day at high speeds (75 mph) with an average gate closure of 2 minutes and 20 seconds. This equates to approximately 1.7 hours of gate closure per day or seven percent of the day. During peak years, the number of trains has increased to 90 per day, resulting in daily gate closures of approximately five hours. These frequent crossing events present additional mobility and safety issues stretching beyond the crossing itself, impacting TH 10, located 75 feet north of the railway.

**Project Rationale**

Grade separation will allow freight more reliable connectivity through the congested segment of CSAH 11. Approximately 12,800 vehicles travel along CSAH 11 daily, primarily to access TH 10 or I-94, using CSAH 11 as a popular cut-through route. Freight trucks currently traveling this route experience extremely unreliable travel times due to signal delays, congestion due to long back-ups, and frequent

crashes. The project will increase reliability thereby reducing idling and frequent starting/stopping.

Grade separation of the BNSF railway will separate and remove all conflict points between trains and the high volume of vehicle traffic including freight traffic accessing the adjacent large industrial areas. Eliminating the possibility of an accident at the crossing by grade-separating the crossing from the highway will ensure improved system and service performance on both the railway and highway.

### **Project Timeline**

Planning Study, Expanding Purpose and Need (NEPA) August 2025 – August 2026 (FUNDED)  
Preliminary Design of Preferred Alternative August 2026 – May 2027 (FUNDED)  
Community and Agency Engagement August 2025 – Fall/Winter 2027  
Final Design June 2027 – Fall 2028  
Property Acquisition Spring 2028  
Construction of Priority Projects Spring 2029

### **Other Considerations**

This project will fund fund improvement to the highway AND Rail line connecting MN to the West Coast.. This dual track rail line in the lifeline of BNSF in and thru Minnesota. Rail carries more freight than any other land mode. Even with a 75% load rate, this means that minimally an additional 150 loads \* 44 trains = 6,600 freight loads per day through the project area on BNSF. During past coordination associated with the U.S. Highway 10/169 Improvement Projects, BNSF Railway communicated the high possibility of adding a third track in the near future to meet growing freight rail demands throughout the region.

These tracks also support Amtrak passenger rail. Being able to eliminate the vehicle train conflict will vastly improve the safety and capacity for not only the rail but also the truck freight and commerce between Central MN and the Twin Cities Metro.

### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

Sherburne County will own their portions of CSAH 11 with MnDOT owned their respective portions of TH 10.

#### **Who will operate the facility?**

Sherburne County will operate their portions of CSAH 11 with MnDOT operating their respective portions of TH 10.

#### **Who will use or occupy the facility?**

CSAH 11 serves as a main connection traveling between Highway 10 & I-94, carrying 12,800 vehicles per day. CSAH 11 is signed as and serves as an alternative route to and from TH 10 and I-94. TH 10 is an important regional freight and commuter corridor that facilitates the movement of goods and people between the Minneapolis/St. Paul metro area and greater MN. BNSF and Amtrak also utilize and would benefit from this project.

### **Public Purpose**

The project is a community-supported vision aimed at improving transportation safety, mobility, and efficiency at the CSAH 11 and BNSF crossing while promoting local and regional economies and equitable access to jobs. The project will:

- Eliminate conflicts between high volumes of roadway traffic and high-speed trains, thus improving safety.
- Eliminate motorist/freight delays due to trains.
- Improve traffic flow, particularly for quicker emergency service response times.

### **Description of Previous Appropriations**

Spring of 2025, Federal Rail Crossing Elimination (RCE) funds were awarded to the project for Preliminary Design and Environmental Documentation.

### **Project Contact Person**

Andrew Witter  
Public Works Director and County Engineer  
763-765-3302  
andrew.witter@co.sherburne.mn.us

(\$ in thousands)

**US 10 and CSAH 11 Highway and Railroad Crossing Safety Improvements**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,500	\$0	\$0
Trunk Highway Bonds	\$0	\$2,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$1,380	\$0	\$0	\$0
County Funds	\$345	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$1,725</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$1,000	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$1,725	\$0	\$0	\$0
Project Management	\$0	\$4,000	\$0	\$0
Construction	\$0	\$0	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$1,725</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	No
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Pressure Reducing Valve Emergency Replacement Project	1	GO	1,070	0	0	0	0	0
Transmission Line Rehabilitation	2	GO	1,962	0	0	0	0	0
Road & Utility Improvement Project - Phase 2	3	GO	14,488	0	0	0	0	0
Mary MacDonald Center Rehabilitation	4	GO	2,077	0	0	0	0	0
City Center Park and Amphitheater	5	GO	3,045	0	0	0	0	0
<b>Total Project Requests</b>			22,642	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			22,642	0	0	0	0	0

## Pressure Reducing Valve Emergency Replacement Project

**AT A GLANCE****2026 Request Amount:** \$1,070**Priority Ranking:** 1

**Project Summary:** A \$1,070,000 request for engineering and construction to remove and replace all fourteen (14) Pressure Reducing Valves (PRV's) with prefabricated pressure reducing stations to ensure reliable operation of our public water distribution system. The project would implement bypass systems so that the PRV's can be serviced without affecting the water users and maintain reduced pressure.

**Project Description**

The City of Silver Bay's water treatment facilities consist of an intake pump station to receive raw water from Lake Superior, rapid mix basins, flocculation basins, gravity filters with dual media, chlorine contact tank, and high service pumps. Chemical feed at the facility includes alum, polymer, chlorine, fluoride, and caustic soda. The high service pumps lift water into the distribution system which contains two water towers, one pressure-reducing booster station, and fourteen pressure reducing stations. The facility capacity is 800 gallons/minute, and it can deliver .96 million gallons per day of treated water with 20 hours of operation.

The distribution system was constructed in the early 1950's with cast iron pipe. Pipe sizes range between 4 and 12 inches. Other than break repairs no significant improvements have been made to the piping system. The main water supply line from the treatment facility is an oversized cast iron pipe with a thicker wall than normal cast iron pipe. The pressure in this line at the water treatment facility is approximately 230 pounds per square inch (psi). The high pressure and age of the pipe is a concern for the City.

Silver Bay is working on upgrading public infrastructure, including improvements to the Water Treatment Facility, adding a new booster station to help lower the pressure in the system, and a city-wide utility and street improvement program. The PRV's were not included in either of these projects; however, due to a more recent water break event, it was discovered that removal and replacement of the fourteen PRV's is an immediate and emergency need.

PRV's are located inside of large underground vault structures that require staff to enter for annual maintenance and inspection purposes. The vaults would be replaced and/or rehabilitated to reduce water intrusion and allow for safer access. All valves and fittings within the vaults would be replaced extending the service life another 70 years. The existing vaults do not contain the necessary safety features to meet current standards.

The 2026 engineering estimate to remove and replace all fourteen PRV stations with prefabricated

pressure reduction stations is \$1,932,000. This includes engineering (pre-design, final design, geo testing, bidding, and construction administration) in the amount of \$322,000 and construction of \$1,610,000. The MMB inflation factor of 10.73% would add \$208,000 for a total project cost of \$2,140,000.

## **Project Rationale**

The City of Silver Bay is located on the North Shore of Lake Superior - one hour North of Duluth, one hour South of Grand Marais, and just over an hour East of the Iron Range. It is home to Cleveland-Cliffs Northshore Mining, the Minnesota Veteran's Home, Lake Superior ISD #381 - William Kelley Schools, MN DNR owned Marina, Black Beach Park Co-leased by the State and the City, Black Beach Municipal Campground, and many other businesses and recreational amenities. The population of the City is 1800 based upon the most recent report from the State Demographer.

Silver Bay is unique as almost all infrastructure was installed at the same time, during the start up of Reserve Mining Company, and is failing at the same time. The infrastructure is over 70 years old, is at the end of its useful life and needs replacing. Furthermore, the uncommon high pressures of the system being 230psi versus most cities being between 50-70psi, causes more serious issues and a higher loss of water when breaks happen. When the PRV's fail, this aspirates water break issues like the one we recently had in January 2025. Many communities are not faced with these types of pressures in their system so there is no need for PRV's, some communities may have one or two, but it is very uncommon for a community of any size, especially like our small size, to have fourteen PRV stations.

On the early morning of January 26, 2025 and temperatures below freezing, the city water main, along Banks Boulevard near the school, broke and blew out a hydrant. The amount of water, due to the high pressures, washed out a portion of the William Kelley Schools ballfield, continued flooding the football field, and poured into a ditch on Outer Drive, over a block away. Banks Boulevard is a County State Aid Highway (CSAH) and Outer Drive is a County Road, part of the Superior National Forest Scenic Byway, and the main roadway through Silver Bay connecting the North Shore to the Iron Range.

City employees worked to stop the water but unbeknown to them, a pressure reducing valve (PRV) failed and was not working. What resulted was a domino of water breaks. Once employees fixed the break on Banks Boulevard, another break happened by the bus garage on Edison Boulevard. Once that one was fixed another would break on a different street and this continued to happen. Minnesota Rural Water and Northwest Power & Equipment were called in for emergency assistance. This emergency event necessitated school cancellations, boil orders were issued for affected properties and the school, water restrictions were placed on all residents and businesses as the city had an estimated water loss of over a million gallons. After the event, the city engineer reviewed the PRV's and determined they are in need of immediate repair.

Silver Bay is also a designated low-income census tract making it difficult to afford the costs of this project. The State of MN has also designated the entire city as historical significance. The costs, the

uncommon high pressures, the uncommon number of PRV's on the system, the age of the system, and the failures of the PRV's have made this project the #1 priority and is considered an emergency need.

**Project Timeline**

July 1, 2026	Begin Preliminary Engineering
April 30, 2027	Final Engineering, bidding, and award of contract completed
June 1, 2027	Construction Begin
October 30, 2027	Substantial Completion
December 31, 2027	Project Closeout

**Other Considerations**

**Impact on State Operating Subsidies**

The City is not seeking any operating subsidies.

**Who will own the facility?**

City of Silver Bay

**Who will operate the facility?**

City of Silver Bay

**Who will use or occupy the facility?**

City of Silver Bay

**Public Purpose**

It is part of the main water distribution system for the entire City of Silver Bay.

**Description of Previous Appropriations**

There have been no previous state appropriations for this project.

**Project Contact Person**

Lana Fralich  
Administrator  
218-226-4408  
lanaf@silverbay.com

(\$ in thousands)

**Pressure Reducing Valve Emergency Replacement Project**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,070	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$1,070	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,140</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$142	\$0	\$0
Design Fees	\$0	\$142	\$0	\$0
Project Management	\$0	\$71	\$0	\$0
Construction	\$0	\$1,785	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,140</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

## Transmission Line Rehabilitation

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$1,962
<b>Priority Ranking:</b>	2
<b>Project Summary:</b>	\$1,962,000 to rehabilitate the existing 12-inch watermain. The project will utilize Cured in Place Pipe techniques to rehabilitate the existing 12-inch watermain, which the existing size is sufficient and save over \$1million in roadway construction costs, and replace gate valves.

**Project Description**

The City of Silver Bay's water treatment facilities consist of an intake pump station to receive raw water from Lake Superior, rapid mix basins, flocculation basins, gravity filters with dual media, chlorine contact tank, and high service pumps. Chemical feed at the facility includes alum, polymer, chlorine, fluoride, and caustic soda. The high service pumps lift water into the distribution system which contains two water towers, one pressure-reducing booster station, and fourteen pressure reducing stations. The facility capacity is 800 gallons/minute, and it can deliver .96 million gallons per day of treated water with 20 hours of operation.

The distribution system was constructed in the early 1950's with cast iron pipe. Pipe sizes range between 4 and 12 inches. Other than break repairs, no significant improvements have been made to the piping system. The main water supply line from the treatment facility is an oversized cast iron pipe with a thicker wall than normal cast iron pipe. The pressure in this line at the water treatment facility is approximately 230 pounds per square inch (psi). The high pressure and age of the pipe is a concern for the City.

Silver Bay is working on upgrading public infrastructure, including improvements to the Water Treatment Facility, adding a new booster station to help lower the pressure in the system, and a city-wide utility and street improvement program. The water main rehabilitation was not included in either of these projects; however, due to frequent breaks due to failing flanged joints this project has become a priority for the City.

The project would consist of a technique referred to Cure in Place Pipe. The existing line is sufficient, and the lining approach would save over \$1 million in roadway reconstruction costs. The thickness of the liner is not expected to significantly reduce the overall volume supply to the water system. The project will also replace gate valves on the transmission line. Other technologies considered include directional drilling and open cut replacement. Both the Cure in Place Pipe and directional drilling are acceptable from a technical standpoint but directional drilling would add considerable cost of the project. Thus Cure in Place Pipe is the recommended rehabilitation method to aid in the failing structure and extend the useful life of the main transmission line for the City.

The 2026 engineering estimate to Cure in Place Pipe for the water main transmission line is \$3,544,000. This includes engineering (predesign, final design, geo testing, bidding, and construction administration) in the amount of \$591,000 and construction of \$2,953,000. The MMB inflation factor of 10.73% would add \$380,000 for a total project cost of \$3,924,000.

**Project Rationale**

The City of Silver Bay is located on the North Shore of Lake Superior - one hour North of Duluth, one hour South of Grand Marais, and just over an hour East from the Iron Range. It is home to Cleveland Cliffs Northshore Mining, the Minnesota Veteran's Home, Lake Superior #381 William Kelley School, MN DNR owned Marina, Black Beach Park co-leased by the State and the City, Black Beach municipal campground, and many other businesses and recreational amenities. The population of the City is based upon the most recent report from the State Demographer.

Silver Bay is unique as almost all infrastructure was installed at the same time, during the start up of Reserve Mining Company, and is failing at the same time. The infrastructure is over 70 years old, is at the end of its useful life and needs replacing. Furthermore, the uncommon high pressure of the system being 230psi versus most cities being between 50-70psi, causes more serious issues and a higher loss of water when breaks happen.

The dedicated water transmission line that is approximately 11,000 feet connects from the Water Treatment Plant to the distribution system. This line is a 12-inch cast iron pipe and built in 1953 and regularly sees high pressures of over 200psi. The existing pipe has flanged joints which frequently require repair due to corrosion and bolt failure.

Silver Bay is also a designated low-income census tract making it difficult to afford the costs this project. The State of MN has also designated the entire city as historical significance. The costs, the uncommon high pressures, the age of the system, and the failure of the bolts and corrosion, have made this a project priority #2 for the City and is considered an immediate need.

**Project Timeline**

July 1, 2026:	Begin Preliminary Engineering
April 30, 2027:	Final Engineering, bidding, and award of contract completed
June 1, 2027:	Begin Construction
October 30, 2027:	Substantial Completion
June 30, 2028:	Final Completion
December 31, 2028:	Project Closeout

**Other Considerations**

**Impact on State Operating Subsidies**

The City is not seeking any operating subsidies.

**Who will own the facility?**

City of Silver Bay

**Who will operate the facility?**

City of Silver Bay

**Who will use or occupy the facility?**

City of Silver Bay

**Public Purpose**

This is part of the main water distribution system for the entire City of Silver Bay.

**Description of Previous Appropriations**

There have been no previous state appropriations for this project.

**Project Contact Person**

Lana Fralich  
Administrator  
218-226-4408  
lanaf@silverbay.com

(\$ in thousands)

Transmission Line Rehabilitation

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,962	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$1,962	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,924</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$262	\$0	\$0
Design Fees	\$0	\$262	\$0	\$0
Project Management	\$0	\$131	\$0	\$0
Construction	\$0	\$3,269	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,924</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

**Road & Utility Improvement Project - Phase 2****AT A GLANCE**

<b>2026 Request Amount:</b>	\$14,488
<b>Priority Ranking:</b>	3
<b>Project Summary:</b>	\$14,488,000 for Phase 2 to be used for design/engineering and reconstruction of city streets, underground utilities (water mains, sanitary sewer, & storm sewer), curb/gutters, individual service lines, pedestrian ramps for ADA compliance, sidewalks, & approaches within the Right of Way. Total Project Cost for Phase 2 is \$28,976,000.

**Project Description**

The City of Silver Bay's consulting engineers, Bolton & Menk, Inc. completed a full assessment of city streets. They reviewed and estimated costs by individual street on a block-to-block basis. The assessment was to identify road conditions and set forth a plan for prioritizing repairs. All roads were identified as poor to very poor with full reconstruction recommended for all streets, as they have deteriorated past the point of maintenance being effective. Costs were subtotaled by City Streets and County Roads. County State Aid Highway (CSAH) roads were not included. The total cost of the project, based upon current 2026 estimates has doubled from the previous 2023 estimate of \$54.1M. No inflation costs were included. The City used MMB inflationary costs to determine the requested to determine costs for 2026.

The original city-wide street improvement project was been broken out into 5 Phases. Each phase was estimated to complete approximately 2.8 miles of roadway, for a total 14 miles. This plan was based upon the contractors ability to complete in a 2-year construction cycle (1.4 miles/year). Total project completion of the full five phases initially was planned to take about 10 years to complete. The City has started engineering Phase 1, a \$12M project, to begin construction in 2026; however, due to the inflationary cost of construction, the city will only be able to complete approximately 1.2 miles instead of the estimated 2.8 miles originally planned. These updated costs were utilized for the cost estimates for the Phase 2 project.

The City is requesting \$14,488,000 for Phase 2. Based upon the original financial analysis conducted by David Drown of David Drown & Associates, a public financing company, and taking into consideration of MMB's inflationary factor, the city was expected to originally only need \$6,343,000 per each bond cycle (2024, 2026, & 2028) in order to have 60% of the streets completed. Unfortunately recent costs no longer will support this plan. The need from the State has become considerably higher and the phasing of the project will extend beyond the 10 years without the financial assistance.

Total Project Costs for Phase 2, including MMB Inflationary Factor, is \$28,976,000.

Funds would be used to complete the following:

1. Engineering - includes predesign, final design, construction documents, bidding, and construction management through completion.
2. Construction - includes the full reconstruction of streets to include subgrade, aggregate base, and pavement; full replacement of storm sewer; replacement and/or lining of sanitary sewer; replacement of water mains; replacement of individual sewer and water services within right-of-way of project areas; replacement of curb and gutter; installation of pedestrian ramps for ADA compliance; replacement of sidewalks and approaches within the city right-of-way; and boulevard repair.

Funding for this project will include the following:

1. City Assessments on the property owners - estimated at \$8,000/property
2. City Tax Levy
3. City Water Revenues and Reserves
4. City Sanitary Revenues and Reserves
5. City Storm Sewer Revenues and Reserves
6. State Grant Funding (this application)

The City intends to bond up front for each phase of the project and pay the debt through the city uses as stated above over a 15-year period of time. The State Funds will be matched by local funding on a 1:1 match.

### **Project Rationale**

Silver Bay is Unique. The entire community was preplanned as an integrated community as a whole and was built and developed within a condensed period of time (3-5 years), during the development of Reserve Mining Company. All roads and infrastructure were built at the same time in the 1950's and it has now deteriorated at the same time. Typical communities are built over longer periods of time, which allow for maintenance and replacement of infrastructure to be staggered. In addition, Silver Bay is the only community in the State of MN that the entire community has been placed on the eligibility list for historic preservation due to the Reserve Mining Company Environmental Case, which adds to our community's uniqueness. The City intends to replace roadways and infrastructure in phases over a 10 year period in order to stagger future maintenance of streets, similar to typical communities.

Silver Bay is, for the most-part, a financially healthy small city; however, it does not have the financial health to carry a project of this magnitude nor do we have the depth and/or breadth of resources. The City has lower than average commercial & industrial properties, but higher than average of non-taxable properties, which includes the MN Veteran's home. The city has a higher than average tax rate as well, due to the lower property valuations. Based upon the public financing analysis that was completed, the maximum amount the City would be able to incur, where bonds could actually be sold, is about \$6,000/capita (non-utility debt). This means the maximum project our community could sustain, taking into consideration special assessments, tax levy increase, use of water revenues/reserves, use of sewer revenues/reserves, and the use of stormwater revenues/reserves is about \$30 million.

Financial Disparity. The Census Tract where Silver Bay is located was designated by the MN Governor as an Opportunity Zone. This means that investment is encouraged due to the lower incomes of this area. Silver Bay's incomes are below County and State averages. Furthermore, Silver Bay's demographics show a higher elderly population on fixed incomes along with a high amount of population approaching retirement. The financial analysis that was completed took into consideration

what the average assessment for property owners in other communities were and the regulations of MN Statutes Chapter 429 in order to make it fair and reasonable to residents and businesses of Silver Bay. The amount identified to be assessed, that the owner would benefit from, is reasonable, is feasible/affordable, and would likely be sustainable if challenged in court, is approximately \$8,000 per property.

Streets are the residents and businesses number one request. During the Comprehensive and Capital planning efforts in 2014, public surveys, public meetings, and stakeholder meetings were conducted and a top priority result was to repair the city's streets. In 2015, the City Council adopted it's Comprehensive and Capital plan and began planning for infrastructure improvements. In 2017, a street assessment was completed but unfortunately, the city had struggled with its ability to finance such a large project and thus delaying construction. In 2022, the City conducted public surveys and held public meetings during a MN Design Team visit, and the results clearly indicated that repair of city streets remained a top priority of the citizens. Unfortunately, without the help from the state, the city will have difficulty in full-filling this need due to the rising costs and our financial ability to support this size project.

Health and Safety is also a key issue for this project. The costs continue to rise. In 2004, the estimated repairs were just over \$20M. In 2017, engineering estimates were \$41M. Estimates for 2023 were \$54M (without MMB inflation) and current estimates double the 2023 estimations. Roads and sidewalks are already starting to become unsafe due to the crumbling surfaces. Per the engineers, there is no cost benefit to "band-aid" due to the amount of disrepair. The water mains that carry drinking water need replacement, sanitary lines are deteriorating, and inflow/infiltration into our sanitary system is not meeting MPCA compliance during storm events which has resulted in a recent financial penalty to the city.

Silver Bay was built by Reserve Mining Company and has primarily been considered a mining town. Since the opening of Black Beach Park and Black Beach Campground, Silver Bay is seeing a larger impact on tourism. As part of our future planning efforts, a multi-modal trailhead center is being developed, new construction housing and apartments are being planned, business park and downtown designing is underway, the Library is expanding, and housing sales have increased. With tourism attracting more to our community, we need to have a solid infrastructure base.

Having a renewed, reliable, and tangible investment in our communities infrastructure will help sustain the livelihood of our community into the future, but it can not be done without help from the State or other funding options.

### **Project Timeline**

- July 1, 2026    Begin Preliminary Engineering of Phase 2
- February 2028    Final Engineering documents completed
- April 2028    Bidding and Award of Project Complete
- June 2028    Construction begins
- October 2030    Substantial Completion

December 2030 Project Closed Out

**Other Considerations**

**Impact on State Operating Subsidies**

The City is not requesting any operating subsidies.

**Who will own the facility?**

City of Silver Bay

**Who will operate the facility?**

City of Silver Bay

**Who will use or occupy the facility?**

All residents, businesses, and visitors of Silver Bay. Visitors include those traveling from our region, the State of MN, and the U.S. who travel to the North Shores of Lake Superior.

**Public Purpose**

To preserve, renew, and update existing infrastructure and roadways.

**Description of Previous Appropriations**

There has been no previous bond funding received for this project.

**Project Contact Person**

Lana Fralich  
Administrator  
218-226-4408  
lanaf@silverbay.com

(\$ in thousands)

Road & Utility Improvement Project - Phase 2

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$14,488	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$14,488	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$28,976</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$2,099	\$0	\$0
Design Fees	\$0	\$3,148	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$23,729	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$28,976</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

**Mary MacDonald Center Rehabilitation****AT A GLANCE****2026 Request Amount:** \$2,077**Priority Ranking:** 4

**Project Summary:** \$2,077,000 request for funding to be used for engineering and rehabilitation of a municipally owned Mary MacDonald Center that serves as a business and community center. Engineering would include predesign, design, testing, bidding, and construction management and rehabilitation would include replacement of the roof, new insulation and steel metal siding, parking and sidewalks for ADA accessibility, lighting, boiler improvements, classroom repairs, and hazardous material removal.

**Project Description**

The City of Silver Bay is located on the North Shore of Lake Superior - one hour North of Duluth, one hour South of Grand Marais, and just over an hour East from the Iron Range. It is home to Cleveland Cliffs Northshore Mining, the Minnesota Veteran's Home, Lake Superior #381 William Kelley School, MN DNR owned Marina, Black Beach Park co-leased by the State and the City, Black Beach municipal campground, and many other businesses and recreational amenities. The population of the City is 1800 and based upon the most recent report from the State Demographer.

The municipally owned Mary MacDonald Center is an old school building that has been converted to a business and service center. Renovation includes replacement to the exterior envelope of the building including replacement of a leaking roof, insulating, and installation of siding to correct issues with water infiltrating the building causing damage to interior walls and flooring. In addition, interior improvements include replacing failing steam traps, lighting, asbestos removal, replacement of ceiling tiles, hazardous materials abatement, updating elementary bathrooms for handicapped and gender-neutral bathrooms, replacement of original diesel boilers, and improving sidewalks and parking areas for handicap accessibility.

Estimates for engineering are \$635,000, rehabilitation costs are \$3,115,000, and using the inflationary factor of 10.73% adds \$404,000 for a total project budget of \$4,154,000.

**Project Rationale**

Silver Bay is unique. The entire community was preplanned as an integrated community as a whole and was built and developed within a condensed period of time (3-5 years), during the development of Reserve Mining Company. In addition, Silver Bay is the only community in the State of MN that the entire community has been placed on the eligibility list for historic preservation due to the Reserve Mining Company Environmental Case, which adds to our community's uniqueness. The Mary MacDonald Business Center is over 60 years old and was part of the original school buildings of the community.

Silver Bay is, for the most-part, a financially healthy small city; however, it does not have the financial health to carry a project of this magnitude nor do we have the depth and/or breadth of resources. The City has lower than average commercial & industrial properties, but higher than average of nontaxable properties, which includes the MN Veteran's home. The city has a higher than average tax rate as well, due to the lower property valuations. The Census Tract where Silver Bay is located was designated by the MN Governor as an Opportunity Zone. This means that investment is encouraged due to the lower incomes of this area. Silver Bay's incomes are below County and State averages. Furthermore, Silver Bay's demographics show a higher elderly population on fixed incomes along with a high amount of population approaching retirement.

The Mary Mac Center currently houses Lake County Health and Human Service Center, a pharmacy, food shelf, senior center, an organic food company, a low-cost thrift store, and a fabric design company. In addition, the facility is home to a community church that provides community outreach such as Ruby's Pantry, youth events, community recreation like pickleball and basketball, and many other events. The building serves as a main community hub for elderly and those needing rehabilitation as the layout provides safe and accessible walking, which is highly used especially in winter.

Our immediate need is to improve the infiltration of water into the building to meet FDA requirements for health and safety due to the organic food company and food shelf. The cost to repair the building is high, where rents would no longer be affordable and thus risk of losing these services and jobs within our small community. Furthermore, costs to repair would fall on residents and businesses in a time where taxes are already increasing and the community has a high amount of seniors on social security.

**Project Timeline**

- July 1, 2026 Start Preliminary Engineering
- April 30, 2027 Final Engineering, bidding, and Award of Contract completed
- June 1, 2027 Begin Construction
- October 30, 2027 Substantial Completion
- December 31, 2027 Project Closeout

**Other Considerations**

**Impact on State Operating Subsidies**

No operating subsidies are being requested.

**Who will own the facility?**

City of Silver Bay

**Who will operate the facility?**

City of Silver Bay

**Who will use or occupy the facility?**

Lake County Service Center Bay Area Vineyard Church Wildly Organic Essentia Pharmacy Dilly Dally Shop Heavy Duty Designs Public - Community Center

**Public Purpose**

The municipally owned building serves as a business, service, and community center.

**Description of Previous Appropriations**

No prior state appropriations have been received for this project.

**Project Contact Person**

Lana Fralich  
Administrator  
218-226-4408  
lanaf@silverbay.com

(\$ in thousands)

Mary MacDonald Center Rehabilitation

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,077	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$2,077	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,154</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$254	\$0	\$0
Design Fees	\$0	\$254	\$0	\$0
Project Management	\$0	\$127	\$0	\$0
Construction	\$0	\$3,519	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,154</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

City Center Park and Amphitheater

**AT A GLANCE**

**2026 Request Amount:** \$3,045

**Priority Ranking:** 5

**Project Summary:** Request for \$3,045,000 to engineer and construct a new City Center Park and Amphitheater within the center of our community for gatherings and entertainment. It would represent a transformative investment in the community's future by creating space for the community that promotes recreation, culture, and social connection. It will enhance the quality of life for its residents and set a precedent for community-centered development.

**Project Description**

The City of Silver Bay is located on the North Shore of Lake Superior - one hour North of Duluth, one hour South of Grand Marais, and just over an hour East from the Iron Range. It is home to Cleveland Cliffs Northshore Mining, the Minnesota Veteran's Home, Lake Superior #381 William Kelley School, MN DNR owned Marina, Black Beach Park co-leased by the State and the City, Black Beach municipal campground, and many other businesses and recreational amenities. Silver Bay is the connecting point of the North Shore Scenic Byway and the Superior National Forest Scenic Byway and is the central point of various trail systems such as the Superior Hiking Trail, the Gitchi-Gami Bike Trail, the CJ Ramstad Trail for ATV & Snowmobiling, and many others. The population of the City is 1800, based upon the most recent report from the State Demographer.

Residents of the City of Silver Bay first identified development of a City Center Park and Amphitheater as one of “13 Dream Elements” in the 1985 Governor’s Design Team, and again over the years in a 1991 Downtown Redevelopment Assessment Master Plan, in the 2015 Comprehensive Plan, 2022 Minnesota Design Team visit, and, on August 21, 2023, when the Silver Bay City Council unanimously approved the Downtown Vision Concept Plan which included the conceptual City Center Park and Amphitheater. In July 2024, the nonprofit organization, Rocky Wall Entertainment, assembled a team of residents who spent 10 months working with a landscape architecture firm to develop a City Center Park and Amphitheater plan, preliminary cost estimates, and preliminary estimates of operation and maintenance costs.

The Objectives and Benefits include:

- Enhancing the cultural and recreational offerings in Silver Bay
- Providing a central location for community events and gatherings
- Boosting the local economy through increased tourism and event hosting
- Create job opportunities during the construction and operational phases
- Foster a sense of community through shared spaces and activities

The park plan consists of the following elements:

- Company Town Interpretive Walk - Combining Art and Local History Through The Story of Taconite
- Community Green Space Anchor for annual Bay Days Festival and other Community Events
- Terraced Lawn and Outdoor Amphitheater Performance Area and Stage
- Children's Play Area, Pergola's, Picnic Area, Walking Paths, Restrooms and Other Park Amenities
- North Shore Community Gardens with Native Plantings and Native Ground Cover
- Reorganized City Hall and City Center Park Parking Lot
- Riparian Woodland Restoration Along Unnamed Creek and Outer Drive
- Parking Improvements on Davis Drive

The project has been designed to be able to be built in phases, pending the successful awarding of funding from both the public and private sectors. Total estimated project build out is \$6,571,000; however, the City is only seeking funding to assist in the first three phases which would include the development of the key elements including Amphitheater, Interpretive Walk, playgrounds, restrooms, picnic areas, handicap accessible sidewalks, parking expansion, landscaping, and engineering fees that include final design and construction management. The City acquired the property in 2021 for \$300,000. In addition, the estimated costs for the first three phases is \$5,229,000, which includes \$890,000 in engineering costs (predesign, final design, testing, bidding, and construction management), \$4,339,000 in construction costs, and when adding in inflationary factor of \$561,000 it brings the total project costs for the first three phases to \$6,090,000.

### **Project Rationale**

Community parks significantly benefit communities by fostering social connections as it provides spaces for neighbors to meet, interact, and build stronger relationships. Parks also promote health and wellness for reducing stress and encouraging physical activity, economic benefits to attract residents and businesses, provides a sense of place and identity, provides a location for community festivals and concerts, provides accessibility and inclusivity, and provides a place of education and learning.

Rocky Wall Entertainment, a non-profit local organization, reviewed past plans of the community and had interest in bringing free "Music in the Park" to our residents. It has been a great success. They have operated Music in the Park on summer Friday nights, over the past five years. The setting of looking down the valley to Lake Superior, sitting in a lawn chair, and enjoying various genre's of music has seen an increase in participation by residents and drawing visitors alike to the concerts. This supports the interest in the development of a formal park and amphitheater.

Establishment of City a Center Park and Amphitheater is included in the 2015 Silver Bay Comprehensive Plan. The City Council further approved the concept of a City Center Park on August 21, 2023, when it approved the Downtown Silver Bay Vision Concept Plan. On May 19, 2025, the City Council approved the Silver Bay Park and Recreation Department's 5-Year Plan, which includes the City Center Park and Amphitheater project. Unfortunately, costs related to a developing a state of the art community park deters development without outside funding sources and assistance.

The Park is centrally located to businesses such as library, grocery, restaurants, banking, coffee shop, retail, and other service amenities. It is also near the new planned Multi-Modal Trailhead Center, the proposed expansion of the Gitchi-Gami Bike Trail would go along the park, the Superior Hiking trail would connect to the park, and the the new park would be within walking distance from the William Kelley Schools.

**Project Timeline**

July 1, 2026 Preliminary Engineering  
February 2027 Final Engineering Completed  
April 30, 2027 Bidding and Award of Contract  
June 1, 2027 Begin Construction  
October 30, 2027 Substantial Completion  
December 31, 2027 Project Closeout

**Other Considerations****Impact on State Operating Subsidies**

There are no operating subsidies being requested.

**Who will own the facility?**

City of Silver Bay

**Who will operate the facility?**

City of Silver Bay  
Programming for Park Activities would also be coordinated with three nonprofit organizations to include Bay Area Historical Society (Company Town Interpretive Walk), Bay Days Committee (Community Festivals), and Rocky Wall Entertainment (Music in the Park Concert Series).

**Who will use or occupy the facility?**

City of Silver Bay - Residents of Silver Bay will use this park as will visitors of the North Shore to enjoy amenities like the playground, picnic areas, and interpretive walking paths. They will also use the park to attend music festivals, community celebrations, read, lunch breaks, and other miscellaneous uses.

**Public Purpose**

It is a public park for all.

**Description of Previous Appropriations**

There are no prior state appropriations for this project

**Project Contact Person**

Lana Fralich  
Administrator  
218-226-4408  
lanaf@silverbay.com

(\$ in thousands)

## City Center Park and Amphitheater

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,045	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$915	\$0	\$0	\$0
Non-Governmental Funds	\$22	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$308	\$0	\$0
Other Local Government Funds	\$0	\$300	\$0	\$0
Non-Governmental Funds	\$0	\$1,500	\$0	\$0
<b>TOTAL</b>	<b>\$937</b>	<b>\$5,153</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$300	\$0	\$0	\$0
Predesign Fees	\$22	\$334	\$0	\$0
Design Fees	\$0	\$534	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$615	\$4,285	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$937</b>	<b>\$5,153</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
The Town of Silver Creek Infrastructure Improvements	1	GO	6,000	0	0	0	0	0
<b>Total Project Requests</b>			6,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			6,000	0	0	0	0	0

## The Town of Silver Creek Infrastructure Improvements

**AT A GLANCE****2026 Request Amount:** \$6,000**Priority Ranking:** 1

**Project Summary:** Silver Creek is requesting funding support for a critical project to protect the pristine waters of Lake Superior by addressing severe public health, environmental, and infrastructure challenges. Specifically, Silver Creek requires funding to support improvements to the Stewart River Sanitary Sewer System to construct much-needed sanitary sewer infrastructure and replace failing private septic systems.

**Project Description**

Lake Superior is a key local asset, renowned for its clear waters and vibrant tourism economy. However, the region faces an imminent threat due to the condition of private septic systems that discharge untreated or partially treated wastewater directly into the environment. Silver Creek does not have a publicly-owned sanitary sewer infrastructure for the Stewart River Community, causing illegal discharge of untreated and inadequately treated sewage to the waters of the state (including Lake Superior). According to evaluations, approximately 50% of septic systems in the area are non-compliant, allowing raw wastewater to contaminate both the land and water, presenting serious risks to public health and safety. Without intervention, this situation will continue to worsen, undermining efforts to protect Lake Superior's water quality and the community's well-being. The proposed Stewart River Sanitary Sewer System would replace outdated septic systems with a modern, centralized sewer infrastructure, preventing further contamination of Lake Superior's pristine waters. This project is critical to mitigating both public health and environmental risks.

To eliminate individual SSTs, a sanitary sewer system will be installed to include forcemains and service laterals between the mains and the lots being served in addition to a new grinder station for each connection to convey wastewater into the sewer mains. The proposed project will include trenchless and open cut installation of approximately 2,700 LF of 8" sanitary forcemain, 13,500 LF of 6" sanitary forcemain, 5,800 LF of 4" sanitary forcemain, 12,800 LF of 3" sanitary forcemain, 4,400 LF of 2" sanitary forcemain, 25,000 LF of 1.5" sanitary forcemain, and 500 LF of additional sanitary forcemain of varied diameter that will require open cut installation through rock. Additionally, the project includes service laterals from the mains to the ROW, grinder pump stations, a main lift station, and highway and river crossings where necessary. Surface restoration is required in areas of open cut installation.

**Project Rationale**

Silver Creek is requesting funding to support the Stewart River Sanitary Sewer System which will provide much-needed sanitary sewer infrastructure to replace failing private septic systems. In 2014,

an analysis of the SSTs in the Stewart River District was conducted and found that 36% of SSTs were failing to protect groundwater, 12% had setback infringements, 14% posed an imminent threat to public health and safety, 79% had Outstanding Resource Value Waters (ORVW) setback infringements, and 38% were found to be compliant. Due to the ledge rock and lot sizes within the District, soil-based treatment systems are impractical for use along MN Hwy 61 between the City of Two Harbors and the Silver Creek Tunnel.

### **Project Timeline**

06/2026: Prepare Plans & Specs  
10/2026: Submit Plans & Specs to MDH and MPCA  
10/2026: Submit Plans & Specs to RD  
01/2027: Advertise for Bids  
03/2027: Award Contract  
06/2027: Proposed Start of Construction  
09/2029: Proposed End of Construction

### **Other Considerations**

In addition to improving critical infrastructure and protecting the waters of Lake Superior, this project will help address safety concerns on Hwy 61, which has been widely recognized as "the most dangerous highway in Minnesota". The MN DOT has expressed that it is unable to adequately address the poor condition of the roadway due to the presence of septic systems encroaching on the highway right-of-way. The inability to widen the road further exacerbates safety concerns because the highway has minimal shoulder width and poor sight lines, posing a significant risk to motorists. Law enforcement has confirmed that, in responding to calls along this stretch of highway, officers often refrain from using sirens and lights to avoid further endangering other drivers. This project would free up valuable right-of-way space, allowing for necessary highway improvements and eliminate a longstanding barrier to the proposed DNR trail expansion along Hwy 61, promoting safer recreational access.

### **Impact on State Operating Subsidies**

None

### **Who will own the facility?**

The Town of Silver Creek will own the project.

### **Who will operate the facility?**

The Town of Silver Creek will operate the project.

### **Who will use or occupy the facility?**

The residents will use the project and pay user fees.

### **Public Purpose**

The pollution from non-compliant septic systems not only threatens the safety of our water but also presents long-term risks to public health. The contaminated waters have the potential to affect local drinking water supplies and increase the incidence of waterborne diseases, creating a public health

crisis. This project will mitigate that risk and ensure that residents, visitors, and businesses have safe, sanitary wastewater management, while also ensuring the continued health of Lake Superior.

**Description of Previous Appropriations**

None

**Project Contact Person**

Alison Oftedahl  
City Clerk  
218-834-5255  
silvercreek@frontiernet.net

(\$ in thousands)

The Town of Silver Creek Infrastructure Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,000	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$2,000	\$0	\$0
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$12,878	\$0	\$0
Other Local Government Funds	\$0	\$2,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$22,878</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$50	\$0	\$0
Predesign Fees	\$0	\$699	\$0	\$0
Design Fees	\$0	\$871	\$0	\$0
Project Management	\$0	\$4,427	\$0	\$0
Construction	\$0	\$16,831	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$22,878</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Silver Lake Infrastructure Improvement Project	1	GO	9,221	0	0	0	0	0
<b>Total Project Requests</b>			9,221	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			9,221	0	0	0	0	0

## Silver Lake Infrastructure Improvement Project

**AT A GLANCE****2026 Request Amount:** \$9,221**Priority Ranking:** 1

**Project Summary:** Of the \$33M of infrastructure needs identified, a \$23.8M project with \$7.2M grants, \$1.1M in city funds, and \$15.4M in loans is underway, leaving \$9.2M of the needs still unfunded. The City is requesting \$9.2 in funding to address the water tower rehab, storage, water treatment, infrastructure upgrades, and wastewater system improvements still unfunded.

**Project Description**

The City completed a Preliminary Engineering Report that identified approximately \$33M of needs for the community of about 866 people. The City worked closely with USDA-Rural Development (RD) to identify funding alternatives and affordability. This led to a proposed \$23.8M project, comprising \$7.2M of RD and PFA grants, \$1.1M city cash, and \$15.4M in loans. The City is proceeding with this project, however, the provided funding leaves a \$16.5M financial burden on the City and \$9.2M in unfunded needs. Seeking funding to alleviate financial strain, the City aims to address aspects of the project including water tower rehab and additional storage, water treatment facility, infrastructure replacements, and upgrades to the existing wastewater facility and lift stations. Due to the absence of a water treatment facility in the City, the only source of treatment in the community is the use of chlorine and fluoride addition at the primary well, resulting in issues like odor, taste, and discoloration due to elevated levels of manganese and iron. Iron levels exceed the Secondary Drinking Water (SDW) Standards, manganese levels exceed the EPA's Health Based Value and SDW Standards, and ammonia levels are also relatively high. Ranked #9 on the 2023 Clean Water Project Priority List, the City faces other pressing challenges, notably an outdated water tower exceeding a century in age which is inadequate for the community's requirements and safety standards. The current capacity of the water tower is 60,000 gallons, average water use is 68,000 gallons per day, and a minimum of 85,000 gallons of storage is needed to satisfy the water demand. Furthermore, the water distribution system suffers from undersized segments, lacking looping/redundancy and deteriorating infrastructure, impacting streets already in disrepair. In addition to the pressing drinking water issues, the City grapples with overloaded wastewater treatment ponds, triggering concerns over home and business damage, regulatory violations, and impeding community growth. Mitigating infiltration and inflow demands extensive overhaul or lining of deteriorating clay sewer lines and services, along with rehabilitation to failing or deteriorating lift stations. Moreover, the storm sewer system's insufficient capacity leads to localized flooding and property damage, exacerbated by high water tables and excessive sump pump discharge into streets and properties, further burdening the sanitary sewer system.

Funding this project is imperative for public health, environmental preservation, and community

welfare. Addressing these multifaceted challenges not only ensures safe drinking water and efficient wastewater treatment but also mitigates risks to public safety, regulatory compliance, and facilitates sustainable community development. Upgrading infrastructure enhances resilience to future challenges and supports economic growth, ultimately benefiting residents, businesses, and the local ecosystem alike.

### **Project Rationale**

This is a regional project for the existing water tower that is over 100 years old, undersized and is near the end of its useful life. The City does not have a water treatment facility. The only source of treatment for the drinking water is chlorine and fluoride additions at Well No. 2. The raw water quality from the City's two (2) wells contain high levels of iron and manganese which exceed SDW Standards. Ammonia levels are also high. All of these issues result in the City getting frequent complaints about the taste, odor, and texture of the drinking water.

Replacing and up-sizing the existing water tower with a standpipe storage unit and pump station is recommended to meet additional capacity and fire safety standards. It is also recommended to construct a water treatment (filtration) plant to improve water quality.

Neither the water tower nor the treatment facility currently have funding allocated to a solution.

### **Project Timeline**

For items to be funded through bonding bill request:

Design completed by December 2026

Bidding January 2027

Award Project March 2027

Project Start May 2027

Final Completion July 2028

### **Other Considerations**

Due to funding limitations, Rural Development has not addressed the following improvements. These items are part of the total bonding amount being requested. They are listed by priority and can be constructed (phased) in the same order. Approximate total capital costs (construction, contingency, engineering, and soft costs) are also listed.

1. Water treatment facility (with raw water main extension) - \$3.0M
2. Drinking water storage facility - \$2.3M
3. Miscellaneous wastewater treatment facility and lift station upgrades - \$2.2M
4. Various total street and utility reconstruction areas - \$1.7M

Of the \$23.8M project currently funded, only \$7.2M is grants, meaning the remaining \$16.6M is left to the City to pay back. This is a significant financial strain on the City. With \$9.2M of identified needs still left unfunded, the city cannot afford to take on any additional unnecessary financial obligation. This is why the City is requesting \$9.2M from the bonding bill.

### **Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

City of Silver Lake

**Who will operate the facility?**

City of Silver Lake

**Who will use or occupy the facility?**

City of Silver Lake

**Public Purpose**

Improved economic development opportunities for the city as well as clean drinking water for its residents.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Diane Pedersen  
City Clerk  
320-327-2412  
cityclerk@cityofsilverlake.org

(\$ in thousands)

Silver Lake Infrastructure Improvement Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$9,221	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$4,177	\$0	\$0
City Funds	\$0	\$19,602	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$33,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$35	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$4,918	\$0	\$0
Project Management	\$0	\$423	\$0	\$0
Construction	\$0	\$27,624	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$33,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Slayton Childcare Center Construction	1	GO	2,000	0	0	0	0	0
<b>Total Project Requests</b>			2,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,000	0	0	0	0	0

**Slayton Childcare Center Construction**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$2,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	\$2 million in state funds is requested to predesign, design, construct, furnish, and equip a new child care center building for the City of Slayton to be located in the City of Slayton.

**Project Description**

The City of Slayton is seeking to construct a new child care center to be leased and operated by Wonder World Preschool, Inc. a 501(c)3 nonprofit that has operated a child care center in Slayton for over fifty years. Wonder World has, and is currently operating in a leased space from the Catholic Church. The Catholic Church is terminating Wonder World's lease 7/31/2026 and Wonder World will need a new space to occupy otherwise the community will lose 75 childcare spots. The City of Slayton is seeking funding to construct a new childcare facility on land that the City owns. The total project cost is estimated at \$4 million dollars to design, construct, equip, and license this new building to be operated by Wonder World. The facility would be licensed for 76 kids and would be approximately 9500 sq. ft.

**Project Rationale**

According to First Children's Finance, Murray County shows a need of 283 childcare spots for children aged birth to 5, yet there are only 208 licensed child care spots available. Of the shortage, approximately 70% of the needed spots are for infants and toddlers. This newly constructed center would be used by Wonder World, which currently resides in Slayton, MN which is in the heart of Murray County.

The net change from the existing facility to the new facility is +1. However, the licensed child care spots are shifted from older children to younger children. Wonder World often does not fill all of their licensed child care spots at the pre-school and school-age level, decreasing that availability by 10. This is due to a lack of demand as well as needed staffing ratios making filling all the slots more difficult. Instead, more child care spots were made at the infant and toddler level, increasing capacity in those age groups by 11.

By obtaining this funding, Murray County will be able to retain 76 child care spots, and add one additional spot, for a total of 77 child care spots. Of those child care spots, licensing is increasing by 11 for infant and toddler spots. This equates to \$3,896.10 per child care spot retained.

**Project Timeline**

April 2026: Site Work. Site grade, utility extensions  
 June 2026: Foundation

June 2026-November 2026: Building Construction  
November 2026-March 2027: Interior Finishing  
April 2027-May 2027: FF&E. Licensing  
June 2027: Licensed and Open

## **Other Considerations**

### **Impact on State Operating Subsidies**

No additional state operating dollars will be requested for this project. There will be no impact to the State's operating subsidies.

### **Who will own the facility?**

The City of Slayton will own the project.

### **Who will operate the facility?**

Wonder World Preschool, Inc. will operate the project. They are a 501(c)3 nonprofit that has operated a childcare center for over fifty years.

### **Who will use or occupy the facility?**

Wonder World Preschool which is a 501(c)3 nonprofit that has been in operation for over fifty (50) years will lease the newly constructed space from the City of Slayton.

## **Public Purpose**

Constructing a child care facility qualifies as a public purpose expenditure under MN law as it directly supports the health, safety, and welfare of the public, especially working families and children. Further more it supports workforce participation, advances early childhood development and education, promotes health and safety, addresses disparities in access, and is also encouraged by state grant programs such as DEED's childcare access program which implies legislative acknowledgement of their public value.

## **Description of Previous Appropriations**

This project has not received any previous state appropriations, this includes any grant programs administered by the State of Minnesota.

## **Project Contact Person**

Josh Malchow  
Clerk/Administrator  
507-836-8534  
cityadmin@slayton.govoffice.com

(\$ in thousands)

Slayton Childcare Center Construction

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$800	\$0	\$0
County Funds	\$0	\$100	\$0	\$0
Non-Governmental Funds	\$0	\$250	\$0	\$0
<b>Non-State Funds Pending</b>				
Non-Governmental Funds	\$0	\$850	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$300	\$0	\$0
Project Management	\$0	\$25	\$0	\$0
Construction	\$0	\$3,125	\$0	\$0
Relocation Expenses	\$0	\$100	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$450	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Phase 3 Utilities Project	1	GO	3,500	0	0	0	0	0
<b>Total Project Requests</b>			3,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,500	0	0	0	0	0

Phase 3 Utilities Project

**AT A GLANCE**

**2026 Request Amount:** \$3,500

**Priority Ranking:** 1

**Project Summary:** South Haven's utility systems are in extremely poor condition and failing and need to be replaced in phases. The drinking water distribution system contains significant bacterial slime and mold, poor sewer piping has led to residential sewer backups, and storm sewer improvements are needed to prevent current flooding events.

**Project Description**

South Haven's existing water distribution system, installed in the 1960's, has tested positive for iron bacteria, sulfate reducing bacteria, slime bacteria, and mold. Hydrant flushing of the water mains does not clear this foreign material. New water treatment filters and replacement of water mains is needed to ensure the health and safety of residents.

