

# Bonding Request Fact Sheet

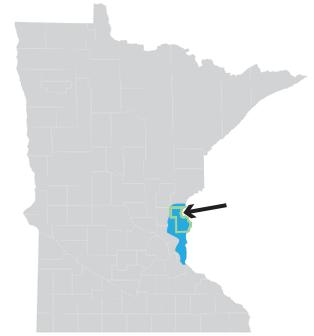
## Shorewood Park Sanitary District

### The request

- **\$900,000.00** to assist in funding construction to extend the Shorewood Park Sanitary District (SPSD) to add 20 existing lakeshore homes and several development lots to the existing community sewer system.
- **\$1,000,000.00** to construct and equip upgrades to and expansion of the sewage treatment pond to (a) accommodate sewage from 120 or more homes; (b) meet recent federal and state regulatory changes relative to sewage discharge; and (c) allow for future extensions of the sewer district.

### Location

- The project is located in the **Lower St. Croix River Watershed** on the eastern shore of East Rush Lake in Chisago County. (Rush Lake is comprised of two lakes, East and West, connected by a small channel. All references in this document refer to both lakes unless otherwise specified.)
- Rush Lake **feeds directly into the St. Croix River** through Rush Creek, its major outlet. See the attached map for location details.



### Significance and need

- This project is **critical to the water quality of the St. Croix River** due to failing and noncompliant private septic systems that are impairing the water quality of Rush Lake.
- Due to the lake's **impact on the St. Croix and Mississippi rivers**, improving Rush Lake will benefit the entire southeastern border region of Minnesota. This includes much of the metro area, east-central, and southeastern Minnesota. **These legislative districts will receive a direct benefit** if this project is completed: 21A/B, 28A/B, 32A/B, 39A/B, 54B, and 58B.
- Rush Lake is the **largest lake in the I-35 corridor** between Forest Lake and Lake Superior and is one of the major fishing and recreational lakes close to the north metro area. The lake is also popular for swimming, boating, water skiing, personal watercraft, and watersports of all kinds. The public boat launches are filled with visitors from the Twin Cities and a wide area of Minnesota all summer.
- The lake is a popular multispecies fishing destination year-round, with several ice fishing and summer fishing tournaments held every year, including **Minnesota Student Angler Federation high school fishing tournaments** and practices.
- Rush Lake and Rush Creek have been **on the MPCA's Inventory of Impaired Waters** since 2002, due to nutrient load and elevated phosphorus levels. In 2010 a finding of **unacceptable E. coli levels** was added for Rush Creek. Removing private septic systems from the lakeshore is essential to reversing these conditions before the lake is unsafe for swimming, as well as to preserving recreational resources in the lake and the St. Croix River.
- Rush Lake is **No. 36 on the MPCA's 2021 Project Priority List** of 231 most critical projects.
- Completing the SPSP expansion is the key first step toward a full restoration of Rush Lake. Over time hundreds of homes in other neighborhoods around the lake could eventually hook up to community systems—thus eventually **eliminating a major hazard to the Lower St. Croix River Watershed**.

### Background

- The Shorewood Park Sanitary District is a community sewer system established in 1982 on the eastern shore of East Rush Lake. It currently serves just under 100 homes.
- The original purpose of the SPSP was to assist in improving the water quality of Rush Lake by **eliminating failing septic systems** and **reducing sewage discharge into the lake**. The community sewer system has successfully accomplished this mission for over three decades.

- The SPSD has been recognized for **outstanding work protecting water quality** in Minnesota, including receiving several Wastewater Treatment Facility Operation Awards from the MPCA. This award goes to wastewater treatment facility operators that maintain a perfect record of permit compliance. To be eligible, facilities must demonstrate consistent compliance and employ staff certified by the MPCA.
- In 2018, about 20 homeowners on the eastern shore of East Rush Lake began efforts to expand the sewer system to include their homes. This would allow closure of their private septic systems and **eliminate the sewage from their homes from entering the watershed.**
- The land where the homes are situated on the lakeshore was formally annexed into the SPSD in March 2020. Many of these homes' septic systems were **tagged as noncompliant** during inspections conducted by the Chisago County Department of Environmental Services.
- To date \$100,000.00 in **local monies have been expended** for legal and engineering fees to get the project started, as follows:
  - \$40,000.00 paid in aggregate by the 20 homeowners themselves; and
  - \$60,000.00 expended by the SPSD by borrowing from their reserve fund.
- As a result of these efforts, the project is now **shovel ready** and **bids are on file.**
- **Construction could begin this spring** if the remaining monies can be obtained through state appropriation during the 2021 legislative session.
- This project is of a size and scope that can be accomplished by smaller local contractors, **creating local jobs.** Some of the contractors who bid have been idled due to COVID and are **ready to start.**
- The project **could be completed by the end of summer,** with improvement in water quality beginning soon after.

