

**Drinking Water State Revolving Fund
Lead Service Line Replacement Projects**

APPLICATION FORMS AND INSTRUCTIONS

March 2025

Applicant: **Duluth**
System type: **Lead Service Line Replacement**
IUP project ID: **1690011-20**
IUP status: **IUP Part A**
IUP project descr: **LSLR-Phase 8**

MPFA Loan Officer contact info: **Peter Bradshaw**
Peter.Bradshaw@state.mn.us
651.259.7689

Minnesota Public Facilities Authority

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mn.gov/pfa

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Table of Contents (sheets in this Excel workbook)

note: these TOC listings are hyperlinked; however, if you open this file in the web browser the hyperlinks won't work; use the desktop app whenever you can

Hyperlink	Description
ReadMe	General Information and Application Process Deadlines
CheckList	Applicant Checklist
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Form02	Project Information
Form03	Project Costs: Sources and Uses
Form04	Project Costs: Detail of Costs Incurred Prior to MPFA Award
Cert01	Compliance Certification as to General Federal and State Laws, Rules, and Regulations
Cert02	Compliance Certification as to Disadvantaged Business Enterprise (DBE) Required Procurement and Contract Conditions
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SampleRes	Sample Resolution of Application to the MPFA
SampleNoteRes	<i>The Sample Resolution and Form of Grant Anticipation Revenue Note to the Authority is under development; we will post on your SharePoint site when ready.</i>
LO Summary	Application Write-Up and Approvals [for MPFA use]

General Information and Application Process Deadlines

General information:

The applicant must be the entity that will issue the Grant Anticipation Revenue note to the MPFA as security for the loan.

Total financing of a project must be assured before the MPFA will issue a financing agreement.

A Unique Entity Identifier (UEI) number is requested on Form 01. The UEI replaces the DUNS number. See:
[SAM.gov | Home](#)

For additional information on SRF program requirements and resources, refer to these MPFA websites:
[Clean Water and Drinking Water Revolving Fund Guidance and Information](#)


For documents to be included in bid specifications and construction contracts, refer to this MPFA website:

N/A yet on the website; please contact your loan officer.

Contact the MPFA LSLR loan officer below with any questions:

Peter.Bradshaw@state.mn.us

Note for use of enclosed application forms in this Excel workbook:

 yellow highlighted cells are for free-form entry.

 blue highlighted cells will have drop-down choices.

You may type more text into a cell than will display. The cells are a fixed size for display, but all the text will be usable by MPFA staff.

Deadline for plans and specifications submittal

Submit plans and specifications to the Minnesota Department of Health by the end of March 2025.

Items Required Before Funding:

MPFA needs 1) a complete application, 2) as-bid costs and 3) Minnesota Department of Health technical certification for the project before LSLR funding can be awarded.

Applicant Checklist

*Please complete the check boxes below
when those items are submitted*

This application consists of a sample *Resolution of Application*, multiple forms, and three certification documents concerning compliance. This checklist identifies which items are required by the application deadline, and which that must be submitted when they are available.

Items required by the application deadline:

Forms in this workbook to be completed by the applicant:

- Form 01: Applicant Information
- Form 02: Project Information
- Form 03: Project Costs: Sources and Uses
- Form 04: Project Costs: Detail of Costs Incurred Prior to MPFA Award

Certifications in this workbook to be completed by the applicant:

- Cert 01: Compliance Certification as to General Federal and State Laws, Rules, and Regulations
- Cert 02: Compliance Certification as to Disadvantaged Business Enterprise (DBE) Required Procurement and Contract Conditions
- Cert 03: Compliance Certification as to No Conviction of Felony Financial Crime by a Principal

Other Items required for a complete application:

- ☒ Box Resolution of Application (see example in this workbook): [SampleRes](#)
- ☒ Box Drinking water enacted ordinances and system service fee schedules as applicable
- ☐ Box Documentation of all non-MPFA funding sources for the project (commitment letters, grant agreements, bond sale resolution or Official Statement, etc.)
- ☒ Box Project map showing areas of LSLR project activities.
- ☒ Box As-bid costs and engineer's letter of recommendation accepting bids.
- ☐ Box Final, updated MPFA forms (Forms 03 and 04).

