



Update on Settlement Commitments, Disbursements and Planning for the future transition to Consent Order

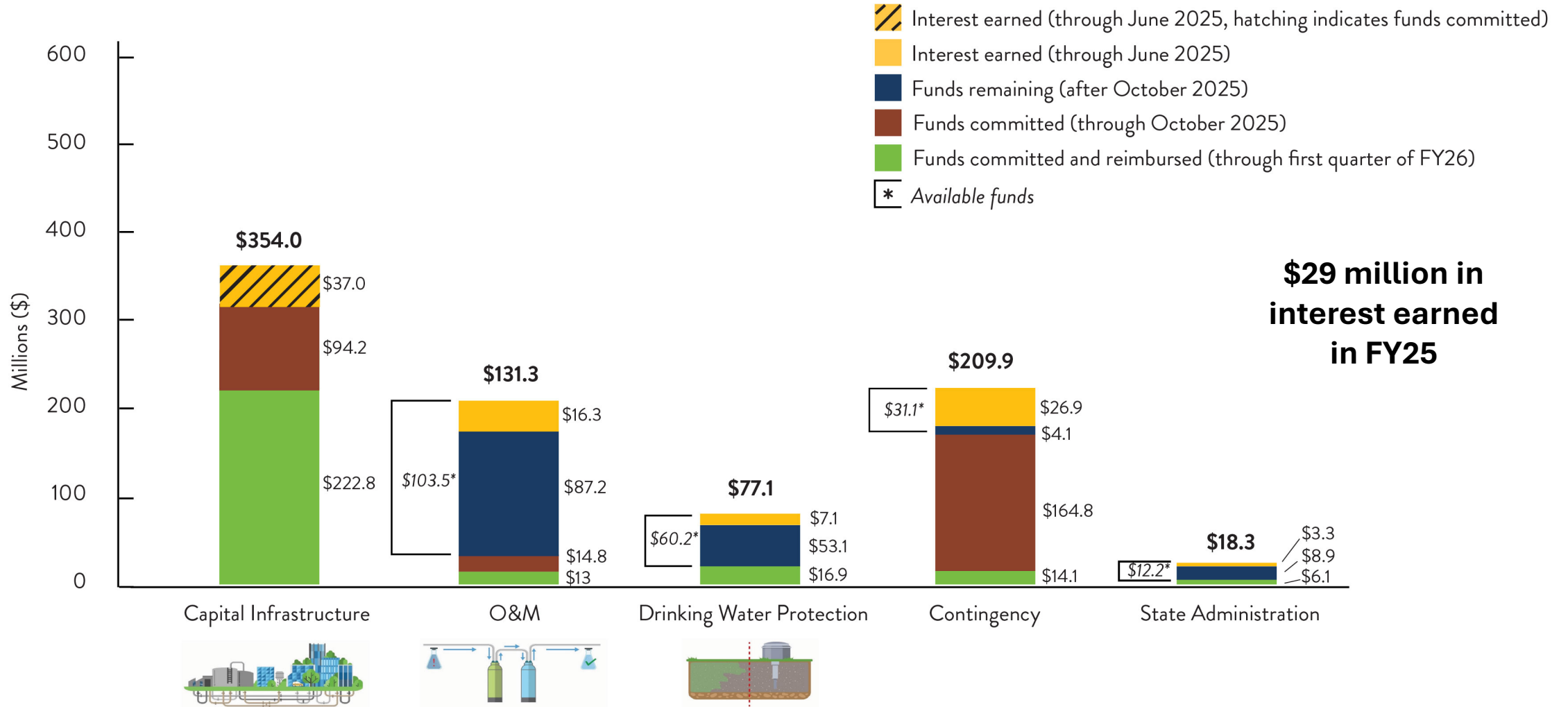
Emma Glidden-Lyon, Abt Global
3M PFAS Settlement Work Group Meeting
November 5, 2025

Agenda

- Current Commitments and Earnings
- Anticipated Commitments
- Fund Reallocation and Transition



Snapshot Status of Current Commitments (August 18, 2021 through October 2025)



Note: Capital Infrastructure Spending includes POETS

Awards in Progress in Fiscal Year 2026

(July 2025 through October 2025)

