AGENDA ITEM 7 · CO 26-33

General Manager's Report

1. CO_2 Spill — July 2026
2. Business Departures & Revenue Impact
3. Revenue Projections Using SCADA Data
4. Drought Analysis

GENERAL MANAGER'S REPORT · TOPIC 1

CO_2 Leak at the McCarrons Campus

Early in the morning of July 11, 2026, SPRWS experienced a Carbon Dioxide (CO_2) leak at our 1900 Rice Street campus. Staff called 911, and local fire and hazmat crews responded to isolate the leak. The treatment plant was shut down as a precaution, but finished drinking water already stored in the system kept flowing to customers throughout the response. Once the leak was isolated, the plant was restarted and production ramped back up the same day.

Customers Who Lost Water Service

Drinking Water Compliance Maintained

Emergency CO_2 Deliveries Coordinated That Day

Return to Normal Operations

NEIGHBOR SAFETY & COMMUNICATION

Firefighters conducted atmospheric monitoring in the surrounding neighborhood, since CO_2 leaks can pose a localized oxygen-depletion risk. No oxygen depletion was measured outside the immediate vicinity of the leak. In addition, SPRWS mailed a letter to neighbors to ensure the community was informed.

GENERAL MANAGER'S REPORT · TOPIC 1 CONTINUED

Strengthening the CO_2 System

This was a close call. Had the CO_2 supply run out or the plant been unable to restart promptly, the impact could have included a broader loss of water service. Staff are treating this as an opportunity for learning and improvement.

1. **Replace the Failed Gasket**
   Swapping the failed rubber component for a more robust alternative.

2. **System-Wide Review**
   Comprehensive review of the CO_2 system to check for other vulnerabilities.

3. **Improved Alarming**
   Better systems to detect leaks as quickly as possible.

4. **Remote Shutoff Valves**
   New emergency shutoffs that can stop a leak instantly from a distance.

5. **Emergency Response Training**
   Deeper coordination with local fire and hazmat teams for faster response.

6. **Isolated Tank Valves**
   Closing interconnections between tanks so a future leak can't drain both.

