2023 Municipal Inflow and Infiltration (I/I) Grant Program
Information Session

November 2023
Agenda

Welcome / Introductions

About Met Council’s I/I Program

2023 Municipal I/I Grant Program Overview

Customer Portal

Private I/I Grant Update

Discussion/Questions
Welcome!

Public Inflow and Infiltration mitigation is a key capital strategy for MCES

15+ year partnership between ES and the region’s communities

Billions of gallons of clear water prevented from entering ES plants

$100s of millions of prevented capital expansion since we do not have to treat clear water

Significant operating and debt service savings
About Met Council’s I/I Program

INFLOW & INFILTRATION SOURCES

PRIVATE
INFLOW SOURCES
- SUMP PUMP CONNECTION
- CONNECTED FOUNDATION DRAIN
- ROOF DRAIN CONNECTION
- UNDERRUN OR BROKEN SEWER CLEAN-OUT
- BREAKS, CRACKS & OPEN JOINTS IN SERVICE PIPE

INFILTRATION SOURCES
- ROOT INTRUSION INTO SERVICE PIPE
- BREAKS, CRACKS & OPEN JOINTS IN SERVICE PIPE

PUBLIC
INFLOW SOURCES
- FAULTY MANHOLE COVER OR FRAME
- STORM WATER CROSS CONNECTION

INFILTRATION SOURCES
- DETERIORATED MANHOLE
- FAULTY SERVICE PIPE CONNECTION
- BROKEN OR CRACKED PIPE
- OPEN JOINTS IN PIPE

Metropolitan Council, Sanitary Sewer Interceptor

10 RIVERS & LAKES
About Met Council’s I/I Program
About Met Council’s I/I Program

Task Force Recommendations

- Mitigating I/I in the regional system
- Advocating for public infrastructure grant funds
- Developing a robust public outreach program
- Developing best practices for private property inspections
- Engaging stakeholders in the comprehensive planning process
About Met Council’s I/I Program

I/I Goal

80% of Goal

Average Flow
About Met Council’s I/I Program

Submit I/I program information, including work plans and credits, to track I/I work and keep a record of past expenses.

2023 Public I/I Grant Program: Eligible Cities

Apple Valley
Arden Hills
Bayport
Birchwood
Blaine
Bloomington
Brooklyn Center
Brooklyn Park
Carver
Centerville
Chanhassen
Chaska
Columbia Heights
Crystal
Dayton
Deephaven
Eagan
Eden Prairie
Edina
Elko-New Market
Excelsior
Farmington
Forest Lake
Fridley
Golden Valley
Greenwood
Hastings
Hopkins
Inver Grove Heights
Lakeville
Lauderdale
Lexington
Lilydale
Lino Lakes
Little Canada
Long Lake
Mahtomedi
Maple Grove
Maple Plain
Maplewood
Medicine Lake
Medina
Mendota
Mendota Heights
Minneapolis
Minnetonka
Minnetonka Beach
Mound
Mounds View
New Brighton
New Hope
Newport
North St. Paul
Oak Park Heights
Oakdale
Orono
Osseo
Plymouth
Prior Lake
Ramsey
Robbinsdale
Rosemount
Roseville
Savage
Shoreview
Shorewood
South St. Paul
St. Anthony
St. Bonifacius
St. Louis Park
St. Paul
St. Paul Park
Stillwater
Spring Park
Tonka Bay
Vadnais Heights
Waconia
West St. Paul
Woodbury
Wayzata

2021 NTC/Capita <85%
Public I/I Grant – State Requirements

- Funding must be used to finance publicly owned and publicly operated projects
- Must extend useful life or substantially increase value of fixed asset
- Cannot be operating or overhead expense
- M.S.16C.285 responsible contractor requirements
- M.S.16A.695 restricts sale, lease and management contracts
  - Included MMB Commissioner’s Order

Other Information Sources
- MN Capital Investment and State Bonding Guide
- MMB’s End Grant Agreement
Public I/I Grant – Bonding Bill Language

$12M appropriated to Metropolitan Council to administer grants for capital improvements that reduce I/I into municipal wastewater collection systems

Cities are eligible if:
- they have been identified as an excessive I/I contributor, or
- they have a measurable flow rate within 20% of the allowable flow limit

