



Lead Service Line Replacement Program

Report to the Legislative Committees with jurisdiction over
Environmental and Natural Resource Finance and Policy
Health Finance and Policy
Economic Development Finance and Policy

In Accordance with Minnesota Laws 2023, Chapter 39, Section 2, Subdivision 7

September 15, 2024

Table of Contents

Table of Contents	1
Overview.....	2
Program Implementation	3
Table 1.....	4
LSLR project requests on the Approved 2024 IUP	4
Table 2.....	6
LSLR proposals submitted for the MDH 2025 Project Priority List	6

For questions or more information about this report, contact:

Minnesota Public Facilities Authority
1st National Bank Building, Suite W820
332 Minnesota Street
Saint Paul, MN 55101-1378
www.mn.gov/pfa

Jeff Freeman, Executive Director
Phone: 651-259-7465
E-mail: jeff.freeman@state.mn.us

Note (as required by Minnesota Statutes, section 3.197): Preparation of this report required an estimated 12 hours of staff time for a total cost of \$1,000.

Overview

In recognition of the serious public health concerns from drinking water lead service lines (LSL), the state legislature enacted Chapter 39, Section 446A.07. The state Lead Service Line Replacement (LSLR) Program provides funding to municipalities and other public water suppliers to remove and replace lead service lines in public drinking water systems by 2033.

Jointly administered by the Minnesota Department of Health (MDH) and the Public Facilities Authority (PFA), the program is designed to coordinate with and maximize dedicated federal LSLR funds appropriated through the Drinking Water State Revolving Fund in the 2021 federal Infrastructure Investment and Jobs Act (IIJA).

The Minnesota program combines \$240 million in state general funds with an estimated \$342 million in federal funds to cover public and private costs for replacing lead service lines (LSL). Up to 10% of state and federal funds provide for MDH technical assistance and LSL mapping and inventory activities.

Presently, the PFA is processing funding agreements for 15 jurisdictions requesting \$40,573,792 to replace 953 public and 2,117 private lead service lines and the MDH expects communities to submit their LSL inventories by October 16, 2024.

During this fiscal year 2024 reporting period:

- The PFA approved the 2024 Intended Use Plan (IUP) including 64 LSLR project submittals from 42 eligible applicants across the state.
- MDH and Minnesota Rural Water Association held monthly trainings on completion of lead service line inventories and associated replacement funding.
- MDH contracted with 18 engineering firms to provide inventory assistance to local governments.
- The MDH awarded over \$8.4 million in [technical assistance](#) contracts assisting 405 community public water supplies.
- The Internal Revenue Service [determined](#) that grants under this program for replacing lead service lines are not subject to federal income tax.
- The PFA and MDH outreach included hosting a [webinar](#) with over 70 participants and presentations at conferences across the state.
- To [spatially](#) display LSL inventory data MDH contracted with the University of Minnesota.
- MDH received lead service line [inventories](#) from 644 of 966 municipal water systems.

Program Implementation

To maximize the use of federal funds, all program applicants first submit their project proposals to MDH to be listed on the drinking water Project Priority List (PPL), which identifies projects expected to proceed within the next five years. Applicants whose PPL projects are scheduled for construction in the coming fiscal year submit a request to the PFA to be listed on the annual Intended Use Plan (IUP). Municipalities submit their PPL and IUP requests each year to MDH and PFA in the spring/early summer and the PFA approves the IUP in the fall. The 2024 IUP includes 64 LSLR projects from 42 eligible applicants.

The drinking water service line provides the connection between the city watermain in the street and each individual property. In most Minnesota municipalities, ownership of the service line is split between public ownership (the municipality) and private ownership (the property owner). However, some municipal ordinances specify the entire service line is privately owned.

As noted on Table 1 on the following page, 78 municipalities submitted proposals for 129 LSLR projects to be listed on the 2025 MDH Project Priority List.

MDH ensures statutory health equity priorities, including licensed targeting areas with lower-income residents, areas with children with elevated blood lead levels, and areas serving children under 5, like childcare facilities and schools are prioritized in PPL applications. More information on childcare and K-12 education settings served by lead service lines will be available in the next reporting cycle.

For this reporting period, \$6,169,284.25 has been awarded by MDH for service line inventory assistance contracts to assist 405 communities with their public water system inventories.

The PFA will report on funding awards to qualifying projects in the next LSLR Program report.

Current information on LSLR Program implementation is available online:

<https://mn.gov/deed/pfa/>

<https://www.health.state.mn.us/communities/environment/water/lslrprogram.html>.

MDH estimates there are approximately 100,000 lead service lines in Minnesota. At an estimated replacement cost of \$10,000 each, the total cost is estimated at \$1 billion.

