

Information Item

2027 Capital Program



Environment Committee: August 25, 2026

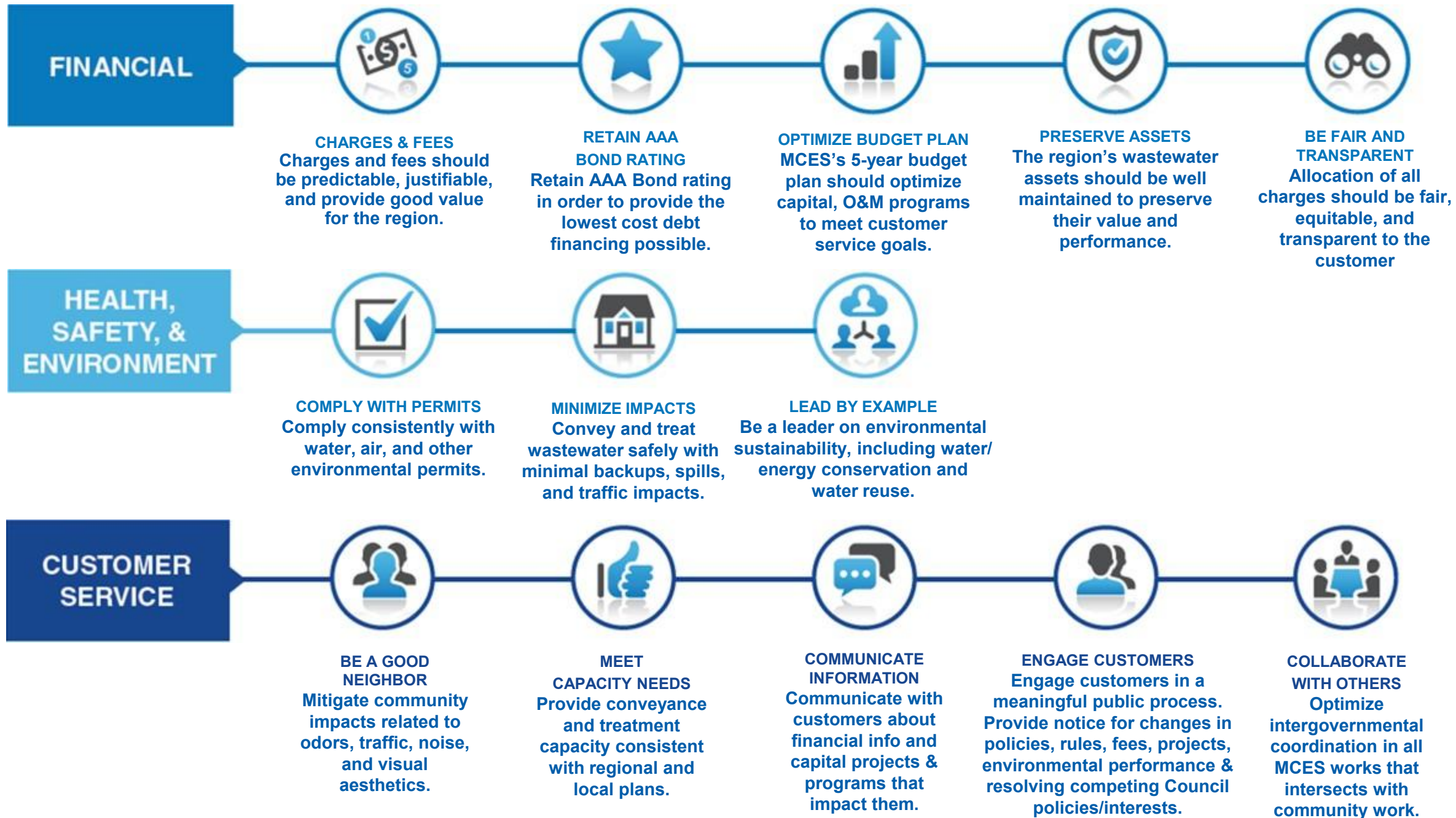
John Chlebeck, Rene Heflin, Adam Gordon

Agenda

2027 Capital Program

- Program Overview/Schedule
- Water Resource Recovery Facility Projects
- Interceptor Projects
- Questions

Customer Level of Service



Capital Program Definitions

6 Year Capital Program

Authorized Capital Program (ACP)

Multi-year authorization for project spending where funding sources have been identified.

Capital Budget

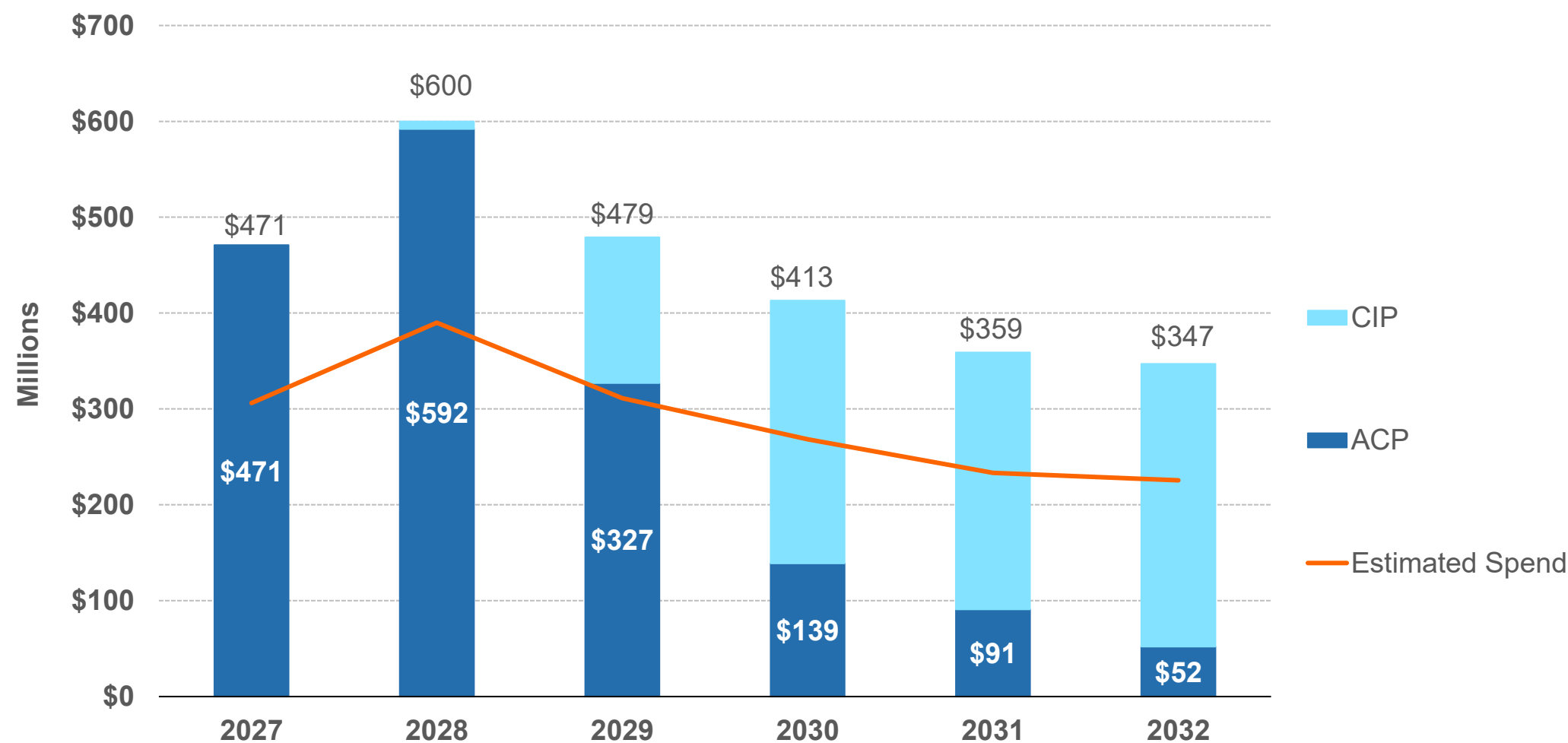
Amount from Authorized Capital Program that Council approves to be spent in upcoming year (2027).



Capital Improvement Program (CIP)

Capital investment plan where funding sources have been identified but projects have not been authorized to proceed.