### Bridging the funding gap

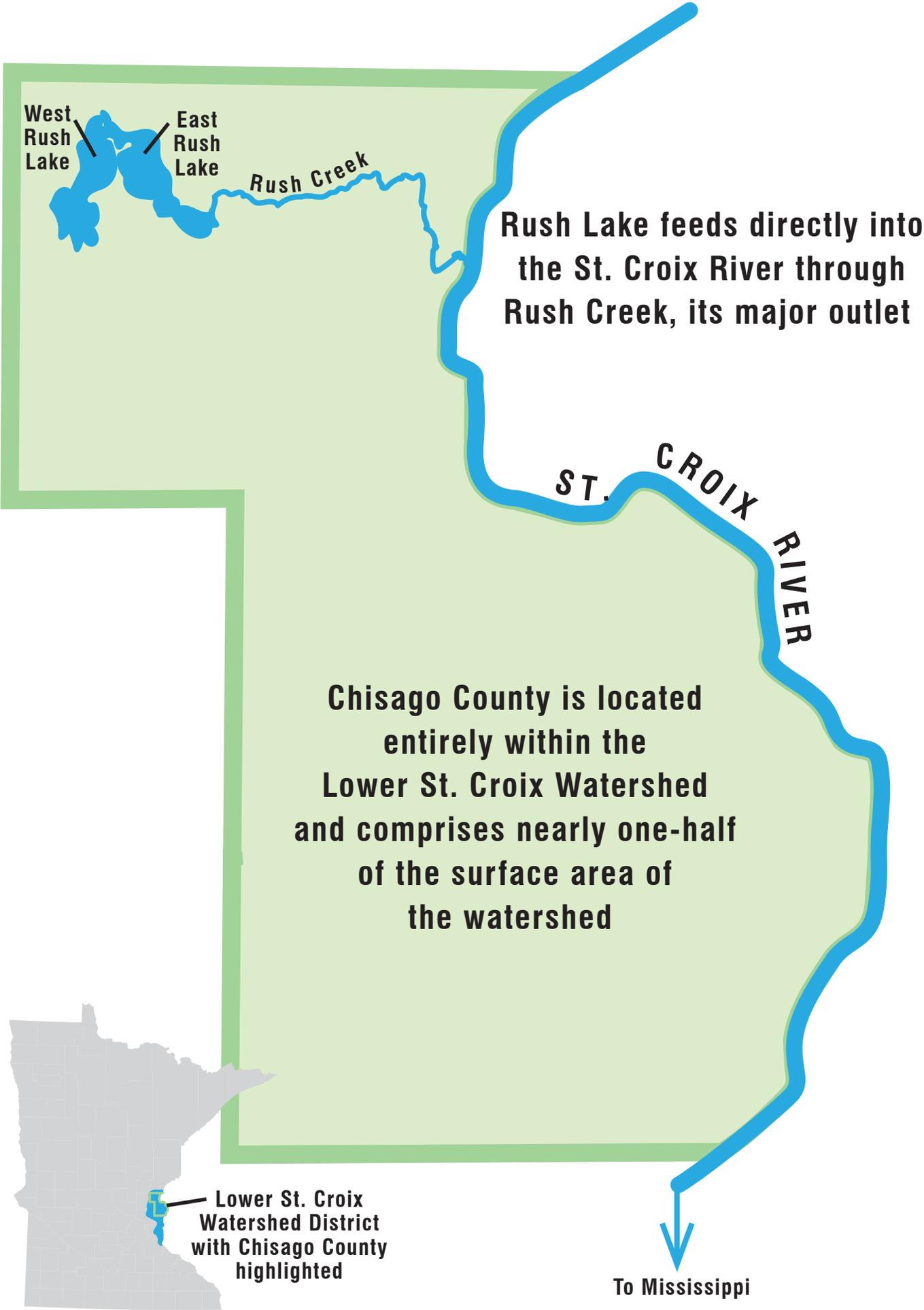
- This critical project is cost prohibitive and **cannot proceed without outside funding.**
- Absent an outside funding source, the current expense to each property owner would exceed \$40,000.00 to extend the sewer system to include their homes. Homeowners and the local community **cannot absorb the immense cost** to move forward and complete the construction.
- If the project has to be abandoned due to lack of funding, the property owners will still be responsible for the monies already expended for engineering and design, with **no end benefit to them or to Minnesota waters as a whole.**

