



The State of New Hampshire
Department of Environmental Services



Robert R. Scott, Commissioner

January 17, 2019

The Honorable Mary Jane Wallner
Chair, House Finance Committee
Legislative Office Building, Room 210-211
Concord, NH 03301

RE: HB 352-FN-A – An act appropriating funds to the department of environmental services for the purpose of funding eligible wastewater projects under the state aid grant program.

Dear Chair Wallner and Members of the Committee:

Thank you for the opportunity to comment on HB 352-FN-A. This bill would appropriate funds for eligible and completed wastewater projects under the state aid grant program as authorized per RSA 486.

Since inception, over the past 50 years, about \$450 million in aid has been granted to eligible New Hampshire entities to help offset the cost of local environmental infrastructure projects and keep user rates affordable. Many of New Hampshire's communities would have found necessary environmental infrastructure projects unaffordable were it not for state aid.

The state aid grant program provides incentive for NH communities to move forward on much needed wastewater infrastructure projects to replace aging infrastructure and ensure clean rivers, lakes and groundwater, all of which the state holds in public trust. This investment in local infrastructure has unquestionably benefited the entire state in the form of a healthy and clean environment which draws many outdoor enthusiasts to the state and helps support our vital statewide tourism economy.

HB 352-FN-A appropriates \$3,652,347 for fiscal year ending June 30, 2020 and \$3,781,024 for fiscal year ending June 30, 2021 for eligible and completed wastewater projects. These funds will provide aid to about 70 projects in 35 NH communities.

www.des.nh.gov

29 Hazen Drive • PO Box 95 • Concord, NH 03302-0095
(603) 271-3503 • TDD Access: Relay NH 1-800-735-2964

The Honorable Mary Jane Wallner
Chair, House Finance Committee
January 17, 2019
Page 2

NHDES is available to provide background and technical information to assist the committee as needed. Please feel free to contact Tracy Wood, Wastewater Engineering Bureau Administrator, at tracy.wood@des.nh.gov or 271-2001, or Beth Malcolm at beth.malcolm@des.nh.gov or 271- 2978, if you have any questions or need additional information.

Sincerely,



Robert R. Scott
Commissioner

cc: Sponsors of HB 352-FN-A: Rep. Buco, Rep. M. Smith, Rep. Abel, Rep. Conley, Rep. Bixby, Rep. Loughman, Rep. P. Schmidt, Rep. Herbert, Rep. Long, Rep. Cushing, Sen. Bradley, Sen. Fuller Clark, Sen. Watters, Sen. Morgan, Sen. Chandley

NH DES Current Estimate of Need for Wastewater State Aid Grant Projects¹
as of 8/15/18