The City's sanitary sewer collection system is composed of pipes with butt-fusion joints that need to be ground smooth internally to enable televising and to allow routine cleaning and maintenance. Resident surveys in 2020 revealed there have been sewer backups in homes. Replacement of select areas of sanitary sewer mains is needed to eliminate future backups. Flooding of the main lift station requires improvements to the access roadway to eliminate flooding that restricts access to the lift station.

South Haven's existing storm sewer includes a portion that is not functional and contributes to periodic flooding due to ineffective catch basins and inlets, improperly sized pipes, and sediment buildup in pipes and structures consisting of up to 75% blockage in some areas. Replacing sections of the storm sewer will correct existing drainage issues and reduce the flooding of roads, homes, businesses, and other public areas that have sustained damages in the past due to poor drainage in the City. In addition to health and sanitary issues from flooding in homes and structures, flooding can also overwhelm the wastewater collection system, as it did in 2019, resulting in bypasses, backups, or overflows of untreated wastewater. Reconstruction of city streets will also be needed once the necessary water infrastructure improvements have been made.

**Project Rationale**

South Haven's existing water distribution system, installed in the 1960's, has tested positive for iron bacteria, sulfate reducing bacteria, slime bacteria, and mold.

Resident surveys in 2020 revealed there have been sewer backups in homes. Replacement of select areas of sanitary sewer mains is needed to eliminate future backups. Flooding of the main lift station requires access roadway improvements to eliminate flooding that restricts access to the lift station.

South Haven’s existing storm sewer includes a portion that is not functional and contributes to periodic flooding due to ineffective catch basins and inlets, improperly sized pipes, and sediment buildup in pipes and structures consisting of up to 75% blockage in some areas.

**Project Timeline**

06/2026 - Engineering & Design  
08/2026 - Bid Advertising  
09/2026 - Bid Closing  
04/2027 - Construction Start  
10/2028 - Construction End

**Other Considerations**

The proposed infrastructure improvements are not viable unless the City of South Haven receives some grant funding. Although there has been some success in funding portions of the overall project, there is still a great need for funding support to address all of the City’s needs which include the health and safety of its residents.

**Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

**Who will own the facility?**

The City of South Haven will own the project.

**Who will operate the facility?**

City staff will operate the proposed utility project.

**Who will use or occupy the facility?**

Residents and visitors of the City of South Haven will use the utility systems and pay utility fees.

**Public Purpose**

The public purpose served by this project is to provide clean and safe drinking water to MN residents living in South Haven, address flooding and sewer backups to restore health and sanitary condition of resident homes and public/private structures, and to provide the necessary infrastructure improvements for efficient and effective wastewater and storm water management.

**Description of Previous Appropriations**

None

**Project Contact Person**

Melissa Stenson  
Clerk-Treasurer  
320-236-2424

melissa@cityofsouthhavenmn.gov

(\$ in thousands)

Phase 3 Utilities Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$464	\$0	\$0	\$0
General Obligation Bonds	\$1,700	\$3,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$4,965	\$0	\$0	\$0
City Funds	\$3	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$600	\$0	\$0
<b>TOTAL</b>	<b>\$7,132</b>	<b>\$4,100</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$228	\$115	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$245	\$135	\$0	\$0
Project Management	\$527	\$290	\$0	\$0
Construction	\$6,132	\$3,560	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$7,132</b>	<b>\$4,100</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Public Works Facility	1	GO	5,000	0	0	0	0	0
South St. Paul Family Aquatic Facility	1	GO	2,250	0	0	0	0	0
<b>Total Project Requests</b>			7,250	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			7,250	0	0	0	0	0

## South St. Paul Family Aquatic Facility

**AT A GLANCE****2026 Request Amount:** \$2,250**Priority Ranking:** 1

**Project Summary:** The City is requesting \$2,250,000 to design, construct, and equip an accessible, affordable outdoor aquatic facility to replace an existing box pool which was constructed in 1956. The proposed facility would feature an approximately 5,000 square foot zero-depth entry pool and an approximately 3,000 square foot service and shower/changing building. Total project cost is estimated at \$6,000,000.

**Project Description**

The City of South St. Paul is requesting assistance with the design, construction, and outfitting of an outdoor pool and shelter building to replace the 70-year old box pool and bathhouse in Northview Park. This facility would be designed to ensure that the pool is accessible to all residents at an affordable price point, including those with disabilities, senior citizens, and moderate and low-income households. The facility would feature an approximately 5,000 square foot, zero-depth entry pool which would afford the entire community the opportunity to partake in swimming lessons, fitness classes, facility rentals, and other recreational activities.

The project would entail the following activities:

- Design of outdoor aquatics center
- Demolition of the Existing Northview Pool Structure, Pool Deck, and Bathhouse
- Construction of Outdoor Pool and support building, to include
  - Beach entry with play area
  - Open program area
  - Lap lanes
  - Service / admissions counter with support space
  - ADA compliant restroom, locker/changing, and shower areas
  - Concessions

**Project Rationale**

Northview Pool is a box-style pool which was constructed in 1956. The bathhouse structure is still the original and includes concessions and locker rooms. The bathhouse structure is showing its age but has been given cosmetic upgrades in recent years. The pool depth varies from 3' to 12' and the pool features a diving board and climbing wall. Due to the depth of the pool, it primarily serves youth ages

6 and up, and its design presents extreme access limitations for inexperienced swimmers, families with toddlers, and any users with physical and mobility impairments. There was a small kiddie pool next to the box pool that was demolished in 2009 after the Minnesota Department of Health declared it unsafe.

The box pool at Northview Park is almost 70 years old and is beyond the end of its reasonable service life. The pool's mechanical system is original and is difficult to service and source parts and chemicals for. The pool leaked roughly 12,000 gallons of water each day in 2023 but this leaking was temporarily resolved prior to the start of the 2024 pool season with the patching of surface cracks. The City Council authorized \$45,000 in short-term repairs in early 2024, which proved to limit the water loss for the 2024 season. The age and condition of the facility, in spite of our ongoing efforts to maintain the pool in a workable condition, has motivated the City to engage the community in an effort to plan for the future of outdoor aquatics in South St. Paul. Throughout the first half of 2025, the City has led a feasibility and scoping study which have revealed a strong public desire to retain affordable outdoor swimming for our community of 20,000+.

As our community continues to age and diversify, we continue to seek ways to retain and attract young families. Our community has very few recreational and community-centered activities and destinations that are accessible in the summertime, so the loss of a local outdoor pool would negatively impact residents and visitors to our community at every age, ability, and income level. While indoor aquatics centers in neighboring communities are valuable nearby amenities, the fact of the matter is that these facilities are out of reach - both financially and physically - for many of our residents due to a lack of resources and transportation barriers. Having a moderately priced summer recreation amenity within bicycling and walking distance to our neighborhoods will benefit the health and well-being of these members of our community.

South St. Paul continues to be a community rich in diversity, as evidenced by the following demographic characteristics of our community:

- Our population is comprised of almost 30% of non-white residents.
- 17.4% of our population is Hispanic or Latino, more than double the proportion found in Dakota County (8.3%) as a whole, 10 percentage points higher than the 7-County Metro (7.3%) as a whole, and 11 percentage points higher than the State of Minnesota (6.5%).
- The City of South St. Paul has a median household income that measures only 80% as compared to Dakota County as a whole, only 86% as compared to the metro area as a whole, and measures 4% lower than the State of Minnesota's Median Household Income, ranking South St. Paul 155th among the 7-county metro area's 188 communities.
- In the City of South St. Paul 10.5% of our population is living in poverty, which is significantly higher than Dakota County (5.5%) the 7-County Twin Cities Region (8.4%), and the State of Minnesota as a whole (9.3%)

## **Project Timeline**

- Pre-Design/Scoping: January 2025 - August 2025
- Funding Strategy: June 2025 - January 2026
- Design RFPs: January 2026 - April 2026

- Design: June 2026 - November 2026
- Demolition Bidding: October 2026
- Demolition of existing pool and bathhouse: November 2026 - February 2027
- Construction Bidding: February - March 2027
- Construction: April 2027 - December 2028

## **Other Considerations**

### **Impact on State Operating Subsidies**

None

### **Who will own the facility?**

City of South St. Paul

### **Who will operate the facility?**

City of South St. Paul

### **Who will use or occupy the facility?**

Families and visitors in South St. Paul, including households from throughout Ramsey, Washington, and Dakota County.

### **Public Purpose**

A new, accessible aquatic facility will help the City provide for the general health and welfare of the City's residents and businesses. The facility will benefit the community as a whole by providing a healthy opportunity for community-building and recreation.

### **Description of Previous Appropriations**

There have been no previous State appropriations for this project.

### **Project Contact Person**

Ryan Garcia  
City Administrator  
651-554-3278  
rgarcia@southstpaul.org

(\$ in thousands)

South St. Paul Family Aquatic Facility

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,250	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$90	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$3,750	\$0	\$0
<b>TOTAL</b>	<b>\$90</b>	<b>\$6,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$90	\$0	\$0	\$0
Design Fees	\$0	\$500	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$5,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$90</b>	<b>\$6,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	Yes
Has the pre-design been submitted to the Department of Administration?	No
Has the pre-design been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

**Public Works Facility**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$5,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	This \$5 million request is for approximately 20% of the estimated costs for constructing, furnishing and equipping a new Municipal Public Works Maintenance and Office Facility that would serve the City of South St. Paul and provide ancillary space and functionality for partner units of government.

**Project Description**

The City is making this request to provide for assistance with the construction of a 65,000 - 75,000 square foot central maintenance and administration facility for the Public Works functions in the City of South St. Paul. This new facility would replace the City's current 33,000 square foot central maintenance building that has many deficiencies that are impractical to resolve given the building's age, obsolete layout, poor condition, its placement on its site, and the the inability to add on to the current facility in an efficient manner.

The City has identified and acquired a site that would accommodate the anticipated development program. The City has completed a pre-design and scoping study and has solicited design proposals to anticipate project design throughout the latter half of 2025. The replacement facility will be designed to meet the City's needs for the next 20+ years and will be designed and constructed to maximize the operational efficiency of the site, the building and the department.

The facility will consist of:

- 50,000 - 57,000 square feet of indoor vehicle and equipment storage
- 6,000 - 8,000 square feet of vehicle maintenance bays
- 5,000 - 6,000 square feet of shop/work spaces
- 4,500 - 6,000 square feet of office and administrative spaces, including conference and meeting space that can be used by County and State Agencies for training, meeting, emergency management, and other multi-jurisdictional efforts
- 2,400 square feet of unheated indoor salt storage
- 2,400 square feet of unheated indoor police storage
- 5,400 square feet of unheated indoor covered materials storage

The preliminary project budget is \$27,000,000, which includes approximately \$200,000 already expended by the City in site acquisition, site due diligence and predesign/scoping costs.

## Project Rationale

The current 33,000 square foot Public Works Facility was constructed in 1970. The building has a number of significant deficiencies that were identified in an independent evaluation conducted by the City's architectural consultant. It is estimated that a minimum of \$6,500,000 would be necessary just to address these deficiencies; some of which are identified as:

- Undersized electrical service
- Inability to add emergency generator capabilities due to the electrical service deficiency and physical space in the needed location.
- Poor HVAC system including lack of adequate make-up air, compromising indoor air quality for department staff.
- Lack of ADA accessible restrooms.
- Lack of any locker facilities for female employees and only one uni-sex restroom.
- Lack of ADA accessible lunchroom and training facilities (currently on second floor mezzanine level).
- Overhead doors at end of useful life and are undersized for modern equipment. We also can't keep weather stripping on doors as the equipment tears it off thereby reducing energy efficiency.
- The building does not meet current fire code standards (is legally non-compliant/grandfathered).
- Minimal energy efficient lighting.
- Minimal insulation in building envelope.
- No floor drains in south wing.

Given its limited value, cost of renovations, inadequate size, and the physical challenges of adding on to the structure due to its current layout, spending more than \$6,000,000 million on this building would be a poor investment of public funds.

The problem South St. Paul has in addressing this project with 100% city funding is based on the following factors:

- For the Pay 2025 Tax Year, SSP has the 3rd highest municipal tax rate (57.72) of Dakota County's 11 largest communities, while the average rate in the County is 47.92.
- For the Pay 2025 Tax Year, SSP has the lowest tax base (tax capacity) - both on an absolute and per capita basis - out of the same group of 11 cities, and is 8% lower than its closest "competitor" .
- The average Tax Capacity in Dakota County (\$76,018,131) is almost 3x higher than South St. Paul's Tax Capacity (\$27,250,288) and the average Tax Capacity Per Capita in Dakota County (\$1,820.12) is 27% higher than South St. Paul's (\$1,326.63) Tax Capacity Per Capita.
- Our debt burden is already significant and an issue of this size would put us very close to the Statutory Debt Limit and dramatically increase our tax capacity rate for the next 20 years.
- We face tremendous future costs to upgrade/replace a deteriorated infrastructure system including water, sanitary sewer, streets, storm sewer, street lights, and other city facilities such as our swimming pools, Doug Woog Arena, and other park facilities.
- The City has been thoughtful in establishing and following a long-term capital improvement plan

and budget to support infrastructure replacement costs. In 2024, the City learned it was amongst only approximately twenty communities statewide (and two in Dakota County) to have PFAS levels exceeding EPA guidance in one or more municipal wells. The City is currently planning for PFAS Treatment and will be required to implement PFAS Treatment by 2031, at an anticipated cost exceeding \$15,000,000.

The City is facing many basic but critically important infrastructure challenges, with limited financial capacity to address them all in a timely fashion. This project is important to provide a safe and proper work environment, vehicle maintenance, and equipment storage needed by our City.

### **Project Timeline**

Pre-Design: Complete May 2025  
Design: August 2025 - April 2026  
Bidding: April - May 2026  
Site Preparation: August 2025 - September 2026  
Construction: September 2026 - December 2027

### **Other Considerations**

The City of South St. Paul has a median household income that measures only 80% as compared to Dakota County as a whole, only 86% as compared to the metro area as a whole, and measures 4% lower than the State of Minnesota's Median Household Income, ranking South St. Paul 155th among the 7-county metro area's 188 communities.

In the City of South St. Paul 9.1% of our population is living in poverty, which is significantly higher than both Dakota County (5.6%) the 7-County Twin Cities Region (8.5%), and slightly lower than the State of Minnesota as a whole (9.3%).

### **Impact on State Operating Subsidies**

Not applicable.

### **Who will own the facility?**

City of South St. Paul

### **Who will operate the facility?**

City of South St. Paul

### **Who will use or occupy the facility?**

The City of South St. Paul's public works department and engineering department will be the primary occupants of the facility. The South St. Paul Police Department will also utilize a building on the property for off-site, secure storage. The new building will include in its design multifunctional space that will be utilized as an alternative Emergency Operations Center for Northern Dakota County Communities (South St. Paul, West St. Paul, and Mendota Heights). It is also envisioned that the Dakota County Special Operations Team will have the ability to utilize this facility, located immediately adjacent to the I-494 / Concord Street interchange, and a boat access point at the Mississippi River, for staging equipment and operations on the highway and river.

**Public Purpose**

A new Public Works facility will help the City provide for the general health, welfare, and safety of the City's residents and businesses. The building will benefit the community as a whole and it directly relates to the functions of local government. Finally, the activity is not for the benefit of a private interest.

**Description of Previous Appropriations**

There have been no previous State appropriations for this project.

**Project Contact Person**

Ryan Garcia  
City Administrator  
651-554-3278  
rgarcia@southstpaul.org

(\$ in thousands)

Public Works Facility

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$2,400	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$20,000	\$0	\$0
<b>TOTAL</b>	<b>\$2,400</b>	<b>\$25,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$150	\$0	\$0	\$0
Predesign Fees	\$50	\$0	\$0	\$0
Design Fees	\$1,200	\$1,950	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$1,000	\$20,950	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$2,100	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$2,400</b>	<b>\$25,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	No
Has the pre-design been submitted to the Department of Administration?	No
Has the pre-design been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Sunset Drive Utilities	1	GO	3,316	0	0	0	0	0
<b>Total Project Requests</b>			3,316	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,316	0	0	0	0	0

Sunset Drive Utilities

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$3,316
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	Reconstruction of aging city owned utility infrastructure (water/sewer)

**Project Description**

The City is partnering with Hennepin County on the 13.5 million dollar road reconstruction of Sunset Drive. This involves the City being responsible for an additional 1.8 million dollar replacement of the aging sanitary sewer lines and water lines which have remained unchanged since 1969.

**Project Rationale**

Without the utility replacement, the current and aging utility lines are more susceptible to frequent beaks and leaks throughout the year. Just in 2022 alone, there has been more than 6 watermain breaks and 1 sewer main break.

**Project Timeline**

Bidding for the project is set for October 2025 timeframe. The project itself is anticipated to start in 2026 and complete in 2027.

**Other Considerations**

**Impact on State Operating Subsidies**

**Who will own the facility?**

The City of Spring Park

**Who will operate the facility?**

The City of Spring Park

**Who will use or occupy the facility?**

The residents of Spring Park

**Public Purpose**

Upgrading deteriorating utility infrastructure can help improve public health. Replacement of the sanitary sewer mains will reduce excessive inflow and infiltration (I & I) from groundwater, which can

lead to system failures, create sewer backups, and discharge into Lake Minnetonka. Water main replacement improvements are also critical to protecting resident public health and the environment given the close proximity to the lake.

**Description of Previous Appropriations**

The City of Spring Park has been awarded an LRIP grant of 1.5 million dollars.

**Project Contact Person**

Mike Anderson  
Administrator  
952-999-7493  
manderson@ci.spring-park.m.us

(\$ in thousands)

Sunset Drive Utilities

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,316	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$370	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$1,500	\$0	\$0
<b>TOTAL</b>	<b>\$370</b>	<b>\$4,816</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$370	\$775	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$3,700	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$341	\$0	\$0
<b>TOTAL</b>	<b>\$370</b>	<b>\$4,816</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.**

Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	No
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Saint Anthony Village Public Safety Facility	1	GO	12,963	0	0	0	0	0
<b>Total Project Requests</b>			12,963	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			12,963	0	0	0	0	0

**Saint Anthony Village Public Safety Facility**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$12,963
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	Request for \$12.9 million in state funds to construct a new Public Safety Facility for the Fire and Police departments. Facility to be located in Saint Anthony and provide public safety related services to other local partners.

**Project Description**

The Public Safety Facility will accommodate the city’s Police and Fire Departments. The departments are in separate facilities, both which are aging and unable to meet growing staff and resource needs. The facility will remodel and expand the existing Fire Department building from a 10,605 sq ft building to a 43,776 sq ft building that will reflect modern public safety facility needs.

The new facility will include spaces for police officers and firefighters, including locker rooms, fitness area, break rooms, and training rooms. The building will provide spaces for the public, including safety academies and camps, coffee with the chiefs, open houses, tours, town halls and metro-area department training. The facility would provide indoor storage to preserve vehicles, sally port, space for evidence storage and processing, and traffic safety equipment.

The project is estimated to cost \$25.9 million in 2025 dollars. The project has been submitted by Senators Smith and Klobuchar and Representative Omar to the Senate and House Appropriation Committees respectively, for consideration for congressional funds. If awarded, the City would be awarded between \$1-2 million.

**Project Rationale**

Unifying the Fire Department (FD) and Police Department (PD) under one building will support a cohesive public safety vision for the City. A Public Safety Facility is a long-term investment in our city, our staff, our partners and the community we serve. Our existing buildings lack sufficient space for essential personnel, equipment, and resources and cannot accommodate the forecasted growth in service demand. One of the City's goals for 2025 is to review the FD staff model and increasing calls. Our FD has experienced a 110 percent increase in calls since 2004, yet has operated under the same staffing structure since 1988. In 2024, our PD agreed to provide policing services for the City of Falcon Heights. During the decision-making process, our City Council and PD engaged internally with staff and externally with the community. The consensus was this partnership would be positive if the City took steps to invest in and sustain public safety meaningfully. This facility is a critical step in this commitment.

**Project Timeline**

Q1-Q2 2025: predesign phase

Q3 2025-Q1 2026: design phase  
Q4 2025-Q2 2026: engineering phase, including construction bid  
Q3-Q4 2026: construction begins

**Other Considerations**

We are a small, full-service, primarily residential city within the metro. Our population is approximately 9,200 yet we provide police, fire and public works services for our residents. Because of our size and limited tax base, we will only pursue this project if external funding is secured to avoid placing undue burden on our residents. We believe this project is critical to the current and future needs of our city but are committed to being fiscal responsible.

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

City of Saint Anthony Village

**Who will operate the facility?**

City of Saint Anthony Village

**Who will use or occupy the facility?**

City of Saint Anthony Village - St. Anthony Police Department and St. Anthony Fire Department

**Public Purpose**

The project will directly benefit the public. Our PD and FD staff are the most likely to directly interact with residents. The facility improves spaces for staff, training, and equipment storage. The building includes rooms open to the public, meeting spaces for education and youth outreach, and metro-wide trainings. Investing in our infrastructure is a critical step to support our public safety staff who protect and serve our community on a daily basis.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Ashley Morello  
Assistant City Manager  
612-782-3313  
ASHLEY.MORELLO@SAVMN.COM

(\$ in thousands)

Saint Anthony Village Public Safety Facility

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$12,963	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$10,963	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$2,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$25,926</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$15	\$0	\$0
Design Fees	\$0	\$1,264	\$0	\$0
Project Management	\$0	\$893	\$0	\$0
Construction	\$0	\$22,854	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$900	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$25,926</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Water System Improvements	1	GO	20,000	0	0	0	0	0
<b>Total Project Requests</b>			20,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			20,000	0	0	0	0	0

Water System Improvements

**AT A GLANCE**

**2026 Request Amount:** \$20,000

**Priority Ranking:** 1

**Project Summary:** The City of St. Augusta requests \$20 million to design and construct two new water supply wells, a water treatment plant, and a 250,000-gallon elevated water storage tower. The water system improvements will ensure safe and reliable water supply, treatment, and storage above the average daily demand anticipated in 2040.

**Project Description**

St. Augusta intends to construct two new wells on land currently owned by the city to provide adequate and efficient municipal water supply to its residents. A very limited percentage of the city has the necessary capacity for a municipal production well. The proposed well site is 4 miles south of the city's distribution system, on a 3-acre parcel currently owned by the city. A previous well siting study indicated that the proposed site has a capacity of 600-800 gallons per minute. The test well at this location did not identify any primary contaminants. But it did identify secondary contaminant issues with iron and manganese.

As a result, St. Augusta plans to construct a water treatment plant to remove iron and manganese from the water supply. The water treatment plant will be constructed approximately 4 miles north of the well field, at the southern terminus of the city's water distribution system. The city will therefore need to construct 4 miles of 8" raw water main to connect the two wells to the water treatment plant. This is more cost effective than placing the water treatment plant at the well field, which would require extending the sanitary sewer system. A 12" connector water main will be used to connect the treatment plant to the distribution system.

Saint Augusta also intends to construct a new 250,000-gallon elevated tower to provide a combination of reserve, equalization, and fire protection storage above the average daily demand in 2040. The tower will allow the city to regulate its water supply and provide consistent service. It will also provide redundant supply in the event of a break along the 1.5-mile main that feeds the southern portion of the city.

**Project Rationale**

St. Augusta completed its water distribution system in 2003. Because of high nitrate concentrations in test wells drilled at the time, the city decided to connect to St. Cloud for water supply. The original connection to St. Cloud's system was improved in 2003. Subsequently, to provide redundancy in

supply, a second connection was completed in 2014. The original contract with St. Cloud called for us to be independent by the end of 2013 and we have since extended that contract twice. Currently our contract is set to expire at the end of 2026.

There have been regular operational issues and pressure surges due to the layout of St. Cloud's system. This layout leaves the southern portion of St. Augusta at the end of a 1.5-mile dead end, causing pressures to continually fluctuate as much as 20 psi. The southern portion of St. Augusta's system therefore lacks redundancy and residents would be without water if an issue occurred along the 1.5-mile supply main. The new wells, treatment facility, and storage tower will provide redundant supply to the southern portion of the city.

It is important to note that much of St. Augusta's population is rural and therefore not served by water supply from St. Cloud. While 3500 people reside in St. Augusta, only 1300 are currently connected to the municipal water system. However, recent projections from the St. Cloud Area Planning Organization estimate a 2040 population of 4500 people in St. Augusta, with approximately 2800 connected to the municipal water system.

When planning for this project began in 2002, it was emphasized that, as the city continues to grow, construction of a separate supply and treatment facility would be necessary for sustainability. Given the existing operational issues and anticipated population growth, this is an ideal time for the city to design and construct the new wells, water treatment facility, and storage tower.

### **Project Timeline**

Design and Permitting Completed - February 2026  
Project Bidding - March 2026  
Contract Award - April 2026  
Begin Construction - May 2026  
Construction Completed - October 2026

### **Other Considerations**

#### **Impact on State Operating Subsidies**

None

#### **Who will own the facility?**

The City of St. Augusta

#### **Who will operate the facility?**

The City of St. Augusta. The city currently employs one full time employee as Water|Sewer Operator and has a total of 3 full time employees in the Public Works Department.

**Who will use or occupy the facility?**

The new wells, treatment facility, and storage tower will directly benefit all St. Augusta residents who are connected to the municipal water system. Out of 3500 current city residents, 1300 are connected to the municipal water system. However, recent estimates by the St. Cloud Area Planning Organization project that St. Augusta will have 4500 residents and 2800 people who rely on the municipal water system in 2040.

**Public Purpose**

This project will ensure that the residents of St. Augusta have access to safe, reliable, and affordable water. By constructing two wells, a treatment facility, and a 250,000-gallon storage tower, this project will accommodate both the existing and projected growth of the city. The project will immediately benefit the 1300 people who currently rely on St. Augusta's municipal water system. The improvements will also provide capacity to serve the estimated 2040 population of 2800 municipal water system users.

**Description of Previous Appropriations**

None

**Project Contact Person**

Bill McCabe  
City Clerk/Administrator  
320-654-0387  
bmccabe@staugustamn.com

(\$ in thousands)

Water System Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$20,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$500	\$0	\$0
Predesign Fees	\$0	\$266	\$0	\$0
Design Fees	\$0	\$764	\$0	\$0
Project Management	\$0	\$1,230	\$0	\$0
Construction	\$0	\$17,240	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	
Has the predesign been submitted to the Department of Administration?	
Has the predesign been approved by the Department of Administration?	
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	
Is the required information included in this request?	
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
St. Francis Water and Sewer Improvement	1	GO	4,000	0	0	0	0	0
<b>Total Project Requests</b>			4,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,000	0	0	0	0	0

## St. Francis Water and Sewer Improvement

**AT A GLANCE****2026 Request Amount:** \$4,000**Priority Ranking:** 1

**Project Summary:** The City of St. Francis is requesting \$4 million dollars for the construction of water and sewer improvements to a publicly infrastructure that serves the residents of the city of St. Francis as well as a portion of the City of Oak Grove and supports the area's commercial and industrial businesses. The project is required and dependent upon assistance for the city to continue to serve the public with clean and safe utilities as well as supporting the area's economic development aspects.

**Project Description**

The city of St. Francis proposes a critical water and sewer infrastructure project to replace and expand the city's trunk lines, ensuring the system can meet the needs of both existing and future residents as well as commercial and manufacturing businesses. St. Francis is responsible for its own water treatment and wastewater collection and treatment facilities.

This project involves replacing aging infrastructure lines that extend just over a mile as well as expanding the line northward to provide essential services to additional residential development and business park. The existing infrastructure, constructed in 1973, was designed at a time in which the city had a population of 900 residents and minimal commercial activity. Over the past 50 years, St. Francis has experienced substantial growth, with the population now exceeding 8,500. In addition to the needs of St. Francis we are also supporting residential development within the city of Oak Grove. This continued growth over 50 years is now placing significant strain on the city's water and sewer lines, which are no longer adequate to meet the current demands or support future needs.

The city completed a comprehensive water and sewer study, identifying critical upgrades needed to ensure the continued delivery of safe, high-quality water services to utility residents. The existing trunk lines are operating near capacity and cannot accommodate further growth, posing challenges to the city's ability to provide reliable, affordable services and support economic development.

This project will address these challenges by:

1. Replacing outdated infrastructure to ensure the reliability of water and sewer service for current businesses and residents.
2. Expanding capacity to support additional residential and business development which supports the long-term costs of the overall facilities.
3. Future-proof the city's infrastructure to meet the demands of continued growth over the coming decades.

By investing in this infrastructure upgrade, St. Francis will not only enhance the quality of life for utility households but also position itself for sustainable growth and economic opportunity. This project is essential to ensure the city can continue to thrive, meet Comprehensive Plan long term goals, and commit to safe, reliable and quality utility services.

The estimated cost to extend the water and sewer line is \$8,743,492. However, the city is focusing on phasing the project to complete what is of the highest importance, with services lines from Cree Street to 241st, to reduce the immediate cost and plan for future development to support the ongoing facility costs in the future. Timing is critical to keep costs reduced, as this project is aligning with a state highway reconstruction along Highway 47 and would allow the city to ensure efficiency and minimize disruption by coordinating construction efforts.

St. Francis's existing infrastructure currently supports 2,965 residential properties within St. Francis and Oak Grove, and 78 commercial, retail and manufacturing businesses. It serves a variety of housing options tailored to diverse needs, demographics and housing preferences, including detached homes, 363 manufactured homes and a 134-unit senior living building. The trunk infrastructure directly influences and impacts the main commercial and retail district as well as several educational facilities including an elementary, middle and high school.

The city's portion of the project will be financed through a bond, which will necessitate an increase in water and sewer rates for users. Without financial assistance, it is anticipated that rates could rise over 30%. Additionally, the costs of financing the bond will significantly increase the total project cost over time, further amplifying the financial burden. St. Francis has reviewed several other city water and sewer rates and find that we are exceeding many cities on the higher end.

The city is fully committed to this project and recognizes the long-term importance, making it a critical requirement in future planning efforts. This project impacts 1.8 miles of existing and extended trunk water and sewer lines which intersect with six major intersections along State Highway 47. Three of those intersections directly impact k-12 public and private schools as well as the main commercial area. Timing is crucial, as this project is designed to coincide with the planned highway reconstruction, optimizing efficiency and minimizing disruption and cost through coordinated construction efforts. If the project is not coordinated, it will require the city to cut into and disrupt the newly reconstructed highway as well as traffic and commuter issues for another round of construction.

## Project Rationale

The rationale for the proposed water and sewer project in St. Francis is rooted in addressing critical challenges posed by aging infrastructure, population and commercial growth and economic need. The project aims to ensure the reliability, capacity, and future readiness of the city's water and sewer system. Key aspects of the rationale include:

1. **Aging Infrastructure.** The existing trunk lines, constructed in 1973, were designed for a much smaller community of 900 residents with minimal commercial activity. Over 50 years later, the infrastructure is outdated and unable to maintain the demands of a city that has grown to over 8,500 residents, expanded commercial and business types as well as supporting the neighboring city of Oak Grove. Replacing the aging infrastructure is essential to maintaining reliable water and sewer services and avoiding potential system failures.

2. **Capacity constraints.** The current trunk lines are operating near capacity and cannot support further growth or continue to sustain existing city needs. This creates a bottleneck for residential and commercial development, limits the city's ability to expand and support its, and Oak Groves, growing population and economy as well as places risk on existing users with aging lines. Expanding the infrastructure is critical to residential, commercial and business park growth.
3. **Support for Economic Development.** The project is vital for unlocking the development potential of over 200-acres directly off highway 47 designed for commercial, multi-family and single-family residential projects. These developments are essential for the city's long-term economic stability. The potential area for growth will create the opportunity to provide for housing, business development, and job creation. Without adequate infrastructure, these developments cannot proceed, and the sustainability of the city's fees and tax capacity is unstable. Economic growth will support the existing utility customers and work to stabilize their rates and reduce large future rate increases.
4. **Coordination with Planned Highway Project.** Timing the infrastructure upgrade with the planned 2028 Hwy 47 reconstruction project provides an opportunity to minimize disruption and reduce costs. Coordinated construction efforts will optimize efficiency and ensure the city capitalizes on the window of opportunity. Two major construction projects along this area will be disruptive to not only the commercial area but for commuters that utilize highway 47 for daily and weekend needs.
5. **Improved Quality of Life.** Reliable water and sewer services are fundamental to residents' quality of life. Upgrading the infrastructure ensures that the city has the capacity to continue to provide safe, high-quality utility services to its and Oak Groves current and future residents.

This project is a long-term investment in St. Francis future. By modernizing and expanding the infrastructure, the city can prepare for continued growth and avoid the risk of overburdening its system and financially depleting utility users. In summary, the project is rationally justified by the need to replace failing infrastructure, accommodate growth, support economic development, sustain quality of life and ensure sustainable city planning.

### **Project Timeline**

The project timeline is heavily dependent upon the state highway reconstruction project. With the looming project, the city is working closely to complete the project directly before or along with the highway project. According to MnDOT the highway pavement must be replaced no later than 2028. The City needs to begin or complete the water and sewer infrastructure work in 2027 alongside the state highway project in 2028.

### **Other Considerations**

To create efficiencies the city is working to complete this project alongside a MnDOT Highway reconstruction effort. The city infrastructure runs along State Hwy 47 and the State is looking to complete a reconstruction effort in 2028. In the interest of efficiency as well as cost and disruption the city is working to complete this project before or at the time of the Hwy project to reduce disruption and potentially save on construction mobilization costs. The infrastructure project will be disruptive to traffic just as the Hwy construction will be and through coordinating the projects we are able to reduce the number of times traffic and intersection issues will be created. Additionally, if the project is not completed before or during the highway reconstruction, the city will be required to

damage new road surfaces once the project is completed since our trunk lines cross major highway intersections.

**Impact on State Operating Subsidies**

Not applicable.

**Who will own the facility?**

City of St. Francis owns and operates stand alone water treatment and sewer collection and treatment facilities.

**Who will operate the facility?**

City of St. Francis owns and operates stand alone water treatment and sewer collection and treatment facilities.

**Who will use or occupy the facility?**

City of St. Francis provides water and sewer treatment to roughly 2,965 residential properties within two cities as well as area commercial businesses.

**Public Purpose**

City of St. Francis provides the general public both residential and commercial properties with water and sewer treatment.

**Description of Previous Appropriations**

The City has not received previous State Appropriations

**Project Contact Person**

Kate Thunstrom  
City Administrator  
763-267-6191  
kthunstrom@stfrancis.gov

(\$ in thousands)

St. Francis Water and Sewer Improvement

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$4,745	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,745</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$8,745	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,745</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Northland Business Center Phase II	1	GO	2,250	0	0	0	0	0
<b>Total Project Requests</b>			2,250	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,250	0	0	0	0	0

**Northland Business Center Phase II**

**AT A GLANCE**

**2026 Request Amount:** \$2,250

**Priority Ranking:** 1

**Project Summary:** The City of St. Joseph is requesting \$2.25 million for infrastructure of roads and utilities to expand industrial shovel-ready lots. Total project is \$4.5 million in improvements.

**Project Description**

Funding for the City of St. Joseph improvements will include a sewer lift station, extension of Westwood Parkway to the east, water, sewer, storm water utilities, and interior streets. The number of industrial lots is estimated to be 24 ranging from 3-7.5 acres. The total expansion is planned to cover 140 acres.

**Project Rationale**

The Northland Business Center phase I was constructed in 2019 with 28 industrial shovel-ready lots. The industrial park is nearly built out in six years. The City of St. Joseph received \$1.245 million in BDPI funding for phase I. The City receives many inquiries for additional shovel-ready industrial lots. The City of St. Joseph will partner with a local developer to expand to Northland Business Center Phase II. The developer owns the land for the expansion. The City would invest along with the bonding dollars to increase the tax base and improve opportunities in their community.

**Project Timeline**

Design of the Northland Business Center Phase II will begin in 2026. Design and construction will take approximately two years to complete.

**Other Considerations**

The City of St. Joseph improvements will help to increase economic development, increase tax base and meet the demands of workforce needs as a part of the St. Cloud region. To compete with the growing demand in these areas of economic development this project is urgent. This improvement will help the city as well as the businesses with shovel-ready industrial lots for major industries and job creation that the city needs to improve its economic development goals.

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

City of St. Joseph

**Who will operate the facility?**

City of St. Joseph

**Who will use or occupy the facility?**

City of St. Joseph

**Public Purpose**

The City of St. Joseph improvements will help to increase economic development, increase tax base and meet the demands of workforce needs as a part of the St. Cloud region To compete with the growing demand in these areas of economic development this project is urgent. This improvement will help the city as well as the businesses with shovel-ready industrial lots for major industries and job creation that the city needs to improve its economic development goals.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Lori Bartlett  
Finance Director  
320-229-9423  
LBartlett@cityofstjoseph.com

(\$ in thousands)

Northland Business Center Phase II

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,250	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$2,250	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,500</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$4,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,500</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Mesabi Trail Pedestrian Bridge over Hwy 53 Mtn Iron to Virginia	1	GO	4,086	0	0	0	0	0
<b>Total Project Requests</b>			4,086	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,086	0	0	0	0	0

(\$ in thousands)

**Mesabi Trail Pedestrian Bridge over Hwy 53 Mtn Iron to Virginia**

**AT A GLANCE**

**2026 Request Amount:** \$4,086

**Priority Ranking:** 1

**Project Summary:** The Rail Authority proposes predesign, design, engineering, and construction of a Mesabi Trail segment relocation necessitated by the permanent closure of CSAH 102 due to planned mining expansion. The Mesabi Trail currently uses the same CN railroad and US Highway 53 crossings alongside the county road. A pedestrian bridge is the safest method to cross the tracks and highway next to the interchange of Hwys 169 and 53 to maintain the trail connection between Mountain Iron and Virginia.

**Project Description**

MinnTac, an active iron ore mine owned by US Steel in Mountain Iron, Minnesota, has expansion plans that necessitate the closing of CSAH 102. CSAH 102 is one of three connections between the cities of Mountain Iron and Virginia that have legal railroad and Highway 53 crossings, which the Mesabi Trail currently uses. Both St. Louis County and MnDOT have approved the closure for the increased safety it offers. The county is actively reducing the number of at-grade railroad crossings, and MnDOT is upgrading safety at highway crossings. This closure fits with both of those long-term plans and allows mining activity to continue. Unfortunately, this action leaves the Mesabi Trail without an important connection between Mountain Iron and Virginia.

The scope of this project is complicated, having to cross both railroad tracks and a 4-lane divided highway in close proximity. CN Railroad has granted the Rail Authority a five-year grace period to relocate the trail when the crossing is closed in 2027. However, there are some caveats to the grace period. CN requires the Rail Authority to realign the crossing to be perpendicular to the tracks rather than angled as it is currently, and to upgrade the crossing signals to pedestrian scale. The county also requires two culverts be replaced to resolve drainage issues in the adjacent wetlands. The expense of realigning the crossing, changing the signals, and fixing the drainage issues at the crossing, on top of the eventual relocation, is cost-prohibitive.

To maintain the connection of the Mesabi Trail, the Rail Authority needs to find an acceptable, cost-effective alternative prior to the closing of CSAH 102. Only two viable options exist for Mesabi Trail use: Unity Drive with an existing at-grade railroad crossing or the existing bridge interchange of Hwy 169 and Hwy 53. The Unity Drive option is at-grade with poor visibility and is far enough south that trail users will bypass downtown Virginia. There is also no option to separate vehicles and pedestrians/cyclists through the available transit corridor. Unity Drive runs behind several businesses, a hotel, a restaurant/bar, and a drug store, and acts as parking lot access for all three. The opposite

side of Unity Drive is bordered by the rail yard.

The Hwy 169 interchange is the preferred of the two, but is not without challenges. With an ADT of approximately 18,000 vehicles, this is a busy interchange with multiple turning movements. Not only are there on- and off-ramps in both directions, but just east of the bridge is a 'T' intersection where traffic enters the City of Virginia. Another challenge is a lack of space for any additional ramping to create a separate bridge crossing. Combining a new bridge with the existing interchange is the most logical option. Trail user safety is of utmost importance, which is why a separate pedestrian bridge is being proposed.

The City of Mountain Iron recently built a connector trail from the current Mesabi Trail south to the business district along Hwy 169. They have agreed to allow the Mesabi Trail to use this segment as a part of the reroute. The City of Virginia has also approved the use of city trails to complete the reroute. This unquestioning support from both cities shows the importance of the Mesabi Trail to the local economy and communities.

St. Louis County is leading the closure of CSAH 102, and fully supports the Rail Authority's efforts to move the trail before the closure occurs. They will help the relocation by building a connection between the end of the Mountain Iron bike trail at County Hwy 7 and Enterprise Drive to the existing walkway on the north side of the Hwy 169 interchange. From there, trail users will be able to cross into Virginia via existing sidewalks until a permanent route can be established. After considering many options, the most viable is to use the same crossing location as the Hwy 169 interchange and create separation via a pedestrian bridge over the highway lanes.

Included in this project will be the bridge design and construction, signal designs as needed for user safety, and connection and upgrades to route the trail through the adjacent cities. This project has the potential to make a bigger statement than just reiterating the importance of the Mesabi Trail to the region. This project will speak to the importance of outdoor recreation and active transportation to the state.

## **Project Rationale**

The Mesabi Trail runs concurrently with Parkville Rd and CSAH 102 (Old Hwy 169) within the City of Mountain Iron and crosses CN Railroad tracks and US 53 where it connects to 9th Street North in the City of Virginia. The Minnesota Department of Transportation (MnDOT), in partnership with St. Louis County, is leading a project in 2027 to reconstruct the intersection of US 53 and CSAH 102/9th Street North. This project will eliminate the west leg of CSAH 102 resulting in a three-legged signalized intersection. For historical context, 2.80 miles of CSAH 102 was permanently closed due to mining expansion approximately 10 years ago. St. Louis County has now gained approval from the Mountain Iron City Council in 2023 to permanently close all of CSAH 102. A copy of this resolution is enclosed. The purpose of this roadway closure is in anticipation of future mining activity, and it provides a safety benefit of closing an at-grade railroad crossing (USDOT #260149E).

The importance of this project centers on the impact the Mesabi Trail has on the economy of the region. Over 200,000 people use the trail on an annual basis. With the impending completion of the full 165 miles by next year, the number is expected to rise exponentially. If this connection is lost, the entire purpose of the Mesabi Trail is lost. The trail is the only non-motorized tie connecting the communities across the iron formation. It is the only route that speaks to the history of the iron

range, being partially located on the old Mesaba Electric Railway grade and the original settlers' wagon route, and yet inspires the present-day cyclists with a challenging, exciting, and scenic ride.

### **Project Timeline**

CSAH 102 is expected to be closed in 2027. The county will build the temporary reroute prior to closing and design of the bridge portion will begin at the same time. The bridge design is anticipated to be constructed in 2027/2028.

### **Other Considerations**

Both St. Louis County and MnDOT are in support of this project as are both cities, Mountain Iron and Virginia. Letters of support are included in this application. Both cities have enthusiastically responded to the changes in the alignment of the trail and have unquestioningly offered use of city-built trails as part of the Mesabi Trail relocation.

### **Impact on State Operating Subsidies**

None

### **Who will own the facility?**

The St. Louis & Lake Counties Regional Railroad Authority

### **Who will operate the facility?**

St. Louis & Lake Counties Regional Railroad Authority

### **Who will use or occupy the facility?**

The trail is available for non-motorized public use, including bicycles, pedestrians, and inline skates. The trail predominantly serves walkers and bicyclists in the summer, and walkers and skiers in the winter. Snowmobiles are allowed in winter on designated areas. The trail is ADA compliant, allowing for electric assist access such as wheelchairs and ebikes.

### **Public Purpose**

The public purpose is to provide outdoor recreation opportunities for people of all ages and abilities. The trail is free for pedestrian use and for kids under 18 years old. A wheel pass is required for adults using any non-motorized wheeled vehicle, but the cost for a year is a nominal \$20 per user. The trail is designed to ADA standards, paved, and well maintained so wheelchairs, walkers, and people of limited mobility have a safe and solid surface to traverse.

### **Description of Previous Appropriations**

- 1996 - \$500,000 to construct Mesabi Trail segment from Hibbing to Chisholm
- 2005 - \$300,000 to construct the Mesabi Station
- 2006 - \$950,000 to construct Mesabi Trail segment Vermilion State Park
- 2015 - \$5,827,635 to construct Virginia Highway 53 - Trails Project
- 2017 - \$1,138,000 to construct Mesabi Trail segment from Wahlsten Road towards Tower
- 2020 - \$1,000,000 to construct Mesabi Trail segment McKinley to Biwabik
- 2021 - \$1,650,000 to construct Mesabi Trail segment CSAH 88 to Ely

2025 - \$1,325,000 to construct Mesabi Trail segment Aurora to Hoyt Lakes

**Project Contact Person**

Sarah Ciochetto  
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(\$ in thousands)

Mesabi Trail Pedestrian Bridge over Hwy 53 Mtn Iron to Virginia

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,086	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,086</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$240	\$0	\$0
Project Management	\$0	\$150	\$0	\$0
Construction	\$0	\$3,300	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$396	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,086</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Integrated Solid Waste Management Campus - Phase 2	1	GO	6,000	0	0	0	0	0
Courthouse Asset Preservation	2	GO	2,000	0	0	0	0	0
Waste Water Treatment and Collection System	3	GO	8,000	0	0	0	0	0
<b>Total Project Requests</b>			16,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			16,000	0	0	0	0	0

**Integrated Solid Waste Management Campus - Phase 2**

**AT A GLANCE**

**2026 Request Amount:** \$6,000

**Priority Ranking:** 1

**Project Summary:** St. Louis County requests \$6 million (with a \$6 million match) for Phase 2 of the Integrated Solid Waste Management Campus that focuses on the planning, design and construction of a leachate treatment system to ensure proper management and treatment of leachate from the region's landfills, preventing PFAS and other leachate contaminants of concern from entering groundwater, Lake Superior, and other waters in the Great Lakes watershed.

**Project Description**

The Integrated Solid Waste Management Campus (Campus) near Canyon will serve the Northeast Waste Advisory Council (NEWAC) region consisting of Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, and St. Louis Counties and the Western Lake Superior Sanitary District (WLSSD). As identified in the final draft of NEWAC's Regional Solid Waste Management Plan (Regional Plan), the Campus will serve as a long term municipal solid waste (MSW) management solution for the northeast region of Minnesota consisting of a material recovery facility, landfill, leachate treatment and management system, renewable energy capture and utilization (landfill gas, solar, and geothermal), and organics backhaul to WLSSD. In addition to managing all incoming MSW, the Campus is being designed to accept waste volume from municipal dumps and State-owned closed landfills within the region. Phase 2 directs \$6 million of funding (in addition to a \$6 million match) for a crucial component of the Campus - the development of an on-site leachate treatment system. The system consists of lined collection and holding ponds, proven treatment technologies (advanced oxidation, ion exchange, activated carbon, and reverse osmosis), and on-site spray irrigation fields to ensure proper management and treatment of leachate from the region's landfills, preventing PFAS and other leachate contaminants of concern from contaminating groundwater and surface water resources. Phase 2 directly addresses 5 of the 10 priorities to protect families and communities identified in the state's "Minnesota's PFAS Blueprint" including: preventing PFAS pollution, limiting PFAS exposure from drinking water, reducing PFAS exposure from fish and game consumption, protecting ecosystem health, and managing PFAS in waste.

The project site St. Louis County selected is well-suited for a future MSW landfill and leachate treatment facility for the following reasons:

- 1) Based on environmental review, the site meets or exceeds basic MPCA MSW landfill siting requirements.
- 2) The site is centrally located on Highway 53 between the Iron Range and Duluth and its neighboring communities (the two largest waste generation areas within the NEWAC region) resulting in shorter haulage distances, reduced greenhouse gas (GHG) emissions, and lower fuel usage and cost.

3) Public lands surround the parcels on three sides, ensuring adequate area for the ability to site an integrated solid waste facility consisting of a MSW landfill, a processing facility and an on-site leachate treatment and management system.

### **Project Rationale**

The Campus aligns with Regional Plan serving the long-term MSW disposal needs of the region after the closure of the Superior Landfill and the St. Louis County Regional Landfill while reducing environmental impacts. Compared to the region's current MSW disposal system where several counties haul their MSW over 100 miles for disposal, the centrally located campus will reduce overall hauling distances in turn reducing cost per ton, fuel usage, and greenhouse gas (GHG) emissions. This proposed RCRA Subtitle D MSW landfill will also have capacity to cleanup and consolidate old dumps and closed landfills. The Campus would include a state-of-the-art Materials Recovery Facility, an advanced leachate treatment system to treat contaminants of concern including PFAS, a robust monitoring network of groundwater wells, leak detection risers surrounding the subtitle D landfill liner, and a landfill gas monitoring network, all while being zero-carbon by integrating renewable energy.

### **Project Timeline**

Final design, engineering, permitting and construction activities for the project will be performed from 2026 to 2029.

### **Other Considerations**

This campus:

- addresses 5/10 priorities to protect families and communities identified in "Minnesota's PFAS Blueprint" including: preventing PFAS pollution, limiting PFAS exposure from drinking water, reducing PFAS exposure from fish and game consumption, protecting ecosystem health, and managing PFAS in waste;
- aligns with long-term goals identified in NEWAC's Regional Solid Waste Management Plan;
- is being designed to accept waste volume from municipal dumps and State-owned closed landfills within the region;
- could result in significant hauling distance reduction, cost per ton savings, reduction in fuel usage, Green House Gas (GHG) reductions, and total fuel cost savings;
- helps prevent PFAS and other leachate contaminants of concern from entering groundwater, Lake Superior, and other waters in the Great Lakes watershed; and
- complements existing county/WLSSD solid waste programs that provide underserved areas of the region with convenient and affordable waste disposal and recycling

### **Impact on State Operating Subsidies**

Yet to be determined.

### **Who will own the facility?**

St. Louis County will own the project.

### **Who will operate the facility?**

St. Louis County will manage the Campus and hire a contractor possessing a MPCA Landfill Operator's License to operate the landfill and a contractor possessing a Wastewater Operator's license to

operate the leachate treatment system.