Project Name	\$M	Project Name	\$M
Cottage Grove Amendment to the Intermediate Zone Treatment Plant	\$0.3	Lake Elmo Wells 4 and 5 Siting Study	\$0.05
Cottage Grove Connections to City Water	\$0.3	Newport Amendment to the Feasibility Study	\$0.004
Lake Elmo Amendment to the South Area Production Wells and Treatment Plant	\$0.2	Oakdale Pipelines	\$0.5
		Woodbury Reduction on Pipeline Projects (2024)	-\$0.3
Total: \$1.0 million			

New
Awards in
Progress

Community Survey

- MPCA reached out to communities during the summer of 2025
- Questions were tailored for each community
- Collected information on project's estimated grant request date, completion date or length of grant, and total cost estimate
- Received a 100% response rate
- Feedback was used to better understand ongoing projects and refine MPCA projections of future Settlement needs

Anticipated Capital Awards through Fiscal Year 2026

(July 2025 through June 2026)

Project Name	\$M	Project Name	\$M
Cimarron Park WTP Final Design and Construction	\$9.0	Oakdale WTP Design and Construction	\$41.2
Cottage Grove Wells and Temporary Treatment Facility Decommissionings	\$1.5	Woodbury Communications Support 2026-2028	\$0.3
Hastings WTP Construction at Well 5	\$13.9	Woodbury Return from Sale of Land	-\$0.3
Lake Elmo South Area Production Wells WTP Preliminary Design and Site Acquisition	\$0.3	Woodbury Updated Cost Split 1 vs 2 WTP (6.5)	-\$6.5
Newport WTP Planning and Design	\$2.5	Woodbury Reduction on Pipeline Projects (2025-2027)	-\$5.0
Total Anticipated Grants: \$66.0 million*			

New
FY26
Projects

*Project costs are estimated based on information provided by the communities in the Annual Review survey. If no estimate was provided, we rely on internal best professional judgment. Project estimates are not the final award amounts

Anticipated O&M Awards through Fiscal Year 2026

(July 2025 through June 2026)

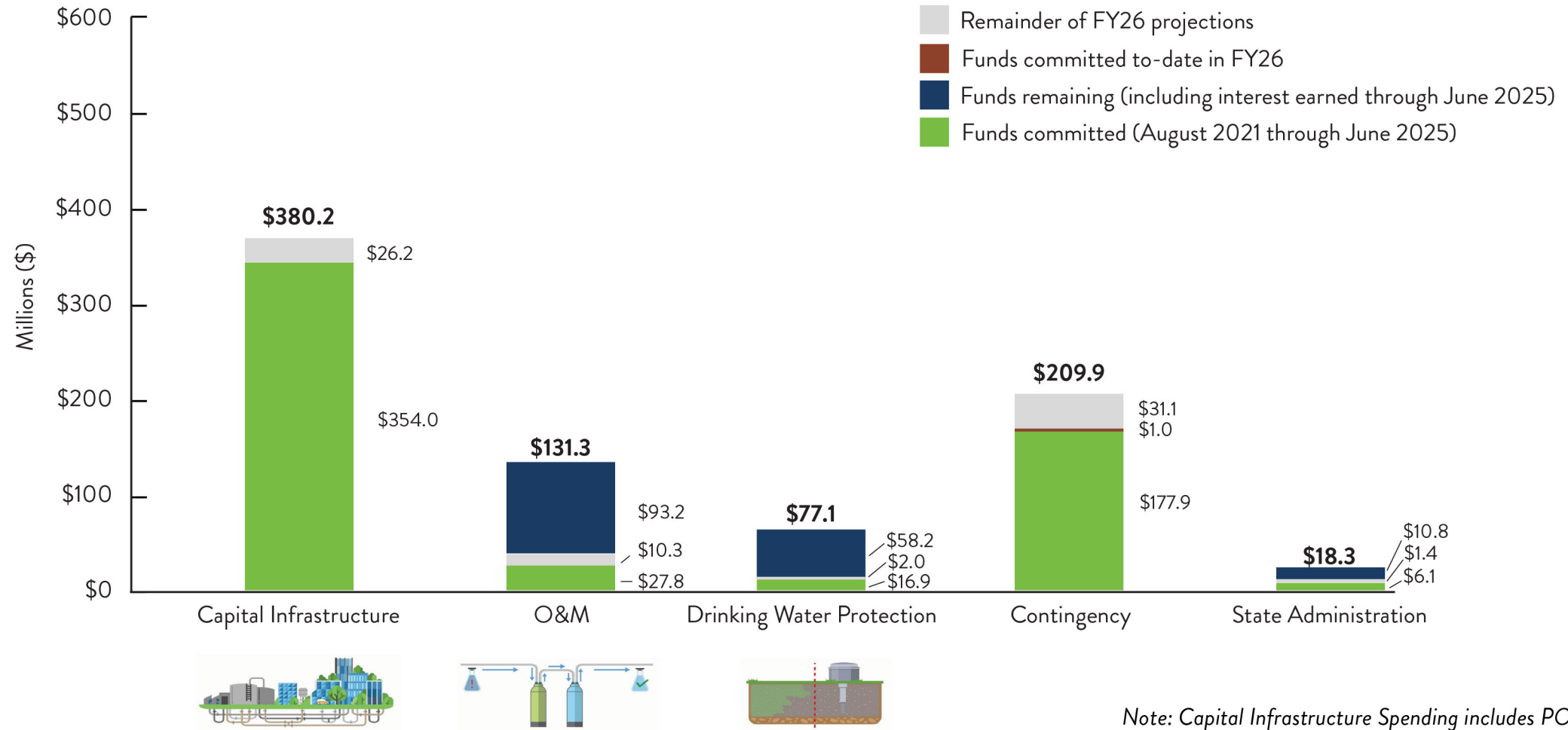
Project Name	\$M	Project Name	\$M
Cottage Grove	\$8.7	Lake Elmo (Well 2)	\$0.6
Total Anticipated Grants: \$10.3 million*			