Items that must be submitted after MPFA contract award:

Recipients are responsible for submitting required forms during the construction phase of the project and for project closeout including but not limited to:

- ☐ Box Labor Standards Notice of Contract Award.
- ☐ Box List of labor standards activities that will be conducted by consultant, or excerpt from agreement.

To be completed by the MPFA Loan Officer:

- ☐ Date of MDH project certification.
- ☐ Pre-Award Risk Assessment
- ☐ Signed certifications 01, 02, and 03 received
- ☐ Form 03 Sources and Uses reviewed for consistency, allowable costs, ...
- ☐ Form 04 Costs Incurred Prior to Contract reviewed

Form 01 Applicant Information

Applicant ID (Must be the entity that will issue the Revenue note to the Authority)

Name	Duluth
Primary County	Saint Louis County
UEI Number (12 char/digits) (SAM.gov Home)	S3MZFK8JXGJ3
MN SWIFT Vendor ID No. (10 digits)	0000197681
MN SWIFT Vendor Suffix No. (3 digits) (determines where funds will be sent)	001

Mail Address:

PO Box or bldg no. and street name	411 West First St
City, state and 5 or 9-digit ZIP	Duluth, MN 55802-1102

Primary Municipal Contact:

Name	Aaron Soderlund
Title	Senior Engineer
Phone	218-730-5083
Email	asoderlund@duluthmn.gov
PO Box or bldg no. and street name	411 West First Street, Room 240
City, state and 5 or 9-digit ZIP	Duluth, MN 55802

Applicant officials authorized to sign legal documents:

1. Name	Alyssa Denham
Title	City Clerk (interim)
Email (unique to Name #1)	adenham@duluthmn.gov
2. Name	
Title	
Email (unique to Name #2)	
3. Name	
Title	
Email (unique to Name #2)	

If a Public Utilities Commission (PUC) or other public entity is legally responsible for setting or adjusting user rates, and/or operation and maintenance of the project, this entity may also need to sign the MPFA financing agreement. If so, please identify:

Name of PUC or other Entity	Duluth Public Utilities Commission
Contact Name:	Jim Benning
Title	Director of Public Works
Phone	218-730-5200
Email	jbenning@duluthmn.gov
PO Box or bldg no. and street name	411 West 1st St
City, state and 5 or 9-digit ZIP	Duluth, MN 55802-1102

Consultants and Advisors:

Form 01 Applicant Information

Consulting Engineer:

Company Name

MSA Professional Services Inc.

Engineer's Name

Jon Loye

Phone

218-499-3176

Email

jloye@msa-ps.com

Bond Counsel:

Company Name

Fryberger, Buchanan, Smith & Frederic, P.A.

Attorney's Name

Mia Thibodeau

Phone

218-725-6873

Email

rtoftey@fryberger.com

Municipal (Financial) Advisor:

Company Name

Ehlers Public Finance Advisors

Advisor's Name

Jason Aarsvold

Phone

651-697-8512

Email

jaarsvold@ehlers-inc.com

Persons responsible for compliance monitoring:

American Iron and Steel (AIS), Build America Buy America (BABA):

Company Name

City of Duluth

Contact's Name

Aaron Soderlund

Phone

218-730-5083

Email

asoderlund@duluthmn.gov

Prevailing Wage related requirements:

Check box if same as above: ☐

Company Name

City of Duluth

Contact's Name

Angela Herbert

Phone

218-730-5081

Email

aherbert@duluthmn.gov

MN Department of Health Engineer:

Name

Corey Mathisen

Phone

651.201.4494

Email

corey.mathisen@state.mn.us

Form 02 Project Information

Project site ownership / rights of way:

Please provide a link to (or attach a copy of) the code and ordinances that identify ownership of the water service lines:

See attached ordinance.