### Companion community efforts underway

- In November 2020, Chisago County joined the Lower St. Croix Comprehensive Watershed Management Plan, a cooperative effort with Isanti, Anoka, Washington, and Pine counties aimed at improving surface and groundwater quality and protecting and restoring upland and wetland habitat by providing technical assistance to landowners.
- In January 2021, Chisago County committed funds received from the Minnesota Board of Water & Soil Resources, as follows:
  - \$250,000 to the Chisago Soil & Water Conservation District for phosphorus reduction projects targeting nutrient impairment of Rush Lake and neighboring Goose Lake.
  - \$250,000 to the Chisago Soil & Water Conservation District for phosphorus and sediment reduction projects affecting the St. Croix River and Lake St. Croix.
- The Shorewood Park Sanitary District expansion will **serve to enhance** these larger community efforts.

### Informational sources

- **Lower St. Croix River Watershed Monitoring and Assessment Report:** <https://www.chisagocounty.us/DocumentCenter/View/4314/Lower-St-Croix-River-Watershed-Monitoring-and-Assessment-Report?bidId=>
- **Minnesota Impaired Waters List:** <https://www.pca.state.mn.us/water/minnesotas-impaired-waters-list>
- **MPCA 2021 Project Priority List:** [https://mn.gov/deed/assets/cw-project-priority-list\\_tcm1045-274267.pdf](https://mn.gov/deed/assets/cw-project-priority-list_tcm1045-274267.pdf)
- **Chisago County Water Quality Monitoring Report:** <https://mn-chisagocounty.civicplus.com/DocumentCenter/View/14864/2019-Chisago-County-Lake-Water-Quality-Monitoring-Report-PDF>



## Proposed amendment to language of bill

(Proposed changes **highlighted**)

### **HF 176 and SF 139**

A bill for an act

relating to capital investment; appropriating money to extend the Shorewood Park Sanitary District sewer system on Rush Lake and expand treatment facilities in Chisago County **for the purpose of reducing polluted effluents and improving water quality in the Lower St. Croix River Watershed**; authorizing the sale and issuance of state bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

#### Section 1. **SANITARY SEWER SYSTEM EXPANSION AND IMPROVEMENTS; CHISAGO COUNTY.**

Subdivision 1. **Appropriation; expansion of sewer system.** \$900,000 is appropriated from the bond proceeds fund to the Public Facilities Authority for a grant to Chisago County to predesign, design, and construct an extension of the Shorewood Park Sanitary District sewer system to 20 **existing homes plus several vacant homesites in the Lower St. Croix River Watershed** on Rush Lake. This appropriation is not available until the commissioner of management and budget determines that sufficient resources have been committed from nonstate sources to complete the project.

Subd. 2. **Appropriation; treatment pond.** \$1,000,000 is appropriated from the bond proceeds fund to the Public Facilities Authority for a grant to Chisago County to acquire property and to predesign, design, construct, furnish, and equip a sewage treatment pond in Chisago County **to serve over 120 homes in** the Shorewood Park Sanitary District sewer system. This appropriation is not available until the commissioner of management and budget determines that sufficient resources have been committed from nonstate sources to complete the project.

Subd. 3. **Bond sale.** To provide the money appropriated in this section from the bond proceeds fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$1,700,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

**EFFECTIVE DATE.** This section is effective the day following final enactment.