2024 Report to the Legislature
Lead Service Line Replacement Program
Minnesota Public Facilities Authority

Table 1
LSLR project requests on the Approved 2024 IUP

System	Project Name	Cost
Albert Lea	Other - LSL Replacement	\$ 1,500,000
Altura	Other - LSL Replacement	\$ 184,000
Anoka	Other - LSL Replacement (2024 St Area)	\$ 250,000
Anoka	Other - LSL Replacement 2024	\$ 1,000,000
Atwater	Other - LSL Replacement	\$ 232,400
Aurora	Other - LSL Replacement (W 3rd Ave/Main)	\$ 300,000
Aurora	Other - LSL Replacement (W 1st Ave N)	\$ 396,000
Bird Island	Other - LSL Replacement	\$ 89,400
Browerville	Other - LSL Replacement	\$ 275,000
Chisholm	Other - LSL Replacement	\$ 508,747
Cottonwood	Other - LSL Replacement	\$ 275,000
Crosby	Other - LSL Replacement	\$ 250,000
Duluth	Other - LSL Replacement - Phase 1	\$ 2,500,000
Duluth	Other - LSL Replacement - Phase 2	\$ 2,500,000
Duluth	Other - LSL Replacement - Phase 3	\$ 11,000,000
Duluth	Other - LSL Replacement - Phase 4	\$ 2,500,000
Duluth	Other - LSL Replacement Phase 5	\$ 3,876,000
Duluth	Other - LSL Replacement Phase 6	\$ 300,000
Duluth	Other - LSL Replacement Phase 7	\$ 4,235,000
Duluth	Other - LSL Replacement Phase 8	\$ 5,160,000
Hibbing	Other - LSL Replacement Phase 2	\$ 1,512,000
Hibbing	Other - LSL Replacement Phase 1	\$ 399,300
International Falls	Other - LSL Replacement	\$ 3,629,980
Kiester	Other - LSL Replacement	\$ 203,000
Lewisville	Other - LSL Replacement	\$ 65,250
Little Falls	Other - LSL Replacement-4th Street	\$ 472,500
Madison	Other - LSL Replacement	\$ 72,150
Maple Plain	Other - LSL Replacement	\$ 55,000
Marble	Other - LSL Replacement	\$ 991,875
Mazeppa	Other - LSL Replacement	\$ 153,000
Minneapolis	Other - LSL Replacement Streets Year 1	\$ 360,000
Minneapolis	Other - LSL Replacement Green Zones Year 1	\$ 5,166,000
Minneapolis	Other - LSL Replacement (Leaking LSL)	\$ 1,820,000
Moorhead	Other - LSL Replacement Phase 2	\$ 575,000
Moorhead	Other - LSL Replacement Phase 3	\$ 790,625
Moorhead	Other - LSL Replacement Phase 4	\$ 431,250
Moorhead	Other - LSL Replacement No Watermain	\$ 937,500
Moorhead	Other - LSL Replacement Phase 1	\$ 937,500
Nashwauk	Other - LSL Replacement	\$ 544,000

2024 Report to the Legislature
Lead Service Line Replacement Program
Minnesota Public Facilities Authority

North Mankato	Other - LSL Replacement	\$ 2,212,000
Northfield	Other - LSL Replacements	\$ 188,686
Norwood-Young America	Other - LSL Replacement-Railroad St.	\$ 110,000
Norwood-Young America	Other - LSL Replacement-SW 4th Ave.	\$ 110,000
Pipestone	Other - LSL Replacement Main St. Area	\$ 62,500
Princeton	Other - LSL Replacement	\$ 600,000
Rich Prairie Sewer and Water District	Other - LSL Replacement	\$ 496,700
Royalton	Other - LSL Replacement	\$ 300,000
Saint Cloud	Other - LSL Replacement Wilson Ave	\$ 364,000
Saint Cloud	Other - LSL Replacement Germain St	\$ 56,000
Saint Cloud	Other - LSL Replacement (Pantown Neighborhood)	\$ 1,183,000
Saint Paul Reg Water Services	Other - LSL Replacement Phase 3	\$ 29,000,000
Saint Paul Reg Water Services	Other - LSL Replacement Phase 4	\$ 35,000,000
Sauk Rapids	Other - LSL Replacement Along Division St.	\$ 121,784
Sauk Rapids	Other - LSL Replacement - Private	\$ 142,395
Sauk Rapids	Other - LSL Replacement Along 2nd Ave. South	\$ 544,186
Staples	Other - LSL Replacement (2024 Phase)	\$ 283,500
Two Harbors	Other - LSL Replacement	\$ 400,000
Utica	Other - LSL Replacement	\$ 130,000
Wabasha	Other - LSL Replacement	\$ 69,750
Waconia	Other - LSL Replacement	\$ 495,000
Watertown	Other - LSL Replacement	\$ 54,600
Wells	Other - LSL Replacement	\$ 50,000
Willmar	Other - LSL Replacement	\$ 400,700
Winnebago	Other - LSL Replacement - Cleveland Ave.	\$ 23,500
		\$ 128,845,778