Grant funding is pursuant to guidelines approved by the Metropolitan Council
Public I/I Grant – Council Guidelines

- Qualified spending between 1/1/24 and 12/31/25
- Only construction costs qualify
- Each participating city is eligible to receive:
  - Part 1: Lesser of $50,000 or 75 to 100 percent of eligible expenses submitted based on Net Tax Capacity per capita, plus
  - Part 2: Allocation proportional to cities’ remaining eligible expenses
The legislature and the council are committed to investing in communities with limited fiscal capacity

- Fiscal capacity will be measured by 2021’s Net Tax Capacity (NTC) per capita
  - Common property tax capacity measure across all communities
  - Used for other Council investments, such as the Council’s Community Development Planning Assistance Grant Program
- Communities with a 2021 NTC per capita that is lower than 85% of the eligible communities median NTC per capita ($1,060) will receive 100% funding on Part 1
## Part 2 Eligible and Non-Eligible I/I Work

### Eligible:

<table>
<thead>
<tr>
<th>Description</th>
<th>% Eligible for Reimbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Pipe Lining and Replacement (Project Costs)</td>
<td>50%</td>
</tr>
<tr>
<td>2. Pipe Joint Sealing</td>
<td>100%</td>
</tr>
<tr>
<td>3. Manholes - Lining/replacement (Project Costs)</td>
<td>50%</td>
</tr>
<tr>
<td>4. Chimney seals, MH sealing/joints/castings/covers</td>
<td>100%</td>
</tr>
<tr>
<td>5. Flood Mitigation (Project Costs)</td>
<td>10%</td>
</tr>
<tr>
<td>6. Cross Connection Elimination (Project Costs)</td>
<td>100%</td>
</tr>
<tr>
<td>7. Repair or replace lateral tee, wye, or tap connections owned by municipality (not including any portion of a lateral)</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Non-Eligible:

- Studies, investigations, or inspections
- Engineering costs
- Any improvements to privately owned infrastructure or private service lines
## Funding Example

