



Proposed Infrastructure Improvements

Goal: **Address Water/Wastewater needs**

Bonding Request: \$16.5M

Total Project Cost: \$33M

Current RD Project: \$23.8M

- \$7.2M in grants

The Problem

- The City's wastewater treatment ponds are overloaded and above capacity due to high infiltration and inflow (I/I). This issue has created concerns about damage to homes and businesses, violations to MPCA standards, and the future growth of the community. Reducing I/I will require the replacement or lining of virtually all deteriorating clay sewer lines and services.
- The City has one lift station that is failing and another in need of major rehabilitation.
- The City is ranked #9 on the 2023 Clean Water Project Priority List (PPL) but is tied for 5th with 88 points.
- The City does not have a water treatment facility. The only source of treatment for the drinking water is chlorine and fluoride addition at the City's primary well. The drinking water has levels of manganese and iron that are creating odor, taste and discoloration issues. Manganese is above Health Risk Advisory levels for sensitive populations.
- The City's water tower is over 100 years old and is undersized for the community's needs and safety.
- The City's storm sewer system is dramatically undersized, leading to localized flooding and property damage.
- High water tables and numerous sump pumps leads to excessive pumping onto streets and properties, and into the sanitary sewer system.
- The City's water distribution system has portions that are undersized, needing looping/redundancy and/or in poor condition.
- Streets are old and failing, and will be significantly affected by underground infrastructure repairs and reconstruction.

The Solution

The City completed a Preliminary Engineering Report (PER) that identified approximately \$33M of needs for the community of about 875 people. The City worked closely with USDA-Rural Development (RD) to identify funding alternatives and affordability. This led to a proposed \$23.8M project that includes \$7.2M of RD and PFA Grants, \$1.1M in non-eligible costs, and \$15.5M in long-term loans that have been obligated by RD. The City is proceeding with this project; however, this still leaves the City with the financial strain of \$16.6M in loans as well as leaving over \$9M of identified needs unfunded. The City is requesting consideration of funding to address this \$25M+ gap.

The Project

- Reconstruction of sanitary sewer, water distribution, storm sewer and related street infrastructure for most areas with clay sanitary sewer. Sewer lining is typically proposed where other utility and street infrastructure is in good condition.
- Replacement of one lift station and rehabilitation of the main lift station.
- Upgrades to the wastewater ponds to meet operational and regulatory needs and requirements.
- Rehabilitation of the two existing water wells
- Improvements **not** addressed by RD due to funding limitations include:
 - Water tower rehab and additional storage
 - Water treatment facility
 - Several infrastructure replacement/rehabilitation project areas with lower priorities
 - Raw water main for well rehabs
 - Some wastewater treatment facility and lift station upgrades above and beyond those needed for short-term operations and maintenance