



**Dr. Timothy J. Mahoney, Mayor**

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Honorable members of the Senate Appropriations Committee,

The enduring protection of North Dakotans from the economic and personal ramifications of drought should be a top priority of the Legislature. The passage of House Bill (HB) 1020 is crucial for the long-term climate resiliency of Central and Eastern North Dakota. An extended drought of the magnitude which Eastern North Dakota witnessed in the 1930's would devastate local water supplies and result in tens of billions of dollars in economic impact. The criticality of the Red River Valley Water Supply Project (RRVWSP) cannot be overstated.

The RRVWSP is currently under construction, but in order to maintain momentum, we must ensure it remains affordable to its users. To make this a reality, a long term affordable loan such as 40 year/2% (which is part of other bills, such as SB2014, the Industrial Commission Bill) is needed. Models show the difference in market based bonds and a 40 year/2% is massive for users. To illustrate the difference, some systems' residential monthly water bills will increase up to 62% based on historical market rates if a market based bond is utilized.

The purpose of the project is to serve as a long-term emergency water supply, but it is worth noting it will also serve as an economic development initiative by spurring the construction industry of the state. Removing any barriers to the funding of the RRVWSP is important to the long-term sustainability of our state. We fully support the emergency clause for HB 1020. It is critical that we continue construction on the Missouri River Intake and begin Phase Two of construction by early summer of 2021.

For the sake of the state's economic wellbeing, our region's resiliency and the future of Central and Eastern North Dakotans, I ask you to recommend approval of House Bill 1020.

Thank you,

- **Dr. Timothy Mahoney, Mayor of the City of Fargo**