



Public Facilities Authority ● Pollution Control Agency ● Department of Health

Date: January 17, 2024

To: Public Wastewater, Stormwater, and Drinking Water Officials

Subject: Accepting Water Infrastructure Projects for 2025 Project Priority List and State Revolving Fund Loan (SRF) Intended Use Plans (Includes Infrastructure Investment and Jobs Act (IIJA) Funds)

Submissions to place public wastewater, stormwater, and drinking water infrastructure improvement projects on the 2025 Project Priority Lists (PPL) and Intended Use Plans (IUP) for the Clean Water Revolving Fund (CWRF) and Drinking Water State Revolving Fund (DWRf)s are now being accepted. This includes PPL and IUP requests for publicly and privately owned drinking water lead service line replacement projects and projects to address emerging contaminants for drinking water systems.

The Minnesota Public Facilities Authority (PFA) administers several state funding programs for water infrastructure in partnership with the Minnesota Pollution Control Agency (MPCA) and Minnesota Department of Health (MDH). These funding programs include the State Revolving Funds (the CWRF and DWRf), Water Infrastructure Fund (WIF) grants, Minnesota's Lead Service Line Replacement Grant, Point Source Implementation Grants (PSIG) and the Small Community Wastewater Treatment Program.

The CWRF and the DWRf provide low interest loans and other funding to local governments for eligible projects based on priorities determined by the MPCA (for wastewater and stormwater projects) and the MDH (for drinking water projects).

The first step in the funding process is for a project to be listed on the appropriate PPL. The PPLs rank projects that will be ready for construction within the next five years. Projects are ranked in priority order based on the age and condition of existing infrastructure and environmental and public health criteria. All projects must be listed on the appropriate PPL to be eligible for any of the PFA funding programs.

The second step in the funding process for most projects seeking CWRF or DWRf loans (including IIJA funds and lead service line replacement funds) is to be listed on the appropriate State Revolving Fund IUP. The State Revolving Funds (SRFs) are the state's largest funding programs, and the majority of projects will receive at least a portion of funding through the SRFs. Cities and other system owners must request their projects to be placed on the appropriate 2025 IUP if they expect to be ready for construction and are seeking SRF financing in state fiscal year 2025 (July 1, 2024 to June 30, 2025).

The SRFs are supported by a combination of federal and state funding and revolving loan repayments. The recently adopted Federal Infrastructure Investment and Jobs Act (IIJA) will provide additional federal funding over the next three years through the State Revolving Funds. IIJA provides additional funds for

Working in cooperation: Minnesota Public Facilities Authority, Minnesota Pollution Control Agency and Minnesota Department of Health.

SRF low interest loans and also for principal forgiveness grants based on WIF affordability criteria and for green infrastructure projects. IJA also makes funding available for new SRF project categories to replace drinking water lead service lines and address emerging contaminants.

All funding will continue to follow the existing process, starting with projects requesting placement on the Project Priority Lists and Intended Use Plans. The funding process repeats each year. Projects that aren't ready for the 2025 PPLs and IUPs can apply in a future year.

PPL and IUP Deadlines and Contacts are listed below. Additional information and instructions are included.

Project Priority List Submissions – Clean Water Revolving Fund

Agency: Minnesota Pollution Control Agency (www.pca.state.mn.us/ppl)

Projects: Wastewater and Stormwater

Deadlines: March 1, 2024 (or before) submit to MPCA

- PPL application and scoring worksheet, including supporting documentation as required
- Wastewater facilities plans
- Stormwater project plans

Contact: Bill Dunn, Clean Water Revolving Fund Coordinator, 651-757-2324, bill.dunn@state.mn.us

Project Priority List Submissions – Drinking Water Revolving Fund

Agency: Minnesota Department of Health (www.health.state.mn.us/divs/eh/water/dwrf)

Projects: Drinking water projects, including replacement of lead service lines

Deadlines: May 3, 2024 (or before) submit to MDH (health.dwrfapplication@state.mn.us)

Contact: Todd Johnson, 218-308-2110, Program Coordinator, todd.johnson@state.mn.us

Intended Use Plan Requests – Both Programs

Agency: Minnesota Public Facilities Authority (mn.gov/deed/pfa)

