



2025 Capital Budget Requests

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House Capital Investment Committee
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Governor's 2025 Funding Recommendations

Proposed 2025 Capital Budget Requests:	\$99,012,000
CW and DW revolving fund state match	\$39,000,000
Water Infrastructure Funding (WIF) Program	\$23,485,000
Point Source Implementation Grant (PSIG) Program	\$18,527,000
Emerging Contaminants Grants Program (new)	\$18,000,000

Fund Source: General Obligation Bonds



State Match to Federal Capitalization Grants

\$39M in state match will unlock \$215M in federal funds.

Projects currently not fundable due to lack of state match

2025 Clean Water IUP		2025 Drinking Water IUP	
51 projects	\$465M	81 projects	\$319M

- Required 20% state match for 2025 & 2026 federal capitalization grants.
- Repayments revolve back to pay PFA revenue bond debt service and make new loans.
- FY23 appropriation of \$41M for state match fully allocated.

Funding Program Requests

Water Infrastructure Funding (WIF) Program \$23,485,000

Estimated WIF Needs:

Clean Water
27 unfunded projects, \$41M

Drinking Water
56 unfunded projects, \$48M

Point Source Implementation Grant (PSIG) Program \$18,527,000

Estimated PSIG Needs:
26 unfunded projects, \$124M

Emerging Contaminants (EC) Grant Program \$18,000,000

New program to supplement federal funds to treat for manganese and PFAS in municipal drinking water systems.

Estimated EC Needs:
2025 IUP: 19 unfunded projects, \$194M

Policy Recommendations

Program	Policy Recommendations
CW and DW Revolving Funds	<p>Authorize CW PF grants for projects to address emerging contaminants in wastewater.</p> <p>Authorize DW PF grants for projects to comply with a maximum contaminant level (MCL) requirement.</p>
WIF program	<p>Increase maximum grant to \$10 million (currently \$5 million).</p>
PSIG program	<p>Increase maximum grant to \$12 million (currently \$7 million).</p>
Emerging Contaminants Grant Program	<p>Establish new program to assist cities with construction projects to meet state drinking water standards for manganese and pending federal and state standards for PFAS substances.</p> <p>Program administered in conjunction with MDH utilizing the DWRF process.</p> <p>State funds will be combined with approximately \$120M in federal funds available through the federal IJA.</p>

Questions?

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