2024 Report to the Legislature
Lead Service Line Replacement Program
Minnesota Public Facilities Authority

Table 2

LSLR proposals submitted for the MDH 2025 Project Priority List

System	Project Name	Cost
Albert Lea	Other - LSL Replacement	\$1,500,000
Alden	Other - LSL Replacement	\$200,000
Altura	Other - LSL Replacement	\$184,000
Anoka	Other - LSL Replacement (2000-14 Phase 2	\$925,000
Anoka	Other - LSL Replacement (2000-14 Street)	\$1,000,000
Anoka	Other - LSL Replacement (2024 St Area)	\$250,000
Atwater	Other - LSL Replacement	\$232,400
Aurora	Other - LSL Replacement (W 1st Ave N)	\$396,000
Aurora	Other - LSL Replacement (W 3rd Ave/Main)	\$300,000
Belview	Other - LSL Replacement	\$229,500
Bird Island	Other - LSL Replacement	\$89,400
Blomkest	Other - LSL Replacement	\$38,500
Blue Earth Light and Water	Other - LSL Replacement 2025	\$805,925
Breckenridge	Other - LSL Replacement	\$840,000
Browerville	Other - LSL Replacement	\$275,000
Chisholm	Other - LSL 2025 Replacement	\$297,700
Chisholm	Other - LSL Replacement	\$300,000
Coon Rapids	Other - LSL Replacement 2025	\$443,750
Coon Rapids	Other - LSL Replacement 2026	\$1,600,000
Coon Rapids	Other - LSL Replacement 2027	\$2,006,250
Coon Rapids	Other - LSL Replacement 2028	\$2,143,750
Coon Rapids	Other - LSL Replacement 2029	\$1,200,000
Cottonwood	Other - LSL Replacement	\$275,000
Crosby	Other - LSL Replacement	\$250,000
Duluth	Other - LSL 40th Ave W	\$595,000
Duluth	Other - LSL Fairmont 1	\$11,000,000
Duluth	Other - LSL Lincoln 4	\$11,000,000
Duluth	Other - LSL London Rd	\$1,140,000
Duluth	Other - LSL Replacement Phase 1	\$2,500,000
Duluth	Other - LSL Replacement Phase 2	\$2,500,000
Duluth	Other - LSL Replacement Phase 3	\$2,500,000
Duluth	Other - LSL Replacement Phase 4	\$2,500,000
Duluth	Other - LSL Replacement Phase 5	\$3,876,000
Duluth	Other - LSL Replacement Phase 6	\$300,000
Duluth	Other - LSL Replacement Phase 7	\$3,360,000
Duluth	Other - LSL Replacement Phase 8	\$3,360,000
Ely	Other - LSL Replacement	\$358,000
Fergus Falls	Other - LSL Replacement Phase 1	\$581,250
Fergus Falls	Other - LSL Replacement Phase 2	\$1,556,250
Fergus Falls	Other - LSL Replacement Phase 3	\$1,500,000

2024 Report to the Legislature
Lead Service Line Replacement Program
Minnesota Public Facilities Authority

Fergus Falls	Other - LSL Replacement Phase 4	\$1,700,000
Fergus Falls	Other - LSL Replacement Phase 5	\$1,925,000
Fergus Falls	Other - LSL Replacement Phase 6	\$1,462,500
Foley	Other - LSL Replacement	\$1,706,795
Granada	Other - LSL Replacement	\$55,000
Granite Falls	Other - LSL Replacement	\$1,060,000
Henning	Other - LSL Replacement	\$3,325,000
Hibbing	Other - LSL Replacement Phase 1	\$399,300
Hibbing	Other - LSL Replacement Phase 2	\$1,512,000
Hollandale	Other - LSL Replacement	\$77,000
Houston	Other - LSL Replacement Spruce St	\$41,000
Howard Lake	Other - LSL Replacement	\$121,500
International Falls	Other - LSL Replacement	\$3,629,980
Janesville	Other - LSL Replacement	\$469,600
Kiester	Other - LSL Replacement	\$203,000
Lamberton	Other - LSL Replacement	\$613,600
Lewisville	Other - LSL Replacement	\$65,250
Little Falls	Other - LSL Replacement-1st Street	\$252,000
Little Falls	Other - LSL Replacement-4th Street	\$472,500
Mabel	Other - LSL Replacement	\$250,000
Madison	Other - LSL Replacement	\$72,150
Maple Plain	Other - LSL Replacement	\$55,000
Maple Plain	Other - LSL Replacement Main St.	\$55,000
Marble	Other - LSL Replacement	\$991,875
Mazeppa	Other - LSL Replacement	\$153,000
Minneapolis	Other - LSL Replacement (Leaking LSL)	\$1,590,000
Minneapolis	Other - LSL Replacement (Leaking Phase 2)	\$1,820,000
Minneapolis	Other - LSL Replacement Green Zones Year 1	\$5,166,000
Minneapolis	Other - LSL Replacement Green Zones Year 2	\$4,978,400
Minneapolis	Other - LSL Replacement Green Zones Year 3	\$6,015,303
Minneapolis	Other - LSL Replacement Green Zones Year 4	\$6,195,762
Minneapolis	Other - LSL Replacement Streets Year 1	\$360,000
Minneapolis	Other - LSL Replacement Streets Year 2	\$2,817,400
Minneapolis	Other - LSL Replacement Streets Year 3	\$8,306,847
Minneapolis	Other - LSL Replacement Streets Year 4	\$8,556,052
Moorhead	Other - LSL Replacement No Watermain	\$937,500
Moorhead	Other - LSL Replacement Phase 1	\$1,365,000
Moorhead	Other - LSL Replacement Phase 2	\$575,000
Moorhead	Other - LSL Replacement Phase 3	\$790,625
Moorhead	Other - LSL Replacement Phase 4	\$431,250
Nashwauk	Other - LSL Replacement	\$544,000
New Prague	Other - LSL Replacement 2025	\$380,000
New Ulm	Other - LSL Replacement	\$183,600
North Mankato	Other - LSL Replacement	\$780,000