New FY26
Projects

*Project costs are estimated based on information provided by the communities in the Annual Review survey. If no estimate was provided, we rely on internal best professional judgment. Project estimates are not the final award amounts

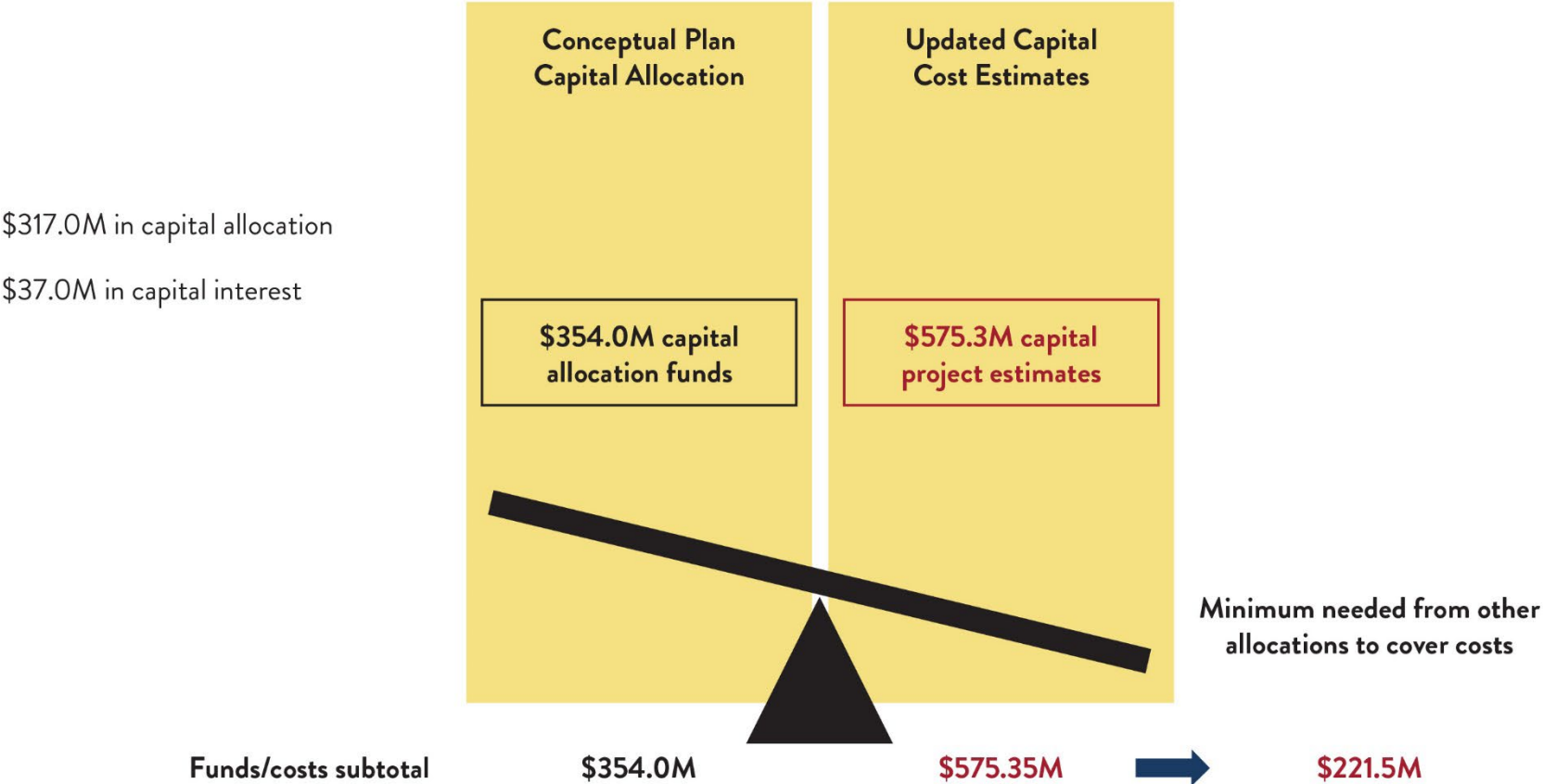
Funds Committed and Projected through Fiscal Year 2026