Authority to undertake LSL replacement work on private property:

Please provide a link to (or attach a copy of) the code and ordinances provide this authority:

The City has signed work authorization agreements with each property owner. A sample is attached.

Describe the factors the City used to select the area for the LSLR project including health equity and efficient use of funds:

The City of Duluth has used census block level data to create a ranked prioritization of its 36 census tracts for lead service line replacement. Five factors were incorporated into the prioritization matrix: percent of households considered to be low income, percent of the population age 4 and under, prevalence children with elevated blood lead levels, the supplemental demographic index, and the percent of the water services confirmed to be lead. The Census

Describe the community outreach that will be used for the LSLR project:

The City has conducted extensive outreach to the project area including mailings to offer service material identification, the required annual inventory mailing (fall of 2024), and multiple (3+) outreach attempts by mail, door knocking and/or phone calls during project design. A project announcement letter will be sent to the entire neighborhood, and a public meeting will be held in the spring of 2025. Additional outreach attempts will be made to

Describe the planned contracting method, e.g.: all work under one main construction contract, by individual property owners selecting their own contractor, other:

All work will be performed by a single contractor under one main construction contract administered by the City.

Project Sign and Project Funding Notice:

MPFA will provide a Funding Notice upon award. MPFA requests posting the Funding Notice on the Recipient's website and/or in other public locations.

**Whenever this form is updated, please complete the date and source.
 A revised version must be submitted after as-bid costs are known.**

Date updated: 04/02/25

Source: ☐ Current estimate
☒ As-bid costs

Estimated Number of Lead Service Lines to be replaced: 265

Applicant's allocation of split between public and private share of each line:
 (please enter a whole number between 0 and 100 as the public share percentage)

Public	Private
35%	65%

Sources:

Requested MPFA Financing
 Other

Total Project Cost Sources:

Total Costs	Public Costs	Private Costs
6,989,210	2,446,224	4,542,986
	-	-
6,989,210	2,446,224	4,542,986

Uses:

Non-Construction Costs: Planning
 Design
 Inspection/Other Engineering
 Attorney/Financing Related Fees
 Marketing / Project Implementation

Other: Filter Pitchers, Test Kits, Signs

Construction Costs:
 Contingencies (10% of construction):

Total Project Cost Uses:

Total Costs	Public Costs	Private Costs
	-	-
243,170	85,110	158,060
416,234	145,682	270,552
	-	-
	-	-
59,852	20,948	38,904
5,699,958	1,994,985	3,704,973
569,996	199,499	370,497
6,989,210	2,446,224	4,542,986

Average annual user \$ rate for residential HH using 5,000 gallons/month: \$521.04

Notes on allowable and unallowable uses (NOT comprehensive):

per MN Statutes §446A.077 subdivision 4. Eligible uses:

An eligible recipient may use a grant provided under this program for:

- (1) removing and replacing lead drinking water service lines;
- (2) repaying debt incurred for the purposes described in clauses (1), (3), and (4);
- (3) providing information to residents on the benefits of removing lead service lines; or
- (4) performing necessary construction activities required for and associated with removing and replacing lead service lines.

MPFA LSLR grant agreements will limit eligible costs to direct expenditures related to LSLR project implementation or to LSLR program outreach to residents about the benefits of LSLR.

MPFA will not allow:

- Any overhead costs
- Work by individuals that are not directly involved in the LSLR program
- Preparation of grant/loan applications, or disbursement requests
- Post-completion audits or monitoring
- Travel/mileage, food
- Computers, phones, equipment
- General office supplies (except costs specifically for LSLR outreach)
- Rental payments for staff space or meetings

Cert 01 **Compliance Certification as to General Federal and State Laws, Rules, and Regulations**

As a condition of receiving funding, Recipients must comply with certain federal and state laws, rules and regulations, including but not limited to those identified in this certification which will be invoked as a condition of the MPFA loan in both the Bond Purchase and Project Loan Agreement and the General Obligation bond to be executed by the recipient.