Capital Program: 2027 to 2032



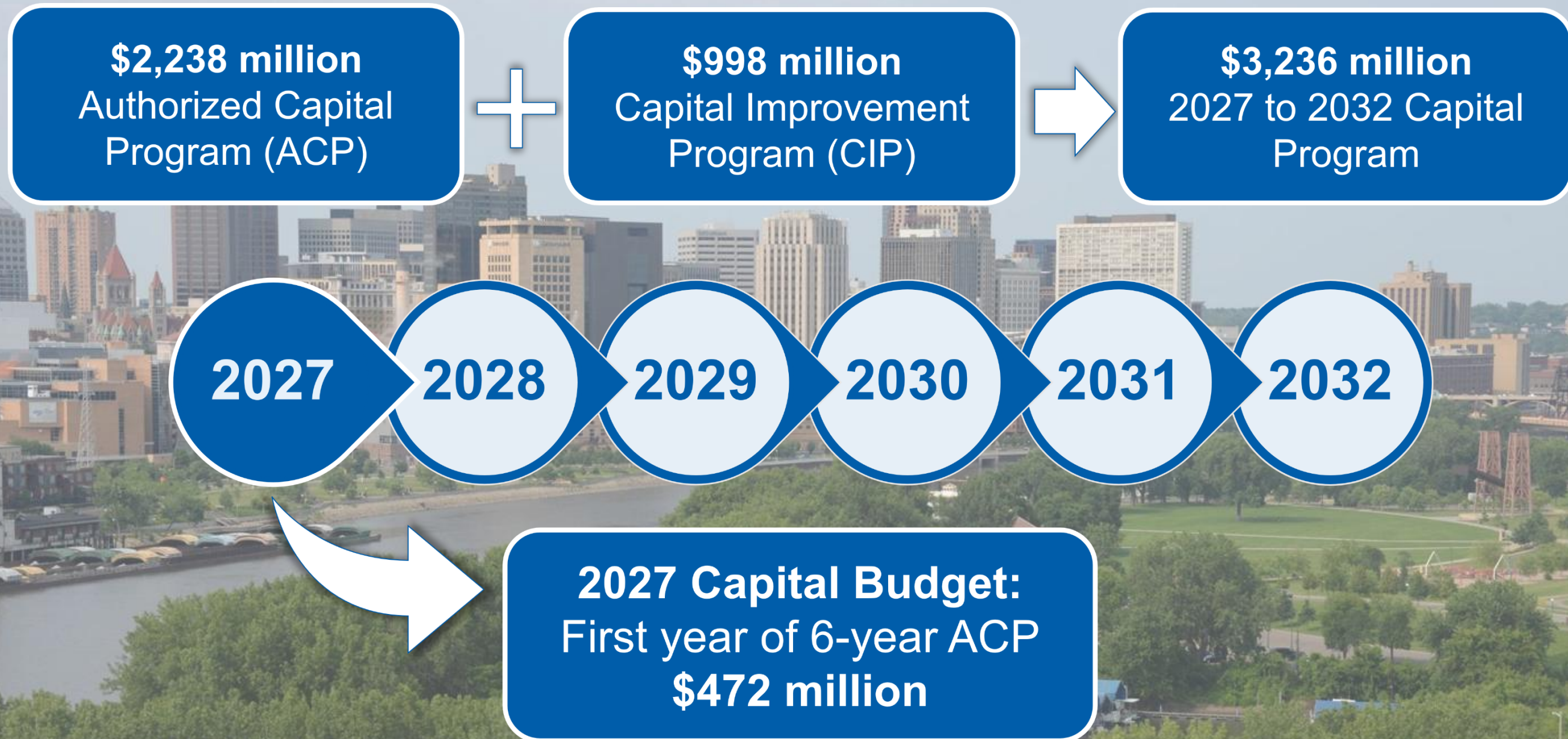
Total Capital Program
(2027 to 2032) = \$3,223 Million

Summary of Authorized Capital Program (ACP) Changes

Current Authorizations:	\$2,177,385,981
Adjustments / New Projects:	+ \$288,972,896
Closed Projects	-\$227,760,955
Proposed 2027 Authorization:	\$2,238,597,922



Proposed 2027-2032 Capital Program



Capital Program ACP Objectives



Preserve Assets

Rehabilitate and replace assets to preserve value and performance



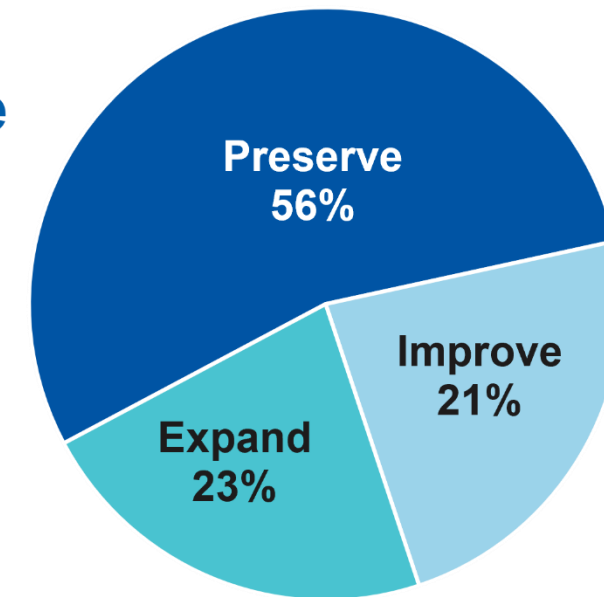
Meet Capacity Needs

Expand system capacity through plant expansions and interceptor extensions or improvements

