

**Environment and Natural Resources Trust Fund  
2011-2012 Request for Proposals (RFP)**

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**LCCMR ID: 215-H**

**Project Title:** Lake Vermilion State Park Development - Revenue Bonds

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**Category:** H. Other Ideas

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**Total Project Budget:** \$ \$15,000,000

**Proposed Project Time Period for the Funding Requested:** 2 yrs, July 2011 - June 2013

**Other Non-State Funds:** \$ 0

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**Summary:**

Initiate Phase 1 development of Lake Vermilion State Park, providing recreation and outdoor education opportunities to the public through development of campgrounds, day use facilities, trails and public water access.

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**Name:** Courtland Nelson

**Sponsoring Organization:** DNR

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**Location**

**Region:** NE

**Ecological Section:** Northern Superior Uplands (212L)

**County Name:** St. Louis

**City / Township:** City of Tower/Breitung Township

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_____ Funding Priorities	_____ Multiple Benefits	_____ Outcomes	_____ Knowledge Base
_____ Extent of Impact	_____ Innovation	_____ Scientific/Tech Basis	_____ Urgency
_____ Capacity Readiness	_____ Leverage	_____ Employment	_____ TOTAL _____%

# 2011-2012 MAIN PROPOSAL

## PROJECT TITLE: Lake Vermilion State Park Development

### I. PROJECT STATEMENT

With the creation of the first major new state park in Minnesota in 30 years, we have the opportunity today to design and develop an innovative, “next generation” state park for the 21<sup>st</sup> century that will capitalize on the natural and cultural assets of the area. This flagship state park will meet the demands of today’s customers by providing for new recreational and outdoor educational opportunities while preserving the pristine natural resources and important cultural values of the area.

Lake Vermilion, an icon of Minnesota’s northern lake country, is the fifth largest lake in Minnesota, encompassing 40,000 acres of water, 365 islands, and 340 miles of shoreline. The goal for development of Lake Vermilion State Park is to provide new nature-based recreational opportunities that utilize the wealth of Lake Vermilion’s high-quality natural and cultural resources to better engage a diverse and changing public, cultivating a stewardship ethic in tomorrow’s leaders. Park development would include infrastructure development, campgrounds and day use facilities, and recreational access.

This next generation park will help to fulfill the Minnesota State Park System’s mission defined in M.S. 86A.04, Subd. 2, which states:

“A state park shall be established to protect and perpetuate extensive areas of the state possessing those resources which illustrate and exemplify Minnesota’s natural phenomena and to provide for the use, enjoyment, and understanding of such resources without impairment for the enjoyment and recreation of future generations.”

This is a proposal to use a portion of the proceeds of the Environment and Natural Resources Trust Fund (ENTF) to support \$15.0 million in revenue bonds to design and construct capital projects as allowed under M.S. 116P.08, Subd. 1(5), which states that money in the trust fund may be spent for “capital projects for the preservation and protection of unique natural resources.” Under this proposal, a portion of the growth of the ENTF annually available would be used to pay off the bonds over time. Annual appropriations would be made from the ENTF to the commissioner of Minnesota Management and Budget (MMB) a sum sufficient to make required debt service payments. MMB estimates the first fiscal year payment will be \$1,147,500 in FY2012, with an average annual payment of \$1,111,776 through 2031.

### II. DESCRIPTION OF PROJECT ACTIVITIES

A park master plan process and resource assessment will begin as soon as park acquisition is assured and permission to be on site is obtained. This process will determine the scope and general locations suitable for park development. Some adjustment to the development as outlined in the below activities is anticipated. Significant changes to the proposed activities will be presented to LCCMR for approval.

#### Activity 1: Infrastructure design and development

Design and develop utilities, roads, and support facilities to allow substantial public use of the park. Full consideration will be given to accommodate future phases of development. Design plans will also be prepared for the next phase of development to facilitate accurate cost estimates and immediate development of phase II once funds are allocated.

<b>Outcome</b>	<b>Completion Date</b>
1. Roads and parking	09/2013
2. Utilities, vault toilets	09/2013
3. Contact station, shop and storage facility	09/2013
4. Design for future facilities	09/2013

### **Activity 2: Campgrounds and day use facilities**

Design and develop boat-in campsites, a primitive group camp, and Phase 1 campground development.