### **Who will use or occupy the facility?**

The Campus will serve NEWAC region residents and businesses by providing convenient, affordable, and environmentally friendly MSW disposal opportunities. Recognizing 9.8% of the region's population is low-income, and many areas have 40%+ of the population's reported income less than 185% of the federal poverty level, the Campus complements existing programs that provide underserved areas of the region with convenient and affordable, if not free, waste disposal and recycling opportunities.

### **Public Purpose**

As identified in the NEWAC's Regional Solid Waste Management Plan, the Campus will serve as a long term municipal solid waste (MSW), recycling, and leachate treatment and management solution for the northeast region of Minnesota. The Campus is being designed to accept waste volume from municipal dumps and State-owned closed landfills within the region while preventing PFAS and other leachate contaminants of concern from entering ground or surface water resources.

### **Description of Previous Appropriations**

The Minnesota Legislature awarded St. Louis County a \$2.1 million Iron Range Resources & Rehabilitation (IRRR) legislative grant in 2023 for solutions to protect Lake Superior and other waters in the Great Lakes watershed from PFAS contamination from landfills.

### **Project Contact Person**

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(\$ in thousands)

**Integrated Solid Waste Management Campus - Phase 2**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$6,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$0	\$6,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$4,000	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$8,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,000</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	N/A
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Courthouse Asset Preservation**

**AT A GLANCE**

**2026 Request Amount:** \$2,000

**Priority Ranking:** 2

**Project Summary:** St. Louis County is seeking assistance of \$2 million to recapitalize two of its three county courthouses. Funding will support a roof replacement at the St. Louis County Courthouse in Hibbing and replacement of elevators in the St. Louis County Courthouse in Duluth.

**Project Description**

St. Louis County is requesting 2 million (with a 2 million match) for courthouse asset preservation. The 4 million in total project costs will support a roof replacement at the St. Louis County Courthouse in Hibbing and replacement of elevators in the St. Louis County Courthouse in Duluth.

A roof replacement at the St. Louis County Courthouse in Hibbing will meet Minnesota Building Energy Code requirements, improve the energy efficiency of the building, and extend the building’s useful life.

The St. Louis County Courthouse in Duluth, originally built in 1909, maintains its original elevators, which have reached the end of their useful life. The elevators require a complete rebuild to ensure life safety, energy efficiency, and extend the useful life of the building. The elevators are critical to the functionality of the building and providing accessibility to County residents who utilize the building and services.

**Project Rationale**

The roof of the St. Louis County Courthouse in Hibbing has reached the end of its useful life and needs replacement. The new roof would improve the energy efficiency of the building and extend the building’s useful life.

The elevators of the St. Louis County Courthouse in Duluth are original to the building and are in need of being rebuilt. A full elevator replacement will ensure life safety, energy efficiency, and extend the useful life of the building. The elevators are critical to the functionality of the building and providing accessibility to County residents who utilize the building and services.

**Project Timeline**

It is anticipated these projects would start in 2026 and could be completed in 2026 or 2027. Full construction designs are complete for the Hibbing Courthouse roof. A draft proposal has been

prepared for the Duluth Courthouse elevators.

**Other Considerations**

Recapitalization of two county courthouses meets the prioritized focus of preserving existing infrastructure and repairing existing facilities of the Governor Walz's capital budget.

**Impact on State Operating Subsidies**

**Who will own the facility?**

St. Louis County

**Who will operate the facility?**

St. Louis County will procure qualified contractors to complete the restoration and repair work.

**Who will use or occupy the facility?**

The St. Louis County courthouses are occupied by the State of Minnesota Sixth Judicial District Court and St. Louis County offices.

**Public Purpose**

The public purpose of a county courthouse is to serve as a venue for legal proceedings of the Sixth Judicial District and also house county government offices, such as county administration, county assessor, and county auditor.

**Description of Previous Appropriations**

There have been no previous state appropriations for this project.

**Project Contact Person**

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(\$ in thousands)

**Courthouse Asset Preservation**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$0	\$2,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$4,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Waste Water Treatment and Collection System**

**AT A GLANCE**

**2026 Request Amount:** \$8,000

**Priority Ranking:** 3

**Project Summary:** St. Louis County is requesting \$8,000,000, on behalf of the Ash River Sanitary District, in state funds for the construction of a new wastewater treatment and collection system to serve the community's wastewater needs.

**Project Description**

This project is a part of a collaborative effort between St. Louis County, Koochiching County, U.S. Park Service, MPCA, Clean Water Council (and many others) to clean up the waters of the Voyageurs National Park. This specific project is the next step in this effort.

The Ash River Community is located in the northwest corner of St. Louis County, Minnesota on the southeast side of Kabetogama Lake. The community is located on Ash River, which flows north into Kabetogama Lake's Sullivan Bay. Ash River and Lake Kabetogama are part of Voyageurs National Park, the United States only water-based National Park. Ash River Sanitary District was established to eliminate failing septic systems and holding tanks, thereby improving water quality in Ash River and downstream water bodies in Voyageurs National Park.

The Sanitary District consists of 171 individual properties along the shores of Ash River. The majority of the properties are residential or consist of seasonal cabins or year-round homes. The area also has some resort properties which serve tourists to the area. A facility plan was prepared in 2020 and approved by MPCA in 2022. The report evaluated a variety of collection and treatment alternatives for the properties in the sanitary district. Ultimately a recommended alternative was identified that includes a low-pressure collection system which conveys sewage to a wastewater treatment facility. Effluent from the treatment facility will be discharged in a subsurface treatment system, similar to a septic system mound. The improvements will eliminate the need for individual septic systems on the properties within the district.

Design for the Collection and Treatment System Project is nearly complete. The Design documents will be submitted to MPCA for review and approval along with necessary permit application documents for operation of the wastewater treatment system. We anticipate the project will be bid and construction will begin in 2027. The project construction is anticipated to be done over two years and is likely to be completed by fall of 2029. Project costs are currently estimated at \$30 Million. Several sources of funding are being sought for assistance in funding the project, with hopes for alignment of funding in 2026.

**Project Rationale**

Ash River Sanitary District is made up of a mix of residential and commercial properties. Based on age of systems and inspection data from St. Louis County, existing septic systems on these properties have a 78% rate of non-conformance with county and state on-site system rules. Another way to say this is that sewage is being discharged from 78% of septic or holding tanks to subsurface dispersal systems that are not treating the sewage adequately. This leads to pollution of groundwater and surface water systems, including Ash River and Lake Kabetogama - deemed Outstanding Resource Value Waters by MPCA, and part of the Voyageurs National Park system. Installation of the proposed collection and treatment system would serve to eliminate these existing septic systems, thereby improving groundwater and surface water quality.

### **Project Timeline**

Completion of Design - October 2025  
Bid Advertising - February 2026  
Construction Start - July 2026  
Final Completion - November 2028

### **Other Considerations**

This project has the full support of the Ash River Community, Crane Lake Township, Kabetogama Township, Ash River Sanitary District Board, Voyageurs National Park Clean Water Joint Powers Board, St. Louis County, Koochiching County, MN Clean Water Legacy, MN Pollution Control Agency, MN DNR, MN PFA, U.S. Army Corps, USDA and the National Park Service.

### **Impact on State Operating Subsidies**

The Ash River Sanitary District does not intend to seek state grants to support the operation and maintenance of the new system.

### **Who will own the facility?**

The Ash River Sanitary District

### **Who will operate the facility?**

The Ash River Sanitary District

### **Who will use or occupy the facility?**

The residents and businesses of the Ash River Community.

### **Public Purpose**

The completion of this project will provide a new community waste water treatment system for the Ash River community.

### **Description of Previous Appropriations**

There have been no previous state appropriations for the Ash River Sanitary District.

### **Project Contact Person**

Debra Sanders

Chair - Ash River Sanitary District  
866-950-2986  
mn.frontier.resort@gmail.com

(\$ in thousands)

Waste Water Treatment and Collection System

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$8,000	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$7,000	\$0	\$0
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$10,000	\$0	\$0
Other Local Government Funds	\$0	\$5,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$30,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$3,100	\$0	\$0
Design Fees	\$0	\$3,100	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$23,800	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$30,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
documents?	
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Oxford & Louisiana Area Infrastructure Investment	1	GO	7,250	0	0	0	0	0
Wayzata-Zarthan-16th Corridor Project	2	GO	4,080	0	0	0	0	0
<b>Total Project Requests</b>			11,330	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			11,330	0	0	0	0	0

**Oxford & Louisiana Area Infrastructure Investment**

**AT A GLANCE**

**2026 Request Amount:** \$7,250

**Priority Ranking:** 1

**Project Summary:** The total cost of the Oxford and Louisiana area infrastructure investment is \$14.5 million and is included in the city’s capital improvement plan. The City of St. Louis Park requests \$7.25 million to acquire land, design, construct, and administer the project. The project will: Modernize roads which are regionally significant & in need of reconstruction Reduce downstream pollution & promote climate resiliency Encourage walking, biking, transit & increase transportation access for redevelopment

**Project Description**

This project is needed to repair existing infrastructure, remove barriers to active transportation and transit, and promote environmental sustainability and climate preparedness. This project will:

- Increase transportation access to underserved populations
  - The area is home to over 1,000 affordable housing units
  - 27 percent of residents in area identified as people of color in the 2020 census. This is high when compared to 22.8 percent citywide
  - Sidewalk construction will fill in gaps in the network creating connections where none exist today
  - Sidewalk construction will connect over 12,000 employees in the area to transit, both transit route 612 and the future Metro Green Line Extension stop making it easier and more attractive to use transit
- Improve neighborhood livability and community connection
  - Creates connections to homes, Cedar Lake regional trail, local businesses and parks.
  - New roundabout at the intersection estimated to reduce vehicle emissions by 25%.
  - Air quality will be improved by safer access to walking, biking, and transit
- Reduce downstream pollution and promote climate resiliency
  - Minnehaha Creek discharges into the Mississippi River, which provides nearly 20 million people with drinking water and supports a diversity of wildlife
  - Currently, the area drains directly into Minnehaha Creek, untreated
  - New infrastructure would remove pollutants prior to discharge into the creek, creating safer

drinking water and habitat for those downstream

- Building regional flood protection to remove critical infrastructure out of the flood zone, including Methodist Hospital and public roadways

Additional project improvements include:

- Replacement of 1.67 miles of roadway pavement
- Construction of 0.75 miles of new sidewalk
- Construction of a roundabout at the intersection of Oxford St. and Louisiana Avenue
- Regional stormwater treatment and flood storage
- Crosswalk enhancements for people walking and rolling, including shorter crossing distances, raised pedestrian refuge islands, and pedestrian-actuated flashing beacons
- Operational and access management changes at intersections to improve efficiency and safety
- Modification of existing sidewalks to meet ADA requirements and operation needs
- Replacement of existing street lighting with new LED systems and enhanced lighting in conflict areas
- Public utility repair and replacement

### **Project Rationale**

This project is needed to repair existing infrastructure, remove barriers to active transportation and transit, and promote environmental sustainability and climate preparedness. Our primary rationale for selecting this project is due to the regional nature of project components including:

- Providing local and regional connections to Highway 7 and Excelsior Boulevard, used by almost 4,500 vehicles daily, 83% of the traffic using them is from outside of St. Louis Park.
- The inclusive design of the project will create safe pedestrian connection, promote transit, and provide cleaner air for the 1,283 affordable rental housing units in the area.
- Regional stormwater quality improvements and flood mitigation.
- Enhanced transit and pedestrian accessibility to Methodist Hospital, a major hospital serving the Minneapolis-St. Paul area located two blocks south of this project.

### **Project Timeline**

- Preliminary design: Nov. 2025 – Sept. 2026
- Public engagement: Jan. 2026 – Aug. 2026
- City council preliminary design approval: Sept. 2026
- Final design and easement acquisition : Oct. 2026 –Dec. 2027
- Award bid : March 2028
- Construction: May 2028 – Oct. 2029

### **Other Considerations**

The project is located near the Louisiana Ave Green line light rail station and is primarily zoned

industrial. Planning for the redevelopment of this area has been underway for the last ten years, with an update in 2024.

The area within a mile of the project includes affordable housing and a higher percentage of people of color when compared to St. Louis Park. At the census block group level, 27% of project area residents identified as people of color in the 2020 census, compared to 22.8% citywide and 28.2% in the Minneapolis-St. Paul metropolitan area.

This project includes regional stormwater quality improvements and flood mitigation, to prepare for redevelopment and ensure climate resiliency. The new stormwater infrastructure will; Provide stormwater treatment to 29 acres, which currently discharges directly into the Creek, untreated; Provide flood storage, which would remove critical infrastructure out of the flood zone, including Methodist Hospital and public roadways.

**Impact on State Operating Subsidies**

The infrastructure will be owned and operated by the city of St. Louis Park. No new or additional state operating dollars will be requested for this project.

**Who will own the facility?**

The City of St. Louis Park

**Who will operate the facility?**

The City of St. Louis Park

**Who will use or occupy the facility?**

The project will be used by the public for pedestrian, bicycle, and vehicle travel.

**Public Purpose**

These roadways: Provide regional movement of goods and connections to commerce 83% of traffic using them is from outside of St. Louis Park Provide local and regional connections to Highway 7 and Excelsior Blvd

Additional project benefits include: Repairs and modernizes roadways with regional & local significance Supports equitable & affordable transportation alternatives Enhances transit and pedestrian accessibility to Methodist Hospital, a major hospital serving the Minneapolis/St. Paul area located 2 blocks south of this project New stormwater infrastructure would remove pollutants from stormwater Provides flood storage, removing critical infrastructure out of the flood zone Removes barriers for sustainable, non-motorized transportation Advances the city’s goal of carbon neutrality by 2040 Improves air quality for surrounding neighborhoods

**Description of Previous Appropriations**

None.

**Project Contact Person**

Clancy Ferris  
Legislative & Grants Analyst

612-541-2657  
cferris@stlouisparkmn.gov

(\$ in thousands)

Oxford & Louisiana Area Infrastructure Investment

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$7,250	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$7,250	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$14,500</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$500	\$0	\$0
Predesign Fees	\$0	\$100	\$0	\$0
Design Fees	\$0	\$2,610	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$11,290	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$14,500</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.**

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

Wayzata-Zarthan-16th Corridor Project

**AT A GLANCE**

**2026 Request Amount:** \$4,080

**Priority Ranking:** 2

**Project Summary:** The City of St. Louis Park requests \$4.08 million in to acquire land, design, construct, and administer the Wayzata-Zarthan-16th Corridor project. These roadways were last reconstructed over 30 years ago and need pavement replacement and modernization. This project will: Increase transportation access to underserved populations Improve neighborhood livability and community connection Encourage walking, biking, transit and regional connection The total cost for this project is: \$8.16 million.

**Project Description**

This project is needed to repair existing infrastructure, remove barriers to access active transportation, transit, affordable housing, commercial and job centers. This project will:

- Increase transportation access to underserved populations
  - The area is home to around 839 affordable housing units
  - 25.7 percent of residents in the area identified as people of color in the 2020 census. This is high when compared to 22.8 percent citywide.
  - Planned bicycle and pedestrian infrastructure will significantly improve multi-modal experience in the area.
  - This project will create walking, biking and transit connections for over 16,000 employees in the area.
- Improve neighborhood livability and community connection
  - The new roundabouts at Zarthan Ave/ 16th St and Gamble Dr/ 16th St are expected to reduce fuel consumption and reduce vehicle emissions by 25%.
  - Air quality will be improved by safer access to walking, biking, and transit.
- Encourage walking, biking, transit and regional connection.
  - Existing roadway design prioritized vehicle traffic and did not consider other users.
  - Three Rivers has proposed a north south regional connection adjacent to Wayzata Blvd. Connecting the Luce line Trail, North Cedar Lake trail and South Cedar Lake trail.
  - The city’s bicycle plan includes a multi-use trail connection along all road segments which will fill in gaps in the city's network.

- Planned bicycle and pedestrian infrastructure will significantly improve multi-modal experience in the area.

Additional project improvements include:

- Replacement of 1.3 miles of roadway pavement along Wayzata Blvd, Zarthan Avenue, and 16th Street between Louisiana and Park Place Blvd
- Construction of 0.9 miles of new multi-use trail
- Construction of two roundabouts located at Zarthan Ave/16th Street and Gamble Drive/16th Street
- Crosswalk enhancements for people walking and rolling, including user-actuated flashing beacons
- Operational and access management changes at intersections to improve efficiency and safety
- Modification of existing sidewalks to meet ADA requirements and operation needs
- Enhanced streetlighting in conflict areas
- Public utility repair and replacement

**Project Rationale**

These roadways provide regional movement of goods and connections to commerce. They’re currently used by approximately 13,000 to 21,500 vehicles per day, with 69 to 79% of that traffic coming from outside of St. Louis Park. Providing local and regional connections to I-394 and TH100. These roadways were last constructed over 30 years ago and are in need of pavement replacement and modernization.

This area of the city has a mix of land uses. Including affordable rental housing, office buildings, restaurants, and shopping. The road reconstruction and trail construction will help residents, employees, and visitors make their way around the city safely.

The project will contribute to a state of good repair by modernizing roadways with regional and local significance, improving pedestrian and bicycle connections, promoting equitable and safe active transportation, and helping achieve the goals of the city’s Climate Action Plan.

**Project Timeline**

- Preliminary design: Nov. 2025 – Sept. 2026
- Public engagement: Jan. 2026 – Aug. 2026
- City council preliminary project approval: Sept. 2026
- Final design and easement acquisition: Oct. 2026 – Dec. 2027
- Award bid: March 2028
- Construction: May 2028 – Oct. 2028

**Other Considerations**

Demographics

The area within a mile of the project includes affordable housing and a higher percentage of people of color when compared to St. Louis Park. At the census block group level, 25.7% of project area residents identified as people of color in the 2020 census, compared to 22.8% citywide in St. Louis

Park and 28.2% in the Minneapolis-St. Paul metropolitan area.

The inclusive design of the project will create safe bicycle and pedestrian connections, promote active transportation, and provide cleaner air for the 839 affordable rental housing units in the area.

Improve neighborhood livability and community connection

The new design encourages walking, biking, transit and increases transportation access for redevelopment. Three Rivers Park district has a proposed north south regional connection between the Luce line Trail, North Cedar Lake trail and South Cedar Lake trail that is adjacent to Wayzata Blvd and will be constructed as part of this project.

**Impact on State Operating Subsidies**

The infrastructure will be owned and operated by the city of St. Louis Park. No new or additional state operating dollars will be requested for this project.

**Who will own the facility?**

The City of St. Louis Park

**Who will operate the facility?**

The City of St. Louis Park

**Who will use or occupy the facility?**

The project will be used by the public for pedestrian, bicycle, and vehicle travel.

**Public Purpose**

These roadways:

- Provide regional movement of goods and connections to commerce. They're currently used by approximately 13,000 to 21,500 vehicles daily.
- 69 to 79% of the traffic using them is from outside of St. Louis Park.
- Provide regional and local connections to area land uses, I-394 and TH100.
- Create walking, biking and transit connections for over 16,000 area employees.

Additional project benefits include:

- Repairs and modernizes roadways with regional and local significance.
- Supports equitable and affordable transportation alternatives
- Advances the city's goal of carbon neutrality by 2040
- Improves air quality for surrounding neighborhoods

**Description of Previous Appropriations**

None.

**Project Contact Person**

Clancy Ferris  
Legislative & Grants Analyst  
612-541-2657  
cferris@stlouisparkmn.gov

(\$ in thousands)

Wayzata-Zarthan-16th Corridor Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,080	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$4,080	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,160</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$840	\$0	\$0
Predesign Fees	\$0	\$100	\$0	\$0
Design Fees	\$0	\$1,680	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$5,540	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,160</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
RiverCentre Arena Renovations	1	AP	333,025	0	0	0	0	0
RiverCentre Convention Center Renovations	2	GO	40,954	0	0	0	0	0
Roy Wilkins Auditorium Renovations	3	AP	87,788	0	0	0	0	0
Mississippi River Learning Center Construction	4	GO	10,000	0	0	0	0	0
Como Zoo and Conservatory - Big Cat Habitat and Bridge Reconstruction	5	GO	25,730	0	0	0	0	0
Eastbound Kellogg RiverCentre Bridge Reconstruction	6	GO	73,784	0	0	0	0	0
Randolph Avenue Bridge Reconstruction	7	GO	12,000	0	0	0	0	0
<b>Total Project Requests</b>			583,281	0	0	0	0	0
<b>Appropriation Bonds (AP) Total</b>			420,813	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			162,468	0	0	0	0	0

**RiverCentre Arena Renovations****AT A GLANCE****2026 Request Amount:** \$333,025**Priority Ranking:** 1

**Project Summary:** The project request is a combination of the items detailed in the Long-Term Capital Needs Assessment (below) and additional items to enhance the facility. The request addresses the most pressing facility needs at this point in the building life cycle. Facility improvements included in this request are intended to ensure the facility's ability to perform at the required levels for NHL events and to continue to be a leading major multi-purpose arena to a wide range of world-class events.

**Project Description**

The LEED Gold Certified, RiverCentre Arena (formerly Xcel Energy Center) located in Saint Paul, Minnesota opened in 2000 and is currently 24 years old. CAA ICON's findings, shared and voiced throughout by the Specialty Consultants, show that the Arena is in generally Good condition. The Arena is well-maintained as Arena staff have implemented an effective preventative maintenance program and are diligent in replacing equipment that has reached end of life/serviceability.

## · Recommended Upgrades:

Addition of (2) Escalators (currently facility only has 1), Bowl Signage, Seat Back Replacement Upper Level,

Suite Door Ticket Scanner, Scoreboard Control Expansion

## · Recommended Upgrades, but not Quantified:

Addition of Vestibules for Bowl Air Handling Unit Mechanical Rooms, Redistribution and Control of Heating/Cooling within Locker Room/Concert Spaces, Addition of (1) Team Store Storage Air Handling Unit, Removal of Bowl Air Handling Unit VAVs, Emergency System Consolidation to DX Chilled Water Source Operations

## · Considerations in Development of the level-by-level program:

Diversification of Premium Assets

Expanded and Refreshed On the Glass Club

New Bunker Club and Tunnel Suites

New Concourse Clubs on the South and North

New West End Club accessible to the general public

Updates to all Suites

Sponsor Deck East Side extending from the Main Concourse to the Club Level

New Theater Boxes on West Suite New Ledge Club on Suite Level

Expansion of Loge Club on Club Level

New Theater Boxes on North and South Club Level

New Outdoor Terraces

New East Terrace Party Deck

· Overall Arena Enhancements

- Refresh of public concourses, to include Audio/Visual (“A/V”), sound, and lighting
- Updates to all restrooms, to include fixture replacement
- Renovation and reconfiguration of Event Level Teams/Visiting Team/Auxiliary Spaces
- Expansion of Gate 2 Entrance
- New Mother’s Rooms and Sensory Rooms
- Food and Beverage Opportunities
- New Markets and Bars
- Relocation and Expansion of the Tap House at Gate 2
- New Concourse Bars on Suite Level and Club Level
- New Food Hall on Upper Concourse
- Renovation and reconfiguration of all Kitchens to include cooking equipment
- Operational Improvements
- New Employee Campus Gate
- Expansion of the North and additional vertical circulation to facilitate patron movement.
- Renovation and reprogramming of Back of House Spaces, including
- Creation of a “Star Campus” for concerts and special events
- Addition of In Slab Hydronic Snowmelt System around the site

**Project Rationale**

Due to limited renovations over the years, the Arena has maintained the original design aesthetic, which now is dated. Due to the age of the Arena, most of the equipment is nearing end of life and needs to be replaced. The Arena also has several operational challenges and inefficiencies that impact the fan experience. Upgrades and renovations are needed to keep the Arena in good condition and a leader amongst other NHL facilities and multi-purpose arenas.

Because the arena is currently 24 years old, and the LTCNA and matrix encompass an additional 15-year duration, the Arena will be nearly 39 years old by the completion of this 15-year assessment. Unlike most similar facilities, the facility heating, cooling, and domestic hot water is provided by District Energy who is responsible for maintenance of the equipment that supports these systems. This is a benefit to the Arena because it is not a capital maintenance expenditure that must be planned for.

**Project Timeline**

- Arena Renovation
- Schematic Design Jul-2025
- State Approval May-2026
- RFP Architect/Contractor/Owners Rep Jul-2026
- Design and Documents Jul-2026
- Bid/Mobilization Early Phase 1 Jan-2027 Pre-Requisites (Internal)
- Non Construction related Items Jan-2027 Maintenance/Technology/Equipment
- Mobilization Phase 2 Jul-2027
- Construction/Demo Jul-2027 Non-NHL assets earlier. NHL assets last day of season.
- NHL Assets Construction Jul-2028 NHL assets after last day of season.
- NHL Assets Construction Jul-2029 NHL assets after last day of season.
- NHL Assets Construction Jul-2030 NHL assets after last day of season.
- Substantial Completion Oct-2030

**Other Considerations**

None

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

City of Saint Paul, Minnesota

**Who will operate the facility?**

Saint Paul Arena Company and Minnesota Hockey Ventures Group through a master lease with the City of Saint Paul.

**Who will use or occupy the facility?**

Saint Paul Arena Company, LLC

**Public Purpose**

The renovation supports economic growth and community revitalization by attracting events that boost tourism and benefit local businesses. It also preserves the arena as a key regional venue for sports, concerts, and civic gatherings, helping to strengthen local pride and identity while generating jobs and long-term public value.

**Description of Previous Appropriations**

No previous State Appropriations were received as a part of this renovation project. The facilities to be renovated have received past state appropriations. The arena was originally built with a \$65 million state loan which was authorized in 1998 and subsequently amended. In addition, the RiverCentre complex received an appropriation for debt relief in 2014.

**Project Contact Person**

Brynn Hausz  
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(\$ in thousands)

RiverCentre Arena Renovations

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Appropriation Bonds	\$0	\$333,025	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$133,209	\$0	\$0
Non-Governmental Funds	\$0	\$199,815	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$666,049</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$48,759	\$0	\$0
Construction	\$0	\$505,596	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$14,869	\$0	\$0
Inflationary Adjustment	\$0	\$96,825	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$666,049</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

**RiverCentre Convention Center Renovations****AT A GLANCE****2026 Request Amount:** \$40,954**Priority Ranking:** 2

**Project Summary:** The LEED Gold Certified, Saint Paul RiverCentre, located in Saint Paul, MN, opened in 1998 and is currently 27 years old. While the venue has been well-maintained through preventative maintenance and diligent management of repairs and equipment, improvements are needed to ensure its long-term viability to support and attract events, as many facets of this facility have reached or are nearing end of life status.

**Project Description**

RiverCentre costs have been grouped into the following categories:

Expansion Improvements  
Sustainability Improvements  
HVAC/Envelope Improvements  
ADA Improvements  
Infrastructure Improvements.

**EXPANSION IMPROVEMENTS**

Lecture hall / meeting rooms; Reconfigure lower level auditorium exhibit hall connection to RC Exhibit Halls; Reconfigure refuse center to improve efficiency of waste sorting; Front of house security office; 5TH floor expansion; Modernize signage (LED, digital signage); Hotel walkway preparations; Rotunda connection to complex; Exterior upgrades on Kellogg Blvd side; Replacement of skyway stairs; Outdoor plaza covering; Ballroom rigging grid; Rooftop Terrace; Administrative Offices; Visitor Center; Employee services

**SUSTAINABILITY IMPROVEMENTS**

Overhead door replacement (both high speed & non high speed); Complex-wide lighting controls

**HVAC / ENVELOPE IMPROVEMENTS**

Roof replacement under solar panels; Acoustical panel replacement (ballroom, meeting room, exhibition halls)

**ADA IMPROVEMENTS**

Add elevator 5 for improved ADA access

**INFRASTRUCTURE IMPROVEMENTS**

Updating-Modernizing Lower Exhibit Hall including acoustics, data wiring, power, furniture, fixtures, and equipment; Installation of loading dock security traffic management system; Replace all airwalls (ballroom, meeting rooms, exhibition halls); Sound system replacement - RC wide; Meeting room windows – replacement; Kitchen remodel; Lobby woodwork / millwork; Brick work renovation; HVAC

and control upgrades; Restroom upgrades; Kellogg Lobby tile; Rice Park hallway tile; Concession stand upgrades; Stairwell flooring replacement; Tunnel refurbish; Window shade replacements (meeting rooms 1 - 9)

**Project Rationale**

This request supports critical infrastructure and equipment upgrades at Saint Paul RiverCentre, much of which has reached or is nearing the end of its useful life. Additionally, significant improvements are necessary to modernize a key event space that is currently difficult to book due to its extremely outdated condition and end of life status. These updates are import in ensuring Saint Paul RiverCentre remains competitive and visually consistent with surrounding facilities.

**Project Timeline**

RiverCentre Renovation

Approval	May-2026
Design and Documents	July-2026
Bid/Mobilization Early Phase 1	Jan-2027
Construction/Demo	Jul-2027
Construction/Demo	Jun-2028
Substantial Completion	Oct-2030

**Other Considerations**

None

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

City of Saint Paul

**Who will operate the facility?**

Saint Paul Convention and Visitors Authority via contract with Saint Paul Arena Company LLC

**Who will use or occupy the facility?**

Saint Paul Convention and Visitors Authority Public Events, Meetings, Entertainment, Sporting Events, and Conventions

**Public Purpose**

The renovation supports economic growth and community revitalization by attracting events that boost tourism and benefit local businesses. It also preserves the convention center as a key regional venue for sports, civic gatherings, and conventions, helping to strengthen local pride and identity while generating jobs and long-term public value.

**Description of Previous Appropriations**

No previous State Appropriations were received as a part of this renovation project.

**Project Contact Person**

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(\$ in thousands)

RiverCentre Convention Center Renovations

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$40,954	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$17,551	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$58,505</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$2,215	\$0	\$0
Project Management	\$0	\$1,744	\$0	\$0
Construction	\$0	\$44,109	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$1,932	\$0	\$0
Inflationary Adjustment	\$0	\$8,505	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$58,505</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	No
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

## Roy Wilkins Auditorium Renovations

**AT A GLANCE****2026 Request Amount:** \$87,788**Priority Ranking:** 3

**Project Summary:** Constructed in 1931 in Saint Paul, Minnesota, the 94 year old LEED Gold Certified, Roy Wilkins Auditorium, is in need of substantial improvements to compete for events and drive economic impact. A return of the auditorium to its pre-1970's state with improved accessibility and amenities is the ultimate goal which will allow greater ability to book the venue as a multi-use venue.

**Project Description**

Auditorium costs have been grouped into the following categories:

- Expansion Improvements
- Sustainability Improvements
- HVAC/Envelope Improvements
- ADA Improvements \$
- Infrastructure Improvements
- Event Production Improvements

Specific items considered within these categories are as follow:

\*Expansion Improvements Include:

Redo access to upper lobby, Arena "truck" studio, Remove ballrooms, Add seats on east/west, Add suite/hospitality in upper rows in line with control booth, Artist compound on North End, Connect to 4th floor RC, Relocate load/unload, Re-roof exterior where needed (North end), Add patio on North End

\*Sustainability Improvements Include:

New lighting system (house and concert), Encapsulate interior ceiling

\*HVAC/Envelope Improvements Include:

Replace existing air handling with new efficient units, Add additional air handling units include smoke evac.

\*ADA Improvements Include:

New restrooms, New concessions, Rebuild existing restrooms and food and beverage areas, Floor re-pour, Elevator to Mezzanine, New ADA seating in balcony, Access to Mezzanine level from Saint Paul RiverCentre 4th floor

\*Infrastructure Improvements Include:

Update Storage, Update Workspaces, Replace all seats, F&B Space North End, Acoustic Wall

coverings, Remodel lobby, New first aid, Restore 5th street exterior

\*Event Production Improvements Include:

New Sound System (Club quality---removable), New Lighting system (house and Concert), Large LED Screen on North End, New rigging grid, High end acoustical treatments

**Project Rationale**

PUBLIC ASSET STEWARDSHIP: Investments are necessary to maintain safety, code compliance, accessibility and relevance. Without major infrastructure improvements, Roy Wilkins Auditorium has outlived its usefulness and marketability.

SUSTAINABILITY & REVENUE GROWTH: Upgrades enhance energy efficiency, accessibility, and technology—lowering operating costs over the long term and increasing venue appeal. Investments would extend the life of the Auditorium, reduce the need for emergency repairs, and increase long-term earned revenue.

**Project Timeline**

Auditorium Renovation

Approval	May-2026	
Design and Documents	July-2026	
Bid/Mobilization Early Phase 1	Jan-2028	
Bid/Mobilization Phase 2	Jul-2028	
Construction/Demo	Jul-2028	After Graduation Season
Exhibit Hall Reno	Jun-2029	
Construction/Demo	Jun-2029	
Construction/Demo	Jun-2030	
Substantial Completion	Oct-2030	

**Other Considerations**

None

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

City of Saint Paul

**Who will operate the facility?**

Saint Paul Convention and Visitors Authority via contract with Saint Paul Arena Company LLC

**Who will use or occupy the facility?**

Saint Paul Convention and Visitors Authority Public Events, Meetings, Entertainment, Sporting Events, and Conventions

**Public Purpose**

The renovation supports economic growth and community revitalization by attracting events that

boost tourism and benefit local businesses. It also preserves the auditorium as a key regional venue for sports, concerts, and civic gatherings, and conventions, helping to strengthen local pride and identity while generating jobs and long-term public value.

### **Description of Previous Appropriations**

No previous State Appropriations were received as a part of this renovation project. The facilities to be renovated have received past state appropriations. The auditorium received \$2.3 million in 2003 for asset preservation from the State.

### **Project Contact Person**

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(\$ in thousands)

**Roy Wilkins Auditorium Renovations**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Appropriation Bonds	\$0	\$87,788	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$35,114	\$0	\$0
Non-Governmental Funds	\$0	\$52,673	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$175,575</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$17,049	\$0	\$0
Construction	\$0	\$127,803	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$5,199	\$0	\$0
Inflationary Adjustment	\$0	\$25,524	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$175,575</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

Mississippi River Learning Center Construction

**AT A GLANCE**

**2026 Request Amount:** \$10,000

**Priority Ranking:** 4

**Project Summary:** State funding is requested to design and construct a mixed-use, river-focused space and a office headquarters for major partners and non-profits at Crosby Farm Regional Park, serving as a national gateway to the Mississippi River with year-round regional river learning and outdoor recreation experiences on and along Saint Paul's River.

**Project Description**

This project is a unique opportunity to redevelop an underutilized location along the Mississippi River to create a center of river exploration and learning. A 25 acre site located near Bdote, an area where the Minnesota and Mississippi Rivers join together, and within Hidden Falls-Crosby Farm Regional Park will bring people and nature together with a site design that better accommodates visitors, park users, school groups and year round recreational enthusiasts to engage the Mighty Mississippi and experience the land, water, and culture of this region.

A series of buildings are planned at this site to create a welcoming gateway, provide office and headquarter space for supportive organizations, and to create facilities for environmental learning and instruction. Facilities also accommodate the needs of both motorized and unmotorized watercraft. The site is on a steep bluff within the river valley so conceptual plans consider the topographic change of the site and accessibility needs in addition to sensitivity of the floodplain and dynamic quality of the river.

The plan honors the cultural significance of this area to the Dakota people, increases access to the parks in a way that strengthens wellness of people, plants, animals, and water. The plan seeks to maintain this place of healing and restoration for people and ecology, including those of Saint Paul and the broader Metropolitan region.

**Project Rationale**

Currently, the location for the Mississippi River Learning Center is unnoticed and underutilized. A site of such significance with access to the river's edge presents an opportunity for the region's residents and visitors to touch the water of the Mississippi River and to experience the dynamic river landscape and ecosystem. Within a half-mile are residents who are low-mobility and categorized as low income and highly diverse. A facility and activity hub to provide new experiences in nature and along the Mississippi River for recreation and learning will be an asset to the region and one-of-a-kind.

Re-development of this site is a way to restore the ecology and vegetation of this highly disturbed floodplain and find a balance for nature and humans to co-exist.

## **Project Timeline**

July - October 2026 - Construction and Bid Document completion  
November 2026 - February 2027 - Bidding, Contract Award and Construction Planning  
March 2027- September 2028 - Construction of Phase 1  
October - December 2028- Furnishings and program planning

## **Other Considerations**

Construction sequencing will take into account the river levels for site work adjacent to the river's edge due to the nature of flooding. Timing of construction may need to adjust for this reason.

## **Impact on State Operating Subsidies**

The City of Saint Paul and operating partners will provide the operating budget for the project.

## **Who will own the facility?**

The City of Saint Paul and the Department of Parks and Recreation will own the facilities.

## **Who will operate the facility?**

A coalition of partners will operate the facilities. The City's contracted marina operator (currently Your Boat Club) has the contract to manage and operate the marina facility. Other potential partners that may headquarter and operate from this facility include National Park Service, Mississippi Park Connection and Wilderness Inquiry. Additionally, City of Saint Paul Park and Recreation staff will offer continued programming at this location.

## **Who will use or occupy the facility?**

The facility will be available to the public so park users will be able to hike, bike, cross country ski, snowshoe, paddle and boat from this facility. The City's contracted marina operator (currently Your Boat Club) will occupy, manage and operate the marina facility for general public to rent boats or boat owners to store boats. Other potential partners that may headquarter and operate from this facility include National Park Service, Mississippi Park Connection and Wilderness Inquiry. Additionally, City of Saint Paul Parks and Recreation staff will have office space for programming.

## **Public Purpose**

This is one of two marina locations on the river within this stretch of river that offer access for both motorized and non-motorized boats; it is a unique asset to the region to have this facility. The addition of programming and educational opportunities for river exploration, paddling, and outdoor experiences in an urban environment will be a national destination.

## **Description of Previous Appropriations**

Mississippi River Learning Center - \$8 million (Laws 2023, Ch. 72)

## **Project Contact Person**

Brynn Hausz  
Intergovernmental Relations Director

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(\$ in thousands)

Mississippi River Learning Center Construction

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$8,000	\$0	\$0	\$0
GO Bonds-User Financing	\$0	\$10,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$2,500	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$10,500</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$400	\$0	\$0
Design Fees	\$8,000	\$2,480	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$2,500	\$7,120	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$10,500</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	Yes
Has the pre-design been submitted to the Department of Administration?	No
Has the pre-design been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	No
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

**Como Zoo and Conservatory - Big Cat Habitat and Bridge Reconstruction**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$25,730
<b>Priority Ranking:</b>	5
<b>Project Summary:</b>	State funds is requested to design, construct, furnish and equip the Big Cat Habitat and bridge at Como Park Zoo and Conservatory.

**Project Description**

Como Park Zoo and Conservatory’s Campus Framework plan addresses critical habitat updates, energy efficiency asset preservation and ADA issues. The Big Cat Habitat has been identified as a major priority. A recent structural survey has found the structural integrity of the bridges to need repair and have been closed since July 2022. While a short-term solution has been identified and underway, a long-term look of this space needs to address, or Como may have to close this building – representing 1/6th of the Como Campus exhibits – and decommission the collection. ADA issues with the building with stairs on one side and long slopes have been an issue. Upgrading the HVAC systems for energy efficiency is a long-term sustainability goal.

The Big Cat Habitat project includes designing new habitats for lions, tigers, cougars, snow leopards and wolves. The habitats will feature public spaces to get the nose-to-nose views that Como guests have known for generations, while provide world-class housing needs for the residents in regard to animal welfare and wellness. Opportunities for operant conditioning training, natural enrichment, off-exhibit spaces, and veterinarian care.

**Project Rationale**

Como Park Zoo and Conservatory is a statewide asset that provides meaningful educational opportunities free of charge by showcasing ambassadors of species to connect Minnesotans to nature and inspire them to value the presence of living things in their lives.

A recent structural survey has found the structural integrity of the bridges to need repair and was closed to the public for several months. While a short-term solution has been identified and underway, a long-term look of this space needs to address, or Como may have to close this building. These animals will no longer be available to the public and sent to other zoos. These habitats make up 1/6th of the zoo grounds.

**Project Timeline**

- July 2026-April 2027 - Construction Documents
- May 2027-June 2027 – Bidding
- July 2027-January 2029 – Construction
- Spring 2029 – plant stabilization, animal acclimations and public opening.

## **Other Considerations**

Como Park Zoo and Conservatory is a statewide asset that provides meaningful educational opportunities free of charge by showcasing ambassadors of species to connect Minnesota's to nature and inspire them to value the presence of living things in their lives. Como Park Zoo and Conservatory welcomes up to 2.2 million guests per year from across the State of Minnesota and individuals coming from out of Minnesota.

## **Impact on State Operating Subsidies**

None

## **Who will own the facility?**

City of Saint Paul

## **Who will operate the facility?**

City of Saint Paul Parks & Recreation

## **Who will use or occupy the facility?**

City of Saint Paul - Lions, Tigers, Snow Leopards and Cougars!

All Minnesotans— Como Park Zoo and Conservatory welcomed over 1.8 million guests in 2024, free of charge.

Como Park Zoo and Conservatory visitors come from all over the State of Minnesota. 16% - City of Saint Paul 42% - Twin Cities Metro Area 27% - Greater Minnesota 15% - Out of State

## **Public Purpose**

Como Park Zoo and Conservatory is a statewide asset that provides meaningful educational opportunities free of charge by showcasing ambassadors of species to connect Minnesota's to nature and inspire them to value the presence of living things in their lives. Como Park Zoo and Conservatory is free of charge and offers opportunities to visit 365 days of year.

## **Description of Previous Appropriations**

Seals & Sea Lions \$15 million - Gorilla Forest \$10 million - Polar Bear Odyssey - \$9 million

## **Project Contact Person**

Brynn Hausz  
Intergovernmental Relations Director  
651-266-8575  
brynn.hausz@ci.stpaul.mn.us

(\$ in thousands)

Como Zoo and Conservatory - Big Cat Habitat and Bridge Reconstruction

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
GO Bonds-User Financing	\$0	\$25,730	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Non-Governmental Funds	\$1,060	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$1,060</b>	<b>\$25,730</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$115	\$0	\$0	\$0
Design Fees	\$875	\$996	\$0	\$0
Project Management	\$70	\$140	\$0	\$0
Construction	\$0	\$24,594	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$1,060</b>	<b>\$25,730</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

**Eastbound Kellogg RiverCentre Bridge Reconstruction**

**AT A GLANCE**

**2026 Request Amount:** \$73,784

**Priority Ranking:** 6

**Project Summary:** The City of Saint Paul is requesting state bond funds for design and construction to replace the existing Eastbound Kellogg Boulevard Bridge No. 90378 with a new system of road and bridge infrastructure. The project will reconstruct Bridge No. 90378 and approach roadways between W. 7th St and Market St, and reconstruct infrastructure located under the bridge including Exchange St viaduct from Eagle St to Washington St and Loading Dock Exit Road.

**Project Description**

The project aims to reconstruct the existing eastbound Kellogg Boulevard Bridge no. 90378 near the St Paul RiverCentre. The reconstruction work includes replacement of the associated Kellogg Boulevard Bridge approach roadways, retaining wall systems, and other structures and infrastructure including but not limited to lighting, signals, communications, sewer utility, water utility, fire suppression systems, HVAC systems, drainage systems, security and safety systems, items to facilitate access and inspection, snowmelt systems, trees, landscaping, streetscape improvements, aesthetic treatments, environmental remediation and pedestrian and bicycle facilities, between West Seventh Street and Market Street, including Eagle Street, Exchange Street, and RiverCentre Loading Dock Road structures and infrastructure. In addition, necessary structural modifications to BR 62574 will be completed to realign the joint at the interface between BR 90378 and BR 62574. Further, the project plans to reconstruct concrete barriers on Kellogg Boulevard on BR 62575 where it interacts with BR 90378.

In summary, the project aims to replace structurally-deficient bridge infrastructure, modify adjacent westbound Kellogg bridge structures, reconstruct approach roads, and improve facilities for motorists, bicyclists and pedestrians.

**Project Rationale**

The bridge is 89 years old and it is beyond its functional design life. The concrete degradation and corrosion of the steel are irreversible. The bridge is structurally deficient and as conditions continue to decline, the City may be required to take additional measures to reduce traffic loading on the bridge, and in severe cases, close the bridge to protect the public. Traffic load restrictions hamper the free movement of goods and services on Kellogg. Closure of the bridge will cause significant disruption to commerce and limit access to major regional attractions preventing people from attending concerts, trade shows, Minnesota Wild Hockey games, or going on school trips at the Science Museum of Minnesota.

The project will reconstruct critical transportation infrastructure that has regional significance, will

improve accessibility and multi-modal transportation in the downtown entertainment district, and will restore load carrying capacity of the bridge to accommodate freight and heavy vehicle traffic on Kellogg Boulevard.

### **Project Timeline**

June 2022 - Design Completed

June 2026 - Full funding secured through the 2026 State Legislative Request

March 2027 - Complete Update of Plans and Specifications/Bid Project

July 2027 - Begin Construction

July 2030 - Substantial Project Completion

### **Other Considerations**

The City secured \$7M in federal STIP funding upon receiving project authorization in June 2022. In addition, \$1.75M in state bridge bond funding were assigned to the project as a match to the federal STIP funding. Because sufficient funding was not obtained in 2024, this has caused us to forfeit this previously secured federal funding.

Federal Funding - Secured but subject to expiration

The 2023 Omnibus Congressional Appropriations Bill (Federal CDS Earmark) allocated and secured \$7M to this project. This funding has an obligation deadline of September 30, 2026, which assuming that full project funding will not occur until June 2026, the project couldn't advance through bidding until March 2027. Therefore, this federal funding is subject to expiration and is considered expired and unavailable.

The City of Saint Paul has a pending USDOT Bridge Investment Program Federal application to cover 80 percent of the expected cost of the bridge reconstruction for FY25.

Impact on Black, Indigenous, and People of Color (BIPOC) communities:

The project location is in a geographical area (as identified by Metropolitan Council Regional Solicitation process) with above-average concentration of BIPOC communities and other disadvantaged populations. The bridge facility provides an important connection to the network of transit destinations served from the downtown core.

Impact on other marginalized communities (disability, aged, low income, etc.)

The project lies adjacent to an area of concentrated poverty and is within the downtown business district. The bridge facility provides an important connection for all modes of transportation including passenger/commercial vehicles as well as non-motorized use. Additionally, the project will add accessible bike/ped sidewalk to Exchange Street where no pedestrian facility currently exists. The new sidewalk will provide a direct connection between the Sam Morgan Regional Trail (Mississippi River elevation) and the top of the river bluff (Downtown).

### **Impact on State Operating Subsidies**

None

### **Who will own the facility?**

The City of Saint Paul is the sole owner of this project.

### **Who will operate the facility?**

The City of Saint Paul will operate the project. The City of Saint Paul Public Works will oversee the inspection, maintenance and repair of the bridge system over its lifetime. The City's Bridge Division conducts routine bridge inspections for bridges within City limits per the Federal Highway Bridge Inspection Program as administered by the Minnesota Department of Transportation.

**Who will use or occupy the facility?**

The project benefits those who live, work in Saint Paul and those who visit Saint Paul from across the State of Minnesota. The bridge is located at the core of downtown Saint Paul entertainment district. It is adjacent to the Xcel Energy Center, the RiverCentre Convention Centre, the Science Museum of Minnesota, and the RiverCentre parking ramp facilities. The bridge is key to accessing major regional attractions allowing people to attend concerts, trade shows, Wild hockey games or going on school trips to the museum.

**Public Purpose**

Open to public use.

**Description of Previous Appropriations**

None.

**Project Contact Person**

Brynn Hausz  
Intergovernmental Relations Director  
651-266-8575  
brynn.hausz@ci.stpaul.mn.us

(\$ in thousands)

Eastbound Kellogg RiverCentre Bridge Reconstruction

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$73,784	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$5,200	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$5,200</b>	<b>\$73,784</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$5,200	\$230	\$0	\$0
Project Management	\$0	\$10,000	\$0	\$0
Construction	\$0	\$51,232	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$500	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$11,822	\$0	\$0
<b>TOTAL</b>	<b>\$5,200</b>	<b>\$73,784</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

**Randolph Avenue Bridge Reconstruction**

**AT A GLANCE**

**2026 Request Amount:** \$12,000

**Priority Ranking:** 7

**Project Summary:** The City of Saint Paul is requesting state bond funds for design and construction to replace the Randolph Bridge over Union Pacific Railroad. This 3-span, 170-foot long bridge is in need of reconstruction to address age-related deterioration and to restore its load-carrying capacity. The bridge serves a critical transportation link connecting Shepard Road to multiple facilities on Randolph Ave (a dead-end road) including Xcel Energy High Bridge Power Generating Plant.

**Project Description**

This project will reconstruct the Randolph Avenue Bridge between Shepard Road and James Avenue. In addition to funding removal of the existing bridge over Union Pacific railroad, the project includes reconstruction of approach roadways, acquisition of right-of-way, design, construction engineering and inspection, and construction of a replacement bridge that includes multimodal elements for bicycles, pedestrians, and vehicles including freight truck traffic. The bridge provides the sole access to dead-end Randolph Avenue and numerous commercial and industrial businesses, including the Xcel Energy High Bridge Power Generating Plant, the (truck freight-dependent) River Bend business park and the Sam Morgan Regional Trail. As such, maintaining adequate and continuous use during construction is of critical importance to the project, business stakeholders and their many statewide customers.

**Project Rationale**

Randolph Avenue provides the sole access for both the River Bend Business Park and Xcel Energy's "High Bridge Generating Plant". The Xcel High Bridge plant provides electricity to more than 500,000 Minnesotans in the Twin Cities area. Despite extensive bridge maintenance and repair actions performed by the City of Saint Paul, Bridge No.7272 has shown rapid deterioration over the last several years requiring truck load restrictions. Bridge replacement will resolve railroad clearance requirements, restore heavy truck capacities, improve freight access, and encourage new development.

**Project Timeline**

Bridge scoping and feasibility work were completed in 2022 and the design concept received railroad review approval. Design engineering work resumed in 2025. Design phase tasks will include community engagement, coordination with external agencies, and right-of-way acquisition. The project will be shovel-ready by the end of 2027 and will advance to bidding and construction phases in concert with final project funding. Federal Bridge Replacement Off-System (BROS) funding has

already been secured in fiscal year 2029, therefore project delivery (including encumbrance and completion dates) are presently set to align with a construction start in October 2028. However, securing full project funding through the 2026 State Legislative request would enable City to advance construct the project as early as October 2027, resulting in potential cost savings and sooner project completion.

