



DEDICATED TO A STRONG GREATER MINNESOTA

**To: Representative Fue Lee and members of the House Capital Investment Committee**

**Re: House File 4231**

**Date: April 20, 2022**

Dear Chair Lee and committee members,

I am writing on behalf of the Coalition of Greater Minnesota Cities (CGMC), an organization of more than 100 cities located outside the Twin Cities metropolitan area. We appreciate all the efforts this committee has made on visiting our communities and others across the state as you assemble the bonding bill. We have a great interest in HF4231 because of the burden and costs it would impose on local governments. We appreciate the opportunity to comment and thank you for consideration of our input.

#### **ADDITIONAL CERTIFICATION HURDLE IS UNNECESSARY**

State law currently requires that most projects receiving capital funds comply with the state's sustainable building guidelines. This legislation would add an additional hurdle of requiring all capital projects receive a certification from the University of Minnesota that local governments indeed are complying with state law. Completing a project with state bond funds already entails a complex set of paperwork requirements through the Office of Management and Budget and other agencies. We do not understand what is driving the need for another entity outside of state government to certify projects as well. This requirement will likely delay projects unnecessarily as hundreds stand in line waiting for approval. This delay combined with the additional staff and outside consultant charges to participate in this exercise will add even further costs.

The staff at our local governments are public servants dedicated to meeting the needs of their citizens while complying with state law. If there is a legitimate concern about whether local government units are complying with state law, we urge that a simpler and less costly solution be found.

#### **COST ESTIMATE REQUIREMENT WILL DRIVE UP COSTS**

This bill also would require local governments seeking capital investment funds for lower cost projects hire project cost estimators. We are confused about this request because it would appear to drive up the costs for those very projects. This proposal appears to be a thinly veiled attempt at discouraging small capital investment requests. We oppose this requirement.

#### **WASTEWATER AND WATER EXEMPTION SHOULD NOT BE ELIMINATED**

A final concerning aspect of this legislation is that it would remove the exemption from the sustainable building guidelines for water and wastewater treatment facilities that receive state funds. As we look towards Earth Day on Friday, it is important to remember the crucial role our cities play in protecting

Minnesota's waters through their wastewater, stormwater and drinking water systems. The federal Clean Water Act was the foundation for establishing strong wastewater control across the country to achieve the CWA's main objective of restoring and maintain "the chemical, physical and biological integrity of the nation's waters.'

Through the years, the treatment required of our wastewater facilities has grown more complex to address a range of pollutants. These added processes are very energy intensive. Our facilities also must comply with fire and safety protection standards that ordinary buildings do not and that also increase the energy load at our buildings. Water treatment facilities face similar challenges. A wastewater and water exemption was carved out of the sustainable building guidelines because the purpose and the energy usage of these facilities are so different from other capital projects.

Our communities want to build systems that are less energy intensive and more sustainable, which is why we support the governor's proposal to fund pilot projects looking at how facilities could be more efficient. This proposal was included in Representative Long's bill, HF4654 at lines 8.24 – 12.3. Expecting wastewater and water facilities to meet the sustainable building guidelines is not reasonable when there is further testing and research needed to make that goal possible. Imposing this new requirement on wastewater and water facilities at this time will only harm the environment by slowing down and possibly stopping the modernization that needs to happen right now at facilities across the state.

Local governments appreciate the partnership on capital investment bills we have long had with the legislature and the state. This partnership allows our state to thrive. We want to continue working with you on these bills, but respectfully request that you do not proceed with the provisions of this bill.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Pat Baustian".

Pat Baustian, Mayor, City of Luverne  
President, Coalition of Greater Minnesota Cities

cc: Nathan Jesson