



City Council Memorandum

To: Mayor Fasbender & City Councilmembers
From: City Administrator Dan Wietecha
Date: April 1, 2024
Item: PFAS Update

Council Action Requested:

Informational memo, no action requested at this time.

Background Information

Hastings has PFAS contamination (specifically PFOA and PFOS) in all six of our municipal wells. Recent epidemiology and understanding of the health impacts of PFAS and new regulatory standards pending from the EPA are expected to require the City to mitigate the PFAS from our drinking water.

Hastings has emphasized communication and transparency for the public:

- MDH presentation at City Council meeting 9/2022
- Dedicated page on City website: [PFAS | City of Hastings, MN \(hastingsmn.gov\)](https://www.hastingsmn.gov/pfas)
- Regular updates in Rivertown News, quarterly newsletter mailed to all residents
- Priority in City's Strategic Plan
- Presentation to Chamber of Commerce 12/2023
- Interview on KDWA 3/2024
- Recent news stories:
 - Star Tribune 7/2023: [Expecting new PFAS standards, Hastings officials wonder how they'll pay for water treatment project \(startribune.com\)](https://www.startribune.com/expecting-new-pfas-standards-hastings-officials-wonder-how-theyll-pay-for-water-treatment-project/)
 - Minnesota Public Radio 12/2023: [Cities grapple with costs of removing PFAS from drinking water | MPR News](https://www.mprnews.com/story/news/2023/12/cities-grapple-with-costs-of-removing-pfas-from-drinking-water/)
 - Bloomberg News 3/2024: [Regulation of PFAS Chemicals in Water Supply Strains City Budgets - Bloomberg](https://www.bloomberg.com/news/articles/2024-03-01/regulation-of-pfas-chemicals-in-water-supply-strains-city-budgets)
- MDH and MPCA have committed to a public neighborhood meeting within first month of official guidance from MDH or EPA (spring 2024, TBD)

In anticipation of several key milestones during spring 2024, we will increase our attention to communication and transparency by having “PFAS Update” as a standing agenda item on the first City Council meeting each month.

The City has actively been preparing for the new regulations by conducting a Feasibility Study to consider mitigation alternatives, receiving a \$3.2M PFAS Planning & Design Grant to design three new water treatment plants, and working with the MPCA on Phase I and Phase II environmental site assessments to identify potential sources and locations of PFAS contributing to groundwater contamination.

This is a \$68.9M project that would construct three water treatment plants to remove PFAS and nitrates from municipal drinking water, as well as connection of the Hastings Veterans Home to the City water system. The project is currently being designed through a grant. But for the money, this project is shovel ready. If we were to break ground this summer 2024, it would be completed in late 2027.

Key Updates

EPA Limits: In March 2023, the EPA announced draft maximum contaminant levels for PFOA and PFOS (both of which are present in all six of our wells). The MCL’s were expected to be official by the end of 2023, but it now appears that it will likely be in spring 2024. When the final MCL’s are official, they will require Hastings to mitigate the PFAS. It is expected that we will have three years to come into compliance.

The Hastings Veterans Home currently owns and operates a private well and water system. It has PFOA exceeding the draft EPA limit and will similarly be required to mitigate when the new MCL’s become official. Our project is designed to interconnect the City water supply to the Veterans Home to deliver safe drinking water for its residents and employees.

MDH and MPCA have committed to a public neighborhood meeting for Hastings residents within the first month of the EPA standards becoming official.

State Funding: The City has submitted PFAS Treatment & Raw Water Lines for consideration in the State’s 2024 Capital Budget due to the budget-busting expense, the fact that the treatment is to remove contamination/pollution caused by others, and the suddenness of new regulations preventing financial planning. Sen. Seeberger and Rep. Hudella have indicated support and introduced SF 3161 and HF 3115.

Since before the session, we have met with several key legislators and the Governor’s office to advocate for funding. We have repeatedly been told that the project should be reduced in scale (for example, by phasing it as one plant per year for three years) and potentially have additional financial contribution from the City.

We have hired a lobbyist Margaret Vesel of Larkin-Hoffman to assist us as we continue to meet with legislators. And we intend to continue meeting with elected officials and staff through the end of session in late May (the State Bonding Bill is typically at the end of session).

Other Funding:

In 2023, the City submitted the project for the State's Drinking Water Revolving Fund Project Priority List (PPL). We are presently (early May) correcting errors which will result in our ranking at or near the top of the list. Additionally, we will submit the project for the Intended Use Plan (IUP) in early June. Although the Drinking Water Revolving Fund is not our preferred funding source, it has the possibility of a \$3M grant (maybe \$9M if the project were broken into three phases).

Federal earmarks may be also an option to close a gap or fund a portion of the project. We will submit an application for Community Project Funding this spring.

Environmental Investigation:

At present we have two environmental investigations underway. The City has been working with the MPCA on Phase I and Phase II environmental site assessments; these are intended to review and hopefully narrow the possible sources of PFAS specific to the Hastings area and are showing promise. The Phase I ESA found a proprietary compound HQ-115/TFSI produced at 3M-Cottage Grove in one of the Hastings municipal wells. Updated mapping of the Minnesota Geologic Survey shows faults in the bedrock under the Mississippi River. The Phase II ESA is ongoing.

Additionally, based on the findings in the ESA, the MPCA has requested 3M to model its discharge specific to the Hastings area. 3M's modelling is scheduled for completion at the end of March, and we anticipate review of its results and meeting with MPCA and 3M by mid/late April.

It is possible that these studies will indicate need for additional investigation. If a direct connection is determined, we would presumably be eligible for funding through the 2018 Settlement and/or 2007 Consent Order, or through a new Superfund Settlement.

Financial Impact:

Not applicable

Committee Discussion:

Not applicable

Attachments:

Not applicable