(July 2025 through June 2026)



Capital Allocation versus Cost Estimates Through Fiscal Year 2026

(July 2024 through June 2026)

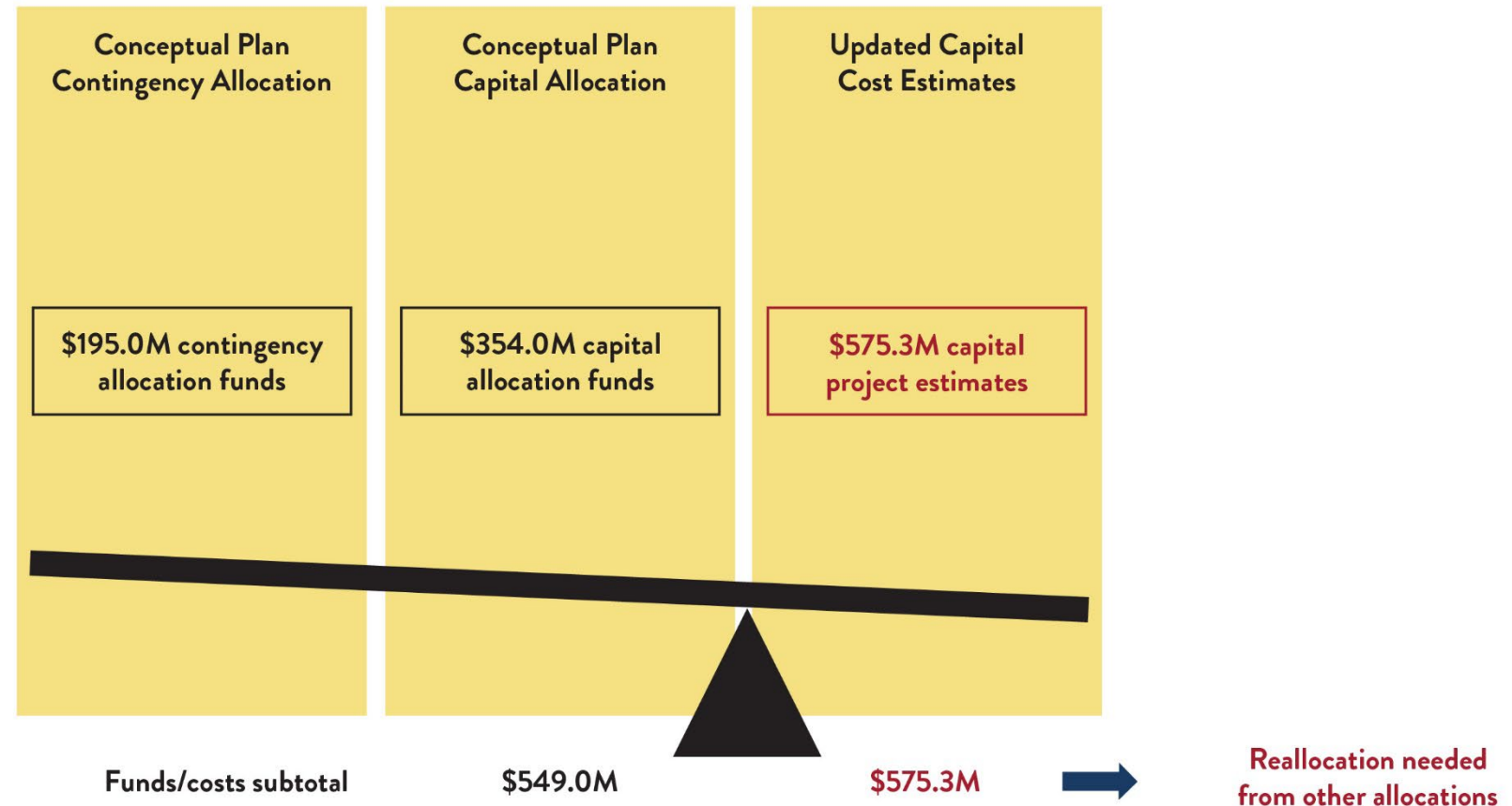


These are estimates for discussion purposes only

Capital & Contingency Allocations versus Cost Estimates through Fiscal Year 2025

(July 2024 through June 2025)

\$168M in contingency allocation
