

**RED RIVER VALLEY WATER SUPPLY PROJECT
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**JOHN M. SCHMISEK
255 N. 4TH ST. – P. O. BOX 5200
GRAND FORKS, ND 58206**

FINANCE DIRECTOR, CITY OF GRAND FORKS

I am submitting this written testimony to support the continuation of the study of the Red River Valley Water Supply Project. My support, as you might suspect, is based on what the economic consequences of a drought would be for the city of Grand Forks, the region and, in fact the state.

As the draft EIS points out the economic impact of a 1930's type drought would be approximately \$20.4 billion in the Red River Valley. That is over \$2 billion per year. This of course would impact all aspects of Grand Forks' economy. The impact to local sales tax, property tax, water fees, etc. would be extensive. Of course, all of these types of revenues are used to operate the city of Grand Forks. We would have a very hard time during a heavier need for services to meet our payrolls or pay our bills. The impact of course would be at a significantly higher level for the state, since about 52% of ND sales tax comes from the 13 Red River Valley counties.

I learned in 1997 not to discount the possibility of any kind of disaster. The scenario of a drought cannot be ignored, as it would be too late to do anything, once a drought hits. We must continue to plan for the possibility and address a solution before such an event occurs. Since it is important to do what is needed at the most reasonable price, I would support the GDU import as the preferred alternative.