### **Other Considerations**

The bridge carries daily truck traffic, and repairs have been made over the years to address age-related deterioration of concrete and corrosion of beams. Historically those load restrictions have placed burden on businesses and affected their ability to perform daily operations. The bridge is load-restricted to vehicles in its current condition and two trucks are not allowed to meet on the bridge. Only a project of this magnitude will restore its capacity to carry common legal truck loads. Total project length is approximately 1000 feet.

The south side of the bridge carries the Sam Morgan Regional Trail. This portion of the bridge would need to be replaced. The work provides opportunities to collaborate with City Parks, neighbors and trail users to improve safety, comfort and aesthetics in the project area.

The City of Saint Paul has a pending CDS Federal application in the amount of \$5M with Senator Klobuchar and Senator Smith's offices for FY26.

### **Impact on State Operating Subsidies**

None

### **Who will own the facility?**

The City of Saint Paul is the sole owner of this project.

### **Who will operate the facility?**

The City of Saint Paul will operate the project. The City of Saint Paul Public Works will oversee the inspection, maintenance and repair of the bridge system over its lifetime. The City's Bridge Division conducts routine bridge inspections for bridges within City limits per the Federal Highway Bridge Inspection Program as administered by the Minnesota Department of Transportation.

### **Who will use or occupy the facility?**

Residents, students, workers and visitors utilize the bridge to access facilities off of Randolph Avenue including Xcel Energy High Bridge Plant, a chemical manufacturing facility, the River Bend business park, an elementary school and a multi-unit residential apartment complex. There are no alternative routes for access to this area, and reconstructing this bridge is vital to avoiding disruption to the residential, commercial and industrial activities in the area.

### **Public Purpose**

Open to public use.

**Description of Previous Appropriations**

There are no previous state appropriations for this project.

**Project Contact Person**

Brynn Hausz  
Intergovernmental Relations Director  
651-266-8575  
brynn.hausz@ci.stpaul.mn.us

(\$ in thousands)

**Randolph Avenue Bridge Reconstruction**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$12,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$4,131	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$16,131</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$40	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,237	\$0	\$0
Project Management	\$0	\$1,150	\$0	\$0
Construction	\$0	\$10,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$100	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$3,104	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$16,131</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Gorman Park Rehabilitation	1	GO	1,524	0	0	0	0	0
<b>Total Project Requests</b>			1,524	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,524	0	0	0	0	0

**Gorman Park Rehabilitation**

**AT A GLANCE**

**2026 Request Amount:** \$1,524

**Priority Ranking:** 1

**Project Summary:** The City of Saint Peter is requesting \$1,524,000 for rehabilitation of Gorman Park including the removal and replacement of the TREMENDOUS playground with an accessible playground, splash pad and other amenities.

**Project Description**

Rehabilitation of Gorman Park including the removal and replacement of the TREMENDOUS playground with an accessible playground, splash pad and other amenities.

**Project Rationale**

The TREMENDOUS Playground was built in the aftermath of the 1998 tornado as a "community build project". It has reached its end of life due in large part to the construction materials used and it is not accessible. The goal is to replace this playground and rehabilitate the park with a fully accessible playground and enhance the park with a new design, including a splash pad. This park serves our area including two non-profit childcare facilities, multiple schools, both public and private, and is adjacent to our community center which houses six community based non-profit or government entities and serves the greater Saint Peter area.

**Project Timeline**

Phase one is underway and will be completed in the late fall of 2025. Phase two is planned to start in spring of 2026.

**Other Considerations**

**Impact on State Operating Subsidies**

NA

**Who will own the facility?**

City of Saint Peter

**Who will operate the facility?**

City of Saint Peter

**Who will use or occupy the facility?**

This park serves our area including two non-profit childcare facilities, multiple schools, both public and private, and is adjacent to our community center which houses 6 community based non-profit or government entities and serves the greater Saint Peter area.

**Public Purpose**

This park serves our area including two non-profit childcare facilities, multiple schools, both public and private, and is adjacent to our community center which houses 6 community based non-profit or government entities and serves the greater Saint Peter area.

**Description of Previous Appropriations**

None

**Project Contact Person**

Todd Prafke  
City Administrator  
507-934-0663  
toddp@saintpetermn.gov

(\$ in thousands)

**Gorman Park Rehabilitation**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,524	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$1,300	\$0	\$0	\$0
City Funds	\$660	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
Non-Governmental Funds	\$0	\$150	\$0	\$0
<b>TOTAL</b>	<b>\$1,960</b>	<b>\$1,674</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$60	\$0	\$0	\$0
Design Fees	\$200	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$1,700	\$1,638	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$36	\$0	\$0
<b>TOTAL</b>	<b>\$1,960</b>	<b>\$1,674</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Stephen Infrastructure Improvements	1	GO	8,000	0	0	0	0	0
<b>Total Project Requests</b>			8,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			8,000	0	0	0	0	0

## Stephen Infrastructure Improvements

**AT A GLANCE****2026 Request Amount:** \$8,000**Priority Ranking:** 1

**Project Summary:** The proposed improvements to Stephen's drinking water distribution include replacing piping that is failing, replacing hydrants and gate valves to ensure adequate fire protection, and upgrading various components in the water tower to ensure compliance with OSHA and Ten States Standards. Stephen's sanitary sewer collection system will also be improved to eliminate inflow and infiltration and water meters will be installed for consistent and efficient monitoring of water usage and billing.

**Project Description**

The City of Stephen supports roughly 318 residential and commercial connections with drinking water and sanitary sewer, but the water and sewer infrastructure serving them is failing; 22% of existing watermain dates back to 1940-1950, and 55% is from the 1970s or earlier. 40% of the sanitary sewer was installed between the 1920s and 1940s, and 80% of it is from the 1960s or earlier. Approximately 2/3 of the water distribution system and wastewater system are in poor condition and according to the City, "is hanging on by a thread". The City is not able to properly flush the system and has experienced multiple failures due to the age and fragility of the pipeage. Stephen's sanitary sewer system has excessive inflow and infiltration which has led to several bypass events. The consequences of this aging infrastructure have been severe. Over the past decade, Stephen has experienced at least 20 watermain breaks, four of which during the first few months of 2015 and with one of the most significant occurring in March 2023. This break required a shut down of the entire system, including four apartment buildings, two churches, and Stephen High School. The break in Stephen's original 1938 cast iron pipes resulted in multiple failures down the line. Repair efforts were complicated by a nearby gas line, forcing a temporary fix consisting of 2-inch temporary above-ground lines to restore water. In true small-town spirit, Stephen came together: a local farmer donated flax bales to insulate the temporary lines, since the schools needed to be closed, high school students volunteered to lay them down, and citizens provided meals for the workers enduring subzero temperatures. Unfortunately, that temporary fix was not sustainable—the lines froze on Easter before the water was fully restored in June 2023. That single incident alone cost the City approximately \$180,000, and the roads remain unrepaired, representing an additional financial burden.

Unfortunately, the situation is only worsening. In just the first two months of 2025, Stephen has already experienced four more watermain breaks. The system is beyond repair—some sections are so fragile that merely using a fire hydrant could lead to a catastrophic collapse. The city has made investments in their above-ground water storage and water tower refurbishment to ensure drinking water safety and fire protection, but these efforts are only a fraction of what is needed.

Continued wastewater issues have led to multiple episodes of untreated sewage being released into the Tamarack River.

Stephen cannot continue placing “band aids” on a system that is in a state of near-total failure. The risk of permanent infrastructure collapse is increasing with each passing year, and without significant investment, the health, safety, and viability of the community is at risk.

### **Project Rationale**

The City of Stephen has an infrastructure that is beyond its useful life and failing to provide safe and reliable drinking water. Stephen's infrastructure presents an urgent challenge that can no longer be repaired with temporary solutions. This project will improve the quality of life, health, safety, and well-being for the residents, businesses, and visitors to Stephen.

### **Project Timeline**

06/2026: Prepare Plans & Specs  
10/2026: Submit Plans & Specs to MDH and MPCA  
10/2026: Submit Plans & Specs to RD  
01/2027: Advertise for Bids  
03/2027: Award Contract  
06/2027: Proposed Start of Construction  
09/2029: Proposed End of Construction

### **Other Considerations**

Investing taxpayer dollars in water infrastructure projects is a prudent and essential endeavor for several reasons:

1. **Public Health and Safety:** Upgrading aging systems and repairing leaks contribute to healthier communities and a healthier environment.
2. **Economic Benefits:** Infrastructure projects create jobs, stimulate local economies, and support industries that rely on water resources (such as agriculture, manufacturing, and tourism). Improved infrastructure systems attract businesses and enhance property values, leading to economic growth.
3. **Environmental Stewardship:** Investing in water infrastructure promotes environmental sustainability. Upgraded systems can reduce pollution, prevent sewage overflows, and protect natural water bodies.

### **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

### **Who will own the facility?**

The City of Stephen will own the project.

### **Who will operate the facility?**

The City of Stephen will operate the project.

### **Who will use or occupy the facility?**

The residents and businesses of Stephen will use the utility systems and pay utility fees.

**Public Purpose**

These infrastructure improvements support and align with the Regional Comprehensive Economic Development Strategies identified in the 2022-2027 report. These investments will yield significant benefits not only for Stephen but also for the broader region by providing economic benefits, improving the quality of life for area residents, and environmental sustainability.

**Description of Previous Appropriations**

None

**Project Contact Person**

Kristen Gajeski  
City Clerk  
218-478-3614  
cityclerk@stephenmn.com

(\$ in thousands)

Stephen Infrastructure Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$8,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$6,750	\$0	\$0
City Funds	\$0	\$2,850	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$17,600</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$152	\$0	\$0
Design Fees	\$0	\$456	\$0	\$0
Project Management	\$0	\$1,084	\$0	\$0
Construction	\$0	\$15,908	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$17,600</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Stillwater PFAS Water Treatment	1	GO	2,500	0	0	0	0	0
Myrtle Street Reconstruction	2	GO	2,100	0	0	0	0	0
Washington Avenue Intersection	3	GO	4,300	0	0	0	0	0
Recreation Center Expansion	4	GO	27,550	0	0	0	0	0
<b>Total Project Requests</b>			36,450	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			36,450	0	0	0	0	0

**Stillwater PFAS Water Treatment**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$2,500
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	Design and construct a PFAS Water Treatment Facility at Well 9.

**Project Description**

Design and construct a PFAS Water Treatment Facility at Well 9.

Stillwater is addressing PFAS contamination in our water supply. Unlike other communities in the county, we do not have a responsible party identified and are left with significant funding challenges. PFAS Source Identification efforts are ongoing, but will take years to complete and establish funding. Stillwater is breaking ground on a small PFAS Water Treatment Facility in the summer of 2025, and needs to build one more in the near-term to ensure adequate clean water for residents and visitors of the city.

**Project Rationale**

In order to be assured of a clean water supply for residents and visitors, Stillwater needs to build one more small PFAS Water Treatment Facility at Well 9. This will meet the community's needs for the next 5+ years while the MPCA continues their robust source identification efforts - which inevitably takes time.

**Project Timeline**

Design 2026  
Build 2026 and 2027

**Other Considerations**

A PFAS Water Treatment Facility at Well 9 will help remove PFAS in the water supply. This targeted treatment location will help protect other wells in our city, and beyond, by removing and cleaning contaminated water. This location in particular will help reduce PFAS migration into other local wells and the Saint Croix River.

**Impact on State Operating Subsidies**

**Who will own the facility?**

City of Stillwater

**Who will operate the facility?**

City of Stillwater

**Who will use or occupy the facility?**

City of Stillwater residents and visitors.

**Public Purpose**

A PFAS Water Treatment Facility at Well 9 will help remove PFAS in the groundwater and help reduce the migration of PFAS to other wells. There is a public benefit to removing PFAS from drinking water.

**Description of Previous Appropriations**

**Project Contact Person**

Joe Kohlmann  
City Administrator  
651-430-8801  
jkohlmann@stillwatermn.gov

(\$ in thousands)

Stillwater PFAS Water Treatment

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$2,500	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$400	\$0	\$0
Project Management	\$0	\$400	\$0	\$0
Construction	\$0	\$4,200	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Myrtle Street Reconstruction**

**AT A GLANCE**

**2026 Request Amount:** \$2,100

**Priority Ranking:** 2

**Project Summary:** Myrtle Street is a collector street with Average Daily Traffic of 8,500 vehicles. The street is a continuation of Washington County Road 12 that serves as the west entrance to Historic Downtown Stillwater.

**Project Description**

Remove existing concrete (road and sidewalks) and asphalt surface and install new pavement and sidewalks from Owens Street to Main Street (TH95) in the City of Stillwater.

Myrtle Street is one of three primary ways to enter Downtown Stillwater. The other two main entrances to Downtown Stillwater are north and south on Trunk Highway 95. Myrtle Street serves as the local collector road entrance.

**Project Rationale**

Existing concrete roadway and sidewalks were built nearly 60 years ago and the condition of the roadway is beyond repair through methods other than reconstruction.

The sidewalks and pedestrian ramps are not built to ADA compliance standards and need to be updated.

**Project Timeline**

Engineering and Design in 2026  
Construction in 2027

**Other Considerations**

Myrtle Street is a critical road and entrance into Downtown Stillwater, which serves hundreds of thousands of visitors every year and is a premier tourist destination in the State of Minnesota.

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

The City of Stillwater

**Who will operate the facility?**

The City of Stillwater

**Who will use or occupy the facility?**

General Public

**Public Purpose**

Myrtle street is not only a local collector road, it is also the main artery to enter Downtown Stillwater from State Highway 36 and CSAH 5. These two highways feed traffic into Stillwater and serve as a key route to entering Downtown Stillwater which serves hundreds of thousands of visitors every year.

**Description of Previous Appropriations**

None

**Project Contact Person**

Joe Kohlmann  
City Administrator  
651-430-8801  
jkohlmann@ci.stillwater.mn.us

(\$ in thousands)

**Myrtle Street Reconstruction**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,100	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$2,100	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,200</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$4,200	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,200</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

Washington Avenue Intersection

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$4,300
<b>Priority Ranking:</b>	3
<b>Project Summary:</b>	Improvements to Washington Avenue and North Frontage Road intersection to relieve congestion and improve safety.

**Project Description**

Reconstruction of the intersection of Washington Avenue and North Frontage Road and associated roadway improvements on Tower Drive, Washington Avenue, Frontage Road, and new roadway alignments.

**Project Rationale**

The intersection is within a few hundred feet north of Trunk Highway 36. With increasing traffic, congestion at the intersection makes turning movements and crossing traffic difficult.

Within the last 10 years there have been 18 reported accidents. A new alignment and intersection control is necessary.

**Project Timeline**

**Other Considerations**

This is a dangerously close intersection with an at grade crossing for Trunk Highway 36. There have been multiple studies that suggest the relocation and upgrading of the intersection control device are necessary safety improvements.

**Impact on State Operating Subsidies**

**Who will own the facility?**

City of Stillwater

**Who will operate the facility?**

City of Stillwater

**Who will use or occupy the facility?**

General Public

**Public Purpose**

The City of Stillwater attracts hundreds of thousands of visitors every year. With increasing popularity, the City has massive strain on the road system. This location in particular is facing challenges associated with increased regional traffic on Highway 36.

**Description of Previous Appropriations**

None.

**Project Contact Person**

Joe Kohlmann  
City Administrator  
651-430-8801  
jkohlmann@ci.stillwater.mn.us

(\$ in thousands)

Washington Avenue Intersection

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,300	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$4,300	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,600</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$500	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$300	\$0	\$0
Project Management	\$0	\$300	\$0	\$0
Construction	\$0	\$7,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,600</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Recreation Center Expansion****AT A GLANCE****2026 Request Amount:** \$27,550**Priority Ranking:** 4**Project Summary:** The City of Stillwater is looking to expand the St. Croix Valley Recreation Center to include a curling center and additional amenities for the regional recreation center.**Project Description**

The St. Croix Valley Recreation Center serves the St. Croix River Valley and beyond for recreational amenities. The City is partnering with local foundations to expand the Recreation Center to include a curling center.

**Project Rationale**

The north and east metro area is underserved for recreational curling.

**Project Timeline****Other Considerations**

The St. Croix Valley Recreation Center has a wide array of offerings from ice rinks to an indoor recreation area covered by a dome. Adding a curling center to the Recreation Center will boost the regional recreation opportunities.

**Impact on State Operating Subsidies****Who will own the facility?**

City of Stillwater

**Who will operate the facility?**

City of Stillwater

**Who will use or occupy the facility?**

Open to the public and general membership

**Public Purpose**

This facility will serve the metro area for curling recreational needs.

## **Description of Previous Appropriations**

### **Project Contact Person**

Joe Kohlmann  
City Administrator  
651-430-8801  
jkohlmann@ci.stillwater.mn.us

(\$ in thousands)

Recreation Center Expansion

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$27,550	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Non-Governmental Funds	\$0	\$27,550	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$55,100</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$4,535	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$44,200	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$6,365	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$55,100</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Tamarack Infrastructure Improvements	1	GO	3,000	0	0	0	0	0
<b>Total Project Requests</b>			3,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,000	0	0	0	0	0

## Tamarack Infrastructure Improvements

**AT A GLANCE****2026 Request Amount:** \$3,000**Priority Ranking:** 1

**Project Summary:** The City of Tamarack is requesting funding to support necessary upgrades to the City's wastewater treatment plant. Tamarack has encountered significant challenges maintaining compliance with MPCA regulations due to the inadequacy of the current centralized treatment system and has consistently received Notices of Violation (NOV) for exceeding permitted limits, which has led to a Stipulation Agreement and the imposition of fines for any future exceedances.

**Project Description**

The City of Tamarack operates a centralized wastewater treatment system that is inadequately treating wastewater and has been unable to meet the required effluent limits. Mn Rural Water, in partnership with the City of Tamarack, did an in-depth study of the wastewater treatment system. Rural Water found the existing system design, coupled with aging infrastructure and inadequate treatment processes, is insufficient for meeting the regulatory requirements. Their recommendation is to replace Tamarack's current system with a new, more effective treatment solution that can reliably meet compliance standards and ensure the protection of public health and the environment. The estimated cost for upgrading the wastewater treatment plant to meet MPCA compliance standards is \$5,000,000. Currently, the City's wastewater infrastructure includes a sanitary sewer collection system, twenty-one (21) grinder stations, and a fixed activated sludge treatment with UV disinfection wastewater treatment facility (WWTF). This project includes the removal of seven (7) existing grinder stations, the replacement of 14 grinder stations, and the replacement of select areas of existing forcemain with 8-inch gravity collection pipe, manholes, service lines, excavation and disposal of contaminated soil, and installation of sanitary sewer to the new industrial park site. This project also incorporates modification of the inlet manhole at the pond to include an additional discharge pipe.

**Project Rationale**

Tamarack has faced routine exceedances in several critical parameters, including fecal coliform, Total Suspended Solids, and Carbonaceous Biochemical Oxygen Demand, among others. These exceedances have resulted in numerous Notices of Violation from MPCA, and in the past three years alone, Tamarack's treatment plant has exceeded effluent limits 107 times. One of the most concerning violations is the repeated exceedance of fecal coliform levels, which poses a significant threat to public health and the safe use of surrounding water resources. The violations are not only impacting local water quality but are also damaging the reputation of the community and negatively impacting the overall health of the environment. As a result of these violations, MPCA issued a

Stipulation Agreement, under which Tamarack is required to develop a solution to bring the system into compliance. Failure to do so could result in further penalties and long-term environmental damage.

**Project Timeline**

- 06/2026: Prepare Plans & Specs
- 10/2026: Submit Plans & Specs to MDH and MPCA
- 10/2026: Submit Plans & Specs to RD
- 01/2027: Advertise for Bids
- 03/2027: Award Contract
- 06/2027: Proposed Start of Construction
- 09/2029: Proposed End of Construction

**Other Considerations**

The City of Tamarack is committed to ensuring their wastewater treatment plant operates in full compliance with MPCA regulations, protecting our community, local water resources, and the surrounding environment, and avoiding further violations and health risks.

**Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

**Who will own the facility?**

The City of Tamarack will own the project.

**Who will operate the facility?**

The City of Tamarack will operate the project.

**Who will use or occupy the facility?**

The residents and businesses of Tamarack will use the utility systems and pay utility fees.

**Public Purpose**

Investing taxpayer dollars in water infrastructure projects is a prudent and essential endeavor for several reasons: 1.Public Health and Safety: Upgrading aging systems, repairing leaks, and enhancing treatment facilities contribute to healthier communities and a healthier environment. 2.Economic Benefits: Infrastructure projects create jobs, stimulate local economies, and support industries that rely on water resources (such as agriculture, manufacturing, and tourism).

**Description of Previous Appropriations**

None

**Project Contact Person**

Kathy Haugse  
City Clerk

218-678-0975  
cityoftamarack@frontiernet.net

(\$ in thousands)

Tamarack Infrastructure Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$4,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$60	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$530	\$0	\$0
Project Management	\$0	\$910	\$0	\$0
Construction	\$0	\$5,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,000</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Runway Extension	1	GO	10,300	0	0	0	0	0
<b>Total Project Requests</b>			10,300	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			10,300	0	0	0	0	0

(\$ in thousands)

**Runway Extension**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$10,300
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	\$10.3M in state funds is requested to predesign, design, and construct a runway extension, taxiway extension, NAVAID relocation, property acquisition, and roadway relocation of CSAH 17 with supporting elements to accomplish aforementioned goals.

**Project Description**

This project extends the primary runway (runway 13/31) by 797 feet under federal funding sources and another 700 feet under state funding sources resulting in a total runway length of 8,000 feet (current length is 6,503 feet) while also shifting the runway 100 feet to the south in order to address runway safety area concerns. The extension to 8,000 allows loaded aircraft to arrive/depart on the runway with medium braking action. This typically occurs during the winter months with as little as 1/4" of dry snow present (many other contaminate types can cause medium braking).

**Project Rationale**

Winter operations in Northwest Minnesota present a challenge for aircraft operating in the area. An extension to the primary runway will allow fully loaded aircraft to operate year-round in all weather conditions, particularly during operations with a contaminated runway. This is especially important for the business community in the region which relies on just-in-time shipments for the furtherance of their business and the downstream effects that has on the state and local economy.

**Project Timeline**

- Summer 2026 – Spring 2027 Acquire Property
- Summer 2027 - Project Design
- Spring 2028 - Relocation CSAH 17
- Spring 2029 - Extend Runway 13/31
- Spring 2029 - Extend Taxiway A
- Fall 2030 - Project Completion

**Other Considerations**

None

**Impact on State Operating Subsidies**

None

**Who will own the facility?**

Thief River Falls Regional Airport Authority

**Who will operate the facility?**

Thief River Falls Regional Airport Authority

**Who will use or occupy the facility?**

Thief River Falls Regional Airport Authority

**Public Purpose**

Air Transportation

**Description of Previous Appropriations**

None related to this project.

**Project Contact Person**

Joe Hedrick  
Airport Manager  
218-684-1013  
trfairport@mncable.net

(\$ in thousands)

**Runway Extension**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$10,300	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$34,600	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$44,900</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$44,900	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$44,900</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Thomson Infrastructure Improvements	1	GO	3,500	0	0	0	0	0
<b>Total Project Requests</b>			3,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,500	0	0	0	0	0

**Thomson Infrastructure Improvements**

**AT A GLANCE**

**2026 Request Amount:** \$3,500

**Priority Ranking:** 1

**Project Summary:** The Town of Thomson is looking to undergo a utility project that will extend the necessary sewer services to Randall Ave and Birch Dr., as well as extend drinking and sewer water services across the I35 corridor. This project will cost approximately \$7.1 million to ensure all resident and business health and sanitary needs are satisfied.

**Project Description**

The Town of Thomson is looking to undergo a utility project that will extend sewer mains to select users so that current users will be brought into compliance with current ordinances industry standards, as well as increase overall health and safety of its users. Currently, the existing sewer service for users on Randall Ave and Birch Dr are all connected to each other and are at a high risk of failure if even one user service fails. The extension of sewer mains to each of these users will eliminate this risk of catastrophic failure. The township is also pursuing the extension of utilities south of I35 so that residents and businesses on that side of the corridor will no longer rely on private wells and septic systems. The lack of utilities south of the corridor has been a hardship for current users and has stifled the growth of the township overall. The extension of water utilities to the south of I35 would include the installation of a new lift station that would connect directly to Western Lake Superior Sanitary District's lift station and would service existing residents south of I35, as well as support future housing developments on that end of the corridor. Furthermore, the Town of Thomson is looking to extend fire suppression waterlines down County Road 1, which would allow for the fire department to have access to fire suppression utilities if a fire were to break out south of I35.

**Project Rationale**

The current sewer service located at Randall Ave and Birch Dr. in Thomson Township is at high risk of failure and is in dire need of sewer main extensions. Similarly, south of I35 there are residents and businesses that aren't even hooked to the township's utility systems. This is an unfair burden on a select few residents and businesses and it is the responsibility of the township to provide the basic utility service. Similarly, the township is responsible for providing fire suppression to ensure the safety of its users.

**Project Timeline**

- 06/2026 - Engineering & Design
- 11/2026 - Bid Opening
- 01/2027 - Bidding Closed
- 02/2027 - Contract Awarded
- 04/2027 - Construction Start

**Other Considerations**

The proposed infrastructure improvements are critical but are not viable unless the Town of Thomson receives state funding to leverage local and federal dollars. There is a great need for funding support to address the City's needs, which left undone, will continue to jeopardize the health and safety of the local residents.

**Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be request for this project.

**Who will own the facility?**

The Town of Thomson will own the proposed utilities.

**Who will operate the facility?**

Township staff will operate the proposed utility project.

**Who will use or occupy the facility?**

Residents and visitors of the Town of Thomson will use the utility systems and pay utility fees.

**Public Purpose**

The public purpose served by this project is to provide adequate wastewater service to Thomson residents. Thorough investigations of the township's infrastructure were done to identify and correct all health and safety concerns in the most efficient and cost-effective time frame, and provide a strong foundation of infrastructure for the township and its residents in the foreseeable future.

**Description of Previous Appropriations**

No previous state appropriations.

**Project Contact Person**

Beth Elstad  
Clerk-Treasurer  
218-879-9719  
clerk@townofthomsonmn.gov

(\$ in thousands)

Thomson Infrastructure Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$3,600	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,100</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$245	\$0	\$0
Design Fees	\$0	\$323	\$0	\$0
Project Management	\$0	\$1,021	\$0	\$0
Construction	\$0	\$5,511	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,100</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Coon Rapids Dam Improvements Project	1	GO	7,084	0	0	0	0	0
Regional Trail Network Safety, Stewardship and Expansion Project	2	GO	24,000	0	0	0	0	0
<b>Total Project Requests</b>			31,084	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			31,084	0	0	0	0	0

Coon Rapids Dam Improvements Project

**AT A GLANCE**

**2026 Request Amount:** \$7,084

**Priority Ranking:** 1

**Project Summary:** Three Rivers Park District owns and operates Coon Rapids Dam located on the Mississippi River between the cities of Brooklyn Park and Coon Rapids under a joint powers agreement with the Minnesota Department of Natural Resources (MnDNR). The dam was reconstructed by the MnDNR beginning in 2012 to serve as a major invasive carp barrier on the Mississippi River. This project performs critically needed structural repairs to the dam that were identified through inspections in 2021 and 2024.

**Project Description**

Three Rivers Park District owns and operates Coon Rapids Dam located on the Mississippi River between the cities of Brooklyn Park and Coon Rapids under a joint powers agreement with the Minnesota Department of Natural Resources (MnDNR). The dam was reconstructed by the MnDNR beginning in 2012 to serve as a major invasive carp barrier on the Mississippi River. Inspections in 2021 and 2024 identified repairs that are necessary for the continued operation and functionality of the dam. Needed repairs include:

**A. Hydraulic cylinder replacement and improvements: \$1,709,000**

Components of the original hydraulic cylinders are made of mild carbon steel, which is susceptible to corrosion and has been identified as the cause of a failed hydraulic cylinder in 2024. Removal, refurbishment and replacement of the remaining 18 cylinders on the nine dam gates is needed to reduce the risk of future cylinder failure. Cylinder failure significantly impacts the day to day operation of the dam and reduces the ability to manage water flow, especially at high water and flow rates.

**B. Underwater repairs: \$1,200,000**

All the rounded concrete bullnoses on the upstream piers in the Main Dam area are experiencing undermining. The recommended repair consists of:

- i) grout bags with underwater divers; and
- ii) riprap in voids.

The detailed repair requirements will need to be determined based on a side scan sonar bathymetric survey as a first step as it provides a high resolution look at the dam and voids, as well as the volume of fill needed.

On the downstream side of the Main Dam area, separated joints and spalling were observed during inspection. Separation at cold joints and missing fill and sealant material were observed, and

excessive spalling was identified underwater near the cold joints. The recommended repair is to fill at the same time as the bullnose repairs are done.

Portions of the Old Powerhouse showed spalling, cracking and exposed rebar, most prominently near the underwater cold joints of the old and new concrete. The recommended repair is to fill at the same time as the bullnose repairs are made.

**C. Auxiliary Spillway repairs: \$975,000**

The sheet pile retaining wall on the right downstream side of the dam is in failing and unsafe condition. The wall has downslope lean and separated pile connections. Material behind the wall has been lost. The interface of the sheet pile wall and adjacent concrete wall shows deterioration. The recommended repairs are to replace the wall as soon as feasible; the wall could be removed and replaced or removed and graded back.

The chain link fence on top of the above-referenced sheet pile retaining wall is too low (30 inches.) The recommendation is to replace the chain link fence with one high enough to meet safety standards.

There is undermining of the concrete wall adjacent to the above-referenced sheet pile wall. The recommended repair is to fill the scour hole.

**D. Old powerhouse area repairs: \$3,200,000**

The upstream piers of the powerhouse substructure are highly deteriorated. Most piers have cracks, and some have large pieces of concrete that have broken away. The recommended repair will include installation of a temporary coffer dam so that both above water and underwater portions of the concrete columns can be repaired.

Total project cost is estimated at \$7,084,000, which includes inflation assuming 2027 construction as well as a 10 percent construction contingency. Three Rivers Park District requests \$7,084,000 in general obligation bond proceeds to fund design and construction of the project.

**Project Rationale**

Coon Rapids Dam spans the Mississippi River between the cities of Brooklyn Park in Hennepin County and Coon Rapids in Anoka County and is owned and operated by Three Rivers Park District. In the 2011 1st Special Session, the Minnesota Legislature appropriated \$16 million in bond proceeds to the MnDNR to reconstruct the dam to serve as a major barrier to invasive carp. The reconstruction began in 2012 and was completed in 2016. There have been no additional state appropriations since 2011. Following the appropriation of bond proceeds, Three Rivers Park District and MnDNR entered into a joint powers agreement to operate the dam. Under terms of the JPA, the dam is owned and operated by Three Rivers Park District and MnDNR is responsible for all dam maintenance.

Coon Rapids Dam serves as the last major upstream invasive carp barrier on the Mississippi River and helps protect the multi-billion dollar tourism and sport fishing industry in central Minnesota. The dam also serves as the centerpiece for Mississippi Gateway Regional Park in Brooklyn Park and Coon Rapids Dam Regional Park in Coon Rapids. Together, those two parks serve over 1 million visitors each year.

**Project Timeline**

Design will begin once funds are appropriated in 2026, with construction taking place in 2027.

Substantial completion is expected by the end of the 2027 construction season, with final completion

taking place in spring of 2028. Three Rivers Park District will be responsible for design, engineering and construction of the project.

### **Other Considerations**

Following the appropriation of bond proceeds to reconstruct the dam to serve as a barrier to invasive carp, Three Rivers Park District and MnDNR entered into a joint powers agreement to operate the dam. Under terms of the joint powers agreement, the dam is owned and operated by Three Rivers Park District. Three Rivers is responsible for maintenance of the bike/pedestrian trail on top of the dam. The trail connects to the regional trail networks operated by Three Rivers Park District in suburban Hennepin County and Anoka County Parks in Anoka County.

Under terms of the joint powers agreement, MnDNR is responsible for all maintenance costs for the dam.

Coon Rapids Dam serves as the last major upstream invasive carp barrier on the Mississippi River and helps protect the multi-billion dollar tourism and sport fishing industry in central Minnesota. The dam also serves as the centerpiece for Mississippi Gateway Regional Park in Brooklyn Park and Coon Rapids Dam Regional Park in Coon Rapids. Together, those two parks serve over 1 million visitors each year.

### **Impact on State Operating Subsidies**

None. The dam is operated by Three Rivers Park District.

### **Who will own the facility?**

Three Rivers Park District

### **Who will operate the facility?**

Three Rivers Park District

### **Who will use or occupy the facility?**

Three Rivers Park District

### **Public Purpose**

Coon Rapids Dam serves as the last major upstream invasive carp barrier on the Mississippi River and helps protect the multi-billion dollar tourism and sport fishing industry in central Minnesota. The dam also serves as the centerpiece for Mississippi Gateway Regional Park in Brooklyn Park and Coon Rapids Dam Regional Park in Coon Rapids. Together, those two parks serve over 1 million visitors each year. A bike/pedestrian trail is located on top of the dam. The trail serves as a vital non-motorized transportation route across the Mississippi River in the northern Twin Cities metropolitan area, and it connects to the regional trail networks operated by Three Rivers Park District in suburban Hennepin County and Anoka County Parks in Anoka County.

### **Description of Previous Appropriations**

\$16 million in bond proceeds appropriated by the Minnesota Legislature in the 2011 1st Special

Session to the Minnesota Department of Natural Resources to reconstruct Coon Rapids Dam to serve as an invasive fish barrier.

**Project Contact Person**

Boe Carlson  
Superintendent  
763-559-6761  
Boe.Carlson@ThreeRiversParks.org

(\$ in thousands)

Coon Rapids Dam Improvements Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$7,084	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,084</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,275	\$0	\$0
Project Management	\$0	\$142	\$0	\$0
Construction	\$0	\$5,667	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,084</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Regional Trail Network Safety, Stewardship and Expansion Project**

**AT A GLANCE**

**2026 Request Amount:** \$24,000

**Priority Ranking:** 2

**Project Summary:** \$24 million in state funds is requested for design, construction, reconstruction and life extension of over 30 miles of the active transportation network through construction of 12 miles of new regional trails, improvements to 1.5 miles of existing trail, and reconstruction of more than 16 miles of existing regional trails that are at the end of their useful life. The 180-mile Three Rivers regional trail network serves as the safe off-road arterial component of the active transportation system.

**Project Description**

This project involves 15 sub-projects that create four new regional trails and improve six additional regional trails. These trails are located within 40 cities in the western half of the metropolitan area.

The new trails created by this project are:

CP Rail Regional Trail - North (Crystal, Golden Valley, New Hope)

CP Rail Regional Trail - South (Bloomington, Edina)

Bryant Lake Regional Trail (Eden Prairie, Minnetonka)

Eagle Lake Regional Trail (Maple Grove, Minnetonka, Plymouth)

The regional trails improved or expanded through this project are:

Lake Independence Regional Trail (Corcoran, Hanover, Loretto, Medina, Long Lake, Orono)

Medicine Lake Regional Trail (Dayton, Maple Grove, Plymouth)

North Cedar Lake Regional Trail (Hopkins, St. Louis Park)

Rush Creek Regional Trail (Dayton, Maple Grove)

Shingle Creek Regional Trail (Brooklyn Center, Brooklyn Park, Minneapolis)

West Mississippi River Regional Trail (Brooklyn Center, Brooklyn Park, Champlin, Dayton)

The project improves over 30 miles of the regional trail network. The project has three primary components: construction of 12 miles of new regional trails, improvements to 1.5 miles of existing trails and reconstruction of more than 16 miles of existing trails that are at the end of their useful life. The total estimated project cost is \$49.4 million, including all aspects of design and construction.

Three Rivers is requesting \$24 million of funding through state bonds to help complete the project.

The balance of the project will be funded through secured federal transportation grants totaling

\$25.3 million, and through local match funds from Three Rivers and the Metropolitan Council.

The project reflects Three Rivers' draft 2026-2030 capital plan for safety improvements, rehabilitation and construction of the regional trail network.

### **Project Rationale**

This project is needed to better develop and maintain the active transportation network in the western metropolitan area. The project will result in significant decreases to vehicle miles traveled (VMT) and the associated greenhouse gases and pollution associated with vehicle trips. It also provides a healthful and very safe transportation alternative to the public across Hennepin County. Three Rivers' regional trail network serves more than 6.5 million visitors each year. In 2023, the Legislature enacted a metropolitan sales tax and other measures that would direct part of that new funding stream to active transportation projects. Unfortunately, Three Rivers, as a stand-alone Special Park District, was not included in that legislation, and consequently does not have direct active transportation funding. Three Rivers is continuing to develop, operate and maintain the primary arterial network of the active transportation network within the greater Minneapolis area.

### **Project Timeline**

The schedule assumes securing state bonds in 2026, with a five-year window to expend the funds and complete the project. The schedule reflects the needed coordination with secured federal grants, with related park projects and with staff workload capacity. The project involves 15 different sub-projects that have various timing schedules. The general timeline for the overall project is as follows:

- 2026/27: Design of new sub-projects; construction of sub-projects where design is already complete.
- 2027/28: Design of new sub-projects; construction of sub-projects where design is already complete.
- 2029: Construction of remaining sub-projects.
- 2030: Construction of remaining sub-projects.
- 2031: Project completion.

### **Other Considerations**

In 2023, the Legislature enacted a metropolitan sales tax and other measures that would direct part of that new funding stream to active transportation projects. The legislation provides active transportation funding to each of the seven metro counties, the major cities, and to the Metropolitan Council. Of those agencies, the Metropolitan Council does not own or operate any active transportation system. Unfortunately, Three Rivers, as a stand-alone Special Park District, was not included in that legislation, and consequently does not have direct active transportation funding. Three Rivers is continuing to develop, operate and maintain the primary arterial network of the active transportation network within the greater Minneapolis area. In lieu of amending the legislation to provide active transportation funding to Three Rivers, State bonding help is needed for Three Rivers to build the active transportation network for the western half of the metro.

### **Impact on State Operating Subsidies**

Three Rivers will not request any new or additional state operating dollars for this project.

### **Who will own the facility?**

Three Rivers Park District

**Who will operate the facility?**

Three Rivers Park District

**Who will use or occupy the facility?**

Three Rivers Park District

**Public Purpose**

Three Rivers Park District’s regional trail network serves dual roles. It is a very popular recreational amenity for bicyclists, walkers, in-line skaters and dog-walkers, with over 6.5 million trail visits each year. The trail network has now evolved into the primary arterial component of the active transportation network within the western metropolitan area.

This project is needed to better develop and maintain the active transportation network. It will result in significant decreases to vehicle miles traveled (VMT) and the associated greenhouse gases and pollution associated with vehicle trips. It also provides a healthful and very safe transportation alternative to the public across Hennepin County. Three Rivers’ regional trail network serves more than 6.5 million visitors each year.

**Description of Previous Appropriations**

None

**Project Contact Person**

Boe Carlson  
Superintendent  
763-559-6761  
Boe.Carlson@ThreeRiversParks.org

(\$ in thousands)

**Regional Trail Network Safety, Stewardship and Expansion Project**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$24,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$25,327	\$0	\$0
Other Local Government Funds	\$0	\$36	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$49,363</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$739	\$0	\$0
Design Fees	\$0	\$6,659	\$0	\$0
Project Management	\$0	\$789	\$0	\$0
Construction	\$0	\$41,176	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$49,363</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	N/A
Has the pre-design been submitted to the Department of Administration?	N/A
Has the pre-design been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Tower Bonding Bill Project	1	GO	2,200	0	0	0	0	0
<b>Total Project Requests</b>			2,200	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,200	0	0	0	0	0

## Tower Bonding Bill Project

**AT A GLANCE****2026 Request Amount:** \$2,200**Priority Ranking:** 1

**Project Summary:** We have a project that includes new infrastructure and upgrades to existing infrastructure. This will service two new housing developments and current wastewater line capacity with potential environmental issues:

1. Expand and add new sewer and water systems to an area adjacent to where our utilities end.
2. The wastewater from the new infrastructure flows into the old infrastructure, which has clay tile and I & I issues, and needs replacement to accommodate the increased volume.

**Project Description**

This infrastructure project is key to growing our community by increasing Housing, attracting tourism, protecting the environment, and providing good jobs and wages.

The first issue is to accommodate two new housing developments for the city. We need to expand our sewer and water system to an area adjacent to where our utilities end. The project would include approximately 1800 feet of water line and 3200 feet of sewer pipe. Currently all of the existing businesses and residents in this area have well water, septic systems or holding tanks.

Second, we still have clay tile for sewer pipe in this area of the City. The project would dig up about 400 feet Old Main street and replace the clay tile with an approved material sewer main. Funds will be used to replace old, failing water/sewer infrastructure. CDBG and IRRRB funds will also be applied for to support this project.

During proactive inspections of the sewer main upstream from this expansion our cameras found clay tile that was collapsing and has misaligned joints. The breaks and misalignments in the line cause sewage to leak into the ground, as well as blockages and backups of sewage, due in part to the sizing of the pipes. One of the big issues for the city is it causes Inflow and infiltration (I&I). The I&I causes ground water to enter our sewer system which pulls in potential contaminants and fills our treatment pond with water that should never have been in the system and is taking up capacity of treatment that stresses a system already reaching capacity.

The engineering firm has provided a high-level estimate for the sewer and water extension at an estimated \$2,900,000 dollars.

Currently in this area we already have a hardware store, small motel, marina business, a newly developed RV park, a City owned Public Works facility and lands owned by the Tower Economic Development Authority (TEDA). TEDA is working with Private Developers and is in the process of constructing multiple housing units in this area.

## **Project Rationale**

In addition to the current businesses in the area, there are two housing projects currently underway. The first one construction has begun with three homes nearly completed and three more are in process. The development plans have up to 49 homes scheduled in location in the coming years. The second project underway to the adjacent property phase 1 is having 8 duplexes built with the phase 2 of constructing condominiums. All of this will need new roads and infrastructure along with some upgrades to the existing system.

Currently a new RV Park is using large holding tanks which are located in close proximity of Lake Vermilion, which flows through the Rainy River Watershed region and protected waters. Holding tanks are not a good long-term viable solution. In the area where we are replacing the clay tile main, the sewer pipes are leaching fluids into the ground and at the same time allow water Inflow and infiltration (I&I) to seep into our sewer system with possible contaminants that flow to our treatment ponds.

## **Project Timeline**

The preliminary schedule is based on receiving funding by January 2026 as follows:

Start

January 1 2025 Private development and engineering plats

June 1 2025 Obtain additional funding from IRRRB for current Phase 1 needs

June 1 2025 Funding search for Phase 2 2026

July 1 2025 Break ground phase 1 for infrastructure

January 31, 2026 put out for Bids

June 1 2026 Construction begins

October 31, 2027 project completion.

## **Other Considerations**

The wastewater treatment is shared by Tower and the neighboring Township so the inflow of water (I&I) and any contaminants affect both communities in the treatment of our wastewater and any efforts to reduce this condition is highly important to the residents of both communities. One of the big issues for the city is it causes Inflow and infiltration (I&I). The I&I causes ground water to enter our sewer system which pulls in potential contaminants and fills our treatment pond with water that should never have been in the system and is taking up capacity of treatment

The City cannot afford to make this investment with a total property tax levy of about \$430,000 a year. We are a low to moderate income community and can't afford to do many projects without help from other agencies.

## **Impact on State Operating Subsidies**

### **Who will own the facility?**

The City of Tower is the owner of the project to connect the infrastructure to both the new developing and existing areas. All of the infrastructure will be owned and maintained by the City.

**Who will operate the facility?**

The selected City engineering firm will work with the private developers engineering firm. The City be the focal point for integrating the new systems with the existing infrastructure to make sure all permits are in place and compliance of system.

**Who will use or occupy the facility?**

The residents, businesses, and visitors will utilize the system.

**Public Purpose**

Lack of housing is a major concern for our area and the City cannot afford to make this investment with a total property tax levy of about \$430,000 a year. Adding these new housing units and services would: 1. Reduce our costs to each resident with the scales of economy. 2. Protect our waterways since the City resides on Lake Vermilion and the rivers the flow into it. 3. Bring more business and residents to our area. By securing funding for this project, the City will be able to support its expanding community, protect its natural resources, and provide a stable foundation for economic and residential development. This project is not only an investment in infrastructure but an investment in the future of Tower. The project will provide economic, environmental, and local community workforce benefits vital to the continued economic development of the communities.

**Description of Previous Appropriations**

None.

**Project Contact Person**

Michael Schultz  
Clerk/Treasurer  
218-753-4070  
clerk.treasurer@cityoftower.com

(\$ in thousands)

**Tower Bonding Bill Project**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,200	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
County Funds	\$0	\$200	\$0	\$0
Other Local Government Funds	\$0	\$500	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,900</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$100	\$0	\$0
Project Management	\$0	\$200	\$0	\$0
Construction	\$0	\$2,600	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,900</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	N/A
Has the pre-design been submitted to the Department of Administration?	N/A
Has the pre-design been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Tracy Infrastructure Improvement Project	1	GO	7,334	0	0	0	0	0
<b>Total Project Requests</b>			7,334	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			7,334	0	0	0	0	0

## Tracy Infrastructure Improvement Project

**AT A GLANCE****2026 Request Amount:** \$7,334**Priority Ranking:** 1

**Project Summary:** The City of Tracy is in need of an infrastructure project that includes improvements to drinking water, sanitary sewer collection systems, and storm water conveyance systems. This is a city wide project that will overhaul the existing utilities in the city to mitigate flooding, backups, and increase water quality in the community.

**Project Description**

The City of Tracy is looking to undergo a city-wide utility project due to the age and condition of its facilities that date back to 1988. This project consists of drinking and waste water improvements. The city is currently on the each of the respective Project Priority Lists and rank as high as number 8. The proposed project consists of the following improvements:

**DRINKING WATER IMPROVEMENTS** include replacement of roughly 50,000 LF of the existing water distribution pipes in the city and rehabilitation of existing well house and water treatment plant.

**SANITARY SEWER IMPROVEMENTS** include installation of a new SCADA system to assist in operation and maintenance of the system, as well as replace about 40,000 LF of the old sewer collection system. The current sewer collection system is past its useful life and due to its age there are increased I/I levels. The current system has constantly been overwhelmed by rain events and flooding has occurred on numerous occasions over the last 5 years.

**STORM SEWER IMPROVEMENTS** include the replacement of 18,000 LF of the existing storm water conveyance system.

**STREET RESTORATION** includes required street replacements from performing the necessary improvements to the underground utilities as described above.

**Project Rationale**

Water pipe deterioration has lead to increased maintenance and operational hazards. Replacement of the existing distribution pipes is needed and will mitigate and prevent any arsenic or I/I being present in the cities water systems. Similarly, the drilling of a new well, rehabilitation of the well house, and a new water treatment plant will serve to decrease any water quality issues as well as mitigate operational hazards.

Sanitary sewer system is failing and allowing rain and groundwater seepage through the deteriorating pipes. The current capacity of the system is not sufficient for the level of rainfall/precipitation that occurs each year, which has led to flooding in the city of Tracy.

Street restoration will be required due to the nature of the infrastructure improvements being located under ground.

**Project Timeline**

06/2026 - Engineering & Design  
08/2026 - Bid Advertising  
09/2026 - Bid Closing  
03/2027 - Construction Start  
09/2028 - Construction End

**Other Considerations**

The proposed infrastructure improvements are critical but are not viable unless the City of Tracy receives state funding to leverage local and federal dollars. Roughly half of Tracy's households are Low to Moderate income earners. There is a great need for funding support to address the City's needs, which left undone, will continue to jeopardize the health and safety of the local residents.

**Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be request for this project.

**Who will own the facility?**

The City of Tracy will own the proposed utilities.

**Who will operate the facility?**

City staff will operate the proposed utility project.

**Who will use or occupy the facility?**

Residents and visitors of the City of Tracy will use the utility systems and pay utility fees.

**Public Purpose**

The public purpose served by this project is to provide clean and safe drinking water along with adequate wastewater service to Tracy residents. Thorough investigations of the City's infrastructure were done to identify and correct all health and safety concerns in the most efficient and cost-effective time frame, and provide a strong foundation of infrastructure for the City and its residents in the foreseeable future.

**Description of Previous Appropriations**

No previous state appropriations.

**Project Contact Person**

Jeff Carpenter  
Administrator  
507-401-1389

jcarpenter@tracymn.org

(\$ in thousands)

Tracy Infrastructure Improvement Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$7,334	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$7,335	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$14,669</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$704	\$0	\$0
Design Fees	\$0	\$1,020	\$0	\$0
Project Management	\$0	\$1,622	\$0	\$0
Construction	\$0	\$11,323	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$14,669</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Trimont Infrastructure Improvements 2026	1	GO	19,680	0	0	0	0	0
<b>Total Project Requests</b>			19,680	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			19,680	0	0	0	0	0

## Trimont Infrastructure Improvements 2026

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$19,680
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	\$62 million dollar total project rebuild for wastewater treatment facility & conveyance system, water treatment, storage, & distribution, & related storm & streets as they are at end of life. This is a major once in lifetime infrastructure rebuild for the City. The project will help resolve Infiltration and Inflow issues as well as wastewater treatment facility compliance with MCPA. This project is only feasible with grant and other help along with USDA-RD long term fixed loan financing.

**Project Description**

The City of Trimont is located in the western part of Martin County in Fox Lake/Galena Townships (T103N R32W/ T104N R32W). It is approximately 45 miles southwest of Mankato and 15 miles northwest of Fairmont, located along TH 4. The surrounding area is predominately agricultural. Population 731.

This project is a comprehensive town rebuild of water and sewer infrastructure, rebuild storm water drainage and streets, water treatment plant and water storage system upgrades, and a rebuild of a wastewater treatment facility to a modern environmentally compliant treatment system. This project is a once in every 70 years type rebuild. This is a huge undertaking for the city and financially is a burden. Along with USDA RD funding the bonding bill will help what would be a financially impossible rebuild; a reality for our small town.