Programs: Clean Water Revolving Fund, Drinking Water Revolving Fund

Contacts: Mary Jane Schultz, 651-259-7467, Maryjane.schultz@state.mn.us

Deadlines: June 7, 2024, submit to Public Facilities Authority

Loan Officers: [Contact the Public Facilities Authority / Public Facilities Authority \(mn.gov\)](#)



Accepting Submissions from Wastewater or Stormwater Projects for the 2025 Clean Water Project Priority List

Proposals are being accepted to place wastewater or stormwater collection and treatment system projects on the Clean Water Project Priority List (PPL). **Projects must be on the PPL to be eligible to apply for low interest CWRP loans and other state grants and loans from the Minnesota Public Facilities Authority (PFA).** PFA financing is for municipal infrastructure investments which contribute to water quality benefits. Funding is not available for privately owned infrastructure.

Please Note: Projects on the 2024 PPL will automatically be re-listed on the 2025 PPL unless the project has received funding, requested removal or shown no progress in the past five (5) years. If necessary, please submit updated project costs, construction schedule, and PPL scoring parameters. It is to your advantage to keep all scoring information as current as possible.

Green Project Reserve (GPR): Projects believed to meet the GPR eligibility requirements as described in the PPL application forms should indicate their potential GPR eligibility in the PPL application and Intended Use Plan (IUP) request for placement.

Procurement of Engineering Services: A portion of projects funded by the CWRP must follow a Qualifications Based Selection (QBS) process for consulting engineering services. Applicants to the PPL are encouraged to follow a QBS process for engineering services.

Municipalities planning to start construction and receive CWRP financing before June 30, 2025, must also submit a request to the PFA to place the project on the 2025 IUP.

IMPORTANT DEADLINES:

Wastewater Facilities Plans or Stormwater Project Plans for project seeking placement on the 2025 IUP are due to the MPCA (to ensure priority review)March 1, 2024 or before

Request for Placement on 2025 PPL due to the MPCAMarch 1, 2024 or before

Request for Placement on the 2025 IUP due to the PFAJune 7, 2024 or before

Wastewater Facilities Plans or Stormwater Project Plans preliminary approval by MPCA for 2025 IUP projectsJune 28, 2024 or before

To obtain necessary PPL instructions, application forms and general program information go to:

<https://www.pca.state.mn.us/water/wastewater-and-stormwater-financial-assistance>

For more information, to receive materials by postal mail or to ask questions, please contact:

Bill Dunn, Clean Water Revolving Fund Coordinator
Minnesota Pollution Control Agency
520 Lafayette Road North
Saint Paul, MN 55155-4194
651-757-2324 or bill.dunn@state.mn.us

- ✓ Submit all applications to: PPL.Submittals.PCA@state.mn.us
- ✓ Submit facilities plans and stormwater project plans to the MPCA assigned review engineer as well as PPL.Submittals.PCA@state.mn.us



Drinking Water Revolving Fund

Accepting Submissions for 2025 Project Priority List

The Minnesota Department of Health (MDH) is soliciting requests to place new projects on the Drinking Water Revolving Fund (DWRf) Project Priority List (PPL). Projects must be on the list to be eligible for below-market rate DWRf loans and affordability grants to improve public drinking water systems. Typical projects include watermain, wells, water treatment plants, water towers and lead service lines. Funding is **not** for expansion of water systems to serve future growth or for fire suppression infrastructure.

- Submissions are easy to prepare. Go to <https://www.health.state.mn.us/communities/environment/water/dwrf/ppl.html> for instructions on what to submit, a general DWRf program overview and a simple example of a submission.
- Submissions are due at MDH by **Friday, May 3, 2024** (health.dwrfapplication@state.mn.us)
- Water system owners planning to start construction and receive DWRf financing before June 30, 2025, must also submit a request to the Public Facilities Authority (PFA) to place the project on the 2025 Intended Use Plan (IUP).
- For drinking water systems serving populations greater than 1,000, an up-to-date Water Supply Plan (WSP) must be approved by DNR to be eligible for DWRf funding.
- **Lead Service Line Projects: Currently, grant funding is available for replacement of the privately-owned portion of lead service lines (LSL). Public water systems need to apply for the funding. The funding cannot be provided directly to the property owner. LSL replacement projects must be listed on the PPL and IUP in order to get funding. LSL projects can be done in coordination with a watermain replacement project or can be funded as a stand-alone project. More information about applying for lead service line funding can be found at: <https://www.health.state.mn.us/communities/environment/water/lslrfund.html>**
- **Questions?** Contact Todd Johnson at 218-308-2110 or todd.johnson@state.mn.us