ID	Community	Project No.	Project Name	Substantial Project Completion	Total Grant Estimate ^{2,3,4}	Estimated Payment ^{2,3,4}		Estimated Payment ^{2,3,4}		Estimated Payment ^{2,3,4}	
						FY 20	FY 21	FY 22	FY 23	FY 20	FY 21
1	Claremont	114-16	Bog Sewer Improvements	7/18/2013	\$292,406	\$29,241	\$29,240	\$29,241	\$29,241	\$29,241	\$29,241
2	Concord	D2011-1106	SCADA Phase 2B Upgrades	8/25/2013	\$192,202	\$9,610	\$9,610	\$9,610	\$9,610	\$9,610	\$9,610
3	Hampton	195-11	Sludge Handling Improvements to WWTP	9/23/2013	\$378,183	\$18,909	\$18,909	\$18,909	\$18,909	\$18,909	\$18,909
4	Concord	D2012-0507	Phase 2 Odor Control	11/14/2013	\$722,363	\$36,118	\$36,118	\$36,118	\$36,118	\$36,118	\$36,118
5	Derry	D2013-0103	Rockingham Road Infrastructure Improvements	11/27/2013	\$51,758	\$2,588	\$2,588	\$2,588	\$2,588	\$2,588	\$2,588
6	Durham	161-10	Old Concord Road Pump Station Upgrade	12/11/2013	\$204,792	\$10,240	\$10,240	\$10,240	\$10,240	\$10,240	\$10,240
7	Nashua	D2012-1007	Infrastructure Improvements at CSO 004 - Storage Tank	12/13/2013	\$430,197	\$21,510	\$21,510	\$21,510	\$21,510	\$21,510	\$21,510
8	Hampton	195-12	Church Street Pump Station Upgrades	3/8/2014	\$1,324,323	\$66,217	\$66,216	\$66,217	\$66,216	\$66,216	\$66,216
9	Berlin	D2012-1104	Phase 1 I&I Reduction Contract 3	3/31/2014	\$155,475	\$31,095	\$31,095	\$31,095	\$31,095	\$31,095	\$31,095
10	Nashua	D2013-0808	CSO 004 Infrastructure Impr. Burke Street Phase 1	4/30/2014	\$195,691	\$9,785	\$9,785	\$9,785	\$9,784	\$9,784	\$9,784
11	Rochester	D2012-0402	Brock Street Reconstruction	7/31/2014	\$1,509,722	\$75,486	\$75,486	\$75,486	\$75,486	\$75,486	\$75,486
12	New London	198-01	New London Portion of Sunapee WWTF Upgrade	8/27/2014	\$2,287,529	\$114,377	\$114,376	\$114,377	\$114,376	\$114,377	\$114,377
13	Sunapee	198-01	Sunapee WWTF Upgrade	8/27/2014	\$1,003,486	\$47,785	\$47,785	\$47,785	\$47,785	\$47,785	\$47,785
14	Concord	D2012-0507	Phase 2 Odor Control Upgrade	10/22/2014	\$719,961	\$35,998	\$35,998	\$35,998	\$35,998	\$35,998	\$35,998
15	Sunapee	D2011-1212	Perkins Pond Area Sewer Improvements	10/24/2014	\$540,000	\$27,004	\$27,004	\$27,004	\$27,004	\$27,004	\$27,004
16	Winchester	140-07	Wastewater Treatment Plant Upgrades - Phase II	11/5/2014	\$67,000	\$3,351	\$3,352	\$3,352	\$3,352	\$3,352	\$3,352
17	Nashua	158-26	Screening & Disinfection Facility	12/1/2014	\$5,359,000	\$267,936	\$267,936	\$267,937	\$267,936	\$267,937	\$267,936
18	Derry	D2013-1107	Route 28 Water and Sewer Improvements	12/19/2014	\$420,000	\$20,975	\$20,975	\$20,975	\$20,976	\$20,976	\$20,976
19	Swanzey	191-05	Swanzey's Portion of Keene WWTF Upgrade	4/10/2015	\$350,000	\$17,510	\$17,510	\$17,510	\$17,510	\$17,510	\$17,510
20	Keene	110-08	Upgrade of WWTF-Nutrients	4/10/2015	\$1,439,000	\$143,892	\$143,892	\$143,892	\$143,892	\$143,892	\$143,892
21	Rochester	122-12	New Route 125 Pump Station Upgrade	6/10/2015	\$149,000	\$7,441	\$7,441	\$7,441	\$7,440	\$7,441	\$7,441
22	Lebanon	092-07	CSO and Utility Replacement Improvements Phase 9	7/9/2015	\$942,000	\$47,102	\$47,102	\$47,102	\$47,102	\$47,102	\$47,102
23	Portsmouth	D2014-0412	Primary Clarifier Upgrade	7/30/2015	\$706,000	\$35,296	\$35,296	\$35,296	\$35,296	\$35,296	\$35,296
