



CITY OF LAFAYETTE
791 Main Ave. – PO Box 375
Lafayette, MN 56054 (507) 228-8241

The City of Lafayette is an equal opportunity provider

City of Lafayette Water Treatment Plant Addition HF448

RE: House Capitol Investment Hearing Thursday, March 13 2025 at 10:15 am.

1—The City of Lafayette Anticipated a MPCA Permit change for Chlorides of **230 mg/l**. The City has very hard water and home Ion exchange softeners are used for softening the water. Removing chlorides from the wastewater stream is very expensive so the source water should be treated and removal of the Ion exchange water softeners. This can be achieved by adding a reverse osmosis system to our current drinking water facility.

2—***A notice of violation for Trihalomethanes on 22 November 2022 from the MDH.*** The City of Lafayette still continues to have high levels of Trihalomethanes in their drinking water. The trihalomethanes are formed when Chlorine is added for disinfection and combines with organic carbon that is in the raw water. Removal of the organic carbon can be achieved by reverse osmosis also.

This project has shifted from a chloride removal to a **drinking water issue**, even though the project will achieve both.

Lafayette Demographics

- ▶ Population 504
- ▶ 195 Residential Users
- ▶ 36 Commercial Users

Lafayette Current Rate structures

- ▶ Monthly Water Average Bill \$63.40-Monthly Sewer Average Bill \$ 58.80
- ▶ Combined Water / Sewer Monthly bill \$122.20

Water Facility Operational Expenses (2024)

- ▶ Operations \$127,663.12
- ▶ Capital Outlays \$10,560.00 RO (Temp Bond + Capital)
- ▶ RD Bond Payment \$43,304.36 (2011-2012) Infrastructure Project. Replaced all watermains and sewer mains.
- ▶ Ear marked Future Maintenance \$15,332.20
- ▶ Total Operational Expenses \$196,859.68
- ▶ Total Operational Income \$196,859.68

Funding opportunities and request

- ▶ Final Engineer Design and Estimate is **\$2,893,000. 00** Addition of a RO facility attached directly to our existing WTP.
- ▶ EPA (CDS) Grant - \$1,000,000.00 Construction **Approved, Sponsored by Senator Amy Klobuchar and Senator Tina Smith.**
- ▶ State Bonding Request - \$1,893,000.00 Engineering and Construction
- ▶ Total Funds - \$2,893,000.00

CDS EPA waivers

- ▶ The City of Lafayette applied for a cost share waiver due to the current utility rates being over the 2.0 % of the household median income per EPA guidelines. Waiver was approved on January 31, 2024.



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- ▶ The City of Lafayette project started before the enactment of the Buy America Build America (BABA) requirements and understand these requirements do not affect our project.

Project Time lines

July 23, 2024—Submitted Final Plans and Specs to PFA, MDH, MPCA.
March 2025—Resubmitted requested to be added to IUP (Intended Use Plan).
May 2025—Project bid
June 2025—Bid Opening
September 2025—Bid award held 180 days (to secure funding).
October 2025—Construction starts.
October—2027 Construction completed.