

Project Title	2008 Agency Priority Ranking	Agency Project Request for State Funds (\$ by Session)				Governor's Recommendations 2008	Governor's Planning Estimate	
		2008	2010	2012	Total		2010	2012
Mpls./St. Paul Interconnection	1	\$10,000	\$0	\$0	\$10,000	\$0	\$0	\$0
Total Project Requests		\$10,000	\$0	\$0	\$10,000	\$0	\$0	\$0

Agency Profile At A Glance

- ◆ The Minnesota Department of Health (MDH) is one of the top state health departments in the country.
- ◆ MDH has earned an international reputation for being on the cutting edge of disease detection and control, and developing new public health methods.
- ◆ MDH workforce of 1,300 includes many MD's, PhD's, nurses, health educators, biologists, chemists, epidemiologists, and engineers.
- ◆ MDH program resources are deployed in the Twin Cities and seven regional offices statewide, to better serve the state population.

Agency Purpose

The statutory mission of the Minnesota Department of Health (MDH) is to protect, maintain, and improve the health of all Minnesotans.

MDH is the state's lead public health agency and works with local public health agencies, federal health agencies, and other organizations to operate programs that protect and improve the health of entire communities, and programs that promote clean water, safe food, quality health care, and healthy personal choices.

Together, these programs are contributing to longer, healthier lives. As a result, Minnesota is consistently ranked one of the healthiest states in the country.

Core Functions

While MDH is perhaps best known for responding to disease outbreaks, the department's core functions are very diverse and far-reaching, and focus on preventing health problems in the first place.

- ◆ Preventing Diseases: MDH detects and investigates disease outbreaks, controls the spread of disease, encourages immunizations, and seeks to prevent chronic and infectious diseases, including HIV/AIDS, Tuberculosis, and cancer. The department's public health laboratories analyze some of the most complex and dangerous biological, chemical, and radiological substances known, employing techniques not available privately or from other government agencies.
- ◆ Reducing Health Hazards: MDH identifies and evaluates potential health hazards in the environment, from simple sanitation to risks associated with toxic waste sites and nuclear power plants. The department protects the safety of public water supplies and the quality of the food eaten in restaurants. It also works to safeguard the air inside public places.
- ◆ Protecting Health Care Consumers: MDH safeguards the quality of health care in the state by regulating many people and institutions that provide care, including HMOs and nursing homes. Minnesota has pioneered improvements in the health care system, including the development of policies that assure access to affordable, high-quality care which are models for the nation. The department monitors trends in costs, quality, and access in order to inform future policy decisions.
- ◆ Promoting Good Health: MDH provides information and services that help people make healthy choices. The department protects the health of mothers and children through the supplemental nutrition program Women, Infants and Children (WIC) and services for children with special health needs. Minnesota was one of the first states to regulate smoking in public places, and has developed tobacco prevention strategies used nationwide. MDH programs also address mental health, occupational safety, and violence.
- ◆ Achieving Success Through Partnership: Minnesota has a nationally renowned public health system built on well-articulated state and local government roles. MDH provides both technical and financial assistance to local public health agencies so they can provide programs and services meeting the unique needs of their communities.

Operations

Many core public health functions are carried out directly by MDH staff. Examples include:

- ◆ The scientists and epidemiologists who work in the laboratories and the cities and neighborhoods of the state to identify the nature, sources and means of treatment of disease outbreaks and food borne illness.
- ◆ The nursing home inspectors who make sure that elderly citizens are provided with safe and appropriate health care, and treated with respect and dignity.
- ◆ The environmental engineers who work with cities and towns to assure that municipal water systems provide water that is safe for families to drink.
- ◆ The laboratory scientists who conduct sophisticated tests to detect treatable metabolic errors in all newborn babies.
- ◆ The scientists and policy experts who collect and evaluate information about environmental trends, the health status of the public, quality of health services, and other emerging issues, and carry out public health improvement programs.