\$26.9M in contingency interest
(\$9.8M in FY25)
\$317M in capital allocation
\$37.0M in capital interest (\$10.7M
in FY25)



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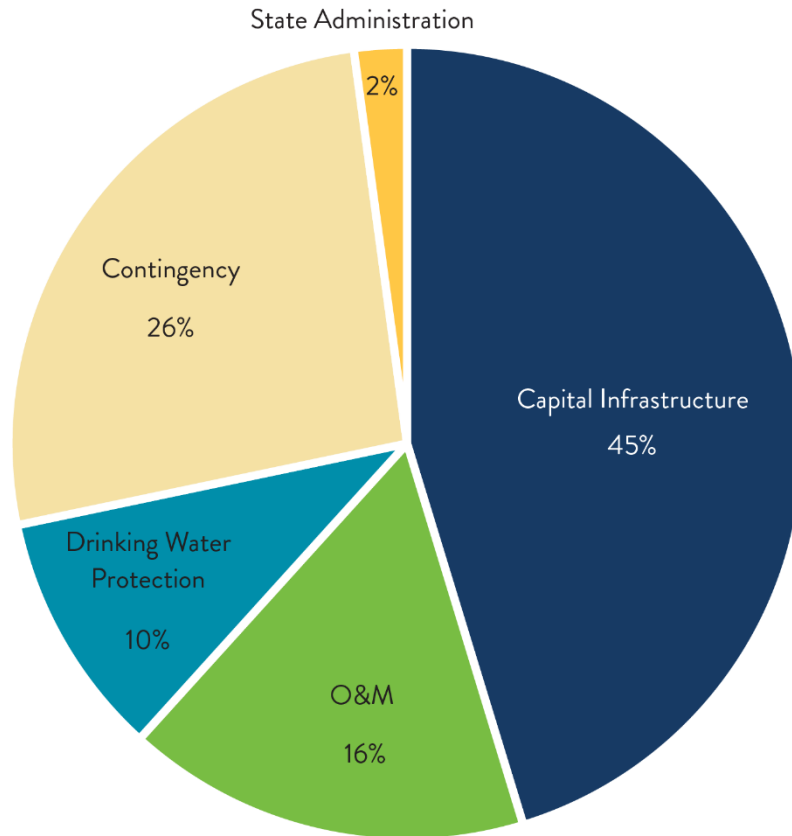
Fund Reallocation Discussion

- Based on current projections, a reallocation will likely be needed in Fiscal Year 2026

