



2025 – 2026 EQUITY-FOCUSED WATER EFFICIENCY GRANT PILOT PROGRAM GUIDELINES

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Overview

The Metropolitan Council (Met Council) has allocated \$400,000 of Clean Water, Land and Legacy Amendment funds to implement an equity-focused water efficiency grant pilot program effective July 1, 2025 to June 30, 2026. This pilot program, which incorporates equity as a requirement for funding, is based on the “traditional” [Water Efficiency Grant Program](#) offered by the Met Council since 2016. Grants of up to \$100,000 will be awarded on a competitive basis to municipalities that are served by a municipal water supply system. Unlike the traditional Water Efficiency Grant Program, there is no requirement for municipalities to contribute a local match, and grant programs will operate at no cost to residents.

Grant Program Goal

The goal of the Equity-Focused Water Efficiency Grant Pilot Program is to support technical and behavioral changes in underserved and disproportionately burdened communities that improve municipal water use efficiency in the seven-county metropolitan area.

Critical points to remember

- \$400,000 is available for this competitive grant program
- The maximum award amount is \$100,000
- **Applications are due March 28, 2025**
- Awards will be announced in May 2025
- Funds must be spent down by June 30, 2026 (municipalities and Met Council will work together to monitor spending and adjust/reallocate funds as needed)
- The applying municipality must be served by a municipal public water supply system
- New construction and new developments are not eligible
- No local match requirement for municipalities
- No cost to resident
- Residents may be property owners or renters responsible for paying their water bill
- Municipalities must develop equity criteria to determine participation requirements for residents
- Funds are for grants only; consulting and city staff time are ineligible
- Toilet replacement must be with a US EPA WaterSense labeled toilet

Centering equity

As the regional policy-making body, planning agency, and provider of essential services for the seven-county Twin Cities metropolitan area, the Met Council has a role in advancing equity. The Twin Cities metropolitan area ranks high among the nation’s largest metro areas for overall income, low

unemployment, and sustained economic growth, but this region also ranks high for negative outcomes. The Water Equity Policy in the [Imagine 2050 Water Policy Plan](#) includes a commitment to “incorporate environmental justice and water equity considerations into funding and grant applications to address past barriers faced by historically disproportionately burdened groups.”

Guided by Met Council policy, internal assessments of the Water Efficiency Grant Program were conducted to better understand the audience of the program and where shortcomings could be addressed. A need for more equitable outcomes was identified – this pilot program aims to reach residents of the region for whom the traditional program may be challenging to participate in (due to up-front costs, program requirements for participation, language barriers, awareness of the program, and more).

Legislative directive – Minnesota 2023 Session Law

In 2023, the Met Council was awarded a total \$1,500,000 in Minnesota Clean Water, Land and Legacy Amendment funds for fiscal years 2024 and 2025 for water demand reduction grants. Of this award, \$400,000 has been set aside for this pilot program. The remaining \$1,100,000 was allocated to the traditional Water Efficiency Grant Program. The legislative language is below:

\$750,000 the first year and \$750,000 the second year are for the water demand reduction grants to assist municipalities in the metropolitan area with implementing water demand reduction measures to ensure the reliability and protection of drinking water supplies. Fiscal year 2024 appropriations are available until June 30, 2025, and fiscal year 2025 appropriations are available until June 30, 2026.

Eligibility

This grant program is limited to municipalities in the seven-county metropolitan area that operate or are served by a municipal public water supply system. Participating residents must be connected to municipal water. Property owners as well as renters responsible for paying their water bill are eligible to participate.

Any municipality that meets the criteria above may apply for this pilot grant program. Municipalities are expected to develop equity criteria to determine participation requirements for residents. The Met Council will provide maps, data, and other resources to aid municipalities in the development of equity criteria. Municipalities are not required to use the resources provided by the Met Council and can develop criteria based on locally available data or other information. Municipalities’ applications will be scored on how well their proposed program prioritizes residents with the most disparities in the region.

Municipalities that apply and are awarded funding must sign a standard Council Grant Agreement before any eligible grants can be submitted for reimbursement. Agreements require that municipalities:

- Entirely pass through grants received
- Verify purchase of devices to receive grants
- Retain records and cooperate with any audits
- Conduct all communications with property owners and ensure all written communications to property owners include both the Clean Water, Land and Legacy Amendment logo, and the Metropolitan Council’s logo
- Provide quantitative information for state reporting purposes

Qualified activities

This pilot program will be limited to the replacement of existing toilets with more efficient US EPA WaterSense labeled toilets. Toilet replacement with a US EPA WaterSense labeled toilet:

<https://lookforwatersense.epa.gov/products/Product-Search-Results-Toilets.html>

Expenses eligible for reimbursement under this grant are the out-of-pocket cost of the device and its installation only, not to include any owner labor costs.