MDH provides technical and financial assistance to local public health agencies, public and private care providers, non-governmental organizations, and teaching institutions. Technical assistance provides the department's partners access to current scientific knowledge and is commonly in the form of direct consultation, formal reports, and training.

Budget

MDH receives approximately 82 percent of its funding from non-general fund resources – the federal government, dedicated cigarette taxes, fees, the health care access fund, and other revenues. The general fund accounts for the remaining 18 percent of the budget. Approximately 62 percent of the budget is “passed through” to local governments, nonprofit organizations, community hospitals, and teaching institutions in the form of grants; 21 percent represents the cost of the professional and technical staff that carry out the department's core functions; and 17 percent is for other operating costs, primarily for technology and space.

Contact

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Agency Overview (detailed):
<http://www.health.state.mn.us/divs/opa/overview.html>
Agency Performance Measures
<http://www.departmentresults.state.mn.us/health/index.html>

At a Glance: Agency Long-Range Strategic Goals

The Minnesota Department of Health (MDH) Strategic Plan defines the department's vision, mission, goals, and major strategies to achieve the state's vision for public health. It reflects the priorities and values of the department. It provides a direction for major activities such as budget development, information technology (IT) planning, an emphasis on cross-divisional efforts, the development and use of outcome measures, and a shared vision by all employees.

To achieve the MDH vision – *Keeping ALL Minnesotans Healthy* – the department has identified in its 2005-2008 strategic plan four priority areas of focus for the next year:

- ◆ Emergency Preparedness
- ◆ Health Disparities
- ◆ Health Care System Reform
- ◆ Preparing for an Aging Population

Protecting the quality of our drinking water is one standard by which we measure our success at achieving these goals.

Trends, Policies and Other Issues Affecting the Demand for Services, Facilities, or Capital Programs

Many trends and issues present MDH with significant public health challenges, one of which is our preparedness to respond to a disaster or emergency. Because of our increasingly global society, the United States and Minnesota face serious threats – from new and re-emerging infectious diseases to the possible use of biological weapons by hostile nations, terrorists, or criminals.

The state's ability to respond to public health threats must remain strong. MDH will continue providing leadership to ensure that communities across the state are prepared to effectively respond to public health emergencies. Thanks to grant money from the federal government, the department has been able to enhance numerous parts of the state's public health response

system, including disease surveillance, information technology, lab capacity and communications.

Provide a Self-Assessment of the Condition, Suitability, and Functionality of Present Facilities, Capital Projects, or Assets

Protecting the quality of our drinking water is one standard by which we measure our success at achieving our public health goals. This capital request will help implement the long-needed connection of the Minneapolis and St. Paul water systems.

Presently, the cities of Minneapolis and St. Paul operate separate regional public water systems. Between the two systems, they are in the midst of investing \$157 million in water system capital improvements.

Both systems can adequately supply their own service areas, but they lack the ability to utilize each other's water systems in case of emergency. Both systems rely on surface water, which is vulnerable to natural disaster, chemical contamination, and possibly subversive action or extraordinary system failure. The 9/11 and Gulf Coast incidents have increased awareness of the need to protect this basic service.

The regional water systems serving 17 communities in the metropolitan area need to be connected. Since the 1930s, officials from both water systems have recognized the value of connecting the two systems so that one system could provide ongoing, emergency water to people served by the other system should the need arise.

A 30 million gallon reservoir exists in St. Paul that could be remodeled or replaced to provide the infrastructure needed to connect the two systems. While a reservoir exists, other improvements are needed such as piping to connect the Minneapolis water system to provide the needed capacity. Both water systems are well suited to supplement the needs of the other, but simply lack the facilities necessary to transfer water.

Agency Process Used to Arrive at These Capital Requests

MDH's capital request originated from the Governor's Clean Water Cabinet's 2002 Initiative. This initiative focused, in part, on improving management of the Twin Cities water supply through improved planning, security, sustainability, and quality. This request will ensure increased reliability and security of regional water systems in the metropolitan area.