The following are a list of project components that are proposed:

Wastewater Treatment System Eligible Costs: Construct stabilization pond, force main, and lift station. \$26,882,205

Street & Utility Improvement Project (SUIP) Wastewater Eligible Costs: Replace existing gravity with new gravity (in kind) or rehabilitate using CIPP methods, easy to maintain and operate, reline where possible, low operating costs. \$8,508,917

Water Treatment and Storage System Eligible Costs: RO softening system and water treatment plant upgrades and emergency backup power along with a re-coat, repair, and miscellaneous modifications to the water tower for OSHA compliance. \$7,135,854

SUIP Water Eligible Costs: Replace aged infrastructure to maintain reliable and safe water supply. No expansion of system is proposed. \$4,852,946

SUIP Storm Sewer Eligible Costs: Storm is aged and may have private cross connections with sanitary sewer, inundating the WWTF with flow. Replace storm sewer with other proposed improvements. \$804,841

SUIP In-eligible Costs: Replace remaining portion of street outside replaced utilities and improve to modern construction standards. \$1,815,238

Total Estimated Project Cost \$62,000,000

### **Project Rationale**

The City needs to upgrade its water and sewer infrastructure to modern times. The infrastructure in place currently is at life end. To ensure the water safety, wastewater needs, and compliance the City must complete this work now. This infrastructure is not a want, but a need to ensure environmental compliance and health and safety needs. In the current state of the existing wastewater system, I&I has caused the City to treat additional clean water which is costly and unnecessary. The existing system is over-taxed by the excessive I&I flowing through the current conveyance system to the outdated mechanical wastewater treatment system. This project is a must for the community.

### **Project Timeline**

#### **Other Considerations**

This project is needed to upgrade the infrastructure systems to handle volumes and create healthy environmental safe conditions that also are compliant with MN Dept. of Health and MPCA standards. This is a huge financial undertaking for this community of 731. Without bonding bill help, it would be a huge financial burden to our rural community and likely would not happen for years to come. Even with USDA RD grants and loans the project will not be feasible without additional State grants. This is a need for our community, not a want. To remain a viable and healthy community we must upgrade our infrastructure systems.

#### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

The City of Trimont will own all the components of the project.

#### **Who will operate the facility?**

The City will operate the project.

#### **Who will use or occupy the facility?**

The City of Trimont and its residents.

#### **Public Purpose**

This funding will help the residents of Trimont (pop 731) along with businesses in our town. Beyond helping our community it will also help to preserve environmental water systems after waste treatment, help reduce flooding and ensure the town is economically viable for years to come. With many residents on fixed incomes and lower income levels this request is highly needed for the public to maintain the ability to live in our rural community and flourish.

#### **Description of Previous Appropriations**

#### **Project Contact Person**

Kelli Harder  
City Clerk/Treasurer  
507-639-2060  
cityclerk@trimontmn.com

(\$ in thousands)

Trimont Infrastructure Improvements 2026

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$19,680	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$19,680</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$2,720	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$16,960	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$19,680</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
Predesign Review (M.S. 16B.335 subd. 3):	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
HWY 61 Infrastructure	1	AP	6,000	0	0	0	0	0
<b>Total Project Requests</b>			6,000	0	0	0	0	0
<b>Appropriation Bonds (AP) Total</b>			6,000	0	0	0	0	0

(\$ in thousands)

## HWY 61 Infrastructure

**AT A GLANCE****2026 Request Amount:** \$6,000**Priority Ranking:** 1

**Project Summary:** The City of Two Harbors is seeking financial assistance, in the form of appropriations in the amount of \$6,000,000 from the bond proceeds fund to the Public Facilities Authority for a grant to design, construct and reconstruct, publicly owned physical infrastructure as part of Minnesota Department of Transportation's project to improve Trunk Highway 61.

**Project Description**

The Minnesota Department of Transportation (MnDOT) is developing plans for the reconstruction of TH 61 from the western city limit, through downtown to the east of Park Road in the years 2027 and 2028. As part of the planned reconstruction of TH 61, it is proposed to reconstruct the existing City sanitary sewer and water system facilities along this corridor. Furthermore, it is proposed to extend new sanitary sewer and water main facilities (West End Utility Improvements) west from the current endpoint at the liquor store site to serve the undeveloped properties on both the north and south sides of TH 61.

All City utilities are located within the Trunk Highway 61 right-of-way corridor. If replacement or improvements of the City utilities are not done in conjunction with the MnDOT project, it would result in impacts to the State and public, including excavation of the Trunk Highway, detours, delays, and increased construction costs. The replacement and improvements of the City utilities can most effectively be done in conjunction with the Highway 61 reconstruction project.

The project has a total length of approximately 2.47 - miles, of which more than two miles is within the City of Two Harbors. The project spans almost the entire length of the City, from the southwest corner to just shy of the east City limit - an area equivalent to approximately 17 city blocks. The project includes replacement of all sanitary and storm sewers, water supply systems, natural gas and electric utilities and new utility extensions along the Trunk Highway 61 corridor. In addition, there will be new sidewalks, multi-use trails, pedestrian crossings, and much more.

This project will improve the flow of traffic through the City while providing for the safety of our residents and visitors in addition to updating our existing utility infrastructure, some of which has been in place since the early 1900's.

Proposed City utility improvements will include replacement of existing sanitary sewer main and services along TH 61 from 4th Street to 9th Street. Replacement and reconfiguration of existing sanitary sewer in the vicinity of the proposed roundabout at 11th Street (CSAH 26). Replacement of existing sanitary sewer main west of 15th Street.

Replacement of existing watermain and services along TH 61 from east of 4th Street to west of 9th Street. Replacement of existing watermain and services along TH 61 from east of 11th Street (CSAH 26) to 15th Street.

All City utilities are located within the Trunk Highway 61 right-of-way corridor. If replacement or improvements of the City

Construction of new sanitary sewer, with lift station, and watermain from the current terminus near the liquor store site, west approximately 2,300 feet along the south side of TH 61 to facilitate future development.

Total project costs are estimated at \$7,227,300.

### **Project Rationale**

This project will improve the flow of traffic through the City while providing for the safety of our residents and visitors in addition to updating our existing utility infrastructure, some of which has been in place since the early 1900's.

The MnDOT project to reconstruct Highway 61 through Two Harbors provides an opportunity for the City to update and replace its existing aged utility infrastructure. Including the City utilities with the Trunk Highway construction allows the City to perform these improvements most cost-effectively, resulting in a savings for citizens and taxpayers. The cost effectiveness also extends to indirect elements such as acquisition of necessary easements and permits; those are already being addressed by MnDOT for the highway project, allowing inclusion of the city utilities for no increase in cost or effort. The public, including citizens of Two Harbors and users of Highway 61, also benefit from including the City utilities with the highway construction project.

### **Project Timeline**

#### Schedule

An outline of the anticipated schedule for the project is as follows:

- MnDOT Preliminary Design (30%) fall 2024
- City Preliminary Engineering and Feasibility Report winter/spring 2025
- City Final Design spring/summer 2025
- 100% Plans – MnDOT, County, and City fall 2025
- Bidding summer 2026
- Begin Construction June 2027
- End Construction fall 2028

### **Other Considerations**

The request from the city is strictly for design and construction of improvements and new construction of utilities as part of Minnesota Department of Transportation's Trunk Highway 61 project for 2027-2028.

The Minnesota Department of Transportation received additional state funding for the shortfall of funding for the Trunk Highway 61 project for 2027-2028, this funding was for MnDOT construction

costs of street, alleys, and/or sidewalks resulting from the Highway 61 improvements designed by MnDOT, which does not include the city portion of the utility improvements.

### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

The State of MN will own the construction contract of the project. However, the city will own and operate the utilities that are being constructed for the project.

#### **Who will operate the facility?**

The city will be operating the utilities and state would operate the construction contract of the project.

#### **Who will use or occupy the facility?**

This project will be used by city residents and tourists. The City of Two Harbors will use the project for utility purposes, and the State will use the project for highway purposes.

#### **Public Purpose**

This project will improve the flow of traffic through the City while providing for the safety of our residents and visitors in addition to updating our existing utility infrastructure, some of which has been in place since the early 1900's.

#### **Description of Previous Appropriations**

#### **Project Contact Person**

Patty Nordean  
City Administrator  
218-834-8806  
pnordean@twoharborsmn.gov

(\$ in thousands)

HWY 61 Infrastructure

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Appropriation Bonds	\$0	\$6,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$2,068	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,068</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$488	\$0	\$0
Design Fees	\$0	\$976	\$0	\$0
Project Management	\$0	\$163	\$0	\$0
Construction	\$0	\$5,600	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$841	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,068</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Vadnais Boulevard Trail	1	GO	1,000	5,000	0	0	0	0
<b>Total Project Requests</b>			1,000	5,000	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,000	5,000	0	0	0	0

Vadnais Boulevard Trail

**AT A GLANCE**

**2026 Request Amount:** \$1,000

**Priority Ranking:** 1

**Project Summary:** The Vadnais Boulevard Trail project will construct a 2.25-mile multi-use trail along the southern edge of Vadnais Lake, enhancing safety and connectivity for pedestrians and cyclists. By completing the trail loop around the lake, the project links neighborhoods, schools, and parks to regional destinations while integrating traffic-calming measures, environmental enhancements, and scenic access to natural areas, creating a vital community and recreational asset.

**Project Description**

The Vadnais Boulevard Trail project will span 2.25 miles along the southern edge of Vadnais Lake, connecting Rice Street to Koehler Road/County Road E in Vadnais Heights. It will deliver substantial regional benefits by enhancing safety, improving connectivity, and providing a scenic and accessible pathway for pedestrians and cyclists.

The trail will address a critical need for a separated facility in a corridor that lacks pedestrian facilities. The proposed design includes a 10-foot-wide multi-use trail, separated from the roadway by a 6-foot turf boulevard. This design prioritizes pedestrian safety by creating a buffer between trail users and vehicular traffic, while also accommodating snow storage and aesthetic landscaping.

Safety is a cornerstone of this project. A history of crashes along the corridor, coupled with public concerns about high vehicle speeds and blind curves, underscores the urgency for improvements. The trail design incorporates traffic-calming measures, such as narrowed roadway cross-sections and curbed bump-outs at intersections, which will reduce pedestrian crossing distances and improve visibility. The alignment on the north side of the roadway is favored for its reduced number of intersections, offering a safer and more connected experience for trail users.

The trail will complete the loop around Vadnais Lake, linking neighborhoods, schools, public transportation and commercial areas with the Vadnais-Snail Lakes Regional Park and existing trail networks. These connections will enhance mobility for pedestrians and cyclists, encouraging recreation and active transportation. The trail’s proximity to Vadnais Lake also provides an opportunity to integrate stormwater management features that will improve water quality in the area.

The project has had extensive public engagement, with significant support for the north-side alignment due to its scenic views, fewer roadway crossings, and integration with existing trails. While more costly, the north alignment is widely regarded as the best option. The south alignment, though less expensive, poses greater safety risks due to more frequent interactions with traffic.

The total project cost is estimated between \$10m and \$12m in 2024. These figures include engineering, construction administration, and minor right-of-way acquisitions. Improvements to stormwater systems and utilities are also part of the budget, reflecting the project's commitment to sustainability.

Mature trees will be protected where possible, and landscaping will complement the trail's integration into the environment. The project is a crucial step toward safer and more efficient transportation and a significant investment in the quality of life for residents and visitors in the region.

By connecting key destinations, improving safety, and promoting recreation, the Vadnais Boulevard Trail project represents an integrated approach to regional development, ensuring a lasting impact for generations to come.

### **Project Rationale**

The Vadnais Boulevard Trail project addresses a critical need for a safe, accessible pathway in a corridor lacking sidewalks or dedicated bike lanes. Spanning 2.25 miles along Vadnais Lake, the trail enhances safety with traffic-calming measures and separation from vehicular traffic, while promoting recreation and regional connectivity. By completing the loop around the lake, it links neighborhoods, schools, parks, and commercial areas to existing trails, fostering active transportation and outdoor engagement. The north-side alignment, favored for its scenic value and reduced crossings, integrates environmental improvements, such as stormwater management, to protect water quality. Extensive public support highlights the trail's potential to improve quality of life, provide safer routes for all users, and enhance the natural and built environments. The project's thoughtful design balances community needs, sustainability, and mobility, making it a vital regional investment.

### **Project Timeline**

The Vadnais Boulevard Trail project is planned to begin in 2027 with detailed design and engineering, incorporating final community input and environmental assessments, to be completed by late 2027. Construction will commence in spring 2028, focusing on bridge modifications, stormwater infrastructure, and trail alignment along the north side of Vadnais Boulevard. Major grading, retaining walls, and trail paving will progress through summer and fall 2028. Landscaping, signage, and final roadway adjustments will occur in early 2029, with the trail opening to the public by mid-2029.

### **Other Considerations**

Other considerations for the Vadnais Boulevard Trail project include its potential environmental impact, particularly on local ecosystems and water quality. Stormwater management features are integrated into the design to reduce runoff into Vadnais Lake, helping preserve the health of the watershed. The project also prioritizes minimizing impacts to mature trees and vegetation, with adjustments made to avoid unnecessary destruction of natural landscapes. Additionally, the trail design reflects extensive community input, ensuring that the project meets local needs for safety, accessibility, and connectivity. Potential challenges, such as utility relocation and private property adjustments, have been carefully considered, and solutions are being developed to minimize disruption. The project's design and construction phases will also focus on maintaining efficient traffic flow during construction to limit disruptions for local residents and commuters.

### **Impact on State Operating Subsidies**

The County will own and operate the Vadnais Boulevard Trail facility with an agreement in place for the City of Vadnais Heights to maintain the trail through sweeping and winter maintenance operations. There is no impact on State Operating Subsidies anticipated.

### **Who will own the facility?**

The trail project will be owned by Ramsey County.

### **Who will operate the facility?**

The project will be led by Ramsey County.

### **Who will use or occupy the facility?**

The trail will be maintained by the City of Vadnais Heights and available for all residents and visitors to use to safely traverse the corridor.

### **Public Purpose**

The Vadnais Boulevard Trail project enhances safety, mobility, and connectivity by providing a multi-use trail along Vadnais Lake. It addresses critical gaps in pedestrian and cyclist infrastructure, linking neighborhoods, schools, parks, and regional trails. The project promotes active transportation, improves access to natural and commercial areas, and integrates stormwater management to protect water quality. It creates environmental, economic, and recreational benefits with regional benefit.

### **Description of Previous Appropriations**

None

### **Project Contact Person**

Jim Hauth  
Public Works Director  
651-204-6050  
jim.hauth@cityvadnaisheights.com

(\$ in thousands)

Vadnais Boulevard Trail

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,000	\$5,000	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$200	\$1,000	\$0
County Funds	\$300	\$608	\$4,802	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$300</b>	<b>\$1,808</b>	<b>\$10,802</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$500	\$0	\$0
Predesign Fees	\$300	\$0	\$0	\$0
Design Fees	\$0	\$1,052	\$0	\$0
Project Management	\$0	\$0	\$660	\$0
Construction	\$0	\$0	\$8,498	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$114	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$256	\$1,530	\$0
<b>TOTAL</b>	<b>\$300</b>	<b>\$1,808</b>	<b>\$10,802</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Vesta Infrastructure Improvements	1	GO	9,568	0	0	0	0	0
<b>Total Project Requests</b>			9,568	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			9,568	0	0	0	0	0

Vesta Infrastructure Improvements

**AT A GLANCE**

**2026 Request Amount:** \$9,568

**Priority Ranking:** 1

**Project Summary:** The City of Vesta is looking to complete a city-wide infrastructure project that improves their drinking, waste, and storm water systems. These improvements consist of rehabilitating the water tower & wastewater treatment facility, select portions of the watermain need to be replaced along with the installation of more looping, and an overhaul of the stormwater conveyance system that was built back in the 1960's.

**Project Description**

The proposed project includes improvements to the City of Vesta's drinking, waste, and stormwater systems.

**DRINKING WATER SYSTEM:** The proposed improvements for the drinking water system include the rehabilitation of the water tower, replacement of a select portion of the existing watermains, construction of new watermains to add looping to the system, and construction of a meter building at the Lincoln Pipestone Rural Water connection site. The proposed water tower improvements include necessary repairs reported by an inspection completed by KLM in 2020, as well as replace the existing coating. The proposed water distribution improvements consist of constructing 19,100 LF of 6-inch watermain to place the 1930-1950's cast iron pipe, which will also include the addition of more looping in the system to eliminate dead ends.

**SANITARY SEWER SYSTEM:** The proposed improvements for the sanitary sewer system include replacing inoperable control structures at the wastewater treatment facility with revised valving, removal of sludge in the pond cells, and adding gravel and fencing to the pond site access road.

**STORMWATER SYSTEM:** The proposed improvements for the stormwater system include construction of 5,800 LF of storm sewer to replace portions of the system that was installed in 1960 and to reconfigure the system to address localized flooding issues.

**Project Rationale**

Of immediate concern is the City's utility infrastructure systems and the associated health and sanitation issues that are occurring. The current water utility systems in place are not nearly sufficient to serve the residents, businesses, and the school in the area. On top of water utility systems failing/lacking necessary improvements, the roads and sidewalks are also in poor condition and are in need of upgrades to reach ADA standards.

**Project Timeline**

06/2026 - Engineering & Design  
08/2026 - Bid Advertising  
09/2026 - Bid Closing  
03/2027 - Construction Start  
09/2028 - Construction End

### **Other Considerations**

The proposed infrastructure improvements are critical but are not viable unless the City of Vesta receives state funding to leverage local and federal dollars. Over 1/3 of Vesta's households are Low to Moderate income earners. There is a great need for funding support to address the City's needs, which left undone, will continue to jeopardize the health and safety of the local residents.

### **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be request for this project.

### **Who will own the facility?**

The City of Vesta will own the project.

### **Who will operate the facility?**

City staff will operate the proposed project.

### **Who will use or occupy the facility?**

Residents and visitors of the City of Vesta will use the utility systems and pay utility fees.

### **Public Purpose**

The public purpose served by this project is to provide clean and safe drinking water along with adequate wastewater service to Vesta residents. Thorough investigations of the City's infrastructure were done to identify and correct all health and safety concerns in the most efficient and cost-effective time frame, and provide a strong foundation of infrastructure for the City and its residents in the foreseeable future.

### **Description of Previous Appropriations**

No previous state appropriations.

### **Project Contact Person**

Brooke Guetter  
Clerk-Treasurer  
507-762-3140  
cityclerk@vestamn.us

(\$ in thousands)

Vesta Infrastructure Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$9,568	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$9,568	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$19,136</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$717	\$0	\$0
Design Fees	\$0	\$1,144	\$0	\$0
Project Management	\$0	\$2,130	\$0	\$0
Construction	\$0	\$15,145	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$19,136</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Commercial Avenue Improvement Project	1	GO	1,520	0	0	0	0	0
<b>Total Project Requests</b>			1,520	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,520	0	0	0	0	0

**Commercial Avenue Improvement Project**

**AT A GLANCE**

**2026 Request Amount:** \$1,520

**Priority Ranking:** 1

**Project Summary:** The City of Victoria requests \$1.5M to deliver local system improvements necessary to support over \$120 million in planned business and housing development in our downtown. This is also a critical step in addressing high congestion and crashes on the adjacent Hwy 5, by keeping local trips on the local system. Reconstruction projects on Hwy 5 to the east and west begin construction in Summer 2025 and shift all issues into Downtown Victoria, risking full realization of development potential.

**Project Description**

The obvious local system need within Downtown Victoria is improved access from the east, particularly via Commercial Ave. The fully funded Hwy 5 reconstruction project from Commercial Ave, in Victoria, to east of Hwy 41 in Chanhassen, includes a new roundabout at the intersection of Hwy 5 and Commercial Ave. The proposed roundabout intersection is intended to calm traffic entering the City of Victoria from the east and facilitate better access to and from downtown for all modes. Local system improvements will include non-motorized connections to the near future roundabout intersection and the larger Hwy 5 job with a continuous trail system, linking residents and visitors to the 15-mile Lake Minnetonka LRT Regional Trail, Carver Park Reserve, and MN Landscape Arboretum.

Today, Commercial Ave terminates at a cul-de-sac 500-ft west of Hwy 5. This contributes to a segmented local system within the eastern half of Downtown Victoria, bound by Quamoclit St, Stieger Lake Ln and Hwy 5. Many businesses and residences in this area are forced to utilize Hwy 5 to access destinations that are immediately west of them. Planned development will only exacerbate this. Immediately east of the planned Hwy 5 and Commercial Ave roundabout, HomeTown Bank and Mocha Monkey are investing \$30 million for a 25,000 sq ft new commercial space. With the segmented local system today, travel between Downtown Victoria and this new development will require local trips on Hwy 5. Additionally, emergency service access to the downtown is currently limited and has high risk for conflict with congestion on Hwy 5. Since Downtown Victoria is landlocked to the north by Stieger Lake, efficient access from the east and west is critical.

The City of Victoria is projected to exceed 15,000 residents by 2040. Our central business district is the only area zoned for commercial development, which has urban services to support new commercial amenities. Redevelopment will also enhance the diversification of the City’s tax base. This infrastructure investment will support development that cannot be carried out by private investment alone including approx. 28-acres of Victoria’s Downtown that will be positioned for ongoing and planned redevelopment.

- HomeTown Bank/Mocha Monkey (\$30M, over 25,000 sq ft of commercial (development plan pending)
- Roers: 8,700 sq ft of retail space, 125-unit apartment building (\$50M)
- Amira: 147-unit age restricted apartment building
- Downtown West Phase 1: 145-unit apartment building (\$45M)
- Downtown West Phase 1&2: 270 housing units and 10,000 sq ft of commercial

Additional planned redevelopment opportunities dependent on improved access from Commercial Ave include a hotel, owner-occupied housing with 24k sf of commercial, two-level public parking deck, redevelopment of an underutilized office building with commercial/retail.

### **Project Rationale**

The need for improved local system connectivity, within the City of Victoria, was identified as part of the 2021 Arboretum Area Transportation Plan (AATP) and city's comprehensive plan (2019) to allow for desired higher density redevelopment while also contributing to addressing issues on Hwy 5. The City of Victoria has very limited space develop/redevelop to meet the needs of our rapidly growing community. Through the comprehensive planning and AATP efforts, the city has worked with the community and other stakeholders to develop a vision that maximizes the number of amenities, housing units, and jobs that can be provided in our downtown. The vision cannot be achieved without local system improvements.

### **Project Timeline**

- 2019-2021: Development of the Arboretum Area Transportation Plan which established a vision for the transportation needs in this fastest growing area of Carver County
- 2021-2025: Partners secured over \$160 million for multiple projects east and west of Downtown Victoria
- 2025: Downtown Victoria system needs scope development & funding pursuits
- Fall 2026-2028: Preliminary design and environmental documentation
- 2028-2030: Right-of-way acquisition and final design
- 2030-2031: Construction

### **Other Considerations**

Today, Hwy 5 is a significant barrier within the City of Victoria. Lacking infrastructure and regular congestion greatly limit local access between established and growing neighborhoods and destinations throughout the city. The community is not only limited on safe travel options but is also regularly subjected to the negative impacts that significant traffic congestion have on the environment and quality of life. The City of Victoria and Carver County wanted to deliver the Downtown Victoria local system and Hwy 5 needs with \$160M in adjacent Hwy 5 projects east and west beginning construction in 2025. Due to a lack of funding and limited time, the partners could not get this portion completed. We have heavy concern for the shifting of issues on Hwy 5 into Downtown Victoria and now request state support to finish the job. This is now the City of Victoria's and Carver County's top priority as it will support completion of the next priority identified in the Arboretum Area Transportation Plan.

### **Impact on State Operating Subsidies**

Besides costs associated with repaying GO bonds, there are no anticipated impacts on state operating

subsidies.

**Who will own the facility?**

The City of Victoria will own and maintain all resulting local system improvements.

**Who will operate the facility?**

The City of Victoria will operate all resulting local system improvements.

**Who will use or occupy the facility?**

The proposed investment is for public transportation infrastructure to be utilized by residents, business patrons, and visitors from throughout the metropolitan region. Investments will serve all necessary modes including motorists, delivery trucks, pedestrians, and bicyclists.

**Public Purpose**

Victoria is the fastest-growing city in Carver County as the city grew by a staggering 43% from 2010 to 2020. Additionally, Carver County is Minnesota’s fastest growing county. Population grew by 19% to 108,500 from 2010-2020 and is anticipated to grow 49% by 2040. Private development demands and traffic growth are expected to coincide with this population growth, and create critical safety issues without public transportation system investments.

**Description of Previous Appropriations**

While the state has supported other projects envisioned in the AATP, the Victoria Downtown Highway 5 Improvements Project has yet to receive any state funding.

The project was unsuccessful in a \$3 million FY26 Congressionally Directed Spending (Federal Funds) request.

**Project Contact Person**

Cara Geheren  
City Engineer  
651-316-0942  
Cara.Geheren@bolton-menk.com

(\$ in thousands)

**Commercial Avenue Improvement Project**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,520	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$1,521	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,041</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$1,202	\$0	\$0
Predesign Fees	\$0	\$200	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$940	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$699	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,041</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Virginia Steam Plant Contamination Remediation & Infrastructure Replacement	1	GO	4,000	0	0	0	0	0
<b>Total Project Requests</b>			4,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,000	0	0	0	0	0

**Virginia Steam Plant Contamination Remediation & Infrastructure Replacement**

**AT A GLANCE**

**2026 Request Amount:** \$4,000

**Priority Ranking:** 1

**Project Summary:** The City of Virginia is launching Phase I of the Steam Plant Remediation & Infrastructure Upgrade to decommission the Virginia Steam Plant by 2026. The project includes utility relocation, environmental cleanup, and stormwater improvements to reduce flooding and enhance public safety. The remediated site on Silver Lake will support mixed-use redevelopment, creating jobs and revitalizing downtown. This initiative supports a safer, more resilient, and economically vibrant future.

**Project Description**

The Virginia, Minnesota power plant, also known as the Virginia Power Plant or Virginia Steam Plant, played a critical role in the region’s industrial growth, providing electricity and district steam for decades. As the plant phases out power generation by 2026, the City is launching the Virginia Steam Plant Remediation & Infrastructure Upgrade Phase I project. This initiative involves upgrading infrastructure, relocating utilities, and demolishing the plant to pave the way for economic development in the downtown area. The project aims to address flooding risks, protect critical infrastructure, and improve public safety, while also facilitating the redevelopment of the plant site into a productive, mixed-use space. This transformation will enhance the local economy, attract new businesses, and create jobs, fostering sustainable growth and revitalization for the community.

Historically, the Virginia Power Plant, also referred to as the Virginia Steam Plant, played a crucial role in the region’s industrial expansion by supplying electricity to the area for many decades. The plant provided district steam by extracting high-pressure steam from the City’s cogeneration turbine generators, which produced both electricity and excess steam used for heating. This system was regarded as highly efficient for both power generation and heating. The plant operated with two coal boilers (#7 and #9, the latter now decommissioned), a gas boiler (#10), and a biomass/gas boiler (#11), all contributing to steam production for electricity generation. As power generation is phased out, steam from these boilers will now be directly sent to the steam district. However, with the steam district’s reduced size, larger boilers can no longer operate safely at such low levels. The entire steam system is expected to shut down by October 2026, leaving the City with a dormant steam plant and a highly contaminated site.

In response to the plant’s closure and the need to clean the site, the City is undertaking a major initiative known as the Virginia Steam Plant Remediation & Infrastructure Upgrade Phase I project. This undertaking will include updating the infrastructure beneath and through the former power plant site, along with demolishing the plant and remediating the site itself to facilitate economic development in the downtown area. Given the significant costs associated with updating

infrastructure, demolishing structures, and addressing environmental concerns, the project will be executed in several phases.

The first phase involves a comprehensive utility reconstruction and hazardous materials abatement in the power plant structure. Infrastructure upgrades along 6th Avenue include relocating utilities and replacing several storm sewer mains, most notably a major 72-inch trunk line, as well as storm sewer infrastructure under the steam power plant buildings. The phase will also include relocating sanitary and water infrastructure to maintain service. These improvements are critical for maintaining the City's stormwater management system's efficiency and functionality while preparing for the planned demolition. The work is part of a broader 5-year capital improvement plan aimed at strengthening the City's infrastructure.

The area surrounding the steam plant and the 6th Avenue corridor is prone to flooding, and the current location of the storm sewer beneath the plant presents a risk of disruption during the demolition process. Relocating these critical pipes will help prevent potential blockages or failures that could lead to significant flooding, thus reducing the risk of property damage and public safety hazards. Additionally, this relocation will increase the capacity of the storm sewer system, further reducing flooding risks and ensuring the long-term effectiveness of stormwater management.

The reconstruction of 6th Avenue and the relocation of infrastructure beneath the power plant represent a significant effort to enhance public safety and infrastructure resilience. The project will improve public safety in several ways:

**Access to Emergency Services and Evacuation Routes:** Preventing flooding ensures that emergency services and evacuation routes remain accessible, enabling first responders to reach affected areas and residents to evacuate safely during emergencies.

**Protection of Critical Infrastructure:** Relocating storm sewer pipes away from the power plant reduces the risk of damage to essential infrastructure, ensuring that vital services remain operational during and after demolition.

**Minimized Disruption During Demolition:** By relocating storm sewer pipes before demolition begins, the project minimizes unexpected disruptions and hazards, creating a safer environment for workers and nearby residents.

These measures will ensure the community's well-being by maintaining essential infrastructure, preventing environmental hazards, and improving public safety.

Once the utilities are relocated and updated, the City will focus on redeveloping the decommissioned power plant site. Transforming this brownfield site presents a unique opportunity to repurpose contaminated land into a productive space. The site, located in a prime area along the shores of Silver Lake in Virginia, holds great potential for revitalizing the surrounding neighborhood, attracting new businesses, and creating jobs. Part of the funding for this project will go toward environmental remediation, preparing the site for potential mixed-use developments, commercial centers, or residential communities. These developments will boost the local economy, improve infrastructure, and enhance the quality of life for residents. By reinvesting in this space, the City can promote sustainable growth, environmental stewardship, and economic resilience, ensuring a competitive future for Virginia.

In conclusion, the Virginia Steam Plant Remediation & Infrastructure Upgrade Phase I project presents a critical opportunity to not only address the decommissioning of an outdated power plant but also to revitalize a key area of the City of Virginia. By upgrading the infrastructure, relocating essential utilities, and ensuring the site is environmentally remediated, we are paving the way for future

economic growth and community development. This project will improve public safety, protect vital infrastructure, and mitigate flooding risks, while transforming the plant site into a prime location for mixed-use developments that will create jobs, attract new businesses, and strengthen the local economy. We respectfully request funding to support this transformative initiative, which will foster sustainable growth, improve the quality of life for residents, and position Virginia for a competitive and resilient future.

### **Project Rationale**

The Virginia Steam Plant, once vital to the region's industrial growth, is nearing the end of its operational life, with full decommissioning planned by 2026. This leaves behind a contaminated, outdated facility in a high-value downtown location vulnerable to flooding and infrastructure failure. The Virginia Steam Plant Remediation & Infrastructure Upgrade Phase I project is essential to address public safety risks, aging infrastructure, and environmental concerns. By relocating utilities, upgrading stormwater systems, and remediating the site, the City will prevent service disruptions and flooding hazards. These improvements are a prerequisite for safe demolition and future redevelopment. The project will unlock a prime redevelopment opportunity on Silver Lake, supporting mixed-use development, job creation, and economic revitalization. Without this critical first phase, the site's contamination, failing infrastructure, and flood risks will remain barriers to progress. This project is a foundational investment in Virginia's sustainable, resilient, and economically vibrant future.

### **Project Timeline**

Preliminary Site Investigation May-June 2025

Project Design July-December 2025

Bidding January-February 2026

Project Award March 2026

Start Construction May or June 2026

Substantial Completion (milestone) of Water Main and Storm Sewer Relocation Sept 2026

Steam Shut Off October 2026

Temporary Road Surface Placement Fall 2026

Start Construction of Remaining Items (sanitary sewer, steam removal, street, etc) May or June 2027

Project Substantial Completion October 2027

Project Final Completion (Final Punch List, Turf Establishment, Pavement) June 2028

### **Other Considerations**

Redevelopment of the decommissioned Virginia Steam Plant site represents a critical long-term opportunity for the City. Situated on the shores of Silver Lake in a highly visible and accessible downtown location, this brownfield site offers significant potential for transformation into a vibrant, productive space. Phase I infrastructure removal and utility relocation is an integral first step, as it prepares the site for safe demolition, environmental remediation, and future development. Following these initial efforts, the site will be primed for mixed-use development, which may include commercial, residential, or public amenities. These future investments will not only revitalize the surrounding neighborhood but also support local job creation, attract private investment, and contribute to the City's economic recovery and growth. This project aligns with broader goals of environmental stewardship and sustainable land use, and will play a key role in strengthening community resilience and enhancing quality of life for residents.

### **Impact on State Operating Subsidies**

Unknown

**Who will own the facility?**

City of Virginia, MN

**Who will operate the facility?**

City of Virginia, MN

**Who will use or occupy the facility?**

City of Virginia, MN and it's infrastructure

**Public Purpose**

Roadway, Right-of-way for municipal uses, and utilities/infrastructure in the roadway and right-of-way.

**Description of Previous Appropriations**

Previous appropriations include funding for the Miners Memorial Building and the Virginia Public Safety Center.

**Project Contact Person**

Britt See-Benes  
City Administrator  
218-749-3573  
britts@virginiamn.us

(\$ in thousands)

Virginia Steam Plant Contamination Remediation & Infrastructure Replacement

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$97	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$6,581	\$0	\$0
<b>TOTAL</b>	<b>\$97</b>	<b>\$10,581</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$97	\$878	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$9,703	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$97</b>	<b>\$10,581</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	Yes
Has the pre-design been submitted to the Department of Administration?	No
Has the pre-design been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
TRUNK HIGHWAY 60 REALIGNMENT	1	GO	2,894	0	0	0	0	0
<b>Total Project Requests</b>			2,894	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,894	0	0	0	0	0

**TRUNK HIGHWAY 60 REALIGNMENT**

**AT A GLANCE**

**2026 Request Amount:** \$2,894

**Priority Ranking:** 1

**Project Summary:** \$2,894,000 allocated to the City of Wabasha to design, engineer, and construct the local roads and city utility portions of the realignment of Trunk Highway 60 in the city of Wabasha, including associated sidewalks, sanitary sewer, watermain, storm sewer, stormwater management, street lighting, site fill, and related improvements and betterments of a capital nature to increase road safety, improve interstate transportation, and facilitate future workforce housing and create jobs.

**Project Description**

\$2.89 million in state capital budget funds is requested to construct a new roadway segment and construct associated utility improvements to re-route Trunk Highway 60, an important interstate bridge crossing and key freight corridor. This will drastically improve safety for drivers and pedestrians and eliminate a dangerous T-shaped intersection at the foot of a steep bridge approach. It will also improve freight traffic mobility and reduce road closures due to flooding. The project will also activate land for future affordable and workforce housing.

Today Trunk Highway (TH) 60 is a two-lane undivided roadway that serves as a regional north-south Mississippi River crossing connecting US Highway 61 in Minnesota and US Highway 10 in Wisconsin. Interstate river crossings in rural areas such as Wabasha are critical for the mobility of freight and commuter traffic throughout the region and state. The City of Wabasha, with support from MnDOT and Wabasha County, is proposing construction of a new TH 60 route between the Mississippi River crossing and US Highway 61. This would entail construction of a new alignment from 4th Grant Blvd to Hiawatha Dr West and reconstruction of Hiawatha Dr West, to TH standards, from Allegheny Ave to US Highway 61. The new alignment from 4th Grant Blvd to Hiawatha Dr West, with its associated utility improvements, will open up 16 acres of city-owned land for development.

The City of Wabasha has invested \$2.4 million to relocate and rebuild its athletic field facilities in preparation for this investment and to support city redevelopment plans. The project has broad community support, having been refined through the Greater Minnesota Futures program, an asset-based rural economic development pilot project sponsored by the Minnesota Legislature with technical assistance from the University of Minnesota’s Center for Design.

Site redevelopment combined with improved regional freight efficiency and access would generate measurable economic benefit. Local businesses, regional freight generators, developers, and city staff have estimated the proposed investment would result in 106 new jobs in Wabasha and bolster surrounding businesses. This includes Menards, Pepin Manufacturing, California Overland, Kohner

Materials, and Bauer Built, all of which rely on the route for transportation of their products. The current TH 60 alignment includes an underpass of the BNSF railway that is prone to regular and prolonged closures due to flooding. These events impact operational efficiency and trip reliability for businesses and result in heavy commercial freight traffic displaced onto local roads and residential streets.

This project will greatly contribute to economic growth by resultant land use for affordable housing development. The 16 acres of land opened for redevelopment in the heart of Wabasha is conceptualized as both commercial expansion.

The total project cost is \$9,894,000 and the City of Wabasha has obtained \$5 million in federal funds (Congressional Directed Request 2024) and \$2 million in Mn DOT TED funds.

### **Project Rationale**

1. This project has been 20 years in the making for a rural Minnesota community and the project possesses significant community support, having undergone significant public participation and community planning.
2. This request to construct a new route for Highway 60 will have important state-wide impact by improving transportation through a more efficient route.
3. 20 to 50 percent reduction in crash rates.
4. Safer pedestrian environment.
5. Elimination of dangerous T-shared intersection at the foot of the steep bridge approach.
6. Reduced roadway closures due to flood.
7. Elimination of railroad crossing height restrictions
8. Improve bicycle and pedestrian safety for historically marginalized communities by re-routing dangerous truck traffic away from schools, child care, and residential areas.
9. The public infrastructure created a result of this project (fill, trail connections, sewer/water connections) will create opportunities for jobs and workforce housing.

### **Project Timeline**

We plan to begin environmental work, engineering and designing the project in 2025-2026 and begin construction in 2027. The roadway is anticipated to take two years and would be completed in 2029.

### **Other Considerations**

The City of Wabasha has completed a Phase I environmental review of the site and plans to continue to invest in design engineering work in 2025 as we wait for the outcome of the legislative process.

### **Impact on State Operating Subsidies**

None, if anything, this would create a new future state highway subject to less flooding and closures due to flooding.

### **Who will own the facility?**

City of Wabasha

### **Who will operate the facility?**

City of Wabasha

**Who will use or occupy the facility?**

Public

**Public Purpose**

Road way, public utilities, sidewalk, street, flood plain fill necessary for future development of the site.

**Description of Previous Appropriations**

None

**Project Contact Person**

Caroline Gregerson  
City Administrator  
651-412-5553  
cityadmin@wabasha.org

(\$ in thousands)

**TRUNK HIGHWAY 60 REALIGNMENT**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Other State Funding	\$2,000	\$0	\$0	\$0
General Obligation Bonds	\$0	\$2,894	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$5,000	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$7,000</b>	<b>\$2,894</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$1,300	\$373	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$5,700	\$2,521	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$7,000</b>	<b>\$2,894</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Highway 5 Phase II Reconstruction	1	GO	5,000	0	0	0	0	0
Water Treatment Plant No.4	2	GO	5,000	0	0	0	0	0
<b>Total Project Requests</b>			10,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			10,000	0	0	0	0	0

Highway 5 Phase II Reconstruction

**AT A GLANCE**

**2026 Request Amount:** \$5,000

**Priority Ranking:** 1

**Project Summary:** The City of Waconia is seeking \$5 million in state funds to complete the local system necessary to support the Highway 5 Phase II Reconstruction Project. This project builds off \$18 million in recent city investments into state highway needs within the City of Waconia. The project will extend the eastern frontage road, supporting a high-demand area for private industrial development resulting in significant job and tax base growth while also improving safety on the trunk highway.

**Project Description**

The City of Waconia is seeking \$5 million in bonding funds to construct a frontage road extension that is critical to the success of the larger Highway 5 Phase II Reconstruction Project. The proposed frontage road extension, between Hartmann Drive and Main Street, will provide a 10-ton heavy commercial truck route with the necessary sanitary sewer, stormwater, watermain, and private utilities. This expansion of transportation and utility infrastructure will provide the needed infrastructure for industrial and commercial development south of Highway 5 in the project area. Notably, the frontage road will include pedestrian facilities that ensure new developments will enjoy multimodal access. Further, expanded stormwater retention will contribute to a built environment that is resilient in the face of a warmer and wetter Minnesota Climate.

The proposed frontage road, in conjunction with the larger Highway 5 Project, will generate 100-150 new jobs, \$10 million in annual earned income, and \$5 million in property and income tax revenues in the immediate project area alone. It will also enable the development of 70+ acres of industrial and commercial land, supporting local businesses like Waconia Legacy LLC and Transport Security Inc., which have plans for expansion and have been supportive of the project.

The proposed frontage road extension will build out a local system to access industry locations and create new concentrations of businesses while maintaining functionality on the trunk highway system. The frontage road will protect past investments and proactively limit near term commercial and industrial development access demands on Highway 5. All proposed improvements are expected to have a useful life of 50 years.

Beyond improvements to the local system, the proposed frontage road expansion will mitigate many of the transportation deficiencies that afflict the Highway 5 Corridor. The primary transportation deficiencies on Highway 5 include aged infrastructure, poor sightlines, and an excess of public and private full access driveways that contribute to safety and mobility issues. These features result in the Highway 5 Corridor being one of the highest crash rate corridors in Carver County. Highway 5 is

currently operating at 91% capacity with a crash rate 1.7 times the statewide average, justifying the need for state investment to improve safety.

The City of Waconia is also one of the fastest growing communities in Minnesota, growing by 22% between 2010 and 2020. This rapid development has only exacerbated existing safety and mobility issues on Highway 5, which the proposed frontage road will mitigate. The larger highway project will transform the existing Highway 5 Corridor with reworked highway access, traffic calming measures, and enhanced pedestrian and bicyclist facilities. These improvements will reduce congestion, improve sightlines, modernize an aging and insufficient road, and create safer crossings for non-motorized users.

### **Project Rationale**

A recent small area plan confirmed transportation and utility infrastructure need to be expanded to enable planned industrial and highway commercial development. As the last area of developable land along Highway 5 within the city, there is considerable demand.

The proposed frontage road extension will support private industrial development without the need for additional Highway 5 access points, preserving the past and near-term access management investments. Since the proposed frontage road extension will provide a local trip reliver route, for Highway 5 between MN 284 and County Road 59, it contributes to addressing safety issues on the trunk highway. Access closure and other traffic calming measures are expected to result in a 70.7% reduction in crashes along the Highway 5 segment in the project area.

### **Project Timeline**

The Highway 5 Phase II Reconstruction Project follows a comprehensive, multi-year development timeline.

- From 2010 to 2020, the project's need and vision were established through local and regional comprehensive planning.
- Between 2020 and 2023, concept development and a funding strategy were advanced.
- Preliminary design and environmental documentation began in July 2023 and will continue through September 2025.
- Right-of-way (ROW) acquisition is scheduled for Fall and Winter 2025.
- In late 2025, final design, permitting, and plan approvals will be completed.
- The project will be advertised for bids in early 2026, with letting and contract awards occurring by March 2026.
- Construction is scheduled from May 2026 through October 2027.

This timeline is closely coordinated with local planning efforts, funding milestones, and regulatory requirements to ensure efficient project delivery and minimize disruption.

### **Other Considerations**

This Capital Budget Request is the latest in a diligent multi year effort to secure state and federal funds to deliver this critical project. The city has been successful in securing funds from Metropolitan Council's Regional Solicitation (STBG) and MnDOT's Transportation and Economic Development (TED) Program. The city has been unsuccessful in requests from the following state and federal sources:

- Minnesota Management and Budget Bonding requests in 2024 and 2025.
- Congressionally Directed Spending Request for FY24 and FY25
- MnDOT 2023 Local Partnership Program (LPP)

### **Impact on State Operating Subsidies**

Aside from bonding repayment, there is no impact on state operating subsidies.

### **Who will own the facility?**

The City of Waconia will own and maintain all improvements that fall outside of trunk highway ROW, which are the focus of this funding request. This will include pedestrian facilities, utilities, and the frontage roadway.

### **Who will operate the facility?**

The City will operate the local system improvements to be funded through this funding request. While the larger highway project will require the City and MnDOT to reach an agreement for maintenance of all proposed facilities.

### **Who will use or occupy the facility?**

The proposed project is extending the local street system which will be for public use. The project will serve residents, employees, business owners, freight haulers, and business patrons.

### **Public Purpose**

The proposed project is a necessary local system improvement contributing to access management within the Highway 5 Ph II Reconstruction Project. The larger Highway 5 improvements are necessary to support growing traffic volumes driven by rapid population growth and access to Waconia Ridgeview Medical Center—a top-rated urgent care and regional job center. Additionally, this investment will generate 100-150 new jobs, \$10M in annual income, and \$5M in property/income tax revenues.

### **Description of Previous Appropriations**

The project was awarded \$5,000,000 from MnDOT's Transportation and Economic Development (TED) Grant Program and \$7M in federal Surface Transportation Block Grant funding through the Metropolitan Council's Regional Solicitation. These awards show up in the STIP under project numbers 1002-13 and 231-010-010.

### **Project Contact Person**

Shane Fineran  
City Administrator  
952-442-3100  
sfineran@waconiamn.gov

(\$ in thousands)

Highway 5 Phase II Reconstruction

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,000	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$5,000	\$0	\$0
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$7,000	\$0	\$0
City Funds	\$0	\$449	\$0	\$0
County Funds	\$0	\$2,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$19,449</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$500	\$0	\$0
Predesign Fees	\$0	\$3,790	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$15,159	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$19,449</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

Water Treatment Plant No.4

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$5,000
<b>Priority Ranking:</b>	2
<b>Project Summary:</b>	\$5 million in state funding is requested towards the construction of a new water treatment facility in the City of Waconia. The City of Waconia does not have the treatment capacity necessary to serve the community.

**Project Description**

The project includes the addition of Water Treatment Facility (WTP #4). This facility would include construction of a new treatment facility with a capacity of 2,000 gpm. The proposed plant would include gravity filters and would primarily treat for iron and manganese. Additionally, the plant would contain underground storage and be able to be easily expanded in the future.

The City of Waconia currently has two existing water treatment facilities. Water Treatment Plant #2 (WTP #2) was originally constructed in 1970 and was designed to remove iron and manganese. This treatment facility is in poor condition and is currently offline. WTP #2 would need significant rehabilitation if the city desires to use the facility in any capacity in the future. It is assumed that WTP #2 would be unable to provide any finished drinking water to the distribution system or meet the demands of a growing community.

Water Treatment Plant #3 (WTP #3) was originally constructed in 1992 and currently produces all the drinking water for the City of Waconia. The facility was constructed in two stages with each stage consisting of aeration, chemical oxidation using potassium permanganate, detention, gravity filtration, fluoridation, and chlorine disinfection. The treatment facility was originally designed with a treatment capacity of 1,400 gpm. In 2007, the plant was expanded to add an additional 2,000 gpm of capacity. The expansion consists of a parallel, but slightly larger, treatment process.

WTP #3 currently provides a total treatment capacity of 3,400 gpm, which is projected to only be sufficient to meet peak day demand through 2028. An additional 1,843 gpm of treatment capacity is projected to be needed to meet 2045 peak day demands.

With WTP #2 being offline and no longer able to produce treated water, the city's water system has no secondary source for treated water. Additionally, WTP #3 is now more than 30 years old and is not as efficient or reliable as it once was. As such, another source of treated water is necessary to meet the capacity needs of the City and to provide system redundancy to better serve the City of Waconia.

**Project Rationale**

The raw water in Waconia contains high levels of iron and manganese. The City of Waconia needs to add a new Water Treatment Facility (WTP #4) in order to treat this water effectively and to provide

more resiliency for the water system with a second source of treated water to better serve their customers.

### **Project Timeline**

December 2025 - Complete Final Design and the Preparation of Plans and Specifications  
January 2026 - Advertise Project  
February 2026 - Open Bids  
March 2026 - Award Project  
April 2026 to May 2026 - Complete Contracts/Insurance/Submittals/Shop Drawing Reviews  
July 2026 to June 2028 - Construct Project  
July 2028 to October 2028 - Startup Plant & Complete Commissioning Services

### **Other Considerations**

Without outside funding, the City of Waconia will have to significantly increase taxes and water user rates to pay for the facility. This large of an increase would be overly burdensome to the majority of the City's taxpayers.

Additionally, the City has expended significant funds to capture, treat, and reuse stormwater runoff. The City currently operates and maintains 4 stormwater reuse systems. These systems have lessened the demand on the potable water system, provided environmental benefit, and have therefore delayed the need to construct a new Water Treatment Facility.

### **Impact on State Operating Subsidies**

The City of Waconia will not be seeking operating dollars for this project.

### **Who will own the facility?**

The City of Waconia will own the new Water Treatment Facility.

### **Who will operate the facility?**

The City of Waconia has licensed staff that will operate the new Water Treatment Facility.

### **Who will use or occupy the facility?**

The City of Waconia will have office and lab space at the new Water Treatment Facility to allow for them to effectively use the space and to occupy the facility as needed to operate and maintain the facility.

### **Public Purpose**

With this addition of this new Water Treatment Facility, the City of Waconia will be able to provide a reliable source of safe drinking water to the residents and businesses of their community.

### **Description of Previous Appropriations**

None

### **Project Contact Person**

Jon Haukaas, P.E.  
Director of Public Services  
952-442-2615  
jahukaas@waconiamn.gov

(\$ in thousands)

Water Treatment Plant No.4

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$5,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$19,125	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$24,125</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$400	\$0	\$0
Predesign Fees	\$0	\$3,100	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$20,625	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$24,125</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
The Ledge Park Development Project	1	GO	3,800	0	0	0	0	0
<b>Total Project Requests</b>			3,800	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			3,800	0	0	0	0	0

**The Ledge Park Development Project**

**AT A GLANCE**

**2026 Request Amount:** \$3,800

**Priority Ranking:** 1

**Project Summary:** \$3.8 million in state funding is being requested to complete the remaining portion of our Amphitheater Park Project. A portion of our funding request was fulfilled in the 2023 legislative session and this request fulfills the remaining funding to complete this project. The funds will be used to improve the surfacing and lighting for the parking areas surrounding The Ledge Amphitheater. In addition, it will improve pedestrian safety to and from the venue to the parking lot area.