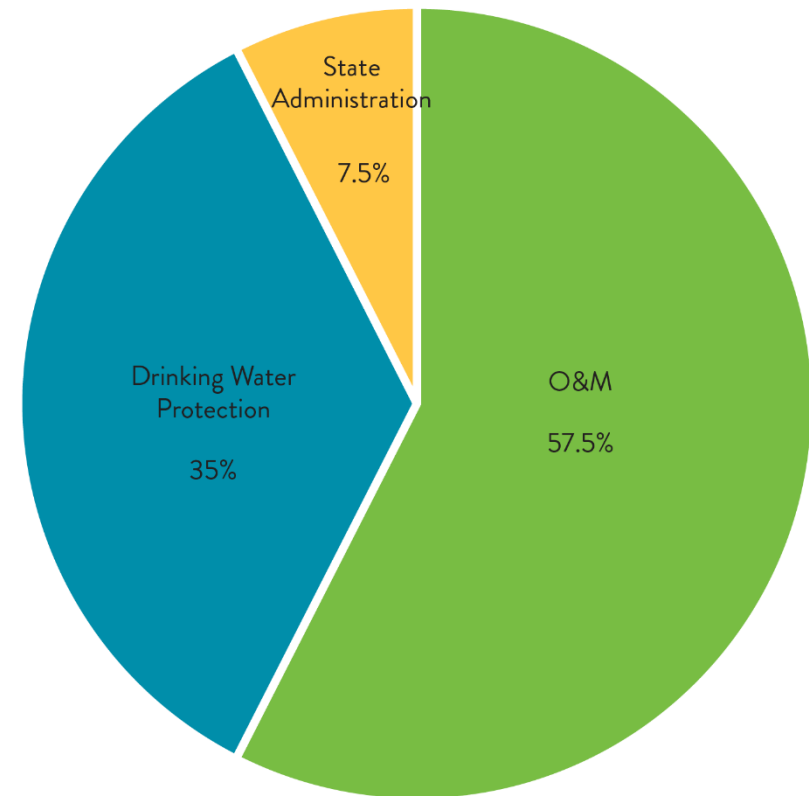
Reallocation approach **for this year**: The Co-Trustees intend to use funds from the Operations & Maintenance (O&M), Drinking Water Protection, and State Administration allocations to cover these additional expenses. The reallocations from these accounts will be made in proportion to the original distribution percentages, ensuring that the funding structure remains balanced and consistent with past allocations.

Reallocation Percentages

Original Allocation Percentage



Percent of Reallocation Needed after Contingency is Applied (\$26M)



Fund Reallocation Discussion for Fiscal Year 2026

(July 2025 through June 2026)

Fund Category	Anticipated Commitments FY26	Commitments Above Available Funds	Reallocation Contribution	Funds Remaining After FY26
Capital	\$58,264,000	\$58,264,000	-	\$0
Contingency*	\$0	-	\$32,081,000	\$0
Drinking Water Protection	\$2,000,000	-	\$9,164,000	\$49,829,000
O&M	\$10,295,000	-	\$15,055,000	\$78,561,000
State Administration	\$1,410,000	-	\$1,964,000	\$9,207,000
Sum	\$71,969,000	\$58,264,000	\$58,264,000	\$137,597,000

*Note that using funds from the Contingency Allocation does not require a reallocation. It is included in this column as a simplification.

Anticipated Capital Awards after Fiscal Year 2026

(July 2026 and onward)