Important: By signing this certification, applicant acknowledges that the MPFA Contract Packet, applicable State of Minnesota Prevailing Wages and Federal Davis Bacon Prevailing Wages, Build America, Buy America and American Iron and Steel contract language will be physically included in bid solicitations and incorporated into the contract(s) between the MPFA applicant and selected contractor(s).

Review the compliances and have the applicant's authorized representative sign and date this certification form.

- (1) Safe Drinking Water Act (P.L. 93-523).
- (2) Lead service lines must be replaced in their entirety.
- (3) National Environmental Policy Act (P.L. 91-190 (1970)); National Historic Preservation Act (P.L. 89-665 as amended, 80 Stat. 917 (1966)); Archeological and Historic Preservation Act (P.L. 93-291(1974)); Protection of Wetlands, Executive Order No. 11990 (1977), as amended by Executive Order No. 12608 (1997); Flood Plain Management, Executive Order No 11988 (1977), as amended by Executive Order No. 12148 (1979); Farmland Protection Policy Act (P.L. No 97-98 (1981)); Coastal Zone Management Act (P.L. 92-583 (1972), as amended); Coastal Barriers Resources Act (P.L. 97-378, 96 Stat 1653 (1982)); Wild and Scenic Rivers Act (P.L. 90-542, 82 Stat. 913 (1968)); Endangered Species Act (P.L. 93-205 (1973), as amended); Essential Fish Habitat Consultation Process under the Magnuson-Stevens Fishery Conservation and Management Act (P.L. 94-265 (1976), as amended) and; Clean Air Act Conformity (P.L. 95-95 (1977), as amended).
- (4) Title VI of the Civil Rights Act of 1964 (P.L 88-352), Section 13 of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. Sec. 1251), Section 504 of the Rehabilitation Act of 1973 (P.L. 93-1123, 87 Stat. 355, 29 U.S.C. Sec. 794), The Age Discrimination Act of 1975 (P.L. 94-135 Sec. 303, 89 Stat. 713, 728, 42 U.S.C. Sec. 6102), and subsequent regulations, ensures access to facilities or programs regardless of race, color, national origin, sex, age or handicap.
- (5) Federal Executive Order 11246, as amended by Executive Orders 11375 and 12086 and subsequent regulations. Prohibits employment discrimination on the basis of race, color, religion, sex or national origin. Inclusion of the seven clauses in Section 202 of E. O. 11246 as amended by E. O. 11375 and 12086 are required in all project related contracts and subcontracts over \$10,000.
- (6) Federal Executive Orders 11625, 12138 and 12432; 40 CFR part 33 Participation by Disadvantaged Business Enterprises in Procurement under Environmental Protection Agency (EPA) Financial Assistance Agreements; Section 129 of P. L. 100-590 Small Businesses Reauthorization & Amendment Act of 1988; Public Law 102-389 (42 U.S.C. 437d); a 1993 appropriations act ; Public Law 101-549, Title X of the Clean Air Acts.
- (7) Amendments of 1990 (42 U.S.C. 7601 note). Encourages recipients to award construction, supply and professional service contracts to minority, women's business enterprises (MBE/WBE's) and small businesses and requires recipients to utilize affirmative steps in procurement.

Cert 01 **Compliance Certification as to General Federal and State Laws, Rules, and Regulations**