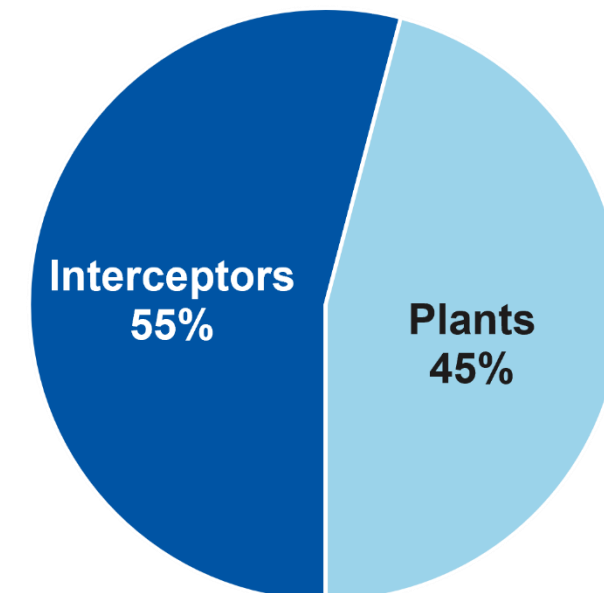


Improve Quality of service by responding to more stringent regulations, reusing wastewater, increasing system reliability, and conserving and generating energy

Objective



Type



Capital Program Financing

Public Facilities Authority (PFA) Loans

Lowest interest loans. Loans greater than \$50 million carry higher interest rate making GO Bond loans more attractive.

2026: \$44 million @ 1.87%

2027: \$50-65 million loan anticipated

Council General Obligation Bonds

The Council sells general obligation bonds. The Council has a AAA bond rating and receives low interest rates.

2026: \$295 million @ 3.50%

Pay-As-You-Go (PAYGO)

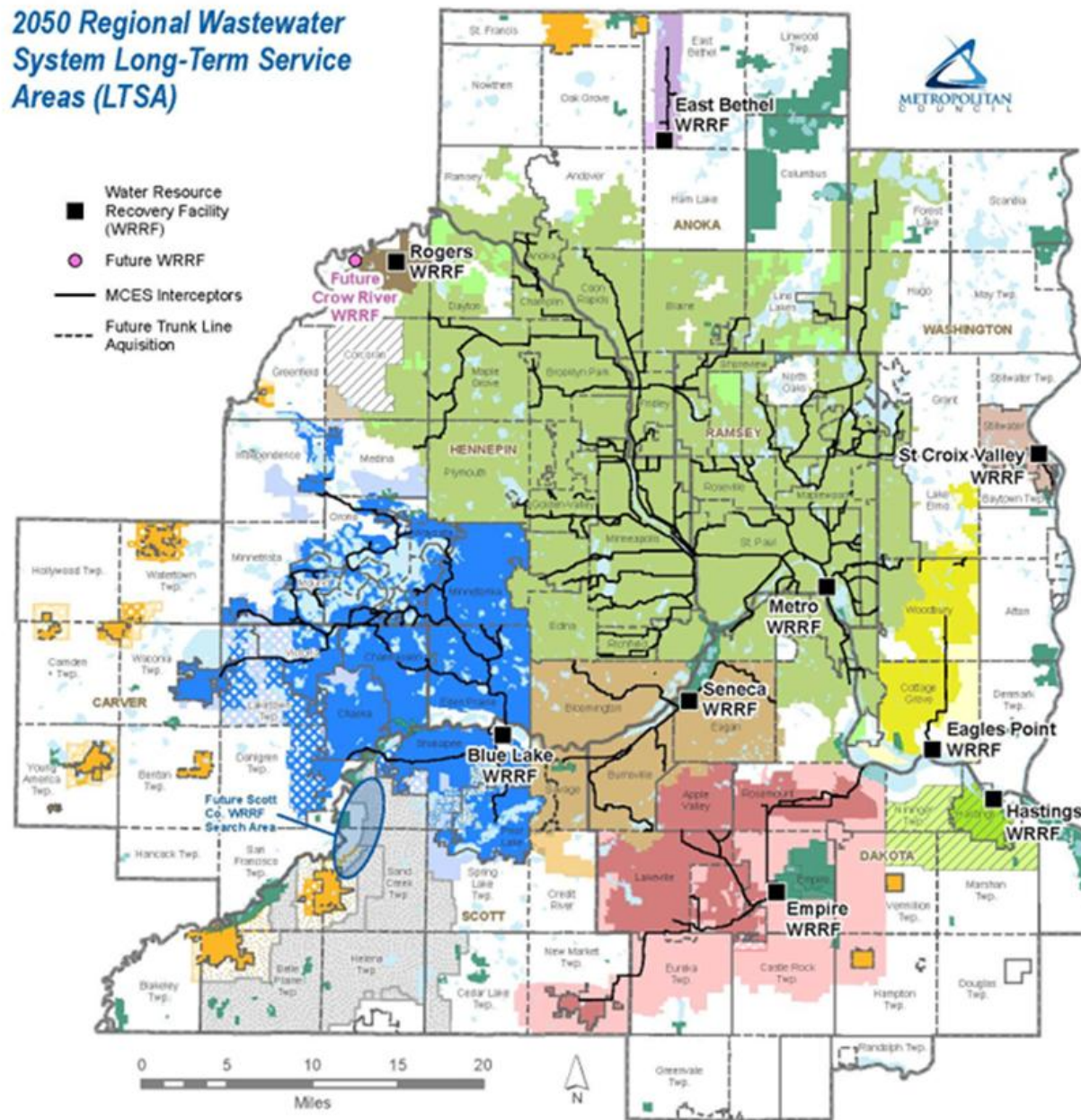
Funds dedicated to paying for some capital expenses with current revenue.