**Project Description**

Martin Marietta, a local mining company, donated the old abandoned quarry site to the City of Waite Park. The City spent over 7 years planning and preparing for the development of the site. As a result, they completed the outdoor amphitheater quarry development in the Summer of 2021, also known as The Ledge Amphitheater Park Project. The project was constructed with a combination of local option sales tax funds, local matches, and \$5 million of State funding. The Ledge Amphitheater opened in July of 2021. The site features a 5,000 outdoor amphitheater surrounded by the natural beauty of the granite quarries. Nestled into this site is also a beautiful natural park and trail that preserves much of the granite and wooded area of the property. The City has teamed up with New West, a Management Company from Kansas City with over 30 years of experience, to assist with operating the facility and bringing in national acts. Since it has opened in July of 2021, over 145,000 people have visited The Ledge with 33.5% of visitors coming from out-of-state and 69.6% of visitors staying overnight. In addition to this, the average visitor to The Ledge spends \$125 within the St. Cloud region which results in approximately a \$5 million impact to the Central MN Region.

**Project Rationale**

The City of Waite Park is part of a regional destination center located in the St. Cloud region. While our community has a population of approximately 8,400, our daytime population exceeds 30,000 given the number of visitors that come to our community to work, dine, shop, and play. As a result of our community makeup, the City of Waite Park has identified creating destination entertainment and recreational opportunities as two of our top priorities for the community. The Ledge Amphitheater Park project has already proven to meet this objective by providing a variety of national and local entertainment acts and will allow us to capitalize on this investment by drawing other complimentary uses to the area. While the venue has been extremely popular and well-received by residents and visitors, it is important for us to pay attention to the remaining details on this site that need to be completed. The reputation and success of this venue is based on the patrons and performers experience

## **Project Timeline**

The project timeline provided is based on State funding being secured in 2024.

May 2026: Project receives state funding  
Summer 2026: State approvals of grant agreement  
Fall 2026: Design Work on Site  
Fall 2026: Plans and specs approved for the project  
Winter 2026/27: Project approval for bidding

## **Other Considerations**

Waite Park has committed over 50% of the \$23 million cost for The Ledge Amphitheater through local funding, but we need the State's support to complete the project. The Ledge is a statewide asset, attracting 30% of visitors from out of state and securing national acts that draw significant attention to Minnesota. It generates approximately \$400,000 annually in State sales tax, proving its economic value. Continued investment in The Ledge ensures its vibrancy, attracting top performers and providing an ongoing cultural and economic impact. The Ledge not only drives tourism and local spending but also supports job creation and statewide growth. We request the State's partnership to finish this project and help The Ledge reach its full potential as a key asset for Minnesota's future

## **Impact on State Operating Subsidies**

None

## **Who will own the facility?**

The City of Waite Park will own it.

## **Who will operate the facility?**

City of Waite Park contracts with a management company to manage and operate the national acts that are hosted on the site. The management contract has been approved by the State of Minnesota. We have averaged 11 national acts in our first two full years of operation and anticipate adding up to 20 national acts. The City manages and operate the regional and local uses planned for the facility.

## **Who will use or occupy the facility?**

The facility will be open to the public and available for a variety of national, regional, and local uses.

## **Public Purpose**

This project includes a public park facility of an abandoned quarry property. This project will have a significant impact on economic development in the Waite Park community being adjacent to large undeveloped commercial properties. With the 60,000-80,000 visitors a year, it has and will continue to have a significant regional draw that has become a unique asset to the City of Waite Park, the region, and the State of Minnesota.

## **Description of Previous Appropriations**

The City of Waite Park received the following State Appropriations for The Ledge Amphitheater Park Project: 2018

Capital Bonding: \$5 million  
2023 Capital Bonding: \$2.5 million

**Project Contact Person**

Shaunna Johnson  
320-252-6822  
shaunna.johnson@ci.waitepark.mn.us

(\$ in thousands)

The Ledge Park Development Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$7,500	\$3,800	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$200	\$0	\$0	\$0
Non-Governmental Funds	\$13,157	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$20,857</b>	<b>\$3,800</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$2,900	\$0	\$0	\$0
Predesign Fees	\$1,515	\$760	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$16,442	\$3,040	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$20,857</b>	<b>\$3,800</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	N/A
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	Yes
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Phase 2 Infrastructure   Capital Improvement Projects	1	GO	4,189	0	0	0	0	0
City of Waldorf Library Building	2	GO	700	0	0	0	0	0
<b>Total Project Requests</b>			4,889	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,889	0	0	0	0	0

Phase 2 Infrastructure | Capital Improvement Projects

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$4,189
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	This project was divided into 2 Phases because of funding requirements. Phase 1 - \$15 million dollar project was completed in December 2024. This request for \$4,189 million dollars is for Phase 2 to complete this \$8,378 million dollar overall Infrastructure Project.

**Project Description**

The Phase 2 project includes a new sanitary sewer line that runs from our lift station to the new ponds as required by the Minnesota Pollution Control Agency. It also covers the remaining streets that were not completed, some property acquisition for 2 additional streets for housing and economic development including some funds for park improvements.

**Project Rationale**

Waldorf is a city that is feeling the growth of Mankato, MN as a new suburb up 18% in population. We are attracting many people to live here because of our affordable housing. New families are moving in. But we are out of any houses for sale. And the ones that are listed, sell within a matter of days. The city does have 100 acres of undeveloped land within our city limits.

Our new pond system was a part of the first upgrade or Phase 1 project. This \$15 million dollar upgrade of a new storm sewer, wastewater system, water lines and reconditioned water tower was just the beginning. Sadly, because of inflation, covid, etc. we were not able to complete the entire project. We are looking for additional funding to complete this project and the other items that were discovered are urgently needed.

**Project Timeline**

- 2025 - Urgent Items Addressed using City Funds. IE: First Street due to public safety concerns. - I and I issues are fully completed with both businesses and residents.
- 2026/2027 - Per the Minnesota Pollution Control Agency, we urgently need the Sanitary Sewer Line that can support the City, even though we are at 100% in compliant with our I and I issues. The Mayor has declared a Local State of Emergency and seeking funds to resolve this issue with our Sanitary Sewer Line.
- 2026 - 2028 - Complete the rest of the Infrastructure Projects as outlined in the Phase 2 plan with regards to the streets and any storm sewer issue that would help to eliminate an flooding.

**Other Considerations**

We were a part of the 2022 bonding bill that was not completed, but because of the redistricting, there was a miss communication to add this to the 2023 bonding bill to complete this project. We

have pending federal matching funds associated with this project. We are up against some of the deadlines to access these funds. We are asking nearly \$4.2 million dollars that would be half of what is needed to complete this project. We currently have issues with the MN Pollution Control Agency of wastewater contamination of our underground water source. The MN Pollution Control Agency has given us an extension, but we will have to revisit this with them. If this is not completed, this could result in fines of \$250 per day for non-compliance.

### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

This City of Waldorf, in cooperation with the State of Minnesota Department of Health and Minnesota Pollution Control Agency will own this project so that the City of Waldorf is in compliance with State Law.

#### **Who will operate the facility?**

The City of Waldorf - Ron Fisher (City Maintenance Manager) and with assistance with our new City Engineer, Bollig Engineering out of Willmar, MN

#### **Who will use or occupy the facility?**

The general public will use and occupy this project.

#### **Public Purpose**

For the disposal of wastewater and to access the public streets and the city park.

#### **Description of Previous Appropriations**

We started the first part of the project of this in the year 2021. We did receive some assistance from the State of Minnesota.

#### **Project Contact Person**

Rob Wilkening  
Mayor  
612-805-2770  
robwilkening@ewef.us

(\$ in thousands)

Phase 2 Infrastructure | Capital Improvement Projects

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,189	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$4,189	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,378</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$1,900	\$0	\$0
Predesign Fees	\$0	\$100	\$0	\$0
Design Fees	\$0	\$1,203	\$0	\$0
Project Management	\$0	\$229	\$0	\$0
Construction	\$0	\$4,946	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,378</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

City of Waldorf Library Building

**AT A GLANCE**

**2026 Request Amount:** \$700

**Priority Ranking:** 2

**Project Summary:** This City of Waldorf, in cooperation with the Waseca-Le Suer Public Library is seeking a new Library Building for the City of Waldorf Location.

**Project Description**

This facility will be owned and maintained by the City of Waldorf to be used as a Public Building to house the Public Library and other rooms. It will also include a required Storm Shelter. The amount of the request is as follows:  
State Bonding Request: \$700,000.  
Other Sources for Furniture and Supplies: (City of Waldorf, Waseca and Le Suer County Library System, etc.: \$600,000.  
Total Cost of the Project: \$1,300,000.

**Project Rationale**

Currently, the Library has shared space between the City office and the Library. The Library uses approximately 225 sq. feet of space and is growing over the years. The City is also growing and needs additional space to house not just the city, but also an area for the Waseca County Sheriff's Department for their sub-station.

**Project Timeline**

2026 - Start the design and planning process / or / upon funding has been awarded.  
2027 - Acquire the land and start the construction process  
2028 - The Library Facility will be completed and opened to the general public to access valuable information and resources.

**Other Considerations**

**Impact on State Operating Subsidies**

**Who will own the facility?**

The City of Waldorf, in cooperation with the Waseca-Le Suer Public Library System will own this project.

**Who will operate the facility?**

The City of Waldorf, together with the Waseca-Le Suer Public Librayr System will operate this project.

**Who will use or occupy the facility?**

This City of Waldorf and the Waseca-Le Suer Public Library System will occupy this project.

**Public Purpose**

Public Library, meeting rooms and storm shelter as required.

**Description of Previous Appropriations**

No previous state funding for this project has ever been awarded.

**Project Contact Person**

Rob A. Wilkening

Mayor

612-805-2770

robwilkening@yahoo.com

(\$ in thousands)

City of Waldorf Library Building

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$700	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$500	\$0	\$0
Other Local Government Funds	\$0	\$75	\$0	\$0
Non-Governmental Funds	\$0	\$25	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,300</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$100	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$10	\$0	\$0
Project Management	\$0	\$40	\$0	\$0
Construction	\$0	\$1,011	\$0	\$0
Relocation Expenses	\$0	\$20	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$119	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,300</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Sanitary Sewer Inflow   Infiltration Reduction and Conveyance Improvement	1	AP	8,900	0	0	0	0	0
Water Tower	2	AP	1,000	0	0	0	0	0
<b>Total Project Requests</b>			9,900	0	0	0	0	0
<b>Appropriation Bonds (AP) Total</b>			9,900	0	0	0	0	0

**Sanitary Sewer Inflow | Infiltration Reduction and Conveyance Improvement**

**AT A GLANCE**

**2026 Request Amount:** \$8,900

**Priority Ranking:** 1

**Project Summary:** This project will assist Waseca in complying with the MPCA's mandate to eliminate illicit discharges of wastewater into area lakes, surface waters and residential home basements by reducing clean water inflow and infiltration which overwhelms the City's sewer system. Excessive rain events cause local flooding conditions which results in clean water migrating to the antiquated sanitary sewer system.

**Project Description**

Total current cost is estimated at \$13.4 million over five (5) years The total 2026 bonding request is \$8.9 million. Key funding sources include the federal government, Minnesota State government, and Waseca rate payers and tax payers.

Waseca's three-phase approach to Inflow and Infiltration (I&I) reduction and sewer system surcharging includes improvements within the Hospital Sewershed, the Fairgrounds Lift Station Sewershed, and the NW Lift Station Sewershed. Waseca proposes to address the excessive sanitary sewer I&I issue and conveyance capacity constraints within each sewershed by a combination of the following techniques: Cast-in-place Pipe (CIPP) lining of deficient sanitary sewer main and service pipe, rehabilitation of existing manholes by interior lining, and reconstruction of segments of the sanitary sewer system that are deficient or have substandard conveyance capacity. The estimated project costs total approximately \$13.4 Million over five (5) years, and the improvements are planned to be to be completed in phases as funding allows.

**Project Rationale**

Reducing peak flows conveyed by the sanitary sewer system allows for the addition of new residential and commercial growth without the risk of surcharging downstream or upstream segments of the system. This reduction in peak flows mitigates pumping and release of raw sewage to area lakes and also leads to decreased wastewater pumping and treatment costs. Decreasing wastewater flows received at Waseca's Wastewater Treatment Facility (WWTF) following large storm events ensures that treated water complies with MPCA discharge requirements and minimizes the risk of sanitary sewer backups into resident basements, mitigating the associated public liability and cost of private property damage.

The I&I reduction improvements are critical to facilitate Conagra Brands, Inc. proposed transition to year-round production at its \$300M vegetable processing facility in Waseca and discharge of pretreated vegetable wastewater to the WWTF as a public/private utility partnership.

## **Project Timeline**

The estimated start and end dates for the project(s) are from July, 2026 to December 1, 2028.

- Initiate Detailed Design - July 2026
- Execute Funding Agreement - October 2026
- Waseca Plan Approval - February 2027
- Bid Openings - March 2027
- Construction Contracts Awarded - April 2027
- Begin Construction - May 2027
- Substantial Completion - October 2028
- Final Completion - December 2028

## **Other Considerations**

Waseca's utility rates, taxes and debt load are already high when compared to its peers and also considering Waseca's median income of \$62,632 is 73.4% of the State of Minnesota's median income. Waseca has suffered by the loss of Itron Inc. in March 2023 (300 jobs) and Brown Printing / Quad Graphics (1,000 jobs) in 2017 and eight small business (~300 jobs) over the past 10 years. Waseca's tax, sewer, and water rates are significantly higher than neighboring communities competing for commercial, industrial, and residential growth. Waseca needs State and federal funding appropriations to compete for commercial, industrial and population growth. 70% of Minnesota cities and townships have a lower tax levy per capita than Waseca. We are working to improve our tax rate by decreasing city staff, cutting costs, and facilitating development. Waseca's sewer rates result in average monthly bills that are historically 171 % higher than the combined average for Owatonna, Mankato, and Faribault.

## **Impact on State Operating Subsidies**

None anticipated.

## **Who will own the facility?**

The City of Waseca. The City Council serves as the governance board for all utility matters and ownership of public utilities.

## **Who will operate the facility?**

The City of Waseca.

## **Who will use or occupy the facility?**

The City of Waseca.

## **Public Purpose**

The primary public purposes are to comply with the environmental laws of the State of Minnesota, to comply with wastewater discharge NPDES Permit MN0020796, to protect the health and welfare of all citizens from sewage backups and sewage discharges into the environment, and to do so in a price competitive manner which does not place Waseca at a financial and environmental disadvantage with neighboring communities and local citizens.

**Description of Previous Appropriations**

Not applicable related to this project.

2009 PFA Loan \$9.6M payable through 2029 for WWTF expansion and trunk sewer expansion in 2009.

**Project Contact Person**

Carl C. Sonnenberg  
City Manager  
507-835-9747  
CarlS@ci.waseca.mn.us

(\$ in thousands)

Sanitary Sewer Inflow | Infiltration Reduction and Conveyance Improvement

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Appropriation Bonds	\$0	\$8,900	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$3,000	\$0	\$0
Non-Governmental Funds	\$0	\$1,500	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$13,400</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$178	\$0	\$0
Design Fees	\$0	\$534	\$0	\$0
Project Management	\$0	\$890	\$0	\$0
Construction	\$0	\$11,798	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$13,400</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Water Tower****AT A GLANCE****2026 Request Amount:** \$1,000**Priority Ranking:** 2

**Project Summary:** \$1,000,000 is requested from State bond proceeds for a grant to the City of Waseca to acquire land or permanent easements and to predesign, survey, and design a new water tower in the City of Waseca. The reduced water tower funding request (previous request of \$4M) will delay construction of the water tower and require Waseca to continue to work to secure funding for future construction through the State and Federal governments. Sanitary sewer improvements to reduce I & I is our #1 priority.

**Project Description**

In accordance with Waseca's 2013 Comprehensive Plan and including the development of the TH 14 - CSAH 2 West Interchange area, increasing commercial water demand, the need for enhanced fire protection and the deteriorated condition of segments of existing watermain required the City of Waseca to begin implementing this comprehensive plan, which includes recent construction of trunk watermain improvements along Elm Avenue, Brown Avenue, 4th St SW, North State Street, and South State Street. These investments totaling over \$5.5 million and completed over the past 10 years have significantly improved Waseca's water distribution system and enable the next phase of planned water system improvements which is the construction of a water tower.

**Project Rationale**

The purpose of Waseca's new water tower is to provide water storage and pressure needed to meet current and projected peak demands, greatly enhance fire protection, improve system operations and reliability, and decrease operation and maintenance costs. More specifically, project purpose and local benefits of the proposed elevated water storage tank are summarized in the following bullet points. The water tower would:

- Adequately support the newly constructed ConAgra Manufacturing and Vegetable Processing complex located 1,000-feet southwest of the tower site.
- Support the reuse of the former Brown Printing / Quad Graphics industrial complex (~0.7M Square Feet) located adjacent to the tower site that is in need of enhanced fire protection and increased water pressure.

**Project Timeline**

The following bullet points represent a preliminary sequence of milestone events in the planning and

design of a proposed water tower:

- Bonding Bill Appropriation - May 2026
- Execute Funding Agreement - October 2026
- Land Acquisition/Easements - April 2027
- Predesign/Survey - November 2027
- Design - November 2028

### **Other Considerations**

- #315 (11 points) Current ranking on the MOH Drinking Water Revolving Fund programs Project Priority List (PPL)
- Household median income is about 7 4.3% if the State of Minnesota's household median income
- Waseca's water rates are historically 122% higher than the combined average for Owatonna, Mankato, and Faribault--neighboring communities in competition with Waseca
- Closing of local businesses decreases the communities affordability of critical major infrastructure projects; business closings have included Brown Printing/Quad Graphics in 2017 (up to 1,100 jobs), Itron in 2023-2024 (up to 300 jobs), Hy-Vee Grocery Store, Cash Wise Grocery Store, Shady Oaks Regional Nursery, Clear Lake Printing Press, Taco Johns, and Dollar General

### **Impact on State Operating Subsidies**

None anticipated.

### **Who will own the facility?**

City of Waseca

### **Who will operate the facility?**

City of Waseca Water Utility

### **Who will use or occupy the facility?**

The entire community will benefit from the water tower for the next 80-100 years.

### **Public Purpose**

The water tower would provide water storage and pressure head needed to meet current and projected City-wide peak water use demands, greatly enhance fire protection, improve system operations and reliability.

### **Description of Previous Appropriations**

None.

The MMB inflationary factors have not been added to the project cost.

**Project Contact Person**

Carl C. Sonnenberg  
City Manager  
507-835-9747  
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(\$ in thousands)

**Water Tower**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
Appropriation Bonds	\$0	\$1,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$750	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$3,000	\$0	\$0
Non-Governmental Funds	\$0	\$0	\$2,636	\$0
<b>TOTAL</b>	<b>\$750</b>	<b>\$4,000</b>	<b>\$2,636</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$600	\$0	\$0	\$0
Predesign Fees	\$150	\$0	\$0	\$0
Design Fees	\$0	\$350	\$0	\$0
Project Management	\$0	\$80	\$0	\$0
Construction	\$0	\$3,570	\$2,636	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$750</b>	<b>\$4,000</b>	<b>\$2,636</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

documents?	
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	N/A
Has the pre-design been submitted to the Department of Administration?	N/A
Has the pre-design been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	No
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
County Road 19A and 100th Street Realignment Project	1	GO	22,500	0	0	0	0	0
Washington County Southern Environmental Center and Public Works Campus	2	GO	10,000	0	0	0	0	0
Wood Recovery and Utilization Program	3	GO	4,000	0	0	0	0	0
CSAH 5 (Stonebridge Trail) and Brown's Creek State Trail Connection Project	4	GO	3,000	0	0	0	0	0
Cottage Grove Ravine Regional Park Trail Lights & Improvements	5	GO	2,000	0	0	0	0	0
Hardwood Creek Regional Trail Extension	6	GO	1,500	0	0	0	0	0
<b>Total Project Requests</b>			43,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			43,000	0	0	0	0	0

**County Road 19A and 100th Street Realignment Project**

**AT A GLANCE**

**2026 Request Amount:** \$22,500

**Priority Ranking:** 1

**Project Summary:** Washington County requests \$22.5 million to design, acquire right of way, and construct the County Road 19A and 100th Street Realignment. In partnership with the City of Cottage Grove, a community need was identified for a new arterial route to support 500 acres of planned residential development and help balance regional traffic patterns on US Highway 61.

**Project Description**

The County 19A and 100th Street Realignment Project is located in the southwest corner of Washington County in the City of Cottage Grove. The community is on the fringe of the Minneapolis-St. Paul metropolitan area and is classified as suburban by the Metropolitan Council.

In the southwest area bound by Highway 61 and the Mississippi River, Cottage Grove has seen a dramatic increase in activity and commercial growth with residential development to support this economic activity. Rapid development has increased demand on Highway 61, the primary connection to the rest of the region, as the city's entire southern border is bounded by the Mississippi River. Since 2021, development in the business park and nearby residential areas continues to grow.

The County 19A and 100th St Realignment Project will provide an arterial roadway that realigns 100th Street S and County Road 19A and constructs a railroad bridge to provide a grade-separated crossing near the business park. The project will reduce congestion, increase capacity, and relieve stress on the Jamaica Avenue and Highway 61 interchange. Moreover, a new railway grade separates and efficiently accommodates growth in freight traffic associated with the rapidly growing industrial area.

The total project cost is estimated to be \$47 million. The County and City have both committed funds and secured additional funding through PROTECT, Community Project Funding, and the MN Highway Freight Program. Washington County is requesting \$22.5 million, which combined with previous awards and financial commitments from local agencies would fully fund this transformative project.

**Project Rationale**

The County 19A and 100th Street Realignment project will be a transformative project for Washington County and the City of Cottage Grove, and justifies investment because it will:

- Improve safety
- Create economic opportunity
- Improve mobility
- Preserve the environment

## **Project Timeline**

Washington County, in partnership with Cottage Grove, is currently leading preliminary design and environmental review of the proposed project. The county has invested more than \$800,000 in project development to-date. It is anticipated that the permitting and right-of-way acquisition will advance in 2025 and 2026. Pending funding support, the project will begin construction in 2027 and conclude in 2028.

## **Other Considerations**

It is anticipated that a National Environmental Policy Act (NEPA) Environmental Assessment (EA) and a Minnesota Environmental Policy Act (MEPA) Environmental Worksheet (EAW) will be required for the project. MnDOT has established an agreement whereby a joint EA/EAW may be used to satisfy both federal and state requirements.

State funding support is critical to deliver this project. Cottage Grove and Washington County have submitted funding requests, listed below. These are high-effort funding requests that the City and the County have spent time and resources to pursue.

- Better Utilizing Investments to Leverage Development (BUILD) Grant - Pending
- Rural Surface Transportation Grant - Unsuccessful
- FY2026 Federal Community Project Funding Grant - Pending
- FY2025 Federal Community Project Funding Grant – no funding awarded for FY2025
- FY2024 Federal Community Project Funding Grant - Successful
- PROTECT funding through Metropolitan Council – Successful
- Minnesota Highway Freight Program – Successful
- 2023 Rebuilding America with Sustainability and Equity (RAISE) - Unsuccessful

## **Impact on State Operating Subsidies**

A new roundabout interchange access point to and from southbound US Highway 61 will introduce new infrastructure and right-of-way. Final project design will include an agreement with MnDOT for maintenance of improvements and right-of-way.

## **Who will own the facility?**

Washington County will own and operate the new arterial route. The portions of the project within trunk highway will be transferred to MnDOT.

## **Who will operate the facility?**

Final project design will include an agreement with MnDOT for maintenance of improvements within MnDOT right of way, and Washington County will own and operate the new arterial route. The City of Cottage Grove will develop an agreement with the County for year-round maintenance of the proposed trail connections.

## **Who will use or occupy the facility?**

The new roadway and trail connections will be for public use. Unlike under existing conditions, the roadway and trail elements provide transportation alternatives to existing and future nearby residents and businesses.

## **Public Purpose**

The project is a public infrastructure investment that will open over 500 acres of industrial and residential development. In addition to the development, the project will enhance non-motorized transportation options, reduce mode conflict at railroad crossings, and address congestion issues at existing interchanges on US Highway 61.

**Description of Previous Appropriations**

The County 19A and 100th Street Realignment Project has not been appropriated any state funds to date. Washington County and the City of Cottage Grove have made commitments to the project.

**Project Contact Person**

Jan Lucke  
Deputy County Administrator  
651-430-6003  
jan.lucke@washingtoncountymn.gov

(\$ in thousands)

County Road 19A and 100th Street Realignment Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$22,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$0	\$13,667	\$0
Other Local Government Funds	\$0	\$6,000	\$4,773	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$28,500</b>	<b>\$18,440</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$3,000	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$200	\$200	\$0
Project Management	\$0	\$300	\$300	\$0
Construction	\$0	\$19,202	\$15,708	\$0
Relocation Expenses	\$0	\$3,155	\$345	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$2,643	\$1,887	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$28,500</b>	<b>\$18,440</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

Washington County Southern Environmental Center and Public Works Campus

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$10,000
<b>Priority Ranking:</b>	2
<b>Project Summary:</b>	Construction of the Southern Environmental Center and Public Works Campus

**Project Description**

The Washington County Southern Environmental Center and Public Works Campus serves the rapidly growing southern portion of the county. The project will expand the existing facilities constrained on the current location of the Public Works South Shop and will combine the services to increase operational efficiencies. The Campus will serve as a hub for maintaining some of the busiest county roads and will draw customers to the Environmental Campus, which provides critical services to the community. The regionally impactful expansion of the Environmental Center will meet increasing public demand for services; a possible site to receive, store, and process community yard waste. The expansion will provide more space to accommodate popular growing programs like reuse and repair initiatives. This will allow the county to accept and dispose of hard-to-manage items-- such as: Styrofoam, furniture, electronics, and safe and efficient disposal of common household hazardous waste. These programs align directly with the state’s sustainability goals. In 2024, our reuse program returned an estimated \$1.5 million in value back to the community, offering items like paint, cleaners, and even Halloween costumes to have a second life with residents. The existing Public Works South Shop is already far beyond capacity. Half of the snowplows are currently stored off-site at a rented facility. These conditions will only worsen as the area continues to develop. Minor equipment to support Gold Line maintenance will be stored at this facility. The facility supports maintenance of the highest used roads in the county, including ones that provide access to major tax base generators in the east metro and almost 10% of customers at the current environmental center come from outside the county. The county and City of Woodbury have also worked collaboratively to site a new water town on adjacent property.

**Project Rationale**

The Washington County Southern Environmental Center and Public Works Campus serve the rapidly growing southern portion of the county. Both facilities are constrained in the face of this increasing demand for services, particularly the South Shop, which is already far beyond capacity. Half of the snowplows are currently stored off-site at a rented facility. These conditions will only worsen as the area continues to develop. The public service campus will be regionally impactful and include a new South Shop facility and expansion of the Environmental Center to meet increasing public demand for services; a possible site to receive, store, and process community yard waste; and improvements to roadways and circulation within the site.

**Project Timeline**

The design of the facility will take place in 2025 and 2026. Construction will be in 2027 and 2028 and the facility is planned to open in late 2028.

**Other Considerations**

The Washington County Environmental Center is an existing and well used, popular, constituent service center. The facility is a safe, easy, and year-round disposal locations for household hazardous materials, electronics, and recyclables. The Environmental Center plans to grow in the future to meet the needs of the developing surrounding community, and plans to provide Yard Waste drop-off site services at this site. The Public Works South Shop is an important hub for south Washington County road, trail, and park maintenance.

**Impact on State Operating Subsidies**

NA

**Who will own the facility?**

Washington County

**Who will operate the facility?**

Washington County

**Who will use or occupy the facility?**

Washington County staff and customers for the environmental center will occupy the facility.

**Public Purpose**

The Washington County South Shop Public Works building is in very poor condition with significant deficiencies. Plow trucks, emergency response vehicles, and other maintenance equipment and materials are stored at this site, in the southern portion of Washington County. The Environmental Center will improve overall public access and circulation at the site and a potential yard waste facility transfer location and site expansion for residents of Cottage Grove, Woodbury, and the surrounding areas.

**Description of Previous Appropriations**

None

**Project Contact Person**

Jan Lucke  
Deputy County Administrator  
651-430-6003  
jan.lucke@washingtoncountymn.gov

(\$ in thousands)

Washington County Southern Environmental Center and Public Works Campus

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$10,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$0	\$21,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$31,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$6,000	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$25,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$31,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Wood Recovery and Utilization Program****AT A GLANCE****2026 Request Amount:** \$4,000**Priority Ranking:** 3

**Project Summary:** Washington County plans to develop properties throughout the county to establish a network of wood recovery sites for consolidation of tree material and yard waste such as leaves and grass clippings. These sites will provide residents, and tree care companies handling tree material on behalf of residents, a place to bring materials for resource recovery by the county. Properties are located in Forest Lake, Afton, and Woodbury.

**Project Description**

This project is the development of property owned by Washington County in Forest Lake, Woodbury, and Afton to establish a network of natural resource recovery sites. In Forest Lake and Woodbury, these sites will run adjacent to the Environmental Center facilities owned by Washington County, the Afton property will be adjacent to a future Sheriff Dept building for a backup telecommunication center. All sites will offer residents a place to bring leaves/grass, brush/branches, and logs they no do not want which the county will transfer to processing partners at locations throughout the metro. Tree care companies handling tree material on behalf of residents will use parts of these sites for delivery of logs that are sufficient in size and quality to be recovered for manufacturing into durable wood products. The sites require grading, roadwork, electrical and water infrastructure for lighting and processing equipment to make the collection of materials possible. These sites will be accessible to neighboring counties under reciprocal use agreements for a regional benefit.

**Project Rationale**

Metro counties are required by the state's Metropolitan Solid Waste Management Policy Plan (MPP) to address the growing issue of wood waste resulting from the tree losses caused by Emerald Ash Borer (EAB). This amount of wood waste is a greater amount and will continue being generated for longer than originally projected when EAB arrived in Minnesota. Washington County Public Health and Environment has identified air quality risks from increasing open burning of material for disposal and the potential for increased injuries to residents caused by self-management of large volumes of tree debris and hazardous tree removals. To reduce open burning and injuries as well as meet the obligations of the MPP, Washington County's network of material recovery sites will provide a place for the sustainable collection of leaves/grass for sending to commercial compost, brush/branches for mulch and biochar, and recoverable logs for durable wood product manufacturing at various Minnesota companies.

A network of these collection and sorting sites is vital to a successful material recovery system due to the criticality of material transportation logistics. Manufacturing products from the woody material brought to these sites is made possible by sufficient volumes and types of materials that can be

efficiently transported by companies delivering the inbound material and hauling the outbound material to processing and manufacturing facilities.

**Project Timeline**

Development of Afton and Forest Lake properties will occur in 2026 and Woodbury in 2027.

**Other Considerations**

The Minnesota Pollution Control Agency has awarded a grant of \$250,000 to Washington County for the purchase of equipment for processing woody material into biochar. The development of this wood recovery and utilization program is establishing a model for other counties and municipalities throughout the state to copy for response to the growing problem of wood waste that can be sustained statewide.

**Impact on State Operating Subsidies**

None anticipated.

**Who will own the facility?**

Washington County

**Who will operate the facility?**

Washington County with assistance by contracted partners.

**Who will use or occupy the facility?**

The sites will be used by residents and tree care companies handling tree material on behalf of residents.

**Public Purpose**

The protection of public health through reduced open burning of woody material for disposal and the responsible recovery of valuable natural resources currently being wasted and harming the quality of air when burned.

**Description of Previous Appropriations**

House File 1078 and Senate File 2719 were introduced in the 2025-2026 Legislative Session.

**Project Contact Person**

Caleb Johnson  
Sr. Environmental Programs Manager  
651-430-6680  
caleb.johnson@washingtoncountymn.gov

(\$ in thousands)

Wood Recovery and Utilization Program

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$0	\$5,500	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$9,500</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,500	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$8,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$9,500</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	
Predesign Review (M.S. 16B.335 subd. 3):	

**STATUTORY REQUIREMENTS****The following requirements will apply to projects after adoption of the bonding bill.**

Does this request include funding for predesign?	
Has the predesign been submitted to the Department of Administration?	
Has the predesign been approved by the Department of Administration?	
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	
Is the required information included in this request?	
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**CSAH 5 (Stonebridge Trail) and Brown's Creek State Trail Connection Project****AT A GLANCE****2026 Request Amount:** \$3,000**Priority Ranking:** 4**Project Summary:** Washington County requests \$3 million in state funds to construct a trailhead and trail connection(s) from County State Aid Highway (CSAH) 5 to the Brown's Creek State Trail.**Project Description**

If state funds are provided, they will be used to construct a trailhead and trail connection(s) from County Highway 5 to the Brown's Creek State Trail.

**Project Rationale**

Users who wish to access the Brown's Creek State Trail from City of Stillwater neighborhoods must use an uneven, unsanctioned footpath down a steep ravine. A new pedestrian and bicycle connection would make this linkage safe, accessible, and compliant with the Americans with Disabilities Act (ADA).

**Project Timeline**

There is a project being constructed in 2025 that is adding new trails along County Highway 5 adjacent to the Brown's Creek State Trail, and is resurfacing the existing trails and roadway, replacing the existing highway bridge, and improving intersections. This project will cost \$6 million and is being financed with local funds. If the state funds are not provided, the connection will not be built, leaving only the steep, uneven, unsanctioned footpath to the Brown's Creek State Trail.

**Other Considerations**

Support from the Minnesota Department of Natural Resources (DNR), Stillwater Township, and the City of Stillwater.

**Impact on State Operating Subsidies**

None.

**Who will own the facility?**

Washington County, MN. County has a limited use permit for the trail connection.

**Who will operate the facility?**

Washington County, MN.

**Who will use or occupy the facility?**

Visitors and residents who are biking, walking, or rolling from the City of Stillwater, Grant, or beyond, who want a safe, accessible and clear connection from the Brown's Creek State Trail to neighborhoods, businesses and schools in Stillwater and the surrounding area.

**Public Purpose**

Accessible and safe connection from a County State Aid Highway to a popular and well-used state trail.

**Description of Previous Appropriations****Project Contact Person**

Jan Lucke  
Deputy County Administrator  
651-430-6003  
jan.lucke@washingtoncountymn.gov

(\$ in thousands)

**CSAH 5 (Stonebridge Trail) and Brown's Creek State Trail Connection Project**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$6,000	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$6,000</b>	<b>\$3,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$6,000	\$3,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$6,000</b>	<b>\$3,000</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Cottage Grove Ravine Regional Park Trail Lights & Improvements**

**AT A GLANCE**

**2026 Request Amount:** \$2,000

**Priority Ranking:** 5

**Project Summary:** \$2 million in state funds is requested to design and construct improvements to the trails at Cottage Grove Ravine Regional Park in Washington County. Improvements will include trail lighting, resurfacing, and accessibility upgrades.

**Project Description**

Cottage Grove Ravine Regional Park resides in Cottage Grove and consists of 500+ acres of hills and forested ravines. The park features Ravine Lake (kayaking, fishing), playground, picnic area, indoor multiuse facility and more. The most popular feature is the 12 miles of trails for visitors to use. These trails provide access and recreation for walkers/hikers, bicyclists, skiers, snowshoers, snowmobilers, and more.

The proposed project will address needed improvements to the park's trails. Trail lighting is proposed for specific segments of turf/natural trails. In addition, 4 miles of paved trails has reached the end of its usable life and requires resurfacing.

Washington County is requesting \$2 million of state funds to fully fund the project. Washington County has previously invested \$1,885,000 in the park and has \$150,000 of additional local funding allocated in 2026. The total estimated project cost is \$4 million.

**Project Rationale**

Cottage Grove Ravine Regional Park's trails are vital for visitor enjoyment and exploration. This project aims to enhance the park experience by implementing trail lighting, resurfacing, and accessibility upgrades. These improvements will expand year-round use, particularly during the shorter days of fall and winter, boosting the park's appeal as a cross-country ski destination.

The proposed trail lighting will address current limitations posed by enabling safe and extended use during the high school cross-country ski season. This aligns with recent investments in the Ravine Landing facility, which has expanded programming and event capacity.

Resurfacing the main paved trail, crucial for connecting other trails, is essential. This "spine" trail, part of the county's "Trails at Your Pace" program, caters to diverse users and supports an active and healthy community.

**Project Timeline**

Anticipated design of trail improvements: May 2026 - February 2027

Anticipated construction: May 2027 - October 2027

## **Other Considerations**

Washington County parks and trails serve both the county and the greater metropolitan region. As the 7-county regional population looks to welcome and additional 700,000 people, Washington County looks forward to welcoming 80,000 new residents. Cottage Grove Ravine Regional Park is located in south Washington County, one of the fastest growing areas in the metropolitan area. Families and businesses choose to locate in the county because of the outdoor recreational opportunities and natural beauty our parks and trails provide.

## **Impact on State Operating Subsidies**

The proposed project will have minimal impact on the state operating subsidies. The county finances approximately 91% of the overall operations and maintenance for the regional park and trails it manages. Approximately 9% funding for operations and maintenance comes from the state lottery in lieu of property taxes and general fund from the state. Thus, the county will be responsible for approximately 91% of any impact to operations and maintenance costs generated out from this project.

## **Who will own the facility?**

Washington County

## **Who will operate the facility?**

Washington County

## **Who will use or occupy the facility?**

Washington County regional parks are open to the general public. Users will consist of Cottage Grove Ravine Regional Park visitors.

## **Public Purpose**

With the implementation of the proposed project, Washington County will expand the Cottage Grove Ravine Regional Park's year-round use and improve the visitor's experience and safety on park trails.

## **Description of Previous Appropriations**

None

## **Project Contact Person**

Jan Lucke  
Deputy County Administrator  
651-430-6003  
jan.lucke@washingtoncountymn.gov

(\$ in thousands)

Cottage Grove Ravine Regional Park Trail Lights & Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
County Funds	\$2,000	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
County Funds	\$0	\$150	\$0	\$0
<b>TOTAL</b>	<b>\$2,000</b>	<b>\$2,150</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$400	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$2,000	\$1,750	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$2,000</b>	<b>\$2,150</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

## Hardwood Creek Regional Trail Extension

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$1,500
<b>Priority Ranking:</b>	6
<b>Project Summary:</b>	\$1.5 million in state funds is requested to acquire land, design, and construct a new 10 foot multiuse trail to address the one mile Hardwood Creek Regional Trail gap between 130th Street and 120th Street within the City of Hugo.

**Project Description**

The Hardwood Creek Regional Trail is a north-south multiuse trail in northwestern Washington County. The trail connects to the Sunrise Prairie Regional Trail in Chisago County to the north and will link with the Bruce Vento Regional Trail in Ramsey County to the south - meaning trail users will one day be able to travel 40+ miles between Downtown Saint Paul and Downtown North Branch on a dedicated trail.

Washington County developed a Master Plan for the Hardwood Creek Regional Trail in 2013. This plan defined an overall vision for the regional trail, developed design and performance standards, and identified a preferred route for the trail. Since then, the county has been working to fund and implement the plan's vision.

Within Washington County, the Hardwood Creek Regional Trail traverses through residential areas, natural areas, and commercial areas, along the west side of Highway 61. The existing trail is constructed primarily on 11 miles of former railroad right-of-way, extending from the Washington/Chisago County Line in Forest Lake, to 130th Street in Hugo. A one-mile gap in the trail exists due to the rail line remaining active between 130th Street and Fenway Boulevard and the Washington-Ramsey County line at 120th Street.

In 2022, Washington County conducted a feasibility study in collaboration with the City of Hugo to address the trail gap. The study identified solutions to key barriers in the project area. This process produced a proposed project layout that reflects an accessible, direct, grade separated route.

The proposed project will construct a 10-foot-wide paved trail extending southward from 130th Street through a proposed permanent easement. As the trail alignment reaches Falcon Court, it will be located in another easement on the east side of Falcon Court and west of the railroad right-of-way line. The trail will continue on the east side of Falcon Avenue in City of Hugo right of way until reaching 120th Street, where it will ultimately connect to planned improvements by Ramsey County in Bald Eagle-Otter Lakes Regional Park.

The project has \$1.8 million of local funding allocated and Washington County is requesting \$1.5 million of state funds to fully fund the project. The total estimated project cost is \$3.3 million.

## **Project Rationale**

The Hardwood Creek Regional Trail (HWCRT) extension will provide a safe, accessible, and continuous 10-foot multiuse trail, addressing the one-mile gap in the state's active transportation network in Hugo. The HWCRT currently connects to the Sunrise Prairie Regional Trail in Chisago County and will eventually link to the Bruce Vento Regional Trail in Ramsey County, creating a 43-mile corridor between downtown Saint Paul and downtown North Branch. The HWCRT also links with Anoka County and the Rice Creek Chain of Lakes Park Reserve via Rice Creek Regional Trail.

The proposed project closes a critical trail gap caused by an active rail line, offering a grade-separated, direct alternative to unsafe conditions for bicyclists and pedestrians along Falcon Avenue, Falcon Court, and Highway 61. The trail will connect residents to living-wage jobs at Hugo's growing employment hub and recreational destinations, including Bald Eagle-Otter Lake Regional Park and Oak Shore Park. This project ensures equity in access, bolsters regional connectivity, and promotes active transportation in Washington County.

## **Project Timeline**

Completed project phases:

Hardwood Creek Regional Trail Master Plan: 2013

Hardwood Creek Regional Trail Extension Predesign: 2021

Upcoming phases:

Acquisition and Final Design: May 2026 - February 2027

Construction: May 2027 - August 2028

## **Other Considerations**

Washington County has conducted extensive planning and engagement for the Hardwood Creek Regional Trail. The 2013 Master Plan, developed with input from the public, community organizations, and underserved populations, identified the proposed project. This gap has been highlighted in key plans, including the City of Hugo's 2040 Comprehensive Plan (2019), Washington County's 2040 Comprehensive Plan (2018), and Bicycle and Pedestrian Plan (2020), all developed through robust public engagement.

In 2021, Washington County partnered with Hugo to complete a feasibility study, addressing design challenges and engaging impacted communities, including the senior residents of Bald Eagle Estate Townhomes. The county has worked closely with Hugo throughout, ensuring local support for the project and its funding request.

## **Impact on State Operating Subsidies**

The proposed trail will have minimal impact on the state operating subsidies. The county finances approximately 91% of the overall operations and maintenance for the regional park and trails it manages. Approximately 9% funding for operations and maintenance comes from the state lottery in lieu of property taxes and general fund from the state. Thus, the county will be responsible for approximately 91% of any impact to operations and maintenance costs generated out from this project.

## **Who will own the facility?**

Washington County

**Who will operate the facility?**

Washington County

**Who will use or occupy the facility?**

Washington County regional trails are open to the general public. Users will consist of people walking, biking, or rolling on the Hardwood Creek Regional Trail, who want a safe, accessible and clear connection to neighborhoods, businesses and schools.

**Public Purpose**

With the implementation of the proposed project, Washington County will provide a safe, accessible, and continuous trail that will serve as a key link in the region's active transportation network.

**Description of Previous Appropriations**

None

**Project Contact Person**

Jan Lucke  
Deputy County Administrator  
651-430-6003  
jan.lucke@washingtoncountymn.gov

(\$ in thousands)

Hardwood Creek Regional Trail Extension

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
County Funds	\$0	\$1,200	\$0	\$0
Other Local Government Funds	\$0	\$600	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,300</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$600	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$400	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$2,300	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,300</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<p>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</p>	
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Panoway on Wayzata Bay	1	GO	13,199	0	0	0	0	0
<b>Total Project Requests</b>			13,199	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			13,199	0	0	0	0	0

## Panoway on Wayzata Bay

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$13,199
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	\$14 million in state funds is requested to finish the final phase of Wayzata's downtown lakefront as part of the Panoway on Wayzata Bay. The project's goal is to create a more clean, welcoming, and connected lakefront for the region and prepare for public safety improvements to appropriately handle the continued influx of visitors.

**Project Description**

Panoway on Wayzata Bay, formally known as the Lake Effect Project, is the result of over a decade of visionary planning and community collaboration. Launched by a City Council-appointed Lakefront Task Force in 2011, the initiative began with a fundamental question: What is the future of Wayzata's lakefront, and how can it better serve the community year-round?

Through years of public engagement and master planning, the City of Wayzata "Lake Effect: A Development Framework for the City of Wayzata" (April 2014) and its companion "Implementation Strategy for the Lake Effect Framework," (December 2014) which called for an ambitious yet cohesive transformation of the downtown lakefront into a connected, resilient, and vibrant civic space.

The Implementation Strategy envisioned a multi-phase, integrated design effort that would reimagine the lakefront – not just as a scenic asset, but as a welcoming destination for resident, visitors, and businesses alike. Between 2014 and 2019 the City and its non-profit partner The Wayzata Conservancy put that strategy into action, laying the foundation for construction to begin on this signature project.

In 2019, the project was renamed "Panoway on Wayzata Bay" to distinguish the visioning process from the physical project taking shape.

Phase 1 was completed by the City in the Fall of 2020, transforming the former lakeside parking lot into numerous community amenities including a multi-use plaza, trail connections, and gathering space that have been embraced by local and regional residents alike.

Phase 2 was completed in January 2025, which included the Lakewalk and Community Docks, an approximate \$11+ million investment that created a new, ADA-accessible public access to Lake Minnetonka's shoreline for the first time in Wayzata's history. With these milestones achieved, the City and Conservancy are now seeking support to advance the final phase. This phase builds upon the prior investments and fulfills the original vision to create a seamlessly connected, ecologically sustainable, and publicly vibrant and safe lakefront district.

Specifically, this phase includes:

- Restoration of the Historic Section Foreman House, preserving a key cultural asset and repurposing it for community use as a lakefront learning center.
- Design and construction of Eco Park and Depot Park improvements, enhancing green space and interpretive elements tied to Wayzata’s rail and environmental history.
- Design and construction of Wayzata Beach and Shaver Park improvements, expanding recreation and water access for all ages.
- Design of a new Public Safety Facility, located near these park improvements to ensure safety and emergency response readiness to these regional amenities.

Each of these components has been shaped by community input and aligns with the City's long-term goals for equitable access, environmental resilience, and quality of life.

### **Project Rationale**

Panoway on Wayzata Bay and the adjacent public improvements are the result of over a decade of community-led planning to restore public access, improve environmental health, and create a welcoming civic space along Lake Minnetonka. This project began in 2011 when the City convened a task force to explore how the lakefront could be improved to meet three core goals:

- Reconnect the community to the lake through safe access;
- Enhance environmental resilience through native plantings and shoreline restoration; and
- Expand public access on a lake where only 2% of the shoreline is public.

From 2015-2024, thousands of residents and regional partners shaped a vision to connect people to the lake. Additionally, this project honors historical assets like the Depot and the Section Foreman’s House, ensuring the past, present, and future remain linked.

This final phase will fulfill the original purpose of Panoway to have a more accessible, inclusive and vibrant lakefront for all.

### **Project Timeline**

Construction of Street, Plaza, and Regional Bike Trail---2020 (Complete)

Construction of Lakewalk and Docks---2024 (Complete)

Design of Public Safety Facility---2026

Construction of Section Foreman House---2026

Final Design of Beach and Shaver Park Improvements---2026

Final Design of Eco and Depot Park Improvements---2026

Construction of Beach and Shaver Park Improvements---2027

Construction of Eco and Depot Park Improvements---2027

### **Other Considerations**

Panoway is a strong public-private partnership between the City of Wayzata and the Wayzata Conservancy. In Phase 1, the City also partnered with Three Rivers Park District to redesign of Lake Street and the Plaza Park. In Phase 2, the State contributed \$4 million in bonding funds towards the \$11+ million total project costs for the Lakewalk and Docks.

Now, the final phase—including park and shoreline improvements, historic restoration, and public safety design—requires additional public investment to be realized. The City is requesting state bonding funds specifically for construction and design costs. The Wayzata Conservancy will continue

to support the project through private fundraising and will assist with long-term maintenance and operations, ensuring the project's lasting success. This collaborative model leverages state investment, builds on past momentum, and delivers a high-impact, publicly accessible lakefront for generations to come.

**Impact on State Operating Subsidies**

N/A

**Who will own the facility?**

The City of Wayzata.

**Who will operate the facility?**

The City of Wayzata.

**Who will use or occupy the facility?**

Public access to Lake Minnetonka is extremely limited without private ownership or a boat. Downtown Wayzata is already a regional destination, and this project will expand inclusive access to the lake and its surrounding parks. The City and Wayzata and the Conservancy have also built collaborative partnerships with groups like the YMCA, Wayzata Sailing, and Wayzata Schools to activate these public spaces with year-round programming.

**Public Purpose**

To make the Wayzata's public access along and near Lake Minnetonka safe and connected, more environmentally resilient, and open and accessible to all.

**Description of Previous Appropriations**

In 2018, the City received \$400,000 to assist in railroad crossing safety improvements in the area. In 2020, the City received \$4 million of the \$10 million original request to assist with the Lakewalk and Community Docks.

**Project Contact Person**

Aurora Yager  
Deputy City Manager  
952-404-5317  
ayager@wayzata.org

(\$ in thousands)

Panoway on Wayzata Bay

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$4,400	\$13,199	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$16,500	\$0	\$0	\$0
Other Local Government Funds	\$1,883	\$0	\$0	\$0
Non-Governmental Funds	\$1,750	\$0	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$24,533</b>	<b>\$13,199</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$2,000	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$1,500	\$2,613	\$0	\$0
Project Management	\$800	\$0	\$0	\$0
Construction	\$22,233	\$7,650	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$936	\$0	\$0
<b>TOTAL</b>	<b>\$24,533</b>	<b>\$13,199</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	Yes
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Pool and Poolside Park	1	GO	2,000	0	0	0	0	0
150 Thompson Park	2	GO	3,000	0	0	0	0	0
Sanitary Sewer Rehabilitation	3	GO	1,100	0	0	0	0	0
Southview Park	4	GO	3,000	0	0	0	0	0
Sanitary Sewer Mainline Replacement	5	GO	750	0	0	0	0	0
<b>Total Project Requests</b>			9,850	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			9,850	0	0	0	0	0

**Pool and Poolside Park**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$2,000
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	Upgrade and modernization of the city's community pool, bathhouse, and adjacent Poolside Park.