### Step 1: Determine the Amount Eligible for Funding

<table>
<thead>
<tr>
<th>City</th>
<th>Type of Work</th>
<th>Total Project Cost</th>
<th>Equity Eligible</th>
<th>Percent Covered</th>
<th>Covered Amount</th>
<th>Percent Eligible</th>
<th>Amt Eligible for Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>City 1</td>
<td>1. Pipe Lining and Replacement</td>
<td>$10,000,000</td>
<td>No</td>
<td>75%</td>
<td>$7,500,000</td>
<td>50%</td>
<td>$3,750,000</td>
</tr>
<tr>
<td>City 1</td>
<td>2. Pipe Joint Sealing</td>
<td>$5,000,000</td>
<td>No</td>
<td>75%</td>
<td>$3,750,000</td>
<td>100%</td>
<td>$3,750,000</td>
</tr>
<tr>
<td>City 1</td>
<td>3. Manholes – Lining/Replacement</td>
<td>$3,000,000</td>
<td>No</td>
<td>75%</td>
<td>$2,250,000</td>
<td>50%</td>
<td>$1,125,000</td>
</tr>
<tr>
<td><strong>City 1 Total</strong></td>
<td></td>
<td><strong>$18,000,000</strong></td>
<td></td>
<td></td>
<td><strong>$13,500,000</strong></td>
<td></td>
<td><strong>$8,625,000</strong></td>
</tr>
<tr>
<td>City 2</td>
<td>1. Pipe Lining and Replacement</td>
<td>$5,000,000</td>
<td>Yes</td>
<td>100%</td>
<td>$5,000,000</td>
<td>50%</td>
<td>$2,500,000</td>
</tr>
<tr>
<td>City 2</td>
<td>4. Chimney Seals, MH Sealing…</td>
<td>$3,000,000</td>
<td>Yes</td>
<td>100%</td>
<td>$3,000,000</td>
<td>100%</td>
<td>$3,000,000</td>
</tr>
<tr>
<td><strong>City 2 Total</strong></td>
<td></td>
<td><strong>$8,000,000</strong></td>
<td></td>
<td></td>
<td><strong>$8,000,000</strong></td>
<td></td>
<td><strong>$5,500,000</strong></td>
</tr>
<tr>
<td>City 3</td>
<td>3. Manholes – Lining/Replacement</td>
<td>$2,000,000</td>
<td>No</td>
<td>75%</td>
<td>$1,500,000</td>
<td>50%</td>
<td>$750,000</td>
</tr>
<tr>
<td>City 3</td>
<td>5. Flood Mitigation</td>
<td>$1,000,000</td>
<td>No</td>
<td>75%</td>
<td>$750,000</td>
<td>10%</td>
<td>$75,000</td>
</tr>
<tr>
<td>City 3</td>
<td>6. Cross Connection Elimination</td>
<td>$1,000,000</td>
<td>No</td>
<td>75%</td>
<td>$750,000</td>
<td>100%</td>
<td>$750,000</td>
</tr>
<tr>
<td><strong>City 3 Total</strong></td>
<td></td>
<td><strong>$4,000,000</strong></td>
<td></td>
<td></td>
<td><strong>$3,000,000</strong></td>
<td></td>
<td><strong>$1,575,000</strong></td>
</tr>
<tr>
<td>City 4</td>
<td>1. Pipe Lining and Replacement</td>
<td>$40,000</td>
<td>Yes</td>
<td>100%</td>
<td>$40,000</td>
<td>50%</td>
<td>$20,000</td>
</tr>
<tr>
<td>City 4</td>
<td>3. Manholes – Lining/Replacement</td>
<td>$10,000</td>
<td>Yes</td>
<td>100%</td>
<td>$10,000</td>
<td>50%</td>
<td>$5,000</td>
</tr>
<tr>
<td>City 4</td>
<td>7. Repair or Replace Lateral Tee…</td>
<td>$20,000</td>
<td>Yes</td>
<td>100%</td>
<td>$20,000</td>
<td>100%</td>
<td>$20,000</td>
</tr>
<tr>
<td><strong>City 4 Total</strong></td>
<td></td>
<td><strong>$70,000</strong></td>
<td></td>
<td></td>
<td><strong>$70,000</strong></td>
<td></td>
<td><strong>$45,000</strong></td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td></td>
<td><strong>$30,070,000</strong></td>
<td></td>
<td></td>
<td><strong>$24,570,000</strong></td>
<td></td>
<td><strong>$15,745,000</strong></td>
</tr>
</tbody>
</table>
## Step 2: Determine Part 1 and Part 2 Funding

<table>
<thead>
<tr>
<th>City</th>
<th>Amt Eligible for Funding</th>
<th>Part 1 Funding</th>
<th>Remaining Eligible Balance</th>
<th>Part 2 Allocation %</th>
<th>Part 2 Funding</th>
<th>Final Reimbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>City 1</td>
<td>$8,625,000</td>
<td>$50,000</td>
<td>$8,575,000</td>
<td>75.9%</td>
<td>$6,500,000</td>
<td>$6,550,000</td>
</tr>
<tr>
<td>City 2</td>
<td>$5,500,000</td>
<td>$50,000</td>
<td>$5,450,000</td>
<td>75.9%</td>
<td>$4,155,000</td>
<td>$4,205,000</td>
</tr>
<tr>
<td>City 3</td>
<td>$1,575,000</td>
<td>$50,000</td>
<td>$1,525,000</td>
<td>75.9%</td>
<td>$1,115,000</td>
<td>$1,165,000</td>
</tr>
<tr>
<td>City 4</td>
<td>$45,000</td>
<td>$45,000</td>
<td>$0</td>
<td>75.9%</td>
<td></td>
<td>$45,000</td>
</tr>
<tr>
<td>Total</td>
<td>$15,745,000</td>
<td>$195,000</td>
<td>$15,550,000</td>
<td></td>
<td>$11,805,000</td>
<td>$12,000,000</td>
</tr>
</tbody>
</table>

### Part 2 Allocation %
- **Total Grant Funding**: $12,000,000
- **- Part 1 Funding**: -$195,000
- **Remaining Funds for Part 2**: $11,805,000
- **Remaining Eligible Balance**: $15,550,000
- **% Allocation for Part 2**: 75.9%