2026: \$13 million

2027: \$13 million

2027 Water Resource Recovery Facility (WRRF) Capital Programs

2050 Regional Wastewater System Long-Term Service Areas (LTSA)



1. 8059 Metro Rehabilitation & Facilities Improvements (\$60M)
2. 8062 Metro Solids Improvements (\$336M)
3. 8074 Empire Solids Improvements (\$32M)
4. 8078 Regional Plant Improvements (\$85M)
5. 8089 Metro Asset Renewal (\$244M)
6. **8091 Wastewater Reclamation Facilities**
7. 8097 Blue Lake Improvements (\$160)
8. 8099 Crow River Water Resource Recovery Facility (\$43M)
9. 8101 Business Process Systems Integration (\$15M)
10. 8103 Metro Restoration & Improvements (\$21M)
11. 8104 Empire Restoration & Improvements (\$1.5M)
12. **8105 Seneca Rehabilitation & Improvements (\$1M)**

CLOSE

NEW

List Major WRRF Construction Projects Successfully Completed in 2026



- ❖ Metro Services Building
- ❖ Metro Electrical Distribution Renewal
- ❖ Metro Secondary Treatment Improvements
- ❖ East Bethel Improvements
- ❖ Empire PLC Renewal
- ❖ Blue Lake Dryer Renewal

2027 Program Changes



8078 Regional WRRF Improvements

Scope:	Deliver capital projects to meet near-term needs of regional WRRFs
Significant Projects/Changes:	Closing: East Bethel Improvements New: Eagles Point Solids Process Improvements
Communities:	East Bethel, Cottage Grove, Stillwater, Empire, Hastings, Eagan, Shakopee, Rogers
ACP Changes:	2026: \$85.5 M 2027: \$85 M
Construction:	2028-2031

Objectives: ☐ Capacity Expansion ☒ Asset Preservation ☒ Quality Improvements

2027 Program Changes



8097 Blue Lake WRRF Improvements

Scope:	Complete & implement Blue Lake WRRF Improvements Facility Plan
Significant Projects/Changes:	Closing: Dryer Renewal New: Aeration Improvements; Secondary Clarifiers 9 & 10
Communities:	Shakopee
ACP Changes:	2026: \$112 M 2027: \$160 M
Construction:	2027-2032

Objectives:  Capacity Expansion  Asset Preservation  Quality Improvements

2027 Program Changes



8099 Crow River WRRF

Scope:	Complete & implement Crow River WRRF Facility Plan
Significant Projects/Changes:	Engineering design and construction support services
Communities:	Rogers
ACP Changes:	2026: \$30 M 2027: \$48 M
Construction:	TBD

Objectives: ☒ Capacity Expansion ☐ Asset Preservation ☒ Quality Improvements

2027 Program Changes



8103 Metro WRRF Restoration & Improvements

Scope:	Complete and implement Metro WRRF Restoration & Improvements Facility Plan
Significant Projects/Changes:	Engineering planning, design and construction support services
Communities:	St. Paul
ACP Changes:	2026: \$3 M 2027: \$21 M
Construction:	TBD