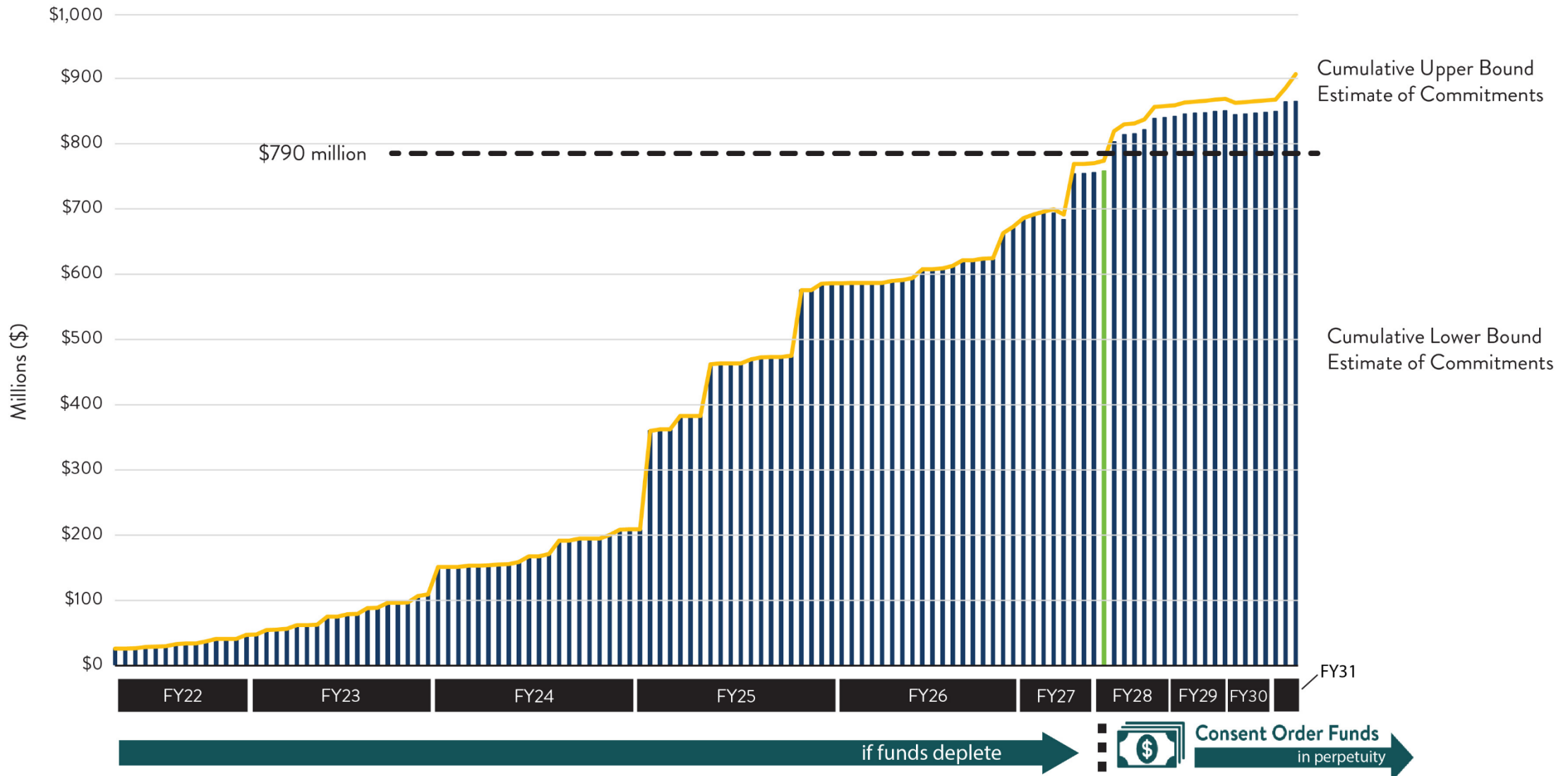
Capital Projects
Cottage Grove Decommissioning of Intermediate and High Zone Temporary Treatment Facilities
Eagles Watch Water Treatment Plant
Lake Elmo South Area Production Wells Water Treatment Plant/Piping 100% Design and Construction
Lake Elmo Wells 4 and 5 Water Treatment Plant/Piping Design and Construction
Lakeland Residential Well Improvements and Potential Water Treatment Plant (as needed based on sampling results)
Newport Well/Water Treatment Plant
Oakdale Sealing of Wells
Prairie Island Water Treatment Plant
Woodbury Additional Costs for Water Treatment Plant
Woodbury Decommissioning of Temporary Treatment

Transitioning to the 2007 Consent Order

Co-trustee's key assumptions include:

- Use community data and best estimates to show a range in the timing of the transition
- The point of transition from the Settlement to the 2007 Consent Order is when funds are committed (i.e., grant awards)
- Future interest is not included in the estimates of timing given uncertainty of interest
- Estimates of future O&M, Drinking Water Protection, and State Administration spending are included

Lower and Upper Bound of Estimated Funding Needs



Next Steps

- We continue to track the funding as it is committed and communities update estimates
- When allocations run out of funding, drinking water activities would revert to being reimbursed by 3M under the 2007 Settlement Agreement and Consent Order (2007 Consent Order)
- Continued mediation with 3M

Discussion