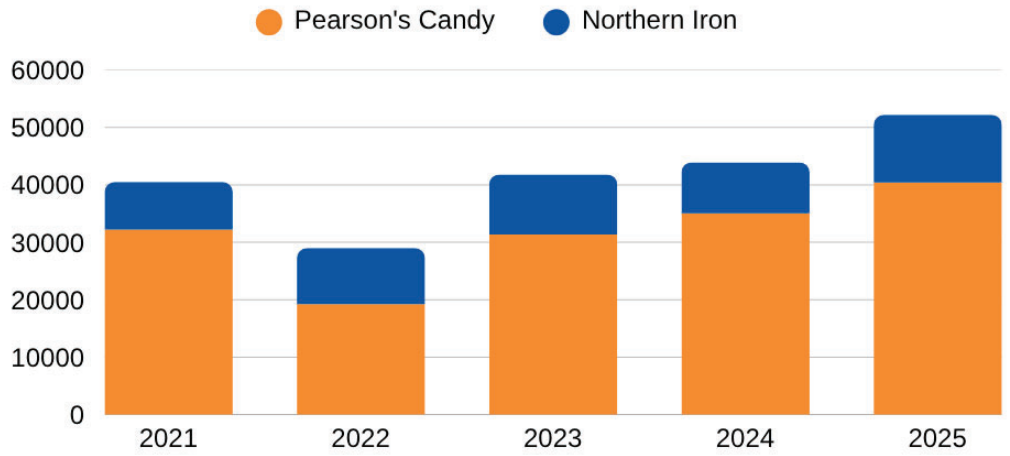
GENERAL MANAGER'S REPORT · TOPIC 2

Two Industrial Customers Closing in 2026

$41,497
Average Annual Water Charges

6.6M gal
Average Annual Water Used

–$38,900
Annual Revenue Lost After Closure



WHAT THIS MEANS

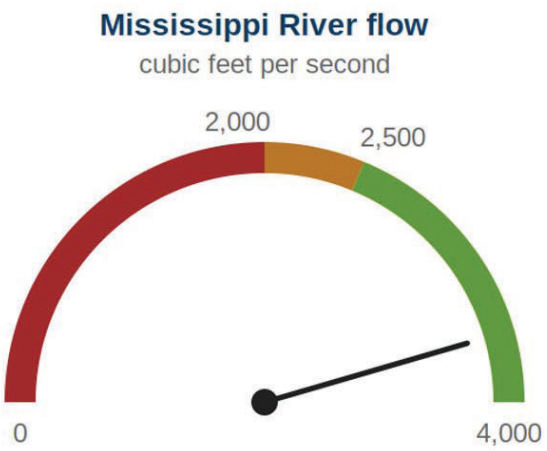
- Pearson's accounts for about three-quarters of the combined loss. Northern Iron is smaller but not minor- the foundry used roughly 1.1 million gallons a year.
- Nearly all of this lost revenue is usage-based. Fixed service charges continue while the connections stay live, so what we lose is the volume we no longer sell.
- Most of the impact falls in 2027 and beyond. Both plants operate into the fourth quarter, so roughly $5,900 of water revenue reduction remains in the current year.
- Staff has reflected the reduction in the FY2027 revenue assumptions and is reviewing concentration among our remaining large commercial and industrial accounts.

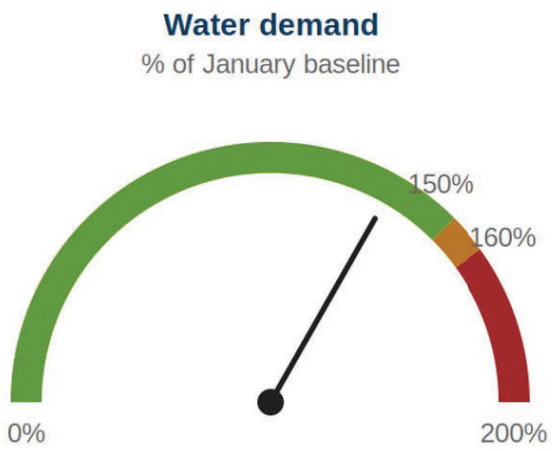
GENERAL MANAGER'S REPORT · TOPIC 3

Revenue Projections Using SCADA Data

GENERAL MANAGER'S REPORT · TOPIC 4

Drought Analysis





Green: normal · Amber: elevated, approaching trigger · Red: restriction trigger zone

Drought Analysis Data as of August 10:

River Flow at 3,640 cfs

Water Demand at 132.9% of Baseline
(48.12 MGD vs. the 36.2 MGD January average)

Both are Comfortably in the Green

Demand Eased from Last Week
(142.1%)

DROUGHT RESPONSE

SAINT PAUL REGIONAL WATER SERVICES

WATER CONSERVATION EFFORTS | STPAUL.GOV/WATER

LEVEL 1
NO RESTRICTIONS

- No outdoor watering restrictions are in place.
- Voluntary conservation is always encouraged.

LEVEL 2
CONSERVE WATER

- Water lawns only when needed. Most lawns only need about 1 inch of water each week.
- Water in the early morning or evening.
- Check hoses and irrigation systems for leaks.

LEVEL 3
EVEN/ODD OUTDOOR WATERING

- Odd-numbered addresses water on odd-numbered days.
- Even-numbered addresses water on even-numbered days.
- Avoid watering between noon and 6 p.m.

LEVEL 4
ONE DAY OUTDOOR WATERING

- Outdoor watering is limited to one assigned day per week based on the last digit of your address
- No watering between 10 a.m. and 6 p.m.
- Watering limited to two hours on your assigned day

LEVEL 5
NON-ESSENTIAL WATERING BAN

- Outdoor lawn watering is prohibited.
- Exceptions apply. Visit stpaul.gov/water for details.

Exceptions apply for vegetable gardens, community gardens, nurseries, trees, and new sod. Full details at stpaul.gov/water