Objectives: ☐ Capacity Expansion ☒ Asset Preservation ☒ Quality Improvements

2027 Program Changes

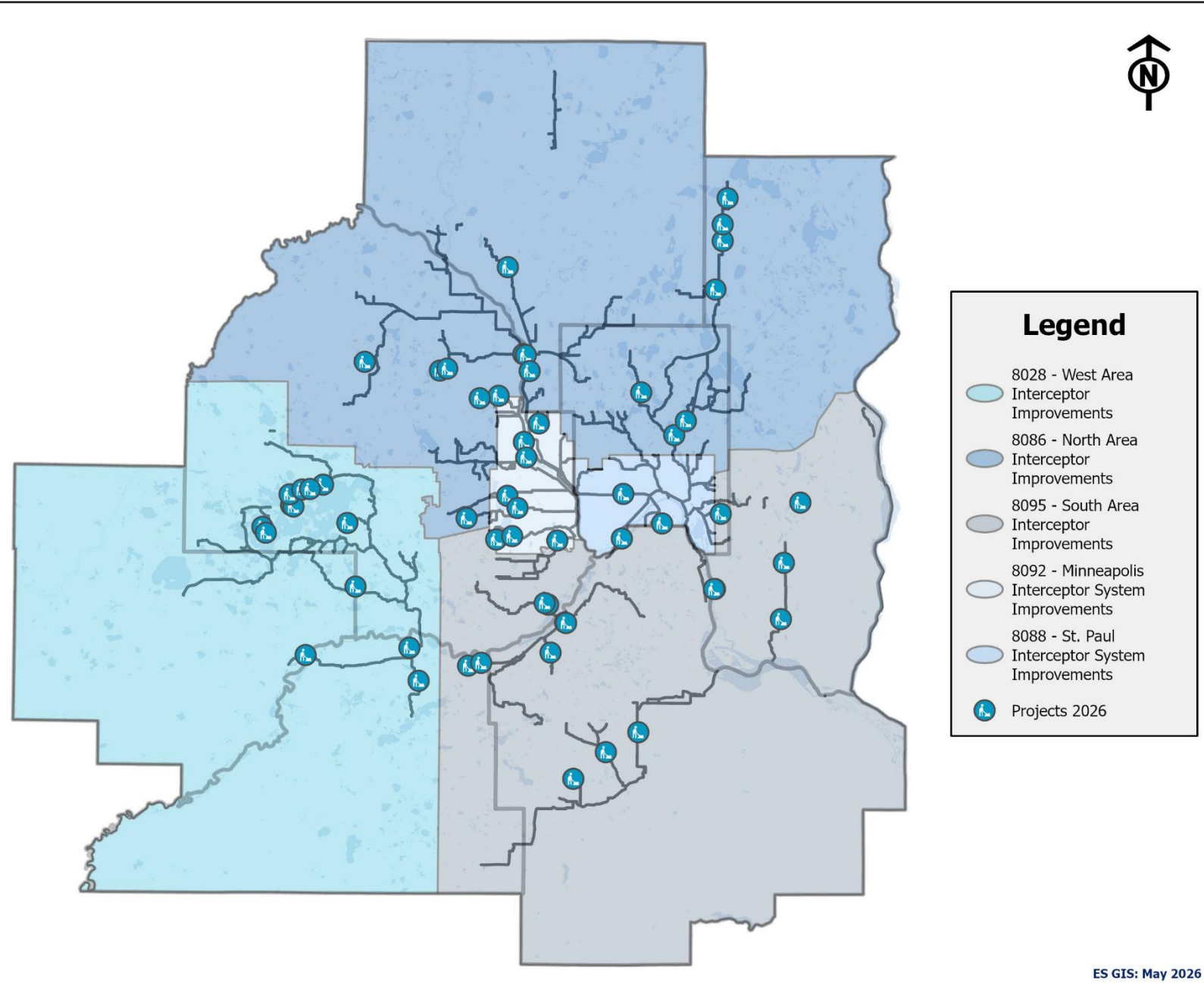


8105 Seneca WRRF Restoration & Improvements

Scope:	Complete and implement Seneca WRRF Restoration & Improvements Facility Plan
Significant Projects/Changes:	Engineering planning
Communities:	Eagan
ACP Changes:	2026: \$0 M 2027: \$1 M
Construction:	TBD

Objectives: ☐ Capacity Expansion ☒ Asset Preservation ☒ Quality Improvements

2026 Design/Construction Projects



Projects that are in final design, bidding, or starting construction

Program 8028 (West Area):

- 5 Projects

Program 8086 (North Area):

- 9 Projects

Program 8095 (South Area):

- 8 Projects

Program 8092 (Minneapolis):

- 6 Projects

Program 8088 (St. Paul):

- 2 Projects

Program 8055 (Lift Station Rehabilitation):

- 5 Projects

Program 8056 (Meter Improvements):

- 5 Projects

Program 8090 (Program Support):

- 1 Project

Program 8094 (New Lift Station 32A)

Program 8041 (Hopkins System Improvements)

Total: 43 Projects

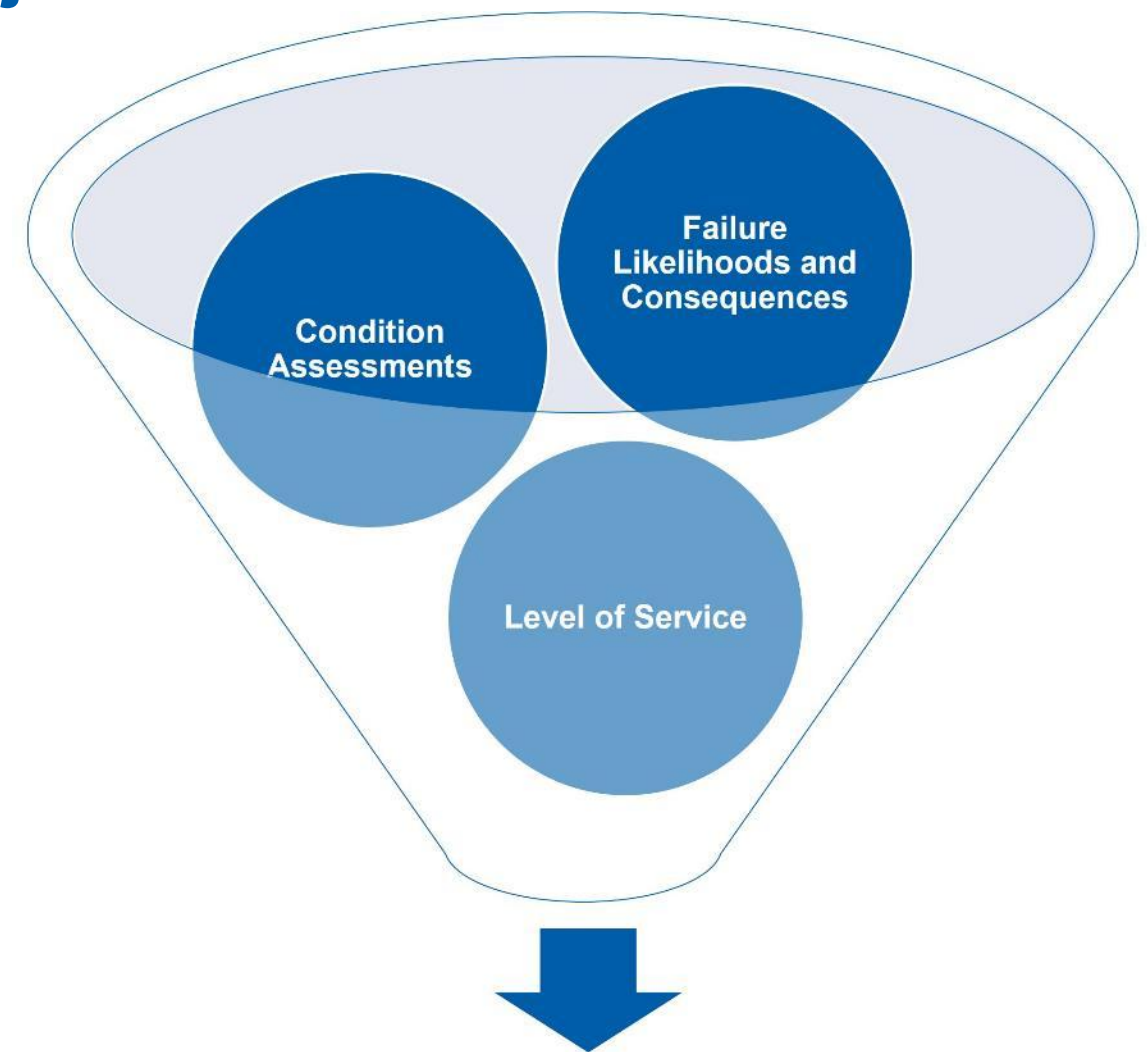
New Project Identification

Primary Factors used in identifying new projects

Facilities are evaluated based on asset condition, capacity, or quality issues using a risk approach.

Risk: Product of Consequence of Failure (following Level of Service) and Likelihood of Failure (identified through assessment)

➤ Consequence	➤ Likelihood
1. <i>Negligible</i>	1. <i>Rare</i>
2. <i>Minor</i>	2. <i>Unlikely</i>
3. <i>Moderate</i>	3. <i>Moderate</i>
4. Major	4. Likely
5. Severe	5. Certain



Capital Project Prioritization

2027 Program Changes



8028 West Area Interceptor Improvements

Scope:	Continued planning, design, and construction on existing projects.
Significant Projects:	7113, L48, L46, L49
Communities:	Orono, Deephaven,
ACP Changes:	2026: \$103 M 2027: \$102 M
Construction:	2026-2032

Objectives: ☐ Capacity Expansion ☒ Asset Preservation ☒ Quality Improvements

2027 Program Changes



8041 Hopkins System Improvements

Scope:	Continued construction on existing project.
Assets:	8041
Project:	Hopkins System Improvements, Contract H
Communities:	Minneapolis
ACP Changes:	2026: \$6.8 M 2027: \$6.3 M
Construction:	2027