2024 Report to the Legislature
Lead Service Line Replacement Program
Minnesota Public Facilities Authority

Northfield	Other - LSL Replacements	\$188,686
Norwood-Young America	Other - LSL Replacement-Railroad St.	\$110,000
Norwood-Young America	Other - LSL Replacement-SW 4th Ave.	\$110,000
Park Rapids	Other - LSL Replacement Central Ave	\$421,642
Pipestone	Other - LSL Replacement Main St. Area	\$62,500
Princeton	Other - LSL Replacement	\$600,000
Raymond	Other - LSL Replacement	\$500,000
Red Lake Falls	Other - LSL Replacement	\$1,190,696
Red Wing	Other - LSL Replacement	\$4,471,000
Rich Prairie Sewer and Water District	Other - LSL Replacement	\$496,700
Rochester	Other - LSL Replacement 2025	\$375,000
Rose Creek	Other - LSL Replacement	\$243,000
Royalton	Other - LSL Replacement	\$300,000
Russell	Other - LSL Replacement Phase 1	\$69,000
Russell	Other - LSL Replacement Phase 2	\$84,000
Saint Cloud	Other - LSL Emergency Replacement	\$604,750
Saint Cloud	Other - LSL Lincoln Ave	\$90,965
Saint Cloud	Other - LSL Pan Park Phase 4	\$155,940
Saint Cloud	Other - LSL Park Addition	\$1,667,250
Saint Cloud	Other - LSL Replacement (Pantown Neighborhood)	\$1,183,000
Saint Cloud	Other - LSL Replacement Germain St	\$56,000
Saint Cloud	Other - LSL Replacement Wilson Ave	\$364,000
Saint Cloud	Other - LSL University Dr	\$141,760
Saint Paul Regional Water Services	Other - LSL Replacement Phase 4	\$35,000,000
Saint Paul Regional Water Services	Other - LSL Replacement Phase 5	\$35,000,000
Saint Paul Regional Water Services	Other - LSL Replacement Urgent 2025	\$600,000
Sauk Rapids	Other - LSL Replacement Along 2nd Ave. South	\$544,186
Sebeka	Other - LSL Replacement	\$49,800
South Saint Paul	Other - LSL Replacement	\$3,115,000
Staples	Other - LSL Replacement (2024 Phase)	\$283,500
Staples	Other - LSL Replacement (4th St. NE)	\$126,000
Stillwater	Other - LSL Replacement	\$2,172,000
Thief River Falls	Other - LSL Replacement	\$768,000
Two Harbors	Other - LSL Replacement	\$400,000
Utica	Other - LSL Replacement	\$130,000
Wabasha	Other - LSL Replacement	\$69,750
Waconia	Other - LSL Replacement	\$495,000
Walker	Other - LSL Replacement	\$33,000
Watertown	Other - LSL Replacement	\$72,150

2024 Report to the Legislature
 Lead Service Line Replacement Program
 Minnesota Public Facilities Authority

Wells	Other - LSL Replacement	\$50,000
Willmar	Other - LSL Replacement	\$400,700
Winnebago	Other - LSL Replacement - Cleveland Ave.	\$23,500
Winsted	Other - LSL Replacement	\$44,000
Wood Lake	Other - LSL Replacement	\$84,000
Wrenshall	Other - LSL Replacement	<u>\$735,000</u>
		\$230,550,939