24	North Conway WP	066-05	Water & Sewer Infrastructure Improvements	10/14/2015	\$817,000	\$40,863	\$40,863	\$40,863	\$40,863	\$40,863	\$40,863
25	Durham	D2013-0412	Dewatering System Upgrade & Bardenpho Conversion	10/16/2015	\$887,000	\$44,350	\$44,350	\$44,350	\$44,350	\$44,350	\$44,350
26	Lebanon	092-08	CSO 10 - Dana & Craft Ave Area	11/25/2015	\$874,000	\$43,689	\$43,689	\$43,689	\$43,689	\$43,689	\$43,689
27	Concord	D2015-0104	SCADA Phase 3 Upgrades	12/23/2015	\$162,000	\$8,097	\$8,097	\$8,097	\$8,097	\$8,097	\$8,097
28	Concord	D2015-0104	WWTF SCADA Upgrades Ph. 3 (Hall St.)	12/23/2015	\$137,000	\$6,826	\$6,826	\$6,826	\$6,827	\$6,826	\$6,826
29	Manchester	192-39	Aeration System Upgrade	12/26/2015	\$6,116,000	\$305,823	\$305,823	\$305,823	\$305,823	\$305,823	\$305,823
30	Winnepesaukee RBP	114-17	Electrical Switch Gear Upgrade	1/27/2016	\$193,000	\$38,518	\$38,518	\$38,518	\$38,518	\$38,518	\$38,518
31	Claremont	203-09	Washington Street and Elm Street Pump Stations	4/4/2016	\$733,986	\$73,399	\$73,398	\$73,398	\$73,398	\$73,398	\$73,398
32	Dover	200-08	Phase I WWTF Upgrade & MLE Conversion	5/29/2016	\$2,321,000	\$116,049	\$116,049	\$116,049	\$116,049	\$116,049	\$116,049
33	Merrimack	215-10	WWTF Phase II & Compost Facility Upgrade	6/3/2016	\$1,932,000	\$96,593	\$96,593	\$96,593	\$96,593	\$96,593	\$96,593
34	Lebanon	092-09	Etna Road - NH Rte. 120 Sewer Replacement	7/8/2016	\$683,000	\$34,132	\$34,132	\$34,132	\$34,132	\$34,132	\$34,132
35	Nashua	D2015-0208	Burke Street CSO 4 PH 2	11/15/2016	\$874,000	\$43,689	\$43,689	\$43,689	\$43,689	\$43,689	\$43,689
36	Jaffrey	238-09	River Street and Nelson Circle Pump Station Replacement	11/25/2016	\$108,000	\$5,376	\$5,376	\$5,376	\$5,375	\$5,375	\$5,375
37	North Conway WP	066-04	WWTF Aeration System Improvements	1/13/2017	\$559,765	\$27,988	\$27,988	\$27,988	\$27,988	\$27,988	\$27,988
38	Northumberland	152-04	Northumberland Water and Sewer Main Imp	3/5/2017	\$332,000	\$16,598	\$16,598	\$16,598	\$16,599	\$16,599	\$16,599
39	Colebrook	144-03	Main St. Sewer Improvements	5/14/2017	\$564,000	\$28,179	\$28,179	\$28,179	\$28,179	\$28,179	\$28,179
40	Pembroke	105-03	Bow Lane Pump Station Upgrade	6/1/2017	\$238,695	\$79,800	\$79,800	\$79,800	\$79,800	\$79,800	\$79,800
41	Concord	D2015-1003	Electrical Switchgear Upgrade	6/17/2017	\$262,890	\$28,143	\$28,143	\$28,143	\$28,144	\$28,144	\$28,144
42	Nashua	158-28	WWTF Headworks Upgrade	6/18/2017	\$860,000	\$43,006	\$43,006	\$43,006	\$43,006	\$43,006	\$43,006
43	Concord	D2016-0908	Penacook WAS and Disinfection	6/29/2017	\$75,233	\$15,046	\$15,046	\$15,046	\$15,047	\$15,047	\$15,047
44	Newmarket	162-07	WWTF Upgrade	7/26/2017	\$3,850,000	\$192,505	\$192,504	\$192,504	\$192,504	\$192,505	\$192,505
45	Concord	D2016-0412	ThermoBlender Mods	8/17/2017	\$445,757	\$22,286	\$22,286	\$22,286	\$22,286	\$22,286	\$22,286
46	Keene	110-09	Dewatering System Replacement	8/18/2017	\$517,478	\$103,495	\$103,495	\$103,495	\$103,496	\$103,496	\$103,496
47	Dover	200-10	Richardson Drive Redevelopment (Sewer)	10/6/2017	\$215,953	\$10,797	\$10,798	\$10,798	\$10,798	\$10,798	\$10,797