Objectives: ☐ Capacity Expansion ☒ Asset Preservation ☒ Quality Improvements

2027 Program Changes



8055 Lift Station Improvements

New Scope:	Capacity assessment, pump replacement, forcemain addition
Added Assets:	L13, L80, L19
Communities:	Eagan, Corcoran, Excelsior
ACP Changes:	2026: \$149 M 2027:\$114 M
Construction:	2026-2032

Objectives:  Capacity Expansion  Asset Preservation  Quality Improvements

2027 Program Changes



8056 Meter Station Improvements

New Scope:	Replacement of End-of-Life Meters Meter Rehabilitation and Accuracy Improvements New billing meters - Expansion New performance meters - Waterbody Environmental Compliance
Added Assets:	M100A, M100B, M101A, M101B, M200A, M304, M412, M430 New Billing Meters - Oakdale and Lake Elmo New Performance Meters – Interceptor Waterbody Crossings
Communities:	Anoka, Eden Prairie, Fridley, Lake Elmo, Long Lake, Minneapolis, Minnetonka, Orono, Oakdale, Ramsey, St. Paul
ACP Changes:	2026: \$42 M 2027: \$54 M
Construction:	2027-2032

Objectives:  Capacity Expansion  Asset Preservation  Quality Improvements

2027 Program Changes



8086 North Area Interceptor Improvements

New Scope:	Capacity assessment, cleaning, rehabilitation, and replacement of over 70,000 feet of 30 to 72-inch interceptor pipe.
Added Assets:	4-NS-523, 7122, 8656
Communities:	Mounds View, White Bear Lake, Gem Lake, Maplewood
ACP Changes:	2026: \$236 M 2027: \$319 M
Construction:	2027-2034

Objectives: ☒ Capacity Expansion ☒ Asset Preservation ☐ Quality Improvements

2027 Program Changes



8088 Saint Paul Interceptor System Improvements

Scope:	Continued construction on existing projects.
Significant Projects:	1-MS-100, Greater East Side Interceptor Rehab., West Side Sandstone Tunnel Rehab.
Communities:	Saint Paul
ACP Changes:	2026: \$52 M 2027: \$74 M
Construction:	2027-2032

2027 Program Changes



8090 Interceptor System Support

New Scope:	Deep tunnel interceptor inspection, city coordination, odor program
Added Assets:	Varies
Communities:	Metro-wide
ACP Changes:	2026: \$73 M 2027: \$55 M
Construction:	2026-2032

Objectives: ☐ Capacity Expansion ☒ Asset Preservation ☒ Quality Improvements

2027 Program Changes



8092 Minneapolis Interceptor System Improvements

New Scope:	Rehabilitation and relocation of 4 manhole structures on interceptor pipe passing through Minnehaha Creek
Added Assets:	1-MN-344
Significant Projects:	1-MN-303 Pipe-in-Pipe Rehab., Northeast Minneapolis Interceptor Rehab., 1-MN-346 Phase 2 Rehab.
Communities:	Minneapolis
ACP Changes:	2026: \$132 M 2027: \$129 M
Construction:	2027-2028

Objectives: ☐ Capacity Expansion ☒ Asset Preservation ☒ Quality Improvements

2027 Program Changes



8094 New Lift Station L32A

Scope:	Replace the existing 43-MGD lift station with a new, larger facility of 67-MGD across the Mississippi River and rehabilitate the two existing river-crossing forcemains.
Assets:	L32, L32A, 69U1-70U2 A and B
Communities:	Fridley and Brooklyn Park
ACP Changes:	2026: \$226 M 2027: 233 M
Construction:	2027-2032

Objectives: ☒ Capacity Expansion ☒ Asset Preservation ☐ Quality Improvements

2027 Program Changes



8095 South Area Interceptor Improvements

New Scope:	Rehabilitation of over 3,000 feet of 15 to 42-inch interceptor pipe
Added Assets:	1-RF-490 and 1-RF-491
Communities:	Richfield
ACP Changes:	2026: \$109 M 2027: \$137 M
Construction:	2028-2033

Objectives: ☐ Capacity Expansion ☒ Asset Preservation ☒ Quality Improvements

Capital Program Schedule

Task	Date
Share Proposed Capital Program with ISLT	July 29, 2026
Informational Item Presentation to Environment Committee	August 25, 2026
Division CIP 2027-2032 Due	September 4, 2026
Division-level Capital Program presentation	October 14, 2026
Adoption of public comment draft budgets	October 28, 2026
Adoption of final 2027 budgets and levies	December 9, 2026

Questions

John Chlebeck

Assistant Manager, Wastewater Planning & Community Programs

651-602-4527

john.chlebeck@metc.state.mn.us

Rene Heflin

Manager, Plant Engineering

651-602-1077

rene.heflin@metc.state.mn.us

Adam Gordon

Manager, Interceptor Engineering

651-602-4503

adam.gordon@metc.state.mn.us