Municipalities may elect to design their toilet replacement program/project in a number of ways:

- Set eligibility criteria for participation and open the program to residents who meet the criteria
- Set eligibility criteria for participation and complete a targeted project by identifying a specific property (or properties) that meet the criteria
- Propose a different program/project approach from those above

To ensure that participating residents do not incur unintended costs for toilet replacement and installation, municipalities may choose to partner with a plumber for toilet removal and replacement. The cost of contracting with a plumber to conduct this grant activity is an eligible expense.

Depending on a municipality's program design, residents may be responsible for toilet removal and replacement. In these cases, a professional plumber hired by the resident to complete removal and replacement is an eligible expense. A resident may also elect to install the toilet independently, however, the resident will not be reimbursed for their labor costs.

Hypothetical approaches

- Municipality purchases batch of toilets, advertises program, and works with a plumber to install in residences where residents meet eligibility criteria and have applied to participate
- Municipality purchases batch of toilets, advertises program, and distributes toilets for individual installation to residents who meet eligibility criteria and have applied to participate
- Municipality identifies specific neighborhoods, multi-family residences, disproportionately burdened communities, etc. that meet eligibility and program criteria and approaches residents about participation
- Municipality requires proof of eligible purchase and installation from resident and reimburses expenses (most similar to traditional Water Efficiency Grant Program, but with 100% of cost covered by Met Council)

Municipalities are welcome to propose program approaches beyond what is listed above.

Application Process

The Equity-Focused Water Efficiency Grant Pilot Program has a competitive application process. Municipalities must submit the Environmental Services supplied application form by March 28, 2025. No late applications will be accepted. Required information includes:

- the municipality's program design and work plan
- proposed examples of communications to property owners
- requested total grant amount
- estimated annual amount of water saved by the applying municipality
- Application form is available at: <https://metro council.org/Wastewater-Water/Funding-Finance/Available-Funding-Grants.aspx>
- Submit competed application to: henry.mccarthy@metc.state.mn.us
- Metropolitan Council will notify municipalities of grant awards by May 2025

Municipalities can apply for an award of up to \$100,000. In the event that fewer than four municipalities apply by March 28, 2025, award amounts may be adjusted to be greater than \$100,000. Grant applications will be reviewed, scored, and ranked by Met Council staff using the following criteria.

Proposal Selection Criteria and Scoring

- *Qualitative questions that will be evaluated in the application include:*
 - How does the proposed program/project prioritize residents who may experience barriers to participation in the traditional Water Efficiency Grant Program?
 - What are the equity criteria for this program/project, how were they developed, and who is benefitted by them?
 - What is the program/project design and how will it operate?

- How will the municipality communicate information about this program/project to the relevant audiences?
- *Quantitative questions that will be evaluated in the application include:*
 - How many people (estimate) will benefit from this program/project?
 - How much water (estimate) will be saved by this program/project?

High-scoring applications will provide a completed form and detailed work plan that provide well-reasoned estimates to quantitative questions and clearly explained answers to qualitative questions.

For detailed application requirements and scoring prioritization, see the application form.

Funding process and reporting requirements

- Utilizing forms provided by Met Council, the following information must be reported on a quarterly basis:
 - Number, type, and amount of funds provided to property owners, along with each property address
 - Estimated annual gallons of water saved per device installation
 - Number of unmet funding requests from property owners, if any
- Upon review and confirmation of the above information, Met Council will process a grant payment in the amount of 100% of approved total expenses for the reporting period.
- Met Council will provide confirmation of grant balances available upon request and reserves the right to amend grant agreements, in collaboration with grantee municipality, if quarterly reporting indicates rebate or grant programs will not fully utilize grant awards within the grant period.

Determining Estimated Water Savings

Some manufacturers include annual water savings estimates in their device descriptions or specifications. In cases where estimated annual water savings are not provided or can't be found for a specific device model, the WaterSense website has information on estimated water savings.

- Toilet: <https://www.epa.gov/watersense/residential-toilets>