The governor's 2006 capital budget recommended that this project be reconsidered upon completion of the Metropolitan Council's January 2007 "Water Supply Planning in the Twin Cities" report to the Legislature. This report recommended state funding specifically for this project to "ensure the reliability, safety, and security, including economic security, of the region and state."

In addition to the Metropolitan Council recommendation, the Minnesota Environmental Quality Board biennial water priorities report included a similar recommendation for state funding for water supply interconnections.

The Minnesota Department of Health, along with numerous state and local units of government played an active role in the Governor's Clean Water Cabinet, the Metropolitan Council's Area Water Supply Advisory Committee and Environmental Quality Board discussion of this project.

The Governor's Clean Water Cabinet Initiative can be found at:
<http://www.cwc.state.mn.us/index.html>

The Metropolitan Council's 2007 Legislative Report can be found at:
<http://www.metrocouncil.org/environment/WaterSupply/watersupplyplanningactivities.htm>

Mpls./St. Paul Interconnection

2008 STATE APPROPRIATION REQUEST: \$10,000,000

AGENCY PROJECT PRIORITY: 1 of 1

PROJECT LOCATION: Metro Area

Project At A Glance

This project would provide a \$10 million state grant to help fund an interconnection between regional 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 its vitality is reliant on a secure and stable water system. Insuring the security of these water systems is a high priority for the entire region and for the state as well.

- ◆ The Governor's Clean Water Cabinet has included this project on their priority project list.
- ◆ The May 2007 Biennial Report of the Environmental Quality Board recommends that "the Legislature provide funding for the development of a water interconnect between the cities of St. Paul and Minneapolis."
- ◆ The Metropolitan Council Metropolitan Area Water Supply Advisory Committee's 2007 Report to the Legislature recommends "support for state funding for interconnections and other physical water system backups to ensure the reliability, natural resource protection, safety and security, including economic security, of the region and state. Consistent with this recommendation, support an appropriate level of state funding for the proposed Minneapolis and St. Paul water supply systems interconnection."
- ◆ The U.S. Department of Homeland Security places a high priority on water system security.

A water system shutdown for the two regional water systems that serve 17 communities would cause immense personal, business, and industrial consequences and would be an economic disaster for the entire state and the region. 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

These regional water systems are well designed and operated, but are stand-alone systems. An interconnection, which provides backup and redundancy should one of the systems become totally or partially inoperative, would consist of large diameter pipes, pumping stations, and a reservoir; allowing each city to supply and withdraw water.

The idea for a water system interconnection was first suggested in the 1930s, and has been regularly discussed by the cities during the past two decades. Historically, the project has had only one of the two parties interested at any given time. However, the events of 9/11 and recent natural disasters, which have shown the devastation that occurs when a major water system is lost, have added impetus to the efforts to complete the project. State leadership and partnership at this point in time could bring successful completion to this project.

A \$10 million grant from the state would leverage the additional project funds needed at the local level. The estimated total project cost, is between \$30 and \$40 million, but this figure could change once the final project details are known. No follow-up state operations or maintenance costs would be incurred.

Impact on Agency Operating Budgets (Facilities Notes)

For the two water systems, there would be no impact beyond what would be managed through normal operations and maintenance.

Other Considerations

Both the Minneapolis and St. Paul water utilities have indicated their support for the project and willingness to provide funds to complete the project.

Project Contact Person

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Governor's Recommendations

The governor does not recommend capital funds for this request.

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2008-09	FY 2010-11	FY 2012-13	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	0	10,000	0	0	10,000
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	0	10,000	0	0	10,000

CAPITAL FUNDING SOURCES	Prior Years	FY 2008-09	FY 2010-11	FY 2012-13	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	10,000	0	0	10,000
General Fund Projects	0	0	0	0	0
State Funds Subtotal	0	10,000	0	0	10,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	10,000	0	0	10,000

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2008-09	FY 2010-11	FY 2012-13	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	10,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2013