

2026 Capital Budget recommendations



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Our mission

**Protect and improve the
environment and human health**



Priorities

- Address **generational challenges** that impact human health and the environment
- Support waste infrastructure that aligns with Minnesota's **waste hierarchy** and the **Climate Action Framework**

Statewide Drinking Water Contamination Mitigation

AT A GLANCE

2026 recommendation:

- \$1.5 million GO bonds
- \$650,000 General Fund

Goal: Provide grants to communities to address drinking water polluted by man-made contaminants



Statewide Drinking Water Contamination Mitigation: **Why it's important**

- Private wells or municipal drinking water at several locations around the state are polluted with PFAS or 1,4-dioxane at levels that exceed health-based values or legal standards.
- This program, established by the 2025 Legislature, awards grants to provide safe drinking water to residents with private wells impacted by man-made contaminants.
- Examples of projects:
 - Building a drinking water treatment system
 - Drilling new drinking water wells in uncontaminated areas
 - Connecting homes with private wells to public drinking water systems



Sustainable Construction and Demolition Waste Transition

AT A GLANCE

2026 recommendation:

- \$5 million GO bonds

Goal: Provide grants to support proper closure and cover of unlined C&D landfills or to add transfer stations and other infrastructure to aid the transition away from unlined C&D landfills



Sustainable Construction and Demolition Waste Transition: Why it's important

- Groundwater monitoring has found several types of pollutants (e.g. arsenic, boron, manganese, PFAS, VOCs) leaving unlined landfills and measurable at levels that exceed drinking water values.
- The proposal funds grants to help communities close and transition away from unlined C&D landfills through:
 - \$5 million in GO bonds for bondable infrastructure
- MPCA has initiated rulemaking to ensure that permitting and solid waste rules are based on current science about the impact of unlined C&D landfills.
- Cost share:
 - New infrastructure projects: 75% state, 25% local
 - Enhanced cover projects: 50% state, 50% local



Addressing Legacy Contamination through Superfund

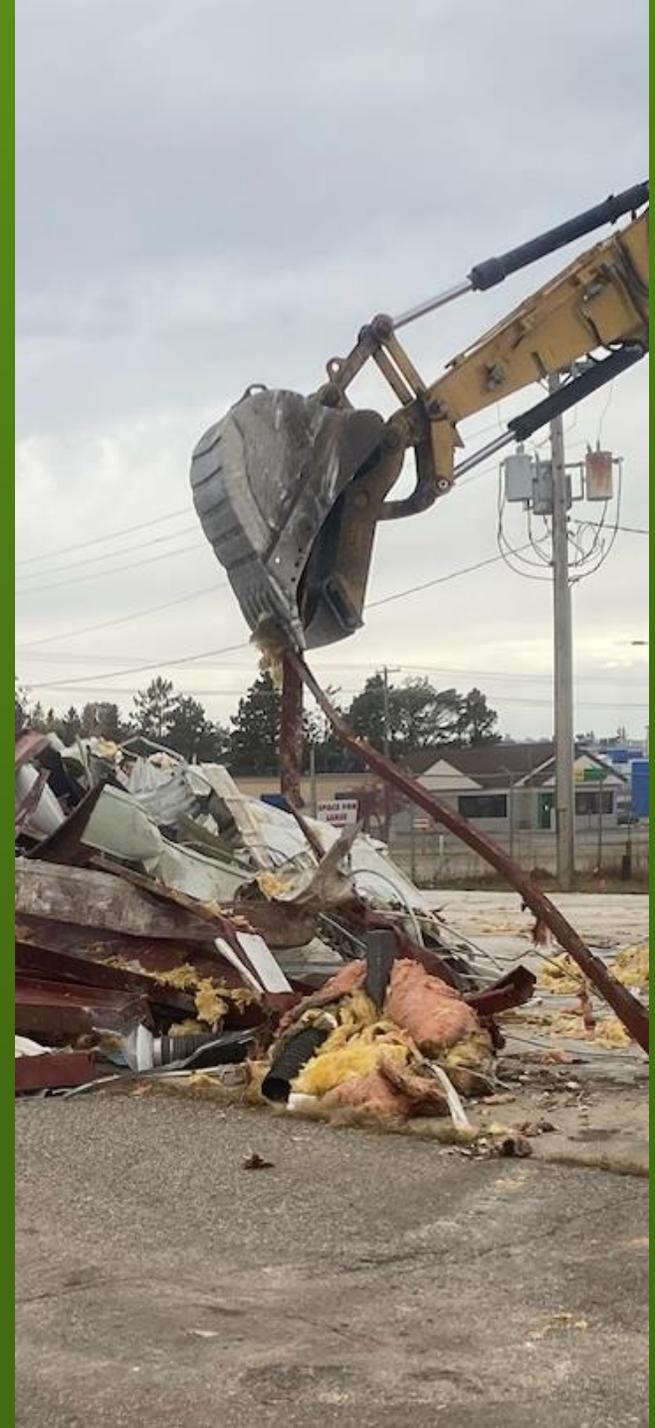
AT A GLANCE

2026 recommendation:

Amend 2020 appropriation to add Hibbing Gas Manufacturing as an eligible project

Goal:

Clean up historic pollution where there is no viable responsible party to do the work



Addressing Legacy Contamination through Superfund

Why it's important

- This recommendation seeks amend a previous appropriation to allow for cleanup and remediation at a superfund site in Greater Minnesota:
 - **Hibbing Gas Manufacturing Plant:** Site of a gas plant for ~ 50 years, contaminating soil, groundwater, surface water, and a wetland discharge area.
- The proposal focuses on a site where immediate concerns have been mitigated, but where long-term solutions are needed to more permanently resolve contamination from historic pollution.

Summary of Capital Budget Proposals

Project Title	Funding Source	Amount (in thousands)
Statewide Drinking Water Contamination Mitigation	GO	\$1,500,000
	GF	\$650,000
Sustainable Construction and Demolition Waste Transition	GO	\$5,000,000
Addressing Legacy Contamination through Superfund	-	-
Total Project Requests		\$7,150,000
	General Obligation bonds (GO) Total	\$6,500,000
	General Fund Cash (GF) Total	\$ 650,000

Questions?