**Project Description**

The city's 69-year-old pool will be upgraded and renovated to address aging infrastructure and safety issues. The project includes the replacement/upgrade of the pool, slide, play features, deck, and deck amenities. The modernization of the bathhouse, which will give the facility a new, welcoming look, and update mechanicals, interiors, and safety issues. Finally, the adjacent Poolside Park, which currently includes the city's oldest playground equipment, will be updated.

**Project Rationale**

The pool is a much-cherished community facility. With so many community pools closing, the West St. Paul community has been very vocal about wanting to save the pool, and update it for future generations.

**Project Timeline**

The pool could be renovated in 2026-2027 depending on funding.

**Other Considerations**

**Impact on State Operating Subsidies**

**Who will own the facility?**

City of West St. Paul

**Who will operate the facility?**

City of West St. Paul

**Who will use or occupy the facility?**

City of West St. Paul

**Public Purpose**

Low-cost access to aquatic play and recreation.

**Description of Previous Appropriations**

None

**Project Contact Person**

Eric Weiss

Director of Parks and Recreation

651-552-4138

eweiss@wspmn.gov

(\$ in thousands)

Pool and Poolside Park

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$2,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$200	\$0	\$0
Design Fees	\$0	\$200	\$0	\$0
Project Management	\$0	\$100	\$0	\$0
Construction	\$0	\$3,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$288	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,288</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

150 Thompson Park

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$3,000
<b>Priority Ranking:</b>	2
<b>Project Summary:</b>	The new park will create a town center for West St. Paul.

**Project Description**

The to-be-named park will serve as the city's "front porch," anchoring the City Center district. The catalytic park will be a unique gathering space intended for all ages and all seasons. The park will feature spaces for play, relaxation, gathering, celebrating, and enjoying nature. The park will incorporate an amphitheatre, concessions and bathroom building, unique playground, art, trails, gardens, splash feature, an "urban beach", and a pond overlook. Located along the River to River regional bikeway and near the G Line busway, the park will be accessible by all modes of transportation.

**Project Rationale**

The new park will meet the city's desired goal to create a town center. It also meets many of the community requested park design and amenities not incorporated into the park system elsewhere.

**Project Timeline**

2026-2028

**Other Considerations**

**Impact on State Operating Subsidies**

**Who will own the facility?**

City of West St. Paul

**Who will operate the facility?**

City of West St. Paul

**Who will use or occupy the facility?**

City of West St. Paul

**Public Purpose**

New public park

## **Description of Previous Appropriations**

### **Project Contact Person**

Eric Weiss  
Director of Parks and Recreation  
651-552-4138  
eweiss@wspmn.gov

(\$ in thousands)

150 Thompson Park

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Other Local Government Funds	\$0	\$9,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$12,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$1,200	\$0	\$0
Project Management	\$0	\$80	\$0	\$0
Construction	\$0	\$10,600	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$120	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$1,234	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$13,234</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

Sanitary Sewer Rehabilitation

**AT A GLANCE**

**2026 Request Amount:** \$1,100

**Priority Ranking:** 3

**Project Summary:** Upgrade and modernization of the city's community pool, bathhouse, and adjacent Poolside Park.

**Project Description**

The city's 69-year-old pool will be upgraded and renovated to address aging infrastructure and safety issues. The project includes the replacement/upgrade of the pool, slide, play features, deck, and deck amenities. The modernization of the bathhouse, which will give the facility a new, welcoming look, and update mechanicals, interiors, and safety issues. Finally, the adjacent Poolside Park, which currently includes the city's oldest playground equipment, will be updated.

**Project Rationale**

The pool is a much-cherished community facility. With so many community pools closing, the West St. Paul community has been very vocal about wanting to save the pool, and update it for future generations.

**Project Timeline**

The pool could be renovated in 2026-2028 depending on funding.

**Other Considerations**

**Impact on State Operating Subsidies**

**Who will own the facility?**

City of West St. Paul

**Who will operate the facility?**

City of West St. Paul

**Who will use or occupy the facility?**

City of West St. Paul

**Public Purpose**

Low-cost access to aquatic play and recreation.

**Description of Previous Appropriations**

None

**Project Contact Person**

Eric Weiss

Director of Parks and Recreation

651-552-4138

eweiss@wspmn.gov

(\$ in thousands)

Sanitary Sewer Rehabilitation

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,100	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$1,100	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,200</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$2,200	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,200</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

Southview Park

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$3,000
<b>Priority Ranking:</b>	4
<b>Project Summary:</b>	Reimagining and reconstruction of Southview Park, including a new neighborhood center building.

**Project Description**

Southview Park, on the city's south side serves the highest number of low-income people in the city. The renovated park would include a new playground, picnic shelter, basketball courts, soccer field, trails, gardens/landscaping, community garden, and a neighborhood center building.

**Project Rationale**

Southside Park is in need of renovation and investment. Community input has highlighted the need for more multi-use indoor space. Currently, the city has one indoor building available for use, located on the north side. This would offer a south side space for recreation programs, party rentals, community meetings, and events. The new community garden would offer a space for many nearby apartment residents to grow food, replacing a little-used tennis court. The new recreation and play spaces would cater to the community demographics.

**Project Timeline**

2027-2029.

**Other Considerations**

**Impact on State Operating Subsidies**

**Who will own the facility?**

City of West St. Paul

**Who will operate the facility?**

City of West St. Paul

**Who will use or occupy the facility?**

City of West St. Paul

**Public Purpose**

Renovation of community park.

**Description of Previous Appropriations**

**Project Contact Person**

Eric Weiss  
Director of Parks and Recreation  
651-552-4138  
eweiss@wspmn.gov

(\$ in thousands)

Southview Park

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$3,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
City Funds	\$0	\$3,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$600	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$5,340	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$60	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$755	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,755</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

**Sanitary Sewer Mainline Replacement****AT A GLANCE**

<b>2026 Request Amount:</b>	\$750
<b>Priority Ranking:</b>	5
<b>Project Summary:</b>	The City of West St. Paul requests \$750,000 to replace 0.8 miles of poor condition sanitary sewer main under a county road that is set for reconstruction.

**Project Description**

Dakota County will be reconstructing CSAH 63 (Delaware Avenue) in 2027. This 1.5-mile reconstruction project has sanitary sewer dating back to the 1930's. This sewer and the accompanying manholes are in very poor condition. Dakota County reconstruction projects are built for 75 years (with overlays) so the next time the road will be open cut will be around the year 2100. The sanitary sewer will not last 75 years even with Cured In Place Pipe (CIPP) lining; it needs to be replaced. Delaware Avenue is a border street between West St. Paul and Mendota Heights. The existing critical sanitary sewer main currently also serves some residents of Mendota Heights. A new sanitary sewer main will allow additional residents from Mendota Heights residents to hook up to mainline sewer and disconnect from their septic systems.

**Project Rationale**

This project will:

1. Replace sewer that is 90+ years old under a county road
2. Reduce inflow and infiltration
3. Add 75+ years of sanitary sewer life under a county road that will not be reconstructed again for 75 years.
4. Reduce potential for pipe/manhole failure and emergency repairs/digs.
5. Reduce potential for costly sewer backups.
6. Provide sewer service to houses in Mendota Heights currently on septic.

**Project Timeline**

This work is scheduled to occur in 2027 in conjunction with the CSAH 63 reconstruction.

**Other Considerations**

CSAH 63 is a border road between West St. Paul and Mendota Heights. West St. Paul has sewer main but Mendota Heights does not. Currently, there are properties in Mendota Heights that connect to this main. There are additional properties in Mendota Heights, currently on septic, that will be provided the opportunity to connect to the West St. Paul sanitary main and get off of septic.

## **Impact on State Operating Subsidies**

### **Who will own the facility?**

City of West St. Paul

### **Who will operate the facility?**

City of West St. Paul

### **Who will use or occupy the facility?**

City of West St. Paul

## **Public Purpose**

Sanitary sewer is critical infrastructure for the health and safety of residents and businesses in the City of West St. Paul, and in this case Mendota Heights, within city right-of-way. To have a sewer backup in a property is health risk and costly to remediate both inside the property and within the mainline sewer pipe.

## **Description of Previous Appropriations**

2020 Capital Budget - 5th Special Session - West St. Paul was awarded \$2.2M for two sanitary sewer lift stations to be replaced.

2024 Capital Budget - West St. Paul was awarded \$1.7M for replacement of a sanitary sewer forcemain and rehabilitation of a sanitary lift station.

## **Project Contact Person**

Ross Beckwith  
Public Works Director / City Engineer  
651-552-4130  
rbeckwith@wspmn.gov

(\$ in thousands)

Sanitary Sewer Mainline Replacement

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$750	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Federal Funds	\$0	\$750	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,500</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$1,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,500</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	No
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	No
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
West Union Infrastructure Improvements	1	GO	1,900	0	0	0	0	0
<b>Total Project Requests</b>			1,900	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			1,900	0	0	0	0	0

West Union Infrastructure Improvements

**AT A GLANCE**

**2026 Request Amount:** \$1,900

**Priority Ranking:** 1

**Project Summary:** The City of West Union does not have a publicly owned wastewater collection and treatment system which is an imminent threat to public health and safety, as well as the natural environment. The City is planning for city-wide construction a wastewater collection system, lift station, forcemain, and treatment system including new sanitary sewer mains, manholes, cleanouts, forcemains, and grinder stations.

**Project Description**

The City does not have publicly owned wastewater infrastructure, causing illegal discharge of untreated and inadequately treated sewage into waters of the State (West Union Lake). These issues will persist until the City constructs a sanitary sewer collection and wastewater treatment system to replace the individual sewage treatment systems (ISTS). Recent findings and information analysis have led to a determination that of these 38 privately-owned systems, 24 were found to be an imminent threat to public health and safety, 5 were classified as failure to protect groundwater, and 6 have setback issues due to insufficient property to install a new, conforming ISTS.

The proposed project involves construction of a new sanitary sewer collection system, which includes 4,300 LF of 8” sanitary sewer, 5,000 LF of 2” sanitary forcemain, grinder stations, service laterals between the mains and structure being serviced (within 5’ of structure), and multiple new manholes and cleanouts as well as removal of the abandoned (existing) individual sewage treatment systems (ISTS). The ISTSs will be replaced with a 2-cell pond system located at a site near West Union. A 6” forcemain and lift station is required to transport wastewater from the collection system to the treatment ponds. The lift station will be located within the City of West Union, and the forcemain will be located within road right of way or within utility easement areas on private property. Street restoration is required for all work within roadways and restoration of disturbed private properties is required up to the structure being serviced.

**Project Rationale**

An inspection by MPCA in 2018 found that untreated or inadequately treated wastewater is flowing to waters of the State, which includes West Union Lake. Lab testing from this inspection showed elevated levels of Nitrogen, Phosphorus, Chloride, and Fecal Coliform bacteria in certain areas of the City's stormwater conveyance system resulting in MPCA issuing a City a Schedule of Compliance. In 2021, a compliance inspection was conducted through a random sampling of seven of the existing ISTSs. All seven ISTSs failed due to soil separation issues, and five of the ISTSs failed due to excessive corrosion and/or leaking and are at the end of their useful life. Furthermore, Todd County has

struggled with ISTS issues in West Union and is anxious for the City to secure a permanent solution to these recurring problems.

**Project Timeline**

- 06/2026: Prepare Plans & Specs
- 10/2026: Submit Plans & Specs to MDH and MPCA
- 10/2026: Submit Plans & Specs to RD
- 01/2027: Advertise for Bids
- 03/2027: Award Contract
- 06/2027: Proposed Start of Construction
- 09/2029: Proposed End of Construction

**Other Considerations**

The proposed infrastructure improvements are not viable unless the City receives support through grant funding. There is a great need for funding to address the City's infrastructure needs and ensure the health and safety of West Union's residents in addition to protecting the environment. The poverty rate in West Union is 25.9%, which is over twice the poverty rate of the State of MN at 9.3%.

**Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

**Who will own the facility?**

The City of West Union will own the project.

**Who will operate the facility?**

The City of West Union will operate the proposed infrastructure project.

**Who will use or occupy the facility?**

The residents and businesses of West Union will use the infrastructure system and pay utility fees.

**Public Purpose**

The public purpose served by this project is to provide safe and sanitary sewer collection and treatment system for the residents and businesses of West Union. Strategic planning has been incorporated into West Union's proposed project and has included thorough investigations into their infrastructure and alternatives in an effort to maximize funding potential and keep costs as low as possible for the City and its residents while correcting health, safety, and environmental concerns.

**Description of Previous Appropriations**

None

**Project Contact Person**

Janet Macey  
Clerk/Treasurer

320-491-0059  
maceyjanet@yahoo.com

(\$ in thousands)

West Union Infrastructure Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$1,900	\$0	\$0
<b>State Funds Pending</b>				
Other State Funds		\$4,894	\$0	\$0
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$1,356	\$0	\$0
Other Local Government Funds	\$0	\$600	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,750</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$162	\$0	\$0
Predesign Fees	\$0	\$369	\$0	\$0
Design Fees	\$0	\$425	\$0	\$0
Project Management	\$0	\$1,064	\$0	\$0
Construction	\$0	\$6,730	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,750</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

documents?	
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes
<b>Pre-design Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for pre-design?	N/A
Has the pre-design been submitted to the Department of Administration?	N/A
Has the pre-design been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Final Effluent Filtration Improvement Project	1	GO	20,000	0	0	0	0	0
<b>Total Project Requests</b>			20,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			20,000	0	0	0	0	0

## Final Effluent Filtration Improvement Project

**AT A GLANCE****2026 Request Amount:** \$20,000**Priority Ranking:** 1

**Project Summary:** \$20 Million in State funding is requested to support the Western Lake Superior Sanitary District (WLSSD), publicly known as Resource Renew, in replacing the final effluent filtration system. Mixed media filters are currently used to improve effluent quality by removing suspended solids, heavy metals, and some nutrients. The filters were last replaced in 2008 and the system has reached its end-of-life.

**Project Description**

The Western Lake Superior Sanitary District (WLSSD) is requesting \$20 million in state bonding funds to support a critical \$40 million wastewater treatment upgrade aimed at protecting Lake Superior and public health. The remaining \$20 million will be secured through the Public Facilities Authority (PFA) and State Revolving Loan Funds.

This project will implement advanced mixed media filtration technology designed to significantly reduce mercury (Hg) concentrations in treated wastewater. Mercury, a persistent and bioaccumulative neurotoxin, binds to Total Suspended Solids (TSS) in wastewater. By enhancing TSS removal through filtration, WLSSD can effectively reduce mercury discharge into Lake Superior—a unique and vital freshwater resource.

WLSSD is subject to one of the nation's most stringent discharge limits for mercury: a monthly average of 1.8 ng/L, reflecting the importance of preserving the water quality of the Lake Superior basin. Currently, WLSSD operates under a variance that permits discharge at 5.2 ng/L, as existing treatment infrastructure cannot reliably meet the lower standard.

In compliance with the variance, WLSSD has conducted extensive pilot studies on filtration technologies over several years. These studies have demonstrated that specific advanced filtration methods—including the proposed mixed media filters—have the potential to consistently meet or exceed the 1.8 ng/L mercury limit.

Investing in this project ensures long-term compliance with regulatory standards, eliminates reliance on discharge variances, and supports WLSSD's mission to protect public health and the environment. By reducing mercury discharges, the project helps prevent contamination of fish and drinking water sources, supporting the health of downstream communities and aquatic ecosystems.

The proposed project includes:

- Final design of a full-scale mixed media filtration system
- Construction of filtration infrastructure and associated piping, controls, and electrical systems
- Integration with WLSSD's existing tertiary treatment process
- Commissioning, training, and performance monitoring

The new filtration system will be designed to handle the full permitted flow capacity of the plant. It will also prioritize resilience, energy efficiency, and operational flexibility to accommodate seasonal variability in flows and loading. WLSSD's in-house engineering and operations staff will manage the project in coordination with external engineering consultants and contractors.

This capital investment will deliver sustainable, measurable outcomes for Minnesota's water resources and reaffirm the state's leadership in protecting Lake Superior—one of the most pristine and ecologically important bodies of water in North America.

## **Project Rationale**

The Western Lake Superior Sanitary District (WLSSD) respectfully requests \$20 million in state bonding support to fund a critical \$40 million capital improvement project that will protect Lake Superior, reduce public exposure to mercury, and enable compliance with some of the most stringent wastewater discharge requirements in the nation. This investment will fund the design and construction of advanced mixed media filtration infrastructure at WLSSD's regional wastewater treatment plant, specifically targeting the reduction of mercury in treated effluent.

WLSSD's treated effluent discharges into the St. Louis River, which flows directly into Lake Superior. As a result, WLSSD is subject to an extremely low monthly average mercury limit of 1.8 nanograms per liter (ng/L), a standard that reflects the sensitivity of the Lake Superior watershed. WLSSD currently cannot consistently meet this limit and has been granted a temporary variance allowing discharge of up to 5.2 ng/L. The variance requires WLSSD to implement technology capable of achieving the 1.8 ng/L limit as soon as feasible.

This project fulfills that requirement. Over the past several years, WLSSD has conducted pilot studies to evaluate emerging filtration technologies. These studies show that the proposed mixed media filtration process, when properly optimized, has the potential to achieve consistent compliance with the 1.8 ng/L mercury limit. The project represents a scientifically validated, cost-effective path to meet regulatory obligations and protect one of the most pristine freshwater bodies in the world.

### **Why Mercury Matters**

Mercury (chemical symbol Hg) is a potent neurotoxin that persists in the environment and bioaccumulates in fish and wildlife. Even in extremely low concentrations, mercury can be converted to methylmercury in aquatic systems—a highly toxic compound that concentrates in fish tissue and can cause serious neurological damage in humans. Children, pregnant women, and subsistence fishers are especially vulnerable to mercury exposure through fish consumption.

Once released into the environment, mercury remains active for decades. It is transported through the atmosphere, settles into lakes and rivers, and becomes embedded in the food chain. Mercury contamination poses risks not only to public health but also to fisheries, tourism, and traditional Indigenous lifeways. Because mercury cannot be removed once widespread in a lake, the most effective strategy is prevention—keeping it out of waterbodies in the first place.

### **Sources and Pathways in Wastewater**

Mercury can enter municipal wastewater from household and commercial products, dental offices, industrial discharges, and stormwater runoff. Although source reduction efforts have decreased the amount of mercury entering WLSSD's system, trace concentrations still remain and must be removed through treatment.

In wastewater, mercury is primarily associated with very fine suspended solids. As a result, effective mercury removal requires technologies that can capture extremely small particles—something conventional treatment processes are not optimized to do. The final step of wastewater treatment is critical: it is here that filtration technologies can make the difference between compliance and

exceedance.

#### WLSSD's Unique Regulatory Burden

Compared to most facilities nationwide, WLSSD faces an unusually strict mercury discharge limit due to its proximity to Lake Superior. The current NPDES permit requires a monthly average effluent concentration of just 1.8 ng/L—less than one drop in an Olympic-sized swimming pool.

WLSSD's current tertiary treatment system is not capable of reliably achieving that limit. The District has therefore received a variance from the Minnesota Pollution Control Agency (MPCA), allowing a temporary discharge limit of 5.2 ng/L while the District evaluates and implements more effective treatment technologies.

The variance requires WLSSD to act. It is not a permanent solution and cannot be extended indefinitely. Without action, WLSSD could face regulatory noncompliance, loss of the variance, financial penalties, and damage to the State's reputation for environmental stewardship.

#### Technology Evaluation and Pilot Testing

To comply with the variance, WLSSD conducted multi-year pilot studies testing several advanced filtration technologies, including mixed media filters, cloth disc filters, membrane filtration, and enhanced coagulation.

Findings from these pilots include:

Mercury is strongly correlated with Total Suspended Solids (TSS). Removing TSS more efficiently results in a proportional reduction in mercury.

Mixed media filtration demonstrated superior performance in removing ultra-fine particles that carry mercury.

The pilot system consistently achieved effluent mercury concentrations below 2.0 ng/L under optimized conditions.

Mixed media filtration offers favorable lifecycle costs, operational stability, and integration potential with existing infrastructure.

Other technologies were either less effective, more costly, or presented significant operational challenges.

These results make mixed media filtration the most feasible and effective option for achieving compliance with WLSSD's mercury limit.

#### Financial Strategy

The total estimated project cost is \$40 million. WLSSD seeks \$20 million in state bonding to make the project affordable for the region's ratepayers. The remaining \$20 million will be financed through a combination of low-interest loans from the Minnesota Public Facilities Authority (PFA) and the Clean Water State Revolving Fund (CWSRF).

WLSSD has a strong record of financial responsibility and successful capital project delivery. The District has historically completed major projects within budget and on schedule, while maintaining stable rates for customers. WLSSD will continue to provide transparent financial reporting and performance documentation throughout the project lifecycle.

#### Public Health and Environmental Benefits

The benefits of this project are far-reaching and long-lasting:

##### Protection of Public Health

Mercury poses a significant risk to human health, especially through the consumption of contaminated fish. Reducing mercury levels in effluent will help decrease mercury bioaccumulation in aquatic food webs, improving safety for recreational and subsistence anglers across the region.

##### Safeguarding Lake Superior

Lake Superior is a globally significant freshwater resource and is currently among the cleanest of the

Great Lakes. This project helps ensure that WLSSD's discharges do not contribute to its degradation. As the final line of defense before discharge, this filtration system will play a critical role in preserving water quality.

#### Environmental Justice

Mercury pollution disproportionately impacts Indigenous and low-income communities. Reducing mercury in WLSSD's discharge will help address long-standing health disparities and support tribal treaty rights and stewardship responsibilities. This project aligns with Minnesota's environmental justice goals and the federal Justice40 Initiative.

#### Compliance with the Clean Water Act

Meeting the 1.8 ng/L mercury limit will bring WLSSD into full compliance with federal and state clean water laws. It also ensures the District's discharge does not contribute to impairment of the St. Louis River estuary—an Area of Concern under the U.S.-Canada Great Lakes Water Quality Agreement.

#### Alignment with State and Federal Priorities

This project directly supports:

Minnesota's Statewide Mercury Total Maximum Daily Load (TMDL) implementation plan

The goals of the Clean Water Legacy Act

Federal Great Lakes Restoration Initiative (GLRI) funding objectives

The Minnesota Climate Action Framework's call for resilient water infrastructure

MPCA's long-term goals for water quality in Lake Superior Basin watersheds

Investing in this project demonstrates the State's commitment to protecting high-value water resources and reducing toxic pollution at its source.

#### Return on Investment

While the upfront cost is significant, the long-term return on investment is clear:

**Cost Avoidance:** Avoids fines, legal costs, and potential litigation due to noncompliance.

**Sustainability:** The system is designed to operate efficiently over decades with manageable maintenance costs.

**Ecosystem Protection:** Prevents irreversible environmental degradation that would require significantly more costly restoration efforts.

**Public Trust:** Demonstrates leadership and integrity in water management, enhancing public confidence in both WLSSD and the State.

#### Conclusion

This project is a critical and timely investment in clean water, public health, and environmental stewardship. It is rooted in scientific evidence, regulatory necessity, and a shared commitment to protecting the Lake Superior watershed for future generations.

By funding this initiative, the State of Minnesota will:

- Help WLSSD achieve compliance with rigorous mercury discharge limits
- Significantly reduce mercury levels entering Lake Superior
- Protect vulnerable populations from toxic exposure
- Demonstrate environmental leadership and fiscal responsibility
- Fulfill state and federal mandates for mercury reduction and clean water protection

We urge the legislature to support this bonding request as a forward-thinking investment that will pay dividends in health, environmental quality, and public trust for decades to come.

## Project Timeline

2025 – Planning and Discovery Phase:

The project is currently in the planning and discovery phase. Activities include site analysis, data collection, and technology assessments.

**2026 – Engineering and Design Phase:**

The project will advance into detailed engineering and design in 2026. This includes development of construction documents, technical specifications, and permitting.

**September 2026 – Construction Phase:**

Construction is scheduled to begin in late 2026. This phase includes procurement, site preparation, construction activities, and implementation of environmental protection measures. The project is expected to reach substantial completion by the end of 2028.

## **Other Considerations**

Water resource recovery facilities like the Western Lake Superior Sanitary District (WLSSD) operate at the intersection of public health protection, environmental stewardship, and economic stability. As essential public infrastructure, these systems are expected to provide uninterrupted, high-quality service to residents and industries alike—often with limited resources and under increasingly complex regulatory frameworks.

The demands on wastewater utilities have evolved dramatically over the past several decades. What were once called “wastewater treatment plants” are now advanced water resource recovery facilities, tasked not only with removing pollutants but also with recovering nutrients, generating renewable energy, and supporting broader sustainability goals. As expectations grow, so too do the challenges.

WLSSD—like many utilities across the state—faces the dual burden of replacing aging infrastructure while adapting to a rapidly changing regulatory and economic landscape. Much of the original infrastructure at WLSSD’s regional treatment plant was constructed in the late 1970s and early 1980s. While the District has diligently maintained its systems and completed targeted upgrades over the years, a growing portion of the facility’s core components are nearing the end of their useful life. Deferred replacement is no longer a viable strategy. Aging infrastructure creates risk—of equipment failure, permit violations, and escalating repair costs.

At the same time, WLSSD must respond to increasingly stringent discharge requirements. Mercury is only one of many regulated pollutants that demand new levels of performance. PFAS (per- and polyfluoroalkyl substances), chloride, microplastics, and nutrient pollution are among the many emerging contaminants of concern. Utilities are under growing pressure to measure, monitor, and eventually remove these substances—often before cost-effective treatment technologies are fully developed or regulatory frameworks are settled.

These demands are occurring in the context of rapidly rising operational costs. Inflation in construction materials, electrical components, chemicals, and specialized labor has significantly increased the cost of capital and maintenance projects. Competition for skilled staff in technical fields such as instrumentation, electrical work, and process control further drives up staffing costs and makes recruitment more difficult.

WLSSD is committed to maintaining stable, affordable rates for its customers. This commitment is central to the District’s mission and essential to the economic vitality of the region. Stable rates support local industries that depend on reliable wastewater service. They help ensure housing remains affordable. They support small businesses and attract investment. But stable rates are increasingly difficult to maintain without external funding support. The scale and pace of necessary

infrastructure reinvestment simply cannot be borne entirely by ratepayers without creating disproportionate economic hardship.

In this context, state bonding funds play a vital role. Bonding support from the State of Minnesota helps utilities like WLSSD make critical investments that protect water quality, preserve public health, and ensure environmental compliance—without overburdening households and businesses. These investments are not only cost-effective; they also advance statewide priorities such as climate resilience, environmental justice, and clean water protection.

State support also enables forward-looking innovation. With bonding assistance, WLSSD can implement advanced treatment technologies, increase energy efficiency, and develop integrated approaches to water and resource management. These innovations benefit not only the WLSSD service area but serve as models for other Minnesota communities facing similar challenges.

The proposed mercury filtration project is one example of this kind of forward-looking investment. It addresses a pressing compliance need while simultaneously building capacity to meet future challenges. The infrastructure to be constructed will provide operational flexibility, resilience to changing water conditions, and the ability to integrate with additional treatment processes as needed.

In short, the support WLSSD seeks is not just about achieving a numeric limit on mercury. It is about sustaining a broader public mission: protecting the waters of Lake Superior, enabling responsible economic development, and ensuring Minnesotans continue to benefit from safe, reliable, and environmentally sound wastewater services.

The State’s continued investment in infrastructure through bonding ensures that communities across Minnesota—not just those with large tax bases—can meet the clean water challenges of today and tomorrow. WLSSD urges the legislature to recognize these broader considerations and continue to partner with regional providers in delivering environmental outcomes that benefit the entire state.

### **Impact on State Operating Subsidies**

No other operating subsidies will be requested for this project.

### **Who will own the facility?**

Western Lake Superior Sanitary District

### **Who will operate the facility?**

Western Lake Superior Sanitary District

### **Who will use or occupy the facility?**

Western Lake Superior Sanitary District

### **Public Purpose**

This project protects public health and the environment by reducing mercury discharged from WLSSD’s wastewater treatment facility into the St. Louis River and, ultimately, Lake Superior. Mercury is a potent neurotoxin that accumulates in fish and poses serious risks to children, pregnant women, and subsistence fishers. WLSSD must meet one of the most stringent mercury limits in the nation and cannot consistently comply without additional treatment. This investment enables WLSSD to implement proven filtration technology that captures mercury-bearing particles, ensuring compliance

with clean water regulations and safeguarding Minnesota’s natural resources. State support reduces the financial burden on ratepayers, preserves affordable utility rates critical to economic stability and helps ensure equitable access to safe, sustainable wastewater infrastructure. This project advances statewide goals for water quality, environmental justice and long-term infrastructure resilience.

**Description of Previous Appropriations**

Combined Heat and Power - \$6.75 Million

Secondary Clarifier Rehabilitation Project - \$17.5 Million

**Project Contact Person**

AJ Axtell  
Director of Community Relations  
218-740-4776  
aj.axtell@wlssd.com

(\$ in thousands)

Final Effluent Filtration Improvement Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$20,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$20,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$40,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$40,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$40,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Wilder Sewer Project	1	GO	4,200	0	0	0	0	0
<b>Total Project Requests</b>			4,200	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,200	0	0	0	0	0

**Wilder Sewer Project**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$4,200
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	\$4.2 million in state bond funding to design and construct a wastewater collection and treatment system improvements project in the city of Wilder.

**Project Description**

The City of Wilder is a community of approximately 60 residents located within Jackson County in Southwest Minnesota. The city is approximately 5 miles southwest of Windom, MN. MN Trunk Hwy 60 serves as a primary east-west access route adjacent to the city and Jackson County 13 serves as a primary north-south route through the city.

The corporate limits of the city of Wilder are much larger than the actual platted city streets and lots. The developed area is located within the northeast corner of the corporate boundary. The project service area is limited to the existed platted city streets and lots. This plan service area is considered the same as the existing service area provided by the individual septic systems.

The City of Wilder does not have a public sanitary sewer system. The existing sanitary infrastructure in the city consists of individual private septic systems that are aged, deficient and many are in need of replacement. The proposed improvements include the installation of a city wide sanitary sewer collection system, associated street repairs and infrastructure for the waste water treatment. The selected alternative would include a gravity collection system, lift station, and a force main along the north edge of MN T.H. 60 to the Windom Sanitary System and treatment at the Windom waste water facility.

**Project Rationale**

The City of Wilder does not have a public sanitary sewer system. Residents are currently served by privately owned individual septic systems. Due to localized failures and aging private systems, many of the systems are failing and the remaining systems can be expected to in the near future.

There is inadequate space for each property owner to construct a replacement septic system. The city explored the option of constructing a regional septic system for the community. The city also looked at pumping their waste to the nearby Windom Wastewater Facility. The option to pump waste to Windom is estimated to be less costly.

The systems that are failing and out of compliance, pose health and safety concerns for residents. The failing and non-compliant systems can cause back-ups into homes, leaking tanks, direct discharge into tile systems, and surcharging into yards with exposes residents to pathogens. The surcharged

wastewater can then also be washed into nearby waterways.

Failing drain fields pose a contamination danger to both ground and surface waters. The failing septic systems will be removed and replaced with a municipal collection system. This project will reduce the opportunity for ground and surface water contamination due to overtaxed failing septic systems. If this project is not completed, there may be environmental impacts to not just residents of the city of Wilder but regional impacts in Jackson County.

The area around Wilder supports several endangered and threatened species that are dependent on water for continual survival. Those species include the Rusty Patched Bumble Bee, Northern Long-Eared Bat, and Prairie Bush-Clover. There are also several migratory birds including the Bald Eagle that pass through this area. Wetlands and surface waters around the city recharge the ground water. Contaminants in these surface waters and leaching from the failing septic systems further has potential to enter the ground water. Once in the surface and ground water these contaminants have the potential to travel miles and impact populations miles away from the city limits.

The City explored both the USDA Rural Development Water and Wastewater program and the Minnesota Clean Water Revolving Fund managed jointly by the MPCA and the PFA. The community has a higher percentage of low-income population and population over the age of 64 than the rest of the state. Both the USDA Rural Development program and the Clean Water Revolving Fund program have indicated that it would be difficult to fund this project without an additional funding partners to make the project affordable for the community.

## **Project Timeline**

### **Other Considerations**

The small population and the number of connections make a project at best serves the environment unaffordable for the residents. The Minnesota Pollution Control Agency supports the regionalization with the city of Windom above all other alternatives for this project.

### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

City of Wilder

#### **Who will operate the facility?**

City of Wilder

#### **Who will use or occupy the facility?**

City of Wilder

### **Public Purpose**

The City of Wilder will construct a public sanitary sewer collection system which will provide the residents with reliable disposal of waste water. The failing and non-compliant systems cause backups into homes, leaking tanks, direct discharge into tile systems, and surcharging into yards which

exposes residents to pathogens. The surcharge waste water can then also be washed into nearby water ways. This project will help to protect both ground and surface water. Public health and sanitary issues are a key for completing this project. Failing drain fields pose a contamination danger to both ground and surface waters. The failing septic systems will be removed and replaced with a municipal collection system. This project will reduce the opportunities for ground and surface water contamination.

**Description of Previous Appropriations**

This project has not received any previous state appropriations.

**Project Contact Person**

Lou Masters  
City Clerk  
507-822-1679  
lou.masters2012@gmail.com

(\$ in thousands)

Wilder Sewer Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,200	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,200</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$4,200	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,200</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Utility Improvements	1	GO	4,000	0	0	0	0	0
<b>Total Project Requests</b>			4,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,000	0	0	0	0	0

**Utility Improvements**

**AT A GLANCE**

**2026 Request Amount:** \$4,000

**Priority Ranking:** 1

**Project Summary:** Windemere Township in Pine County, MN is installing a municipal sanitary sewer system to replace aging septic systems. This cost-effective, environmentally responsible project addresses regulatory compliance, protects public health, improves water quality, and supports sustainable growth near Sturgeon Lake and Island Lake.

**Project Description**

Windemere Township is undertaking a vital infrastructure project to construct a municipal sanitary sewer system. This initiative addresses environmental and public health concerns associated with aging and failing septic systems. Located in a region with small, densely packed parcels near Sturgeon Lake and Island Lake, the area presents unique challenges for maintaining individual septic systems. These traditional systems typically last 20–30 years, while a municipal sewer system provides a more durable and sustainable wastewater solution with a lifespan of 50–100 years.

The project will ensure compliance with environmental regulations set by the Minnesota Department of Health (MDH) and the Minnesota Pollution Control Agency (MPCA), helping prevent septic leachate from contaminating nearby lakes and groundwater. This is particularly critical for protecting local water resources from pollutants that cause algae blooms, reduce water clarity, and harm aquatic ecosystems.

By connecting homes and businesses to a centralized wastewater treatment facility, the community can effectively manage and treat sewage, significantly reducing the risk of waterborne diseases and environmental degradation. The system will help prevent exposure to harmful bacteria and viruses, minimize unpleasant odors, and eliminate pest breeding grounds associated with untreated sewage.

Beyond environmental and health benefits, the project supports economic development. High costs and space requirements for individual septic systems have limited property transactions and hindered community growth. A centralized sewer system will make residential and commercial development more feasible, particularly in areas with small lot sizes where septic installation is impractical or cost-prohibitive.

This infrastructure project represents a long-term investment in the township’s sustainability, resilience, and economic vitality. By securing funding and support, the community can implement a cost-effective, environmentally sound wastewater management system that benefits current and future generations.

## **Project Rationale**

Aging septic systems near Sturgeon Lake and Island Lake threaten public health and water quality due to leachate, posing environmental and regulatory concerns. Traditional systems are costly and unsustainable in densely packed areas. Installing a municipal sewer system offers a long-term, cost-effective solution that ensures regulatory compliance, protects local lakes, and promotes safe, responsible development in the township.

## **Project Timeline**

6/1/26 - Engineering/Design  
10/1/26 Bidding  
4/1/27 Start of Construction  
10/31/28 End of Construction

## **Other Considerations**

This project aligns with regional planning goals and addresses long-standing infrastructure needs. Community support is strong due to growing awareness of health risks and lake pollution. Additionally, the system's long-term cost savings, enhanced property values, and expanded development potential offer significant benefits. The township is actively seeking funding sources and technical guidance to ensure successful implementation and minimize the financial burden on residents.

## **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

## **Who will own the facility?**

Windemere Township will own the proposed utilities.

## **Who will operate the facility?**

Township staff will operate the proposed utility project.

## **Who will use or occupy the facility?**

Residents and visitors of the township will use the utility systems and pay utility fees.

## **Public Purpose**

This project protects public health, preserves water quality, and supports sustainable development by replacing failing septic systems with a centralized municipal sewer system. It ensures regulatory compliance, safeguards local lakes, and improves community livability and economic prospects.

## **Description of Previous Appropriations**

None

## **Project Contact Person**

Paula Engstrom  
Clerk  
612-269-7219  
clerk@windemeretownship.com

(\$ in thousands)

Utility Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$15,200	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$19,200</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$685	\$0	\$0
Design Fees	\$0	\$1,511	\$0	\$0
Project Management	\$0	\$854	\$0	\$0
Construction	\$0	\$16,150	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$19,200</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Red Leaf Court Storm Sewer	1	GO	790	0	0	0	0	0
<b>Total Project Requests</b>			790	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			790	0	0	0	0	0

**Red Leaf Court Storm Sewer**

**AT A GLANCE**

<b>2026 Request Amount:</b>	\$790
<b>Priority Ranking:</b>	1
<b>Project Summary:</b>	Installation of Storm Sewer to Prevent Disastrous Flooding - Red Leaf Court and 18th Avenue Neighborhoods

**Project Description**

Installation of a 54 inch pipe and improvements to existing ditches and culverts to direct storm water out of the residential area, under a County State Aid Road to the West Fork of the Des Moines River. In heavy rain events the current storm sewer system and overland drainage is overwhelmed which causes street flooding, culvert wash-outs and damage to the surrounding area.

**Project Rationale**

In the 1970's and 1980's the residential neighborhoods in Red Leaf Court and 18th Avenue were developed. At that time storm water infrastructure consisting of ditches and culverts were constructed to handle storm water from that neighborhood.

Flooding in the area has been an issue for many years; however, recent weather events related to significantly higher rainfall (climate change) has created occasional severe flooding that damages public infrastructure (Streets, ditches and culverts) along with damage to residential homes. The flooding caused by the storm water inadequacy negatively impacts public infrastructure (roads, culverts and drainage ditches).

In 2024 the City of Windom sustained significant damage from flooding and was declared a State and Federal Disaster area. The Red Leaf Court neighborhood was one of the hardest hit areas of the community.

An engineering study was completed to determine the drainage area. This study concluded that about 422 acres drains through this residential area. A vast majority (approximately 75%) of this drainage area is outside of City limits and consists of agricultural property.

**Project Timeline**

- June 2026 State Bonding Funds approved by Legislature
- July - August 2026 Special Assessment Process for Property Owner Assessments
- July - August 2026 Design Specifications Completed for Bidding
- September 2026 Project Bid and Bid Awarded
- October 2026 Start Construction

- December 2026 Mid-Point Construction or better
- June 2027 Project Completed

### **Other Considerations**

The agricultural property, located outside of City limits, is not able to be assessed for storm water improvements by the City of Windom. Rural property owners are resistant to paying into the project as they perceive the benefits are to the downstream properties in the City. Neither the County nor Township is willing to help fund the project.

As such, State funds are being requested to help off-set the impact of costs to the City of Windom and it's residential property owners for the share of the drainage area located outside of the City.

### **Impact on State Operating Subsidies**

None. City of Windom will own the project and be responsible for maintenance.

### **Who will own the facility?**

City of Windom

### **Who will operate the facility?**

City of Windom will be responsible for operation and maintenance.

### **Who will use or occupy the facility?**

Storm water infrastructure will drain approximately 422 acres of property inside and outside of the City of Windom.

### **Public Purpose**

Mitigate damage to public infrastructure (Streets, ditches and culverts). Private property owners will be assessed for a portion of the improvement as the new storm water system will help lessen damage to the surrounding residential neighborhood.

### **Description of Previous Appropriations**

**No previous requests or funding awards have been made for the Red Leaf Court Storm Water Project.**

The City of Windom completed our Wastewater Treatment Plant that was partially funded with 2018 State Bonding funds. The \$3 million for this project has been expended.

The City of Windom also received State Bonding funds (through the DNR) for a dam removal and installation of rock riffles. This \$300,000 project award was completed in 2010/2011.

### **Project Contact Person**

Steve Nasby  
City Administrator

507-831-6129

Steve.Nasby@windommn.com

(\$ in thousands)

Red Leaf Court Storm Sewer

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$790	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$25	\$0	\$0
<b>Non-State Funds Pending</b>				
Non-Governmental Funds	\$0	\$263	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,078</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$25	\$0	\$0
Project Management	\$0	\$96	\$0	\$0
Construction	\$0	\$957	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,078</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
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**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Winona Regional Public Safety Facility	1	GO	18,000	0	0	0	0	0
City of Winona Waste Water Treatment Project	2	GO	12,000	0	0	0	0	0
City of Winona Community Center	3	GO	4,500	0	0	0	0	0
<b>Total Project Requests</b>			34,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			34,500	0	0	0	0	0

**Winona Regional Public Safety Facility**

**AT A GLANCE**

**2026 Request Amount:** \$18,000

**Priority Ranking:** 1

**Project Summary:** The City of Winona is seeking \$18,000,000 for a Regional Public Safety facility that could house the Police, Fire, and/or other public safety entities. The City is seeking funding for property acquisition, site preparation, construction, furnishings, and equipping of the Facility. The Facility would provide regional training for first responders in law enforcement, fire protection, and medical services.

**Project Description**

The City of Winona is seeking to combine public safety operations. The primary focus of the facility is joint training for Fire, Emergency Management, and Law Enforcement services for Southeast Minnesota.

Our current Central Fire Station was built in 1955. It currently does not meet many national standards related to fire services. The goal with the construction of this public safety facility is to create a facility that will serve the Southeast Minnesota region for 50 plus years. The City is currently exploring the co-location of the Winona Area Ambulance Service within this facility to accommodate EMS to the region.

Our current Police Station is a shared facility with the County Sheriff's Department. The current facility was built in 1977. The current facility is woefully undersized and provides poor workflow and public accommodations. The goal with the construction of this public safety facility is to create adequate training, operational, and public space for law enforcement.

**Project Rationale**

Winona is a regional center, and due to our location, Winona provides a wide variety of significant emergency and law enforcement services to all of Southeast Minnesota. This request will provide Southeast Minnesota with a regional training facility, up-to-date apparatus facilities, and quality amenities for Southeast Minnesota's Emergency Service Professionals who are performing high stress services.

This regional public safety facility would provide regional training based on our current Tri-County mutual aid that includes Winona, Houston, and Filmore Counties. The facility would also complete trainings for Rail, Waterways and Natural Disaster Emergency Services for all of Southeast Minnesota. These trainings include, but are not limited to: train derailments, leaks, and Hazmat for both CP Rail and Burlington Northern Tracks. Winona is the 2nd largest Port on the Mississippi River, so waterways training is a key component. The facility would also provide regional training for confined space, high

level rescue, search and rescue and trench rescue.

Further, the facility would provide regional training for four other law enforcement agencies in Southeast Minnesota. Those trainings would include, but are not limited to: Emergency Response Teams, "Active Killer" situations, simulator training, and trainings around mental and physical health for law enforcement.

The facility will greatly improve the proper handling of hazardous materials, such as Fentanyl. The facility will provide a separation of staff, victims of crimes, and general public and greater access to public spaces for those needing law enforcement services.

## **Project Timeline**

### **Other Considerations**

Currently, the City is 20-25% under staffed as it relates to law enforcement. The recruitment and retention of law enforcement personnel are key focus areas for the City. Providing high quality work spaces can contribute to both recruitment and retention.

The financial impact of not receiving state bonding could create a negative impact on our most vulnerable communities. 30% of Winona's property base is tax exempt. 51.8% of households in Winona earn \$50,000 or less annually, according to the 2021 ACS five-year estimate. The State median household income level is \$77,720 and Winona is \$48,662.

As a regional hub and home to a number of industries and colleges, the City's ability to provide Public Safety Service is critical to support the regional economy. The City maintains an excellent ISO rating (fire protection rating), which keeps insurance rates low for our residents and local businesses. The new facility will assist in maintaining that low rating.

### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

City of Winona

#### **Who will operate the facility?**

City of Winona

#### **Who will use or occupy the facility?**

The City of Winona and/or other public safety entities.

### **Public Purpose**

The public purpose is to provide Public Safety Services (Fire Protection, Law Enforcement Services, and EMS) to Winona and surrounding communities. Our Public Safety Services serve Southeast Minnesota. The community will directly benefit from the trainings held at this facility as it relates to health and wellness. Further, positive financial impacts will be realized in the community, as the City's ISO rating will continue to keep insurance rates low for residents and businesses.

### **Description of Previous Appropriations**

The City of Winona received \$7,500,000 in 2023 through the Capital Improvement Appropriations to acquire real property and design a regional public safety facility.

**Project Contact Person**

Chad Ubl  
City Manager  
507-457-8234  
Cubl@ci.winona.mn.us

(\$ in thousands)

Winona Regional Public Safety Facility

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$7,500	\$18,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$7,500</b>	<b>\$18,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$1,500	\$0	\$0	\$0
Predesign Fees	\$3,000	\$0	\$0	\$0
Design Fees	\$3,000	\$1,000	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$14,000	\$0	\$0
Relocation Expenses	\$0	\$1,000	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$2,000	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$7,500</b>	<b>\$18,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	N/A
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	N/A
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

City of Winona Waste Water Treatment Project

**AT A GLANCE**

**2026 Request Amount:** \$12,000

**Priority Ranking:** 2

**Project Summary:** The City of Winona’s wastewater treatment facility is over 50 years old. Though the City has continued to invest in upgrades at the facility. The City is now facing a significant improvement project to replace the original treatment technology with a new technology that can meet the impending MPCA nutrient removal requirements. The City estimates the project will cost \$17,000,000 and is requesting \$12,000,000 from the bonding bill. Funding would be used for design and construction.

**Project Description**

The City of Winona is located in Southeastern Minnesota along the banks of the Mississippi River. Known as the "Island City", Winona covers 24 square miles, with much of the area being composed of bluffs and its most noticeable physical landmark is Sugar Loaf. The city is named after legendary figure Winona, who some sources claimed was the first-born daughter of Chief Wapasha of the Dakota people. The population was 25,948 at the 2020 census.

The City of Winona’s wastewater treatment facility has reliably met the communities needs for over 50 years. The City has updated and maintained the facility over the years to continue to protect one of Minnesota's greatest resources - our surface water. The facility currently has trickling filters to handle a significant portion of the facility's organic loading. However, trickling filters do not fit in the treatment scheme where nutrient (nitrogen and phosphorus) removal is required. As Winona is currently upgrading the plant to address phosphorus, additional improvements are needed to replace the aging trickling filters with a system that aligns with nitrogen removal. The planned improvements for the facility include reusing as much of the existing facilities as possible, but will require additional infrastructure to remove nitrogen and sustainably remove phosphorus. The City will be piloting a new technology in 2023 with plans to begin implementation of the project in 2025.

**Project Rationale**

With critical components at the wastewater treatment plant at the end of their useful life, it is a necessity to replace them with a technology that is more efficient, better for the environment, and can meet the nutrient reduction goals established by the State. This will require new infrastructure. While some of the current components can be utilized, new modern components will be needed to improve the nutrient reduction that is required by the MPCA . The City is currently working through a phased implementation plan of improvements to the facility. The first phase is currently under construction to improve the safety and reliability of our preliminary treatment building for a cost of \$3 million. The second phase addresses phosphorus, as required by the city's NPDES permit at a cost

estimated over \$4 million. It is the third phase where we are requesting assistance. The third phase requires replacement of trickling filters with a technology that can remove nitrogen. The project is estimated to cost \$17 million. With the other improvements the City is taking on, this third phase is a financial burden on our residents and businesses. Additionally, the City of Winona's wastewater treatment facility serves the City of Goodview, MN also. The City of Winona is requesting \$8.5 million from the bonding bill to help offset the financial burden of phase 3 of the public infrastructure project.

### **Project Timeline**

### **Other Considerations**

The City strives to be good stewards of the environment. As a regional hub and home to a number of industries and colleges, the City's ability to provide wastewater service is critical to support the regional economy. The City is planning forward and strategically investing in our infrastructure with an approach that best allows the City to adapt to future needs and regulations.

### **Impact on State Operating Subsidies**

#### **Who will own the facility?**

City of Winona

#### **Who will operate the facility?**

City of Winona

#### **Who will use or occupy the facility?**

City of Winona

### **Public Purpose**

The new, upgraded wastewater treatment plant will serve our residents, businesses, and visitors and will ensure clean wastewater treatment discharge to our rivers and streams for generations to come. Water that is compliant and environmentally treated is best for our community and communities down stream. This financial burden is something we will take on, but the City is requesting State support with this bonding request. The City of Winona Wastewater Treatment Facility also serves the City of Goodview.

### **Description of Previous Appropriations**

#### **Project Contact Person**

Chad Ubl  
City Manager  
507-457-8234  
Cubl@ci.winona.mn.us

(\$ in thousands)

City of Winona Waste Water Treatment Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$12,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$3,000	\$21,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$3,000</b>	<b>\$33,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$50	\$0	\$0
Design Fees	\$0	\$1,950	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$3,000	\$31,000	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$3,000</b>	<b>\$33,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	

City of Winona Community Center

**AT A GLANCE**

**2026 Request Amount:** \$4,500

**Priority Ranking:** 3

**Project Summary:** The City of Winona is seeking \$4,500,000 to support a regional Community Center. The City of Winona is seeking to combine the City owned youth recreation center and City owned senior center into one facility. The facility would provide older adult programming, youth programming, inter-generational programming, older adult advocacy services, as well as serve as a community resource center for natural disasters. The current services provided serve the Southeast Minnesota area.