NH DES Current Estimate of Need for Wastewater State Aid Grant Projects¹

as of 8/15/18

ID	Community	Project No.	Project Name	Substantial Project Completion	Total Grant Estimate ^{2,3,4}	Estimated Payment ^{2,3,4}				Estimated Payment ^{2,3,4} FY 23
						FY 20	FY 21	FY 22	FY 23	
48	Lebanon	092-10	CSO No. 11 - Phase 1	11/21/2017	\$447,440	\$22,370	\$22,372	\$22,372	\$22,372	\$22,372
49	Manchester	192-40	WWTF Boiler Replacement	12/12/2017	\$648,509	\$32,424	\$32,426	\$32,426	\$32,426	\$32,426
50	Newington	182-04	WWTF and Pump Station Upgrades	2/9/2018	\$2,234,000	\$111,694	\$111,693	\$111,694	\$111,694	\$111,694
51	Dover	200-11	Keating Birchwood (Sewer)	6/2/2018	\$408,560	\$20,427	\$20,428	\$20,428	\$20,428	\$20,428
52	Concord	D2017-0502	East Concord PS upgrade	8/1/2018	\$84,238	\$4,209	\$4,212	\$4,212	\$4,212	\$4,212
53	Gilford	184-05	Varney Point Road Pump Stations	8/2/2018	\$188,067	\$9,401	\$9,403	\$9,404	\$9,404	\$9,404
54	Concord	D2016-0712	Headworks and Pump Replacement	8/9/2018	\$324,589	\$16,230	\$16,229	\$16,229	\$16,230	\$16,230
55	Claremont	114-18	Main St Utility	10/2/2018	\$252,084	\$10,698	\$10,865	\$11,034	\$11,034	\$11,210
56	Enfield	167-04	Lakeview Condo and Shaker Landing	12/1/2018	\$899,731	\$44,986	\$44,987	\$44,987	\$44,987	\$44,987
57	Hampton	D2016-1108	Church Street FM	12/1/2018	\$1,167,315	\$58,365	\$58,365	\$58,366	\$58,366	\$58,365
58	Littleton	129-05	Sub-Area 5 Sewers	12/1/2018	\$838,624	\$41,931	\$41,932	\$41,931	\$41,931	\$41,931
59	NCWP	066-06	Septage Receiving, Dewatering and Odor Control	4/2/2019	\$815,414	\$40,770	\$40,771	\$40,771	\$40,771	\$40,771
60	Exeter	130-15	WWTF and Main Pump Station Upgrade	6/1/2019	\$14,163,000	\$708,171	\$708,171	\$708,171	\$708,171	\$708,172
61	Newport	169-11	1st, 2nd, 3rd, & 4th Street Infrastructure Improvements	4/30/2019	\$354,256	\$17,710	\$17,712	\$17,713	\$17,713	\$17,713
62	Concord	D2017-1203	Control Building and Influent Building Generators	6/1/2019	\$164,937	\$8,247	\$8,247	\$8,247	\$8,247	\$8,247
63	Allenstown	104-05	Library St Forcemain & Suncook R Pump Station	11/2/2019	\$419,196	-	\$20,959	\$20,960	\$20,960	\$20,960
64	Nashua	158-27	Pump Station Upgrades	11/2/2019	\$1,898,000	-	\$94,887	\$94,887	\$94,887	\$94,887
65	Epping	247-05	Short Term WWTF Improvements	11/2/2019	\$694,218	-	\$34,710	\$34,711	\$34,711	\$34,711
66	Plymouth	132-07	Pump Station No. 1 Improvements	12/1/2019	\$614,377	-	\$30,717	\$30,719	\$30,718	\$30,718
67	Portsmouth	106-16	Pierce Island WWTF Upgrade	7/24/2020	\$21,107,000	-	-	\$1,055,363	\$1,055,362	\$1,055,362
68	Concord	D2018-0209	MCC Upgrade (Penacook)	8/1/2020	\$187,360	-	-	\$9,368	\$9,368	\$9,368
69	Wolfeboro	R-098-08	Wolfeboro I/I Rehabilitation	9/1/2020	\$273,000	-	-	\$13,653	\$13,653	\$13,653
70	Newport	169-10	WWTP Upgrade	3/2/2021	\$1,474,504	-	-	-	-	\$73,725
Total					\$93,158,264	\$3,652,347	\$3,781,024	\$4,850,221	\$4,924,122	

