<table>
<thead>
<tr>
<th>Project Title</th>
<th>Agency Project Request for State Funds ($ by Session)</th>
<th>Governor’s Recommendations 2006</th>
<th>Governor’s Planning Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2006</td>
<td>2008</td>
<td>2010</td>
</tr>
<tr>
<td>Minneapolis/St. Paul Interconnection</td>
<td>1</td>
<td>$10,000</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Total Project Requests</strong></td>
<td>$10,000</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>
2006 STATE APPROPRIATION REQUEST: $10,000,000

AGENCY PROJECT PRIORITY: 1 of 1

PROJECT LOCATION:

Project At A Glance

This project would provide a $10 million state grant to help fund an interconnection between the Minneapolis and St. Paul drinking water systems, providing backup water in case malicious or natural actions cause a water loss for either system.

Project Description

The Twin Cities area is the economic hub for the state, and water system security is a high priority. A water system shutdown for Minneapolis or St. Paul would cause immense personal, business, and industrial consequences and an economic disaster for the region. A shutdown could be caused by subversive action, natural disaster, chemical contamination, as well as an extraordinary system failure.

The Minneapolis and St. Paul systems are well designed and operated, but an interconnection provides backup and redundancy should one of the systems become totally or partially inoperative. The need for an interconnection has been acknowledged since the 1930s, but recently the risks have become compelling and agreement has been reached on a solution.

- The Department of Homeland Security places a high priority on water system security. The Environmental Protection Agency strongly encourages interconnections between systems.
- An interconnection would provide emergency water storage and a backup water supply.

$30 million construction costs would be paid for through the $10 million state grant combined with $20 million split between the two utilities. No follow-up state operations and maintenance costs would be incurred.

- Water failures can have malicious, natural, or accidental origins.
  - Accidental or malicious origins include infrastructure destruction, spills, and contamination.
  - Natural causes include flooding, drought, and fire.
- An interconnection would consist of two large diameter transmission pipes, providing water circulation. They would connect to a reservoir, allowing each city to supply and withdraw water.

Impact on Agency Operating Budgets (Facilities Notes)

There would be no impact beyond what would be managed through normal operations.

Previous Appropriations for this Project

None

Other Considerations

- Minneapolis and St. Paul Water Systems Serve 1,020,000 Residents In:
  - Arden Hills
  - Bloomington (Partial)
  - Columbia Heights
  - Crystal
  - Falcon Heights
  - Golden Valley
  - Hilltop
  - Lauderdale
  - Little Canada
  - Maplewood
  - Mendota
  - Mendota Heights
  - Minneapolis
  - New Hope
  - Roseville
  - St. Paul
  - West St. Paul

- Loss of water impacts fire protection, drinking and cooking, sewage disposal, and personal hygiene.
- Approximately 342,000 jobs are served by the Minneapolis water system. Payroll averages approximately $78 million/week, total economic activity $382 million/week.
Approximately 290,000 jobs are served by the St. Paul water system. Payroll averages approximately $62 million/week, total economic activity $275 million/week.

Project Contact Person

Patricia Bloomgren, Division Director
Minnesota Department of Health
121 East 7th Place, Suite 220
St. Paul, Minnesota 55101
Phone: 651/215-0731
E-mail: patricia.bloomgren@health.state.mn.us

Governor’s Recommendations (To be completed by the Department of Finance at a later date)