**Project Description**

The City of Winona Senior Center currently operates out of a building built in 1909. The older adult services moved into this facility in 1979 and have outgrown the current space and neighborhood. The facility has accessibility concerns, is located in a intense traffic area, and the current space is outdated for the programming needs. Despite these deficiencies the Senior Center is the only Nationally Accredited Senior Center in the Sate of Minnesota.

The Recreation Center located in Winona was built in 1989. It provides programming and services to all ages, yet primarily youth. The programming is heavily focused on out of school services. The Recreation Center is one only a few municipal operated Recreation Centers that serves as a drop in site (no membership fees are charged). The Center serves a diverse population in Winona and the surrounding area.

The Recreation Center serves as a Community Resource Center in times of community distress. The Center served as a pandemic resource site in 2019-2020. The Center was quickly turned into a vaccination location for Southeast Minnesota. The Center is also Community Resource Center during natural disasters.

The City is seeking to combine the services provided by both the Nationally Accredited Senior Center and Recreation Center into one Community Hub.

**Project Rationale**

The City is seeking to combine the resource provided by our Nationally Accredited Senior Center and Recreation Center to create a Community Hub at one location within the Community. The expanded facility will create greater access to services, create intergenerational programming and serve the greater region as a Community Resource Center during natural disasters. The combining of facilities does create efficiencies for City operations by combining services.

The facility would be located in a HUD Qualified Census Tract. The facility would serve the growing older adult population in Winona County. The facility serves a high percentage of the BIPOC community.

**Project Timeline**

**Other Considerations**

Since the pandemic the City has seen an increase in mental health issues. We have, anecdotally, seen this increase in the youth and older adults we serve. Isolation during the pandemic was a major concern. We envision this Community Center as a health and wellness center for both youth and adults. The ability to participate in programming and services without barriers, we feel, is a key to health and wellness.

The City provides information, referral, and assistance to all individuals in Winona County age 60 and better who live independently in our community. The mission is to help older citizens to remain independent in their homes, yet not isolated from the Community. We provide the following services free of charge (non exhaustive list): Home Visits, Medicare Assistance, Housing Services, Energy Assistance, Health Insurance counseling, and Advance Directive for Health Care Preparation.

**Impact on State Operating Subsidies**

**Who will own the facility?**

The City of Winona

**Who will operate the facility?**

The City of Winona

**Who will use or occupy the facility?**

The City services provided are to the greater community and area. The services provided reach residents throughout the County.

**Public Purpose**

The Community Center will be open to the general public at large and serve the greater Winona Area. The programs and services provided are funded through the local municipality. Both the Senior Center and Recreation Center have a wide variety of community partners. Specifically, the City works closely with Winona State University to provide internships, practicum experiences, and community based volunteer services.

**Description of Previous Appropriations**

**Project Contact Person**

Chad Ubl

City Manager  
507-457-8234  
Cubl@ci.winona.mn.us

(\$ in thousands)

City of Winona Community Center

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,500</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$4,500	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,500</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	N/A
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	N/A
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	N/A
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Design for Regional Wastewater System Supporting Growth and Economic Development	1	GO	4,000	0	0	0	0	0
<b>Total Project Requests</b>			4,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,000	0	0	0	0	0

## Design for Regional Wastewater System Supporting Growth and Economic Development

**AT A GLANCE****2026 Request Amount:** \$4,000**Priority Ranking:** 1

**Project Summary:** The City of Winthrop is designing a regional wastewater facility to replace aging infrastructure, meet environmental standards, and support growth. Serving Winthrop, Lafayette, Gibbon, and New Auburn, the project boosts efficiency, lowers maintenance, and improves climate resilience. The design phase is key for funding and aligns with Minnesota’s bonding goals: protecting health, upgrading infrastructure, and enabling regional and economic development.

**Project Description**

The City of Winthrop is leading a critical infrastructure initiative to evaluate and design a regional wastewater treatment facility that will serve not only its own residents, but also the residents of Lafayette, Gibbon, New Auburn, and two major regional industries. This project addresses urgent needs related to aging infrastructure, environmental compliance, and regional growth, while aligning with Minnesota’s long-term capital investment goals.

- **Project Purpose and Need**

The existing wastewater systems in Winthrop and surrounding communities are inefficient, increasingly unreliable, and costly to maintain. These systems face capacity limitations and are vulnerable to climate-related impacts such as flooding and extreme weather events. Without intervention, these challenges will continue to threaten public health, environmental quality, and the economic vitality of the region. The proposed regional facility will consolidate treatment operations into a single, modern system that improves efficiency, reduces long-term maintenance burdens, and ensures compliance with current and future environmental regulations. By pooling resources and infrastructure, the participating communities will benefit from economies of scale and a more sustainable, cost-effective long-term solution. This project will also address a water demand issue, by providing water of a quality that can be reused by industries, reducing the demand on the aquifer and eliminating a barrier to industrial growth.

- **Project Scope**

The current phase of the project focuses on the design and engineering of the regional facility. This includes:

- Technical assessments of existing infrastructure
- Environmental review
- Preliminary and final design of treatment processes
- Cost estimation and financial planning

- Coordination with regulatory agencies for permitting and approvals

This design work is essential to prepare the project for construction and to position it for state and federal funding opportunities, including Minnesota’s bonding bill.

- **Regional Collaboration**

The project exemplifies regional collaboration by bringing together multiple municipalities to solve a shared infrastructure challenge. This cooperative approach not only reduces duplication of efforts but also strengthens the case for public investment by demonstrating broad community support and long-term sustainability.

- **Environmental and Public Health Benefits**

The new facility will significantly improve the quality of treated effluent discharged into local waterways, protecting aquatic ecosystems and downstream users. It will also enhance the region’s resilience to climate change by incorporating flood-resistant design features and energy-efficient technologies. Water reuse technology will also be implemented benefitting the ecosystem and improving agricultural sustainability. By addressing current deficiencies and planning for future growth, the project will safeguard public health and ensure reliable wastewater service for decades to come.

- **Economic and Community Development**

Reliable wastewater infrastructure is a prerequisite for economic development, housing expansion, and industrial growth. The regional facility will support these goals by providing the capacity and reliability needed to retain & attract new businesses and residents to the area. Specifically, Heartland Corn Products—an ethanol production company operating in the renewable fuels and feed co-products industry —and Dairy Farmers of America—a national milk marketing cooperative engaged in the production and distribution of dairy products and ingredients —stand to benefit from the enhanced infrastructure. Heartland is gearing up for a 50% plant expansion that will add new jobs for the region. This plant expansion accommodates their growth plans as they're currently at max capacity with DNR's current water appropriations and intend to reuse discharge water from the expanded waste water treatment facility. Dairy Farmers of America's Upcoming wastewater permit limits will not be met and discharging to the regional treatment facility would greatly reduce operational costs for them in the future.

The project also aligns with Greater Minnesota’s broader development strategies, including efforts to revitalize small towns, support workforce housing, and promote equitable access to essential services.

- **Alignment with Minnesota Bonding Priorities**

The City of Winthrop’s regional wastewater project meets several key criteria for inclusion in the state’s bonding bill:

- Protecting public health and water quality: The project addresses critical infrastructure deficiencies that pose risks to human health and the environment.
- Preserving and upgrading existing infrastructure: It replaces aging systems with a modern, efficient facility designed for long-term use.
- Promoting regional collaboration and cost-sharing: Multiple communities are working together to achieve shared goals.
- Supporting economic development and housing: The project enables future growth by ensuring

adequate wastewater capacity.

- Enhancing climate resilience: The design will incorporate features to withstand extreme weather and reduce environmental impact.

- **Funding and Legislative Support**

The City of Winthrop, along with the other participating communities, has submitted Clean Water Project Priority List (PPL) requests covering the full scope of the project. To support the remaining design costs, the City of Winthrop intends to pursue a low-interest loan through Minnesota Rural Water. In parallel, the City is exploring opportunities for congressionally directed spending or similar federal funding mechanisms. Inclusion in the 2026 bonding bill remains critical to advancing the project to construction and unlocking additional funding sources. Completion of the design phase will ensure the project is shovel-ready and able to proceed swiftly once funding is secured.

- **Conclusion**

The proposed regional wastewater treatment facility is a forward-looking investment in public infrastructure that delivers environmental, economic, and community benefits. By supporting the design phase through the bonding bill, the State of Minnesota can help ensure that this vital project moves forward, creating a cleaner, healthier, and more prosperous future for Winthrop and its neighboring communities.

## **Project Rationale**

The City of Winthrop, in partnership with the communities of Lafayette, Gibbon, and New Auburn, is requesting bonding support from the State of Minnesota to fund the design of a regional wastewater treatment facility. This project addresses urgent infrastructure needs and aligns with the state's strategic priorities for capital investment.

- **Aging Infrastructure and Environmental Compliance**

The existing wastewater systems in these communities are outdated, increasingly unreliable, and costly to maintain. They face capacity constraints and are at risk of non-compliance with environmental regulations. A new regional facility will ensure long-term compliance with state and federal standards, protecting water quality and public health.

- **Regional Collaboration and Efficiency**

This project exemplifies regional cooperation by consolidating wastewater treatment operations across four communities. A shared facility will reduce duplication, lower operational costs, and improve service reliability. It represents a fiscally responsible approach to infrastructure investment that maximizes taxpayer value.

- **Climate Resilience and Sustainability**

The design will incorporate modern, climate-resilient features to withstand flooding and extreme weather events. It will also improve energy efficiency and reduce environmental impact, supporting Minnesota's climate adaptation goals.

- **Economic and Community Development**

Reliable wastewater infrastructure is foundational to economic growth. This project will unlock opportunities for industrial expansion, workforce housing, and community revitalization. It supports Greater Minnesota's development goals by enabling sustainable growth in small towns and rural areas.

- **Shovel-Ready Preparation**

The design phase is essential to prepare the project for construction and to secure additional funding. It will produce a shovel-ready plan that meets the technical and regulatory requirements for implementation, ensuring the project can move forward quickly once funding is secured.

- **Alignment with Bonding Criteria**

This request aligns with Minnesota’s bonding priorities by:

- Protecting public health and water quality
- Preserving and upgrading critical infrastructure
- Promoting regional collaboration and cost-sharing
- Supporting economic development and housing
- Enhancing climate resilience

- **Strategic Investment in Greater Minnesota**

Investing in this project demonstrates the state’s commitment to equitable infrastructure development across all regions. It ensures that rural communities have access to the same quality of essential services as urban areas, fostering statewide prosperity.

## **Project Timeline**

Design Begins: Winter 2026  
Design Complete: Winter 2028  
Construction Begins: Summer 2029  
Construction Complete: Summer 2032

## **Other Considerations**

Other considerations include, but are not limited to the following:

- **Interim System Risks**

Without investment in a new facility, the existing wastewater treatment systems in Winthrop, Lafayette, Gibbon, and New Auburn will continue to deteriorate. This increases the risk of system failures, environmental violations, and emergency repair costs—each of which could be more expensive than proactive investment in a regional solution.

- **Regulatory Pressures**

The Minnesota Pollution Control Agency (MPCA) is tightening enforcement of effluent standards. Communities with aging infrastructure may soon face compliance penalties or consent decrees. Advancing the design now positions the region to stay ahead of regulatory mandates.

- **Funding Leverage**

Completing the design phase makes the project eligible for a broader range of funding sources, including federal infrastructure grants, USDA Rural Development programs, and Clean Water Revolving Fund loans. Bonding support now can unlock significantly more funding later.

- **Community Equity**

Smaller rural communities often lack the tax base to fund large infrastructure projects independently. A regional approach supported by state bonding ensures equitable access to modern wastewater services, regardless of local financial capacity.

- **Workforce and Economic Stability**

Construction and operation of the new facility will create local jobs and support regional contractors

and suppliers. Long-term, the improved infrastructure will attract businesses and housing developers, contributing to economic resilience.

- **Public Support and Engagement**

The project has strong local support, with community leaders, industry partners and residents recognizing the need for a sustainable solution. Continued transparency and engagement will be key to maintaining momentum and trust throughout the design and construction phases.

- **Scalability and Future-Proofing**

The facility will be designed with future growth in mind, including potential service to additional communities or industrial users. This forward-thinking approach ensures the investment remains viable and adaptable for decades.

- **Environmental Justice**

Improved wastewater treatment will reduce nutrient and pollutant loads in local waterways, benefiting downstream communities and ecosystems. This aligns with Minnesota’s environmental justice goals by ensuring clean water access for all.

- **Alignment with Statewide Goals**

The project supports Minnesota’s broader goals around climate adaptation, infrastructure modernization, and rural development. It is a model for how regional collaboration can solve complex infrastructure challenges efficiently.

### **Impact on State Operating Subsidies**

The project is not expected to have a direct impact on state operating subsidies. The regional wastewater treatment facility is being developed through a combination of local funding, low-interest loans, and potential federal support. The City of Winthrop and its partner communities are seeking inclusion in the 2026 bonding bill to fund the design phase, which is a capital investment rather than an ongoing operational expense.

Because the project is focused on infrastructure development and long-term cost efficiency through regional collaboration, it is not anticipated to require ongoing state operating subsidies once constructed. Instead, it aims to reduce long-term maintenance costs and improve service reliability through shared operations.

### **Who will own the facility?**

City of Winthrop

### **Who will operate the facility?**

City of Winthrop

### **Who will use or occupy the facility?**

City of Winthrop

### **Public Purpose**

The regional wastewater treatment project will serve the cities of Winthrop, Lafayette, Gibbon, and New Auburn by replacing outdated, inefficient systems with a modern, consolidated facility. It addresses urgent infrastructure needs, ensures long-term environmental compliance, and protects

public health. The shared system will reduce costs, improve reliability, and support economic growth, housing, and industrial development. With climate-resilient and energy-efficient design, the project promotes sustainability and regional collaboration—delivering a cost-effective, future-ready solution for rural Minnesota.

**Description of Previous Appropriations**

The City has not received state appropriations for projects in several years.

**Project Contact Person**

Michael Looft  
City Administrator  
507-647-5306  
administrator@winthropmn.gov

(\$ in thousands)

**Design for Regional Wastewater System Supporting Growth and Economic Development**

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$2,000	\$0	\$0
Non-Governmental Funds	\$0	\$2,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$8,000	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
--	-----

**STATUTORY REQUIREMENTS**

The following requirements will apply to projects after adoption of the bonding bill.

<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Drinking Water, Sanitary Sewer, and Storm Water Improvements	1	GO	4,525	0	0	0	0	0
<b>Total Project Requests</b>			4,525	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			4,525	0	0	0	0	0

**Drinking Water, Sanitary Sewer, and Storm Water Improvements****AT A GLANCE****2026 Request Amount:** \$4,525**Priority Ranking:** 1

**Project Summary:** The current age and condition of the City of Wood Lake's infrastructure are causing numerous issues, which will continue to increase until the City updates or replaces these systems. new water tower, reconstruction of approximately 48% of the existing drinking water distribution systems, reconstruction of 72% of the sanitary sewer collection system, reconfiguring the wastewater treatment pond facility, and reconfiguring the storm sewer conveyance system.

**Project Description**

This proposed project represents the next phased effort to address the city's aging infrastructure. Phase 1 focused on critical upgrades to lift stations, forcemains, sewer and water mains, and stormwater management. Phase 2 addressed water supply needs through a new well and water treatment plant improvements. Phase 3 targeted localized replacements of deteriorated water, sanitary, and storm sewer components. Building on these prior efforts, the current phase continues this essential work to modernize and strengthen the city's core infrastructure systems.

The City of Wood Lake continues to face significant infrastructure challenges due to aging water, sewer, and stormwater systems. Over 60% of the city's water distribution system is composed of original or aging pipes, some more than 90 years old, leading to frequent failures and costly temporary fixes. The system includes cast iron pipes (CIP) from 1927 and asbestos cement (AC) pipes from the 1950s, both prone to corrosion and breaks, raising concerns about water contamination and health risks from asbestos. The proposed project aims to replace sections of these outdated pipes and install new infrastructure, including 6-inch water mains, gate valves, fire hydrants, and service laterals.

The city also faces ongoing issues with inflow and infiltration (I/I) in its sewer system, causing wastewater discharges to the surface, backups into homes, and structural deficiencies in the pipes. The project will replace parts of the gravity sanitary sewer system, install new 8-inch mains and manholes, and improve the wastewater system to comply with current standards.

Additionally, the city has experienced frequent flooding, especially on the north side, due to inadequate stormwater drainage. The existing system is outdated and difficult to maintain, worsening flooding and inflow into the wastewater system. This project will improve the stormwater conveyance system with a connection to a drainage ditch.

The existing streets are in poor condition and require street replacement adjacent to the underground piping improvements.

## **Project Rationale**

The proposed improvements foster resiliency in the utility systems by reducing the occurrences of watermain breaks from pipes that have exceeded their design life or are currently exhibiting elevated break rates, by reducing the severity and frequency of urban flooding, which will direct stormwater out of the City, thereby eliminating substantial volumes of potential wastewater inflow and infiltration, and by correcting deficiencies in the wastewater collection system, to reduce mainline infiltration. Watermain improvements will enhance the reliability of the water distribution system, reducing the frequency of outage due to breaks. The stormwater and wastewater improvements will reduce the frequency and severity of wastewater system bypassing and the associated threat of private property sewage backups. The stormwater and wastewater improvements operate passively, freeing up City maintenance personnel to attend to other pressing emergency needs during severe storms.

## **Project Timeline**

6/1/26 - Engineering/Design  
10/1/26 Bidding  
4/1/27 Start of Construction  
10/31/28 End of Construction

## **Other Considerations**

The proposed infrastructure improvements are not viable unless Wood Lake receives some grant funding. Although there has been some success in funding portions and phases of the overall project, there is still significant need for state funding support to leverage federal funding and address all of the city's needs which includes the health and safety of its residents.

## **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be requested for this project.

## **Who will own the facility?**

The City of Wood Lake will own the proposed utilities.

## **Who will operate the facility?**

City staff will operate the proposed utility project.

## **Who will use or occupy the facility?**

Residents and visitors of the City of Wood Lake will use the utility systems and pay utility fees.

## **Public Purpose**

This project aims to provide clean and safe drinking water to Wood Lake residents, address flooding and sewer backups to improve health and sanitary conditions, and enhance wastewater and stormwater management. The goal is to resolve health and safety issues efficiently and establish a solid infrastructure foundation for the future of Wood Lake.

**Description of Previous Appropriations**

None

**Project Contact Person**

Ashley VanHecke  
Clerk-Treasurer  
507-485-3476  
woodlake@redred.com

(\$ in thousands)

Drinking Water, Sanitary Sewer, and Storm Water Improvements

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$4,525	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$23,207	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$27,732</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$990	\$0	\$0
Design Fees	\$0	\$2,183	\$0	\$0
Project Management	\$0	\$1,233	\$0	\$0
Construction	\$0	\$23,326	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$27,732</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
La Lake Park Restoration and Infrastructure Project	1	GO	2,000	0	0	0	0	0
<b>Total Project Requests</b>			2,000	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			2,000	0	0	0	0	0

**La Lake Park Restoration and Infrastructure Project**

**AT A GLANCE**

**2026 Request Amount:** \$2,000

**Priority Ranking:** 1

**Project Summary:** The City of Woodbury requests \$2 million in state bonding for the estimated \$4 million La Lake Park Restoration and Infrastructure Project. This initiative will preserve natural resources, improve accessibility, and enhance facilities with trails, a large open-air shelter, restrooms, multi-generational picnic areas, a play area, and supporting infrastructure, providing year-round regional access and recreation in alignment with the needs of the surrounding area.

**Project Description**

This project proposes a comprehensive redevelopment of the park to enhance recreational, ecological, and community-oriented spaces. The scope includes the design and planning of key infrastructure and amenities to meet current and future community needs while prioritizing sustainability and accessibility.

**Project Scope:**

1. Natural Resource Improvements: The project will develop an approach to restore areas throughout the park, incorporating sustainable practices.

2. Stormwater Management: The project will design a stormwater management system that addresses runoff and erosion, while complementing park infrastructure.

**Picnic Shelter: Designed to include:**

- o A 5,400-square-foot open air picnic shelter
- o Additional picnicking, seating and observation areas throughout the park
- o Accessible restrooms and support spaces, featuring energy-efficient and cost-effective construction.

3. Utility connections needed to support the infrastructure

4. Trail head, Information Center/Kiosk, park wayfinding

5. Trails: The project will provide connectivity with both paved and natural surface trails, restrooms, picnic areas, and viewing spots, while also linking to adjacent neighborhoods and other communities.

Signage and wayfinding will be incorporated to improve the overall user experience.

8. Interpretation Elements: The project will include interpretive features and may include interactive art, architectural expressions, and interpretive signage..

**Total Cost and Key Funding Sources**

The estimated project cost is \$4 million, with funding anticipated from:

\$2 million state bond contribution

\$1.4 million City funding (Capital Investment and Park Dedication Funds)

\$600,000 regional/local grants

**Project Rationale**

La Lake Park serves as a vital public space offering free gathering areas and recreational opportunities

for the area. The park's unique lake access and natural surroundings provide opportunities for educational programs, outdoor activities, and events, fostering health, social connectedness, and environmental stewardship. As the park's usage continues to grow, with increasing demand for, accessible amenities, it is essential to reinvest in its infrastructure to better serve current and future users. This project will enhance La Lake Park's capacity to support a variety of community needs while preserving its natural beauty and ecological integrity. The reinvestment will also strengthen the collaboration between the City and other partners, ensuring a shared vision for the park's development. City staff, in partnership with community stakeholders, have worked together to develop this vision, with a focus on improving access, add needed infrastructure and sustainability.

## **Project Timeline**

### **Project Timeline**

#### **1. Design Phase (2026)**

- o 2026: Complete final project design, including all park infrastructure, trails, parking, picnic areas, restrooms, and kiosks. Conduct community review and secure necessary permits.

#### **2. Bidding (2027)**

- o Bid for construction, select contractors, and finalize contracts.

#### **3. Construction Phase (2027-2028)**

- o 2027: Begin infrastructure improvements.

- o 2028: Complete construction of restroom building, picnic shelter, trail connections, interpretive elements, and wayfinding systems.

- o Complete habitat restoration efforts, including planting native vegetation and enhancing shoreline areas.

## **Other Considerations**

La Lake Park has the opportunity to provide inclusive gathering spaces to serve the City and the region. With its emphasis on outdoor recreation, educational programs, and community events, the park offers opportunities for a variety of multi-cultural and multi-generational activities. Local schools, environmental groups, and community organizations could utilize the park for nature-based education, recreational programs, and events that bring together people of all backgrounds. For example, workshops and programs based on lake stewardship and wildlife conservation could be facilitated, while local families gather for picnics, trail walks, and cultural celebrations. Continued investment in La Lake Park will ensure that it remains a welcoming space for all, fostering a strong sense of community, environmental stewardship, belonging, and pride that adapts to the evolving needs of a diverse population.

## **Impact on State Operating Subsidies**

No impact on the state operating subsidies for this project.

## **Who will own the facility?**

The project will be owned and managed by the City of Woodbury.

## **Who will operate the facility?**

The City of Woodbury will operate the project.

## **Who will use or occupy the facility?**

The project will serve a diverse range of users, including local residents, regional visitors, and community groups. Families, individuals, and organized groups will utilize the picnic shelters, trails, and recreational facilities for gatherings, outdoor activities, and events. Schools, environmental organizations, and other educational groups.

### **Public Purpose**

La Lake Park's natural beauty and diverse recreational spaces offer visitors a welcoming environment to connect, immerse themselves in nature, and prioritize health and wellness. Featuring scenic trails, inviting picnic areas, and a serene lake, thoughtfully designed to support both personal reflection and shared experiences. Its layout fosters collaboration among visitors, community organizations, and educational groups, while also providing versatile spaces for gatherings and events.

### **Description of Previous Appropriations**

There have been no previous state appropriations associated with this project.

### **Project Contact Person**

Josh Kinney  
612-387-6260  
joshua.kinney@woodburymn.gov

(\$ in thousands)

La Lake Park Restoration and Infrastructure Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$2,000	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
City Funds	\$0	\$2,000	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,000</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$0	\$0	\$0
Design Fees	\$0	\$0	\$0	\$0
Project Management	\$0	\$0	\$0	\$0
Construction	\$0	\$3,960	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$40	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,000</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?	Yes
Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Wrenshall Infrastructure Project	1	GO	7,139	0	0	0	0	0
<b>Total Project Requests</b>			7,139	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			7,139	0	0	0	0	0

Wrenshall Infrastructure Project

**AT A GLANCE**

**2026 Request Amount:** \$7,139

**Priority Ranking:** 1

**Project Summary:** The City of Wrenshall is looking to complete an infrastructure project that includes extensions, rehabilitation, and replacement to their drinking, sanitary, and storm water systems; as well as provide the necessary street restorations to the project area. The total cost for this infrastructure project is \$15 million dollars and would provide the necessary improvements to ensure the health and sanitation of the city's water and its residents.

**Project Description**

The City of Wrenshall is in need of an infrastructure improvement project that would improve the city's drinking, waste, and storm water systems. The proposed project consists of drilling a new well, rehabilitating the well house & water tower, extending water mains in select areas of the city, looping water main to eliminate dead ends, replacing and extending select portions of the sanitary sewer pipes, and installing drain tile along Mason Drive while using the ditches as infiltration basins.

**DRINKING WATER SYSTEM:** The City of Wrenshall’s drinking water system includes two municipal wells and two well houses. The original well is no longer a viable redundant option for long-term use as a primary municipal well due to both capacity and condition issues. The second well house has chlorine and fluoride chemicals stored in the same room as the piping, and the structure does not have HVAC system to continuously expel fumes. The floor and piping in this well house are corroded from the conditions inside the building and chemicals being stored in close proximity.

Over the last 5 years there have been many watermain breaks which create higher potential for contamination, posing a risk to system users. Due to the high number of inoperable gate valves and curb stops, repairs are increasingly difficult and disruptive, impeding the City’s ability to provide residents with clean and safe drinking water. The City’s distribution system also has several dead ends that are leading to stagnation of water in parts of the system. The City has also identified four (4) galvanized services that require replacement due to the health concerns related to lead.

**SANITARY SEWER SYSTEM:** The City’s wastewater system includes a collection system that has 21,750 LF of sewer main constructed of vitrified clay pipe (VCP), non-reinforced concrete pipe (NRCP), and polyvinyl chloride (PVC) pipe. The condition of VCP in portions of the City’s existing sanitary sewer collection system has created numerous issues such as sewer backups in resident homes, localized pipe collapses, and cracks allowing root intrusions that are likely the cause of sewer backups. The generally poor condition of portions of existing sewer pipe has led to excessive inflow within the

system, and there are visible sources of infiltration such as offset joints, sags, cracks, breaks, and blockages as evidenced in televising results.

**STORM SEWER SYSTEM:** The City of Wrenshall's existing stormwater conveyance system does not effectively convey stormwater in select areas of the City, including the Pru Ponds and Mason Drive ditches, resulting in localized flooding., which contributes to wastewater I/I issues.

### **Project Rationale**

Of immediate concern is the City's utility infrastructure systems and the associated health and sanitation issues that are occurring. The current water utility systems in place are not nearly sufficient to serve the residents, businesses, and the school in the area. On top of water utility systems failing/lacking necessary improvements, the roads and sidewalks are also in poor condition and are in need of upgrades to reach ADA standards

### **Project Timeline**

06/2026 - Engineering & Design  
09/2026 - Advertise for Bids  
10/2026 - Bidding Closed  
05/2027 - Construction Start  
09/2028 - Construction End

### **Other Considerations**

The proposed infrastructure improvements are critical but are not viable unless the City of Wrenshall receives state funding to leverage local and federal dollars. Roughly 40% of Wrenshall's households are Low to Moderate income earners. There is a great need for funding support to address the City's needs, which left undone, will continue to jeopardize the health and safety of the local residents.

### **Impact on State Operating Subsidies**

If funded, there are no anticipated new or additional state operating dollars that will be request for this project

### **Who will own the facility?**

The City of Wrenshall will own the proposed utilities.

### **Who will operate the facility?**

City staff will operate the proposed utility project.

### **Who will use or occupy the facility?**

Residents and visitors of the City of Wrenshall will use the utility systems and pay utility fees.

### **Public Purpose**

The public purpose served by this project is to provide clean and safe drinking water along with adequate wastewater service to Wrenshall residents. Thorough investigations of the City's infrastructure were done to identify and correct all health and safety concerns in the most efficient and cost-effective time frame, and provide a strong foundation of infrastructure for the City and its

residents in the foreseeable future.

**Description of Previous Appropriations**

No previous state appropriations.

**Project Contact Person**

Alieca Marie Johnson

Clerk/Treasurer

218-384-3680

cityofwrenshall@gmail.com

(\$ in thousands)

Wrenshall Infrastructure Project

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$7,139	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Federal Funds	\$0	\$7,140	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$14,279</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$537	\$0	\$0
Design Fees	\$0	\$821	\$0	\$0
Project Management	\$0	\$1,646	\$0	\$0
Construction	\$0	\$11,275	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$0	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$14,279</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the “Statutory Requirements” below and in the “Capital Budget Requirements” section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	Yes

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	N/A
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

# Wright Technical Center

# Projects Summary

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Wright Technical Center Maintenance and Modernization	1	GO	10,500	0	0	0	0	0
<b>Total Project Requests</b>			10,500	0	0	0	0	0
<b>General Obligation Bonds (GO) Total</b>			10,500	0	0	0	0	0

**Wright Technical Center Maintenance and Modernization**

**AT A GLANCE**

**2026 Request Amount:** \$10,500

**Priority Ranking:** 1

**Project Summary:** \$10,500,000 in state funds is requested to predesign, design, construct, renovate, furnish, and equip capital improvements at Wright Technical Center and its affiliated facilities in Buffalo, Minnesota, including projects to preserve or replace mechanical, electrical, and security systems; utility infrastructure; and site renovations to support ongoing operations.

**Project Description**

These bonding dollars would go to fund desperately needed facilities maintenance projects to the Wright Technical Center (WTC) in Buffalo, MN. The Wright Technical Center is a cooperative public high school established in 1972 to provide instruction in career, technical and alternative education. The WTC provides students with fourteen different career and technical program choices to meet their needs, skills, and career interests.

The WTC building is now fifty three years old, and is in urgent need of maintenance, replacement, or repairs of essential infrastructure including mechanical unit replacement, roofing, electrical panel replacement, pavement and access, programmatic move, security and building automation system.

The proposed maintenance and repairs in this bonding request are essential to address structural and safety concerns at WTC's current facility in Buffalo, MN. These projects necessary to enable the Wright Technical Center to continue to serve the student population of its eight-member school districts. Portions of the existing facilities have fallen below the Minnesota Department of Education's recommended standards. As a cooperative school district, WTC does not have levy authority, and therefore has limited options to address these needs without support from the state.

**Project Rationale**

Wright Technical Center recognizes that instructional buildings are the backbone of our public education system, and that teaching and learning occurs more successfully in well-maintained buildings. Meeting the challenges of 21st-century education and its evolving needs to prepare students for not only post-secondary learning but for living in our global society is paramount. WTC is experiencing many of the dynamic challenges of a public-school district. These include aging buildings, shifting population and student concentration areas, evolving learning programs, and limited fiscal resources-all of which must be addressed within an integrated process of long-range planning which the Wright Technical Center is undertaking.

Without state funds to assist with this project, WTC's fundamental mission will be put at risk, as our facilities will continue to degrade.

## **Project Timeline**

Based on the project approval; the anticipated time line for implementation would be as follows:

Professional Services Procurement - Aug 2025 -1 month

Project Design - September 2025-March 2026 - 7 months

Project Bidding and Contract Execution - April 2026 - 1 month

Permitting and Jurisdictional Review - May 2026 - 1 month

Construction Activities - June 2026 - January 2027 - 8 months - including phasing and maintaining operations during construction

Verifications and Move In - February 2027 - 1 month

Total Project Duration - 19 months

## **Other Considerations**

Wright Technical Center is located in the heart of Wright County--the fastest growing County in Minnesota since 2020. The programs WTC provides are in key areas that will be of significant need in the future workforce of our region and our state.

## **Impact on State Operating Subsidies**

None.

## **Who will own the facility?**

Wright Technical Center will continue to own the facility. Again, WTC is a cooperative school district made up of eight member school districts in Wright County and Sherburne County (Annandale, Buffalo, Delano, Howard Lake/Waverly/Winsted, Maple Lake, Monticello, St. Michael/Albertville, Big Lake).

## **Who will operate the facility?**

Wright Techniical Center

## **Who will use or occupy the facility?**

Wright Technical Center will continue to use and be the primary occupant of the facility to deliver its educational programs. Wright County Community Action also currently operates a Head Start Early Childhood/Preschool program on the site. MAWSECO (meeker and Wright County Special Education Cooperative) also currently operate Level IV Special Education programs for High School (Cornerstones) and Middle Level (Eastern Wright).

## **Public Purpose**

The maintenance and modernization these funds will address structural and safety concerns at WTC's facility in Buffalo, allowing the school to continue to carry out its purpose of providing vocational education opportunities and preparing young Minnesotans for the workforce. Portions of the existing facilities have fallen below the recommended standards of the Minnesota Department of Education.

## **Description of Previous Appropriations**

None.

**Project Contact Person**

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Executive Director  
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(\$ in thousands)

Wright Technical Center Maintenance and Modernization

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Obligation Bonds	\$0	\$10,500	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
Other Local Government Funds	\$0	\$363	\$0	\$0
<b>Non-State Funds Pending</b>				
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,863</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$70	\$0	\$0
Design Fees	\$0	\$625	\$0	\$0
Project Management	\$0	\$208	\$0	\$0
Construction	\$0	\$9,192	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$169	\$0	\$0
Inflationary Adjustment	\$0	\$599	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,863</b>	<b>\$0</b>	<b>\$0</b>

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	Yes
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	No
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	Yes

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2026	2028	2030	2026	2028	2030
Wyoming Public Safety Building	1	GF	9,400	0	0	0	0	0
<b>Total Project Requests</b>			9,400	0	0	0	0	0
<b>General Fund Cash (GF) Total</b>			9,400	0	0	0	0	0

## Wyoming Public Safety Building

**AT A GLANCE****2026 Request Amount:** \$9,400**Priority Ranking:** 1

**Project Summary:** The City of Wyoming is requesting \$9.4 million dollars to assist the construction of a new Public Safety Facility for both Fire and Police services. A dedicated facility will enable all functions of Wyoming Public Safety to better serve our community with greater efficiency, effectiveness, best practices and meet professional standards that improve the overall Public Safety experience for our community.

**Project Description**

The City of Wyoming is requesting \$9.4 million in state funding to assist with the construction of a new Public Safety Facility that will house both the Police Department and Fire Department under one roof. This project represents a critical investment in the safety, health, and well-being of the Wyoming community, ensuring modern and resilient emergency response capabilities. The City is committed to contributing an additional \$9.4 million in local funds, bringing the total estimated project cost to \$18.8 million.

For decades, the Wyoming Police Department has operated out of makeshift and temporary locations. From its early days working out of a mechanic's garage to its current location in a deteriorating 50-plus-year-old pole building, the department has never had a permanent facility. The current space fails to meet even the most basic standards for a modern law enforcement agency. There is no room for private or secure interview rooms. Victims and suspects must sit together in a small 6-foot by 8-foot lobby area, increasing trauma for those already experiencing crisis. Beyond its limited and outdated layout, the current facility is operationally unsafe. Evidence processing occurs in the same shared space as food preparation, changing areas, general storage, and squad parking. Hazardous materials such as narcotics or biological evidence are handled without proper containment, putting staff at risk. These conditions are not only unsafe but also undermine adherence to law enforcement best practices and chain-of-custody procedures.

The building's structural condition poses an even greater risk to community safety. Constructed decades ago without modern security or resiliency standards, the facility is among the least fortified structures in the city. In the event of a tornado, large-scale fire, or catastrophic event, the building could be quickly compromised. This is especially concerning given that the Police Department also serves as the Emergency Operations Center (EOC) for the City. If the building fails during a disaster, the City could lose its centralized command and coordination function—leaving public safety responders without the infrastructure needed to lead an effective emergency response.

The Fire Department, a combination department of full-time and paid-on-call firefighters, faces similar facility challenges. The current fire station is undersized and outdated. Apparatus bays are overcrowded, and there is insufficient room for gear, equipment, or additional apparatus necessary

to support a growing community. Turnout gear is stored next to exhaust-emitting vehicles, exposing firefighters to harmful contaminants that increase the risk of cancer and other illnesses. There is no dedicated space for decontamination, gear washing, or firefighter wellness. Locker facilities are outdated and insufficient. The department also lacks dedicated classroom and training areas needed to meet modern fire service expectations and National Fire Protection Association (NFPA) standards. Without improvements, the department's ability to recruit, retain, and protect its personnel will be compromised, and the community's ability to respond to emergencies will be weakened.

The new facility is being designed to address these longstanding deficiencies while maximizing shared space to reduce the building's footprint and costs. The City is utilizing a conservative, cost-conscious approach by building on a greenfield site already owned by the City. The proposed building will be approximately 28,000 square feet in total, with:

9,322 square feet allocated for Police operations, including administration, evidence processing and storage, interview rooms, and vehicle garage space.

13,767 square feet allocated for Fire Department needs, including apparatus bays, decontamination areas, turnout gear storage, administrative offices, and locker facilities.

4,600 square feet of shared space, including training rooms, meeting areas, and Emergency Operations Center functionality usable by both departments.

The integration of shared spaces for training, storage, and coordination will enhance operational efficiency and encourage collaboration between the two divisions. This design not only reduces costs but creates a more functional and adaptable emergency services environment.

A new Public Safety Facility will have far-reaching impacts. It will create safer working conditions for police officers and firefighters. It will improve response times and coordination during emergencies. It will allow the City to comply with state and national professional standards. And perhaps most importantly, it will create a community-based hub for safety and resilience—a place where public safety professionals can better serve victims, prepare for disasters, and strengthen trust with the public.

The City of Wyoming has worked hard to minimize project costs while ensuring that this facility meets the long-term needs of the community. A modern, safe, and secure facility is not a luxury—it is an essential part of our community infrastructure. We respectfully request \$9.4 million in state funding support to bring this project to completion and provide Wyoming residents with the public safety services they deserve.

## **Project Rationale**

Chisago County is located in East Central Minnesota and is predominantly rural in character. The City of Wyoming, situated at the southern edge of the county, is the closest city to the Twin Cities metropolitan area and serves as a key access point for regional services and emergency response along the I-35 corridor. As the community continues to grow and develop, the City's public safety infrastructure has not kept pace with modern demands or professional standards, creating significant operational and safety challenges for both the Wyoming Police and Fire Departments.

One of the most critical and regionally significant components of the proposed project is the inclusion of a modern, fully equipped Emergency Operations Center (EOC). Currently, there is no dedicated EOC serving this portion of East Central Minnesota. The nearest established EOC is located more than 50 miles away, limiting its usefulness during weather emergencies, wildfires, multi-agency responses, or other major disasters that demand rapid coordination, communication, and deployment of resources. The absence of a centralized EOC has long been recognized as a vulnerability in regional

emergency preparedness. The proposed Wyoming Public Safety Facility will close this gap by providing a hardened, resilient space capable of functioning as the region's incident command center—equipped to host regional trainings, manage complex emergencies, and provide backup communications infrastructure in the event of a large-scale event or failure in the metro area. Locally, the Wyoming Police Department has operated without a permanent or purpose-built facility since its inception. For decades, the department has relied on temporary or retrofitted spaces that were never designed for public safety use. Initial operations were run out of the back of a mechanic's garage, and the current location is a decaying 50-plus-year-old pole building that was never intended to house a police department. The structure lacks even the most basic features required for modern law enforcement operations.

There is no private or secure space to conduct victim or suspect interviews. Victims and suspects are forced to wait together in a shared 6-foot by 8-foot lobby, often compounding the trauma for those already in crisis. There is no separation between administrative workspaces and areas used for changing uniforms, storing equipment, or even preparing meals. Perhaps most concerning is the lack of any dedicated space for evidence processing. Police staff are forced to handle narcotics, biohazards, and other sensitive materials in the same general area used for eating and changing clothes—presenting clear health, safety, and procedural risks. These conditions compromise not only the safety of staff but also the integrity of investigations and the City's compliance with professional accreditation standards.

Beyond internal operations, the current facility lacks physical security and structural resilience. It is one of the most vulnerable buildings in the community in the event of a tornado, derecho, or man-made disaster. As the designated EOC for the city, this is a major concern. Should the building be compromised during a disaster, the City's ability to coordinate emergency response could be rendered ineffective at the very moment the community needs it most.

The new facility will solve these issues and address longstanding infrastructure deficiencies. The building will include secure areas for both victims and suspects, designated evidence processing rooms with proper ventilation and containment, and safe storage of high-risk materials. It will provide private offices, secure access controls, and space for collaborative briefings and training exercises. Most importantly, it will allow the department to operate in a way that meets state and national standards for modern policing while also promoting public trust, victim support, and officer wellness. From a regional perspective, the benefits of this project extend well beyond the borders of Wyoming. As the southernmost municipality in Chisago County, the City is often the first responder to incidents affecting the larger I-35 corridor, which connects the Twin Cities to Greater Minnesota and sees heavy commuter and freight traffic. The City regularly collaborates with other jurisdictions for mutual aid, large-scale fire responses, crash scene management, and public safety incidents. A modern facility that can support multi-agency coordination, secure staging of resources, and serve as a regional training site will enhance emergency readiness for neighboring communities, county agencies, and state partners.

The project is also being designed with fiscal responsibility in mind. The City will construct the new facility on land it already owns, reducing acquisition costs and streamlining permitting. Spaces for the Police and Fire Departments will be co-located to allow shared access to training areas, community meeting rooms, and communications infrastructure—creating both operational and financial efficiencies. The City's willingness to invest \$9.4 million in local funds to match the state request reflects its deep commitment to the safety of its residents and the broader region.

In summary, the rationale for this project is clear. Wyoming's current police facility is unsafe, inadequate, and unfit for the demands of modern law enforcement. The absence of a regional

Emergency Operations Center leaves East Central Minnesota vulnerable to disaster. The proposed Public Safety Facility addresses both of these critical issues—strengthening local infrastructure, improving service delivery, and establishing a much-needed regional resource for coordinated emergency response.

### **Project Timeline**

The predesign and final design phases for the Wyoming Public Safety Facility have been completed, and the City of Wyoming is prepared to move forward with construction upon the availability of funding. With the understanding that bonding funds would be awarded during the 2026 legislative session, the City anticipates commencing construction in spring 2027.

This timeline reflects a deliberate and cost-conscious decision to avoid beginning construction during the winter of 2026–2027. Initiating work in colder months would result in increased costs for temporary heating, weather protection, and schedule delays. A spring start will allow for optimal site mobilization, foundation work, and uninterrupted construction sequencing.

Construction of the new facility is expected to take approximately 12 to 16 months, depending on weather conditions and contractor availability. Substantial completion and occupancy are anticipated between May 2028 and September 2028.

This construction window includes all necessary phases, including site preparation, utility extensions, structural work, interior systems installation, and commissioning. The City has already secured a greenfield site for the facility, which expedites pre-construction activities such as permitting, environmental review (if required), and public notification.

Given that the project design is already complete and land is secured, Wyoming is in a strong position to proceed quickly and efficiently once funding is in place. The project timeline is realistic, achievable, and structured to ensure that state and local dollars are used responsibly and with maximum impact.

### **Other Considerations**

The City of Wyoming has maintained steady engagement with stakeholders throughout the planning and design of the proposed Public Safety Facility. Project updates have been regularly provided to the City Council and shared with residents through the City’s website and email newsletter. These efforts have helped ensure that the community is informed and that there is transparency around the project’s scope, need, and potential impact.

The proposed facility will not only meet the needs of Wyoming’s Police and Fire Departments—it will also serve as a critical piece of regional emergency infrastructure. The inclusion of a dedicated Emergency Operations Center (EOC) is particularly significant, as there is currently no such facility within at least 50 miles. This leaves East Central Minnesota underserved in its ability to coordinate multi-agency response during large-scale emergencies such as natural disasters, major incidents, or severe weather events. The EOC will serve as a regional hub for training, coordination, and emergency management, significantly strengthening overall preparedness.

While the City has taken a conservative approach to design and land use—utilizing a greenfield site it already owns and maximizing shared space—the total estimated cost of \$18.8 million remains well beyond the financial means of a community with a population of just over 8,000 residents. The City has committed to covering 50 percent of the project costs—\$9.4 million—but cannot advance construction without state funding support. Without this assistance, the City will be forced to delay or cancel the project indefinitely.

This would mean continued reliance on a deteriorating, 50-plus-year-old pole building that lacks basic functions of modern public safety facilities. The current police building compromises officer and

public safety, lacks secure interview and evidence spaces, and fails to meet professional operational standards. The fire station is similarly outdated and undersized, limiting the department's ability to meet equipment, training, and health and safety needs. Additionally, the vulnerability of both facilities in the event of a major storm or disaster severely hinders the City's ability to serve the public when it is needed most.

If state funding is not secured, the community will continue operating from facilities that are not only inefficient but increasingly risky and expensive to maintain. The City will likely face growing capital maintenance costs just to keep the current buildings minimally functional, diverting resources away from core services and delaying any meaningful improvement for years to come.

The City has done the work to make this project ready to proceed. Predesign and final design are complete, the site is secured, and cost-saving measures have been built into the project scope. All that remains is securing the critical state partnership to move the project forward. State investment in this facility will not only protect the people of Wyoming but provide a long-term, regional public safety asset for a growing and strategically located part of Minnesota.

### **Impact on State Operating Subsidies**

The Wyoming Public Safety Facility will have no impact on state operating subsidies. The City of Wyoming will fully fund and manage the ongoing operations, maintenance, staffing, and utilities of the facility through its existing general fund and public safety budget. The City is not requesting or expecting any state operating subsidies following construction. This project is a one-time capital investment, and all future operational costs will be the responsibility of the City.

### **Who will own the facility?**

The City of Wyoming will own the Public Safety Facility. The City has secured the land, completed predesign and final design, and will retain full ownership of the building and property throughout construction and after project completion.

### **Who will operate the facility?**

The City of Wyoming will operate the Public Safety Facility. The building will serve as the headquarters for the Wyoming Police Department and the Wyoming Fire Department, both of which are municipal departments under the City's organizational structure. The City will be responsible for managing day-to-day operations, including staffing, scheduling, and coordination of public safety activities within the facility. In addition, the City will oversee all building maintenance, utilities, custodial services, and long-term capital improvements through its existing administrative and public works systems. The City Council will retain overall policy and budgetary oversight to ensure continued effective and efficient operation of the facility.

### **Who will use or occupy the facility?**

The Wyoming Public Safety Facility will be used and occupied by the City of Wyoming's Police Department and Fire Department. The facility will house administrative offices, apparatus bays, evidence and gear storage, training space, and emergency operations functions for both departments. In addition to serving as their daily operational base, the building will also support multi-agency coordination during regional emergencies and host joint training activities. All space will be municipally controlled and dedicated to public safety services that benefit the residents of

Wyoming and the surrounding area.

### **Public Purpose**

The public purpose of the Wyoming Public Safety Facility is to provide modern, safe, and efficient infrastructure to support emergency response, law enforcement, and fire services for the residents of Wyoming and the surrounding region. The facility will enhance public safety by improving response times, supporting professional standards, and housing a regional Emergency Operations Center. It will serve as a critical hub for daily operations, disaster coordination, and community protection, ensuring the health and safety of the public through reliable and resilient public safety services.

### **Description of Previous Appropriations**

The City of Wyoming has previously requested state appropriations for the Wyoming Public Safety Facility but has not received any funding to date. This project remains unfunded at the state level, and this request represents the City's continued effort to secure critical support for a regional public safety facility that will serve both local and broader emergency response needs.

### **Project Contact Person**

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(\$ in thousands)

## Wyoming Public Safety Building

**PROJECT FUNDING SOURCES**

Funding Source	Prior Years	FY 2026	FY 2028	FY 2030
<b>State Funds Appropriated and Requested</b>				
General Fund Cash	\$0	\$9,400	\$0	\$0
<b>State Funds Pending</b>				
<b>Non-State Funds Already Committed</b>				
<b>Non-State Funds Pending</b>				
Other Local Government Funds	\$0	\$9,400	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$18,800</b>	<b>\$0</b>	<b>\$0</b>

**TOTAL PROJECT COSTS**

Cost Category	Prior Years	FY 2026	FY 2028	FY 2030
Property Acquisition	\$0	\$0	\$0	\$0
Predesign Fees	\$0	\$688	\$0	\$0
Design Fees	\$0	\$1,465	\$0	\$0
Project Management	\$0	\$184	\$0	\$0
Construction	\$0	\$15,283	\$0	\$0
Relocation Expenses	\$0	\$0	\$0	\$0
One Percent for Art	\$0	\$0	\$0	\$0
Occupancy Costs	\$0	\$1,180	\$0	\$0
Inflationary Adjustment*	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$18,800</b>	<b>\$0</b>	<b>\$0</b>

\*Inflation is already included in project costs.

**STATUTORY REQUIREMENTS**

<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Has the project owner requesting state funds reviewed and agree to meet the applicable capital requirements listed in the "Statutory Requirements" below and in the "Capital Budget Requirements" section of the MMB Capital Budget Instruction documents?</b>	Yes
<b>Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?</b>	No

<b>STATUTORY REQUIREMENTS</b>	
<b>The following requirements will apply to projects after adoption of the bonding bill.</b>	
<b>Predesign Review (M.S. 16B.335 subd. 3):</b>	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
<b>Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?</b>	Yes
<b>Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?</b>	Yes
<b>Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?</b>	Yes
<b>Will the project meet public ownership requirements (M.S. 16A.695)?</b>	Yes
<b>Will a use agreement be required (M.S. 16A.695 subd. 2)?</b>	No
<b>Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?</b>	Yes
<b>Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?</b>	Yes
<b>Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2030?</b>	Yes
<b>M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required</b>	Yes
<b>M.S. 473.4485: Guideway Project</b>	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A
<b>Has the governing body of the political subdivision passed a resolution of support, which indicates this project's priority number if the applicant is submitting multiple requests?</b>	No