<b>Outcome</b>	<b>Completion Date</b>
1. Campground	09/2013
2. Boat-in campsites	09/2013
3. Group camp	09/2013

### **Activity 3: Recreational access**

Design and develop a public water access incorporating best management practices for storm water control. Provide several docks to serve visitors from the lake. Develop six to eight miles of trails within the park and connect to Soudan Underground Mine State Park. Connect to Taconite State Trail. Coordinate development of the Mesabi regional trail through the park.

<b>Outcome</b>	<b>Completion Date</b>
1. Water access, docks	09/2013
2. Trails	09/2013
3. Regional trail connections (if allowable)	09/2013

## **III. PROJECT STRATEGY**

### **A. Project Team/Partners**

Lake Vermilion Task Force, Breitung Township, City of Tower, Minnesota Department of Transportation, Stuntz Bay Boathouse Association, Bois Fort Band of Chippewa, Lake Vermilion Homeowners Association

### **B. Timeline Requirements**

A majority of the work will be completed within 27 months. Construction of some elements may require a full 36 months due to site conditions or obstacles unknown at this time.

### **C. Long-Term Strategy and Future Funding Needs**

Development of Lake Vermilion State Park is anticipated to occur over a six year period. Final phasing, schedule and budget will depend on the outcome of the park master plan process and timing of fund allocations.

## 2011-2012 Detailed Project Budget

### INSTRUCTIONS AND TEMPLATE (1 PAGE LIMIT)

*Attach budget, in MS-EXCEL format, to your "2011-2012 LCCMR Proposal Submit Form".*

*(1-page limit, single-sided, 10 pt. font minimum. Retain bold text and DELETE all instructions typed in italics. ADD OR DELETE ROWS AS NECESSARY. If a category is not applicable write "N/A", leave it blank, or delete the row.)*

#### IV. TOTAL TRUST FUND REQUEST BUDGET [*Insert # of years for project*] years

<b>BUDGET ITEM</b> <i>(See list of Eligible &amp; Non-Eligible Costs, p. 13)</i>	<b>AMOUNT</b>
<b>Phase 1 Development of Lake Vermilion State Park.</b> Development includes professional services for design, construction administration, and other professional services. Some of this work will be done in house by MN/DNR facilities/engineering staff and will be billed by an hourly professional services rate. All other work will be done by outside consultants selected according to statute and Minnesota Management and Budget policies. Various contracts will be let for development of the park facilities to meet project staging, efficiency and scope of work needs.	\$ 15,000,000
<b>TOTAL ENVIRONMENT &amp; NATURAL RESOURCES TRUST FUND \$ REQUEST</b>	\$ 15,000,000

#### V. OTHER FUNDS

<b>SOURCE OF FUNDS</b>	<b>AMOUNT</b>	<b>Status</b>
<b>Other State \$ Being Applied to Project During Project Period:</b> <i>A portion of the 2008 bond funds for Lake Vermilion State Park are expected to be spent for some initial site development work such as highway access and limited road, day use and utility work. Some of this work will extend into FY2012.</i>	\$500,000	<i>Secured</i>
<b>Funding History:</b> M. L. 2008 Chapter 365 (sec. 2) Bond to the Department of Natural Resources for Lake Vermilion State Park Acquisition and Development	\$20,000,000	

## **Trust Fund 2010 Project Proposal**

### **Project Title: Lake Vermilion State Park Development**

#### **Qualifications**

As Director of the Division of Parks and Trails, Courtland Nelson oversees all aspects of the divisions efforts in planning, acquiring, protecting, restoring, developing and operating state parks, state trails, water recreation and other division programs. Nelson was appointed as the Director of Parks and Recreation in 2004 which recently became the division of Parks and Trails. He has served similar roles in Utah and Arizona since 1987.

#### **Organization Description**

The Minnesota Department of Natural Resources (DNR)'s mission is to work with citizens to conserve and manage the state's natural resources, to provide outdoor recreation opportunities, and to provide for commercial uses of natural resources in a way that creates a sustainable quality of life. The department consists of several divisions based on the state's natural resources, such as Fish and Wildlife, Forestry, Lands and Minerals, Parks and Trails, and Ecological Resources and Waters, as well as four regions and four support bureaus.

The Division of Parks and Trails operates 66 state parks, 7 state recreation areas, 591 miles of surfaced state trail, 1610 water access sites, 30 water trails and 9 state waysides throughout Minnesota. Minnesota Parks and Trails vision is: to create unforgettable park, trail, and water recreation experiences that inspire the public to pass along the love for the outdoors to the next generation.