- (8) Federal Executive Orders 12549 and 12689, Subpart C of 2 CFR Part 180 and 2 CFR Part 1532 entitled “Responsibilities of Participants Regarding Transactions (Doing Business with Other Persons).” Prohibits entering into contracts or sub-contracts with individuals or businesses that are debarred or suspended. Borrowers are required to check and keep a record of the status of all contractors (construction and professional services) and must require contractors to check and keep a record of the status of subcontractors for contracts expected to be equal to or over \$25,000 via this internet address below (or search the internet for System for Award Management):
[SAM.gov | Home](https://sam.gov)
- (9) Minnesota Statutes, Section 16C.285, responsible contractor requirement defined; subdivision 3 (6):
MPFA recipients must verify that contractors are not currently suspended or debarred by the federal government or the state of Minnesota or any of its departments, commissions, agencies, or political subdivisions that have authority to debar a contractor. See the website linked below:
[Suspended/Debarred Vendors / Minnesota Office of State Procurement \(mn.gov\)](https://mn.gov/suspended-debarred-vendors/)
- (10) 2 CFR part 200, Subpart F, which establishes audit requirements for state and local units of governments receiving federal funds.
- (11) 2 CFR part 200.216 which prohibits the use of certain telecommunications and video surveillances services or equipment.
- (12) 40 CFR Part 35, Subpart L, Section 35.3550(i) require Borrowers to maintain project accounts in accordance with generally accepted government accounting standards (GAAP), and to issue annual financial statements that include the reporting of infrastructure assets in accordance with GASB 34.
- (13) Section 504 of the Federal Rehabilitation Act of 1973, the Americans with Disabilities Act (ADA), Minn. Statutes 1990, Chapter 363 Minnesota Human Rights Act. Requires that all public spaces and programs be designed and constructed to be accessible to the physically handicapped.
- (14) The Recipient will post a physical sign at the project site during the construction phase to inform the public that the project funding was made available by the State of Minnesota and the Federal Infrastructure Investment and Jobs Act.
- (15) Section 1450(e) of the Safe Drinking Water Act (42 U.S.C. 300j-9(e)). Requires that all laborers and mechanics employed by contractors or subcontractors be paid wages at rates not less than those prevailing for the same type of work as determined by the U. S. Secretary of Labor in accordance with the federal Davis-Bacon Act (46 Stat. 1494; 40 U.S.C., sec. 276a through 276a-5). Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Davis-Bacon Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276c).
- (16) Minnesota Statutes, Section 181.59, Discrimination on account of race, creed, or color prohibited in contract.
- (17) The Safe Drinking Water Act, as amended by America’s Water Infrastructure Act of 2018 that requires all of the iron and steel products used in the CWSRF and DWSRF Projects are to be produced in the United States (“Use of American Iron and Steel Requirement”), unless (i) the Borrower has requested and obtained a waiver from the Environmental Protection Agency pertaining to the Project or (ii) the MPFA has otherwise advised the Borrower in writing that the American Iron and Steel Requirement is not applicable to the project.

Cert 01 **Compliance Certification as to General Federal and State Laws, Rules, and Regulations**

- (18) Federal Build America, Buy America (BABA): The Recipient is subject to the Buy America Sourcing requirements under the BABA provisions of the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117-58 §§70911-70917) unless the project has been granted a waiver from the EPA.
- (19) Minnesota Statutes, Section 471.345, Uniform Municipal Contracting Law.
- (20) Minnesota Statutes, Section 16C.285, Responsible Contractor Requirements. Solicitation documents must include the specified language for all contracts advertised after January 1, 2015.
- (21) Minnesota Statutes, Section 574.26 to 574.32, the Public Contractors' Performance and Payment Bond Act, as applicable.
- (22) Minnesota Statutes sections 176.181 – 176.182. Requires recipients and subcontractors to have worker's compensation insurance coverage.
- (23) Minnesota Statutes, sections 177.41 – 177.43 (prevailing wage rate law). Requires that contractors pay laborers and mechanics prevailing wages established by the Minnesota Department of Labor and Industry for public works projects. Contractors or subcontractors failing to comply may face civil or criminal penalties.
- (24) Minnesota Statutes 290.9705. Requires that 8 percent of payments made to out-of-state contractors be withheld once cumulative payments made to the contractor for work done in Minnesota exceed \$50,000 in a calendar year, unless an exemption is granted by the Department of Revenue.
- (25) Minnesota Statutes, Chapter 13, the Minnesota Government Data Practices Act.
- (26) Minnesota Statutes Chapter 363A, the Minnesota Human Rights Act.
- (27) Minnesota Statutes Sec. 363A.36 Subd. 1a, Minnesota Department of Human Rights' (MDHR) affirmative action plan. PFA Recipients are encouraged to prepare and implement an affirmative action plan for the employment of people with disabilities, people of color, and women, and submit the plan to the commissioner of Human Rights.
- (28) Minnesota Statutes Section 16B.98, subdivision 1. The recipient must agree to minimize administrative costs. For these LSLR agreements with the MPFA, no administrative costs will be allowed without prior MPFA approval.