- 2017 % Allocation for Part 2 was 68.5% ($8.7M in Grant Funding)
- 2020 % Allocation for Part 2 was 22.6% ($5M in Grant Funding)
Tentative 2023 I/I Grant Calendar

- **2023 Public I/I Grant Information Session**: November 2, 2023
- **MCES presents Council with guidelines for approval**: December 13, 2023
- **MCES submits RFP to cities**: By December 20, 2023
- **Start Date for Eligible I/I Grant Project Work**: January 1, 2024
- **Grant Application due from cities**: January 26, 2024
- **MCES sends LOI notifying cities of their assigned PMA**: By February 29, 2024
- **End Date for Eligible I/I Grant Project Work**: December 31, 2025
- **End Grant Materials due from cities**: March 31, 2026
- **MCES sends grant agreements, including FRA**: May 1, 2026
- **MCES processes reimbursement upon receipt of signed agreement.**

**MCES** – Met Council Environmental Services

**RFP** – Request for Participation

**LOI** – Letter of Intent

**PMA** – Preliminary Minimum Allocation

**FRA** – Final Reimbursement Amount
Required End Grant Materials

1. Cost Verification form [*MCES provides*)
2. A Declaration Form or Certification Form [*MCES provides*)
3. A city resolution
4. A detailed breakdown of expenditures
5. Invoices that substantiate the cost of work completed

Link to End Grant Agreement

In late December, communities will be able to log-in to the ES Customer Portal to apply for the 2023 I/I Grant Program

*Screenshots are from the 2020 I/I Grant Program – Customer Portal is currently undergoing maintenance*
### Grant Application - Customer Portal

**Grant Program Name:** 2020 I/I Grant Program

**Year:** 2020

**Amount:** 0

**Eligible Work Start Date:** 01/01/2020

**Eligible Work End Date:** 12/31/2020

**Estimated Project Work Description:**

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## Grant Application - Customer Portal

**Enter Your Estimated I&I Costs**

Non-Eligible I&I work includes studies, investigations, inspections, engineering costs, or any improvements to privately owned infrastructure.

<table>
<thead>
<tr>
<th>Project Costs</th>
<th>Project Costs Covered</th>
<th>Grant Eligible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pipe Lining and Replacement</td>
<td>x 50% Covered</td>
<td>$0</td>
</tr>
<tr>
<td>Pipe Joint Sealing and Chimney Seals</td>
<td>x 50% Covered</td>
<td>$0</td>
</tr>
<tr>
<td>Manholes - Lining, replacement</td>
<td>x 50% Covered</td>
<td>$0</td>
</tr>
<tr>
<td>Manhole Sealing joints, castings, covers</td>
<td>x 50% Covered</td>
<td>$0</td>
</tr>
<tr>
<td>Flood Mitigation</td>
<td>x 50% Covered</td>
<td>$0</td>
</tr>
<tr>
<td>Cross Connection Elimination</td>
<td>x 50% Covered</td>
<td>$0</td>
</tr>
</tbody>
</table>

For any questions regarding your grant application please contact [email@metro.state.mn.us](mailto:email@metro.state.mn.us).
Private I/I Grant Program - Summary

• Task Force designed
• Eligible for privately owned residential property
  • State authorized - M.S. Sec. 473.342
  • Funds 50% of project up to $5,000
  • Up to $10,000 for equity-based project
• $1.5 million in Metropolitan Council ES funding
  • Funding to Municipalities
    • Eligibility threshold same as public program
    • Municipalities distribute to vendors

• Resources:
  • Private Property Inflow and Infiltration Program
  • 2023 Private Property I/I Task Force Report
Private I/I Grant Program - Schedule

- **2023 Private I/I Grant Information Session** November 9, 2023

- Send notice of grant program guidelines to municipalities, requesting applications November 20, 2023
- Grant Applications due from cities December 15, 2023
- MCES notifies municipalities of grant awards December 29, 2023
- Start Date for Eligible I/I Grant Project work January 1, 2024
- Municipalities submit pay claims for completed work Quarterly, 2024
- End Date for Eligible I/I Grant Project work December 31, 2024
- MCES processes reimbursement upon receipt of signed agreement.
Questions?

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