**Clean Water Revolving Fund
Drinking Water Revolving Fund
Requests for Placement on the 2025 Intended Use Plans**

Includes Infrastructure Investment and Jobs Act (IIJA) Funds

The Minnesota Public Facilities Authority (PFA) is responsible for financial management of the Clean Water Revolving Fund (CWRF) and Drinking Water Revolving Fund (DWRf) programs and makes funding awards to eligible projects. Each year the PFA prepares an Intended Use Plan (IUP) for each program that lists the projects eligible to apply for loans. Wastewater and stormwater projects seeking CWRF loans must be listed on the Minnesota Pollution Control Agency's (MPCA) Project Priority List to be eligible for placement on the IUP, and construction projects must have an approved facility plan. Drinking water projects seeking DWRf loans must be listed on the Minnesota Department of Health's Project Priority List to be eligible for placement on the IUP.

The PFA is accepting requests through June 7, 2024 for placement on the 2025 IUPs. The 2025 IUPs will list projects that are expected to receive all necessary approvals and be ready to proceed in state fiscal year (FY) 2025 (July 1, 2024 to June 30, 2025).

The PFA will prepare the 2025 IUPs based on the requests received, the project priorities set by the MPCA and Department of Health, and the amount of loan funds available. There is no guarantee that all projects requesting placement on the 2025 IUPs will be placed in the fundable range and allowed to apply for loans.

The CWRF and DWRf are supported by a combination of federal and state funding and revolving loan repayments. In addition to regular funding, the 2024 IUPs will also include additional federal funding from the Infrastructure Investment and Jobs Act (IIJA) for low interest loans and principal forgiveness grants based on state affordability criteria and for green infrastructure. IIJA also makes funding available for new SRF project categories to replace drinking water lead service lines and address emerging contaminants. All funding will continue to follow the existing process, starting with projects requesting placement on the Project Priority Lists and Intended Use Plans.

A written request must be submitted to the PFA by June 7, 2024 to request placement on the 2025 CWRF or DWRf IUP. IUP requests should be sent to the appropriate PFA loan officer. See Regional Contacts (<https://mn.gov/deed/pfa/contact/>) for loan officer information. The request must be signed by a municipal official (mayor, clerk, administrator, etc.) of the municipality that will be issuing a general obligation bond to the PFA as security for the loan.

Minnesota Public Facilities Authority

1st National Bank Building • 332 Minnesota St. • Suite W820 • Saint Paul, MN 55101-1378 • USA
651-259-7469 • 800-657-3858 TOLL FREE • 651-296-8833 FAX • mn.gov/pfa



MINNESOTA

PUBLIC FACILITIES AUTHORITY

2025 Intended Use Plan Notice and Instructions (cont.)

For each separate project please provide the following information:

- The project name and description as it is (or will be) shown on the Project Priority List.
- The current project cost estimate and information about the status of any other sources of funds being sought or received (including any temporary financing).
- A project schedule showing the following estimated dates:
 - submittal of plans and specifications to the MPCA or Department of Health
 - bid advertising and bid opening dates
 - construction start
 - construction end
- For lead service line replacement projects, PFA may request that cities submit additional information on planned approaches for project delivery and targeted project service areas after the IUP request is submitted.

The PFA encourages clean water projects that improve water efficiency, energy efficiency, or mitigate stormwater runoff (Green Project Reserve – GPR), and principal forgiveness grant funds may be available for these projects. If applicable, the IUP request should provide the estimated cost of project components that address these issues as described in information provided by the MPCA.

General questions about the IUP process may be directed to Mary Jane Schultz (maryjane.schultz@state.mn.us) or at 651-259-7467. Specific project financing questions should be directed to the appropriate [PFA loan officer](#).

Minnesota Public Facilities Authority

1st National Bank Building • 332 Minnesota St. • Suite W820 • Saint Paul, MN 55101-1378 • USA
651-259-7469 • 800-657-3858 TOLL FREE • 651-296-8833 FAX • mn.gov/pfa