NOTES:

- 1 Project listed are eligible Wastewater State Aid Grant hopeful projects known to DES; additional eligible projects may not yet be identified
- 2 Grant estimates are based on a 20% state contribution. Some projects may be eligible for a 30% grant
- 3 Total Grant Estimates and Estimated Payments assume 20-year loans with 3.168% interest rate unless project financing information is currently available to DES and are based on project cost projections; actual SAG contribution will be based on final eligible project cost exclusive of any known grant fund received by the applicants from other sources (i.e. USDA Rural Development grants, CWSRF principal forgiveness)
- 4 Total Grant Estimates and annual Estimated Payments are figures that have not been verified, confirmed, or reviewed for accuracy or completeness; and should not be relied upon as an accurate reflection of amounts owed to, or a commitment of payment to, the named entities for any of the listed project:

HB 352-FN-A - AS INTRODUCED

2019 SESSION

19-0713
08/05HOUSE BILL ***352-FN-A***

AN ACT appropriating funds to the department of environmental services for the purpose of funding eligible wastewater projects under the state aid grant program.

SPONSORS: Rep. Bucu, Carr. 2; Rep. M. Smith, Straf. 6; Rep. Abel, Graf. 13; Rep. Conley, Straf. 13; Rep. Bixby, Straf. 17; Rep. Loughman, Rock. 21; Rep. P. Schmidt, Straf. 19; Rep. Herbert, Hills. 43; Rep. Long, Hills. 10; Rep. Cushing, Rock. 21; Sen. Bradley, Dist 3; Sen. Fuller Clark, Dist 21; Sen. Watters, Dist 4; Sen. Morgan, Dist 23; Sen. Chandley, Dist 11

COMMITTEE: Finance

 ANALYSIS

This bill appropriates funds to the department of environmental services for the purpose of funding eligible wastewater projects under the state aid grant program.

Explanation: Matter added to current law appears in ***bold italics***.

Matter removed from current law appears [~~in brackets and struckthrough.~~]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

19-0713
08/05

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Nineteen

AN ACT appropriating funds to the department of environmental services for the purpose of funding eligible wastewater projects under the state aid grant program.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 State Aid Grant Program; Appropriation to Department of Environmental Services.

I. The sum of \$3,652,347, for the fiscal year ending June 30, 2020, is hereby appropriated to the department of environmental services for the purpose of funding state aid grant programs under RSA 486 for wastewater SAG 03-44-44-442010-1003-073-500580. The governor is authorized to draw a warrant for said sum out of any money in the treasury not otherwise appropriated.

II. The sum of \$3,781,024, for the fiscal year ending June 30, 2021, is hereby appropriated to the department of environmental services for the purpose of funding state aid grant programs under RSA 486 for wastewater SAG 03-44-44-442010-1003-073-500580. The governor is authorized to draw a warrant for said sum out of any money in the treasury not otherwise appropriated.

2 Effective Date. This act shall take effect July 1, 2019.

LBAO
19-0713
12/18/18

**HB 352-FN-A- FISCAL NOTE
AS INTRODUCED**

AN ACT appropriating funds to the department of environmental services for the purpose of funding eligible wastewater projects under the state aid grant program.

FISCAL IMPACT: State County Local None

STATE:	Estimated Increase / (Decrease)			
	FY 2020	FY 2021	FY 2022	FY 2023
Appropriation	\$3,652,347	\$3,781,024	\$0	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$3,652,347	\$3,781,024	\$4,850,221	\$4,924,122
Funding Source:	<input checked="" type="checkbox"/> General	<input type="checkbox"/> Education	<input type="checkbox"/> Highway	<input type="checkbox"/> Other

LOCAL:

Revenue	\$3,652,347	\$3,781,024	\$4,850,221	\$4,924,122
Expenditures	\$0	\$0	\$0	\$0

METHODOLOGY:

This bill makes general fund appropriations of \$3,652,347 for FY 2020 and \$3,781,024 for FY 2021 to the Department of Environmental Services to fund eligible and completed wastewater projects under