see next page for the Certification

Cert 01 **Compliance Certification as to General Federal and State Laws, Rules, and Regulations**

CERTIFICATION:

The applicant certifies that it has or will comply with the above general federal and state laws and requirements. Additionally, the applicant will include the MPFA Contract Packet and applicable Davis-Bacon and Minnesota prevailing wages in bid solicitations and incorporate the MPFA Contract Packet into all construction contracts.

Applicant name:	Duluth
Signer Name:	
Signer Title:	
Signed by authorized official:	<i>Note: this form is not capable of digital signatures. To officially demonstrate approval of this certification, the official "signer" must send an email to the MPFA loan officer. Please copy-paste the subject line and body of the email from below:</i>

loan officer email: Peter.Bradshaw@state.mn.us

copy into email subject line:	MPFA SRF Application Forms, Certification 01
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copy into body of email:	<div>RE: Duluth -IUP Part A: 1690011-20 LSLR-Phase 8</div> <div>By this email I hereby certify that Duluth has or will comply with the requirements on MPFA's Cert 01-Compliance Certification as to General Federal and State Laws, Rules, and Regulations. Additionally, Duluth will include the MPFA Contract Packet and applicable Davis-Bacon and Minnesota prevailing wages in bid solicitations and incorporate the MPFA Contract Packet into all construction contracts.</div>
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Cert 02 [Compliance Certification as to Disadvantaged Business Enterprise \(DBE\) Required Procurement and Contract Conditions](#)

As a condition of receiving funding, Recipients must comply with federal requirements concerning DBEs (i.e. Minority and Women's Business Enterprises (M/WBE) and Small Businesses in Rural Areas (SBRA)) with respect to procurement activities and contracts. The required contract conditions (see the Contract Packet) must be physically included in all bidding and contract documents. Additional information is in the Guidance Document linked on the "ReadMe" sheet in this file.

GOOD FAITH EFFORTS:

MPFA recipients and their prime contractors must follow, document, and maintain documentation of their good faith efforts as listed below to ensure that Disadvantage Business Enterprises (DBEs) have the opportunity to participate in the project by increasing DBE awareness of procurement efforts and outreach. This applies to procurement for construction, equipment, supplies and services.

- (1) Ensure DBEs are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities; including placing DBEs on solicitation lists and soliciting them whenever they are potential sources.
- (2) Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitation for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.
- (3) Consider in the contracting process whether firms competing for large contracts could be subcontracted with DBEs. This will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.
- (4) Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.
- (5) Use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the U. S. Department of Commerce.
- (6) If the prime contractor awards subcontracts, require the prime contractor to take the steps in numbers 1 through 5 above.

see next page for the Certification

Cert 02 [Compliance Certification as to Disadvantaged Business Enterprise \(DBE\) Required Procurement and Contract Conditions](#)

CERTIFICATION:

The applicant certifies that it has or will comply with the above DBE procurement requirements.

Applicant name:

Signer Name:

Signer Title:

Signed by authorized official: *Note: this form is not capable of digital signatures. To officially demonstrate approval of this certification, the official "signer" must send an email to the MPFA loan officer. Please copy-paste the subject line and body of the email from below:*

loan officer email: Peter.Bradshaw@state.mn.us

copy into email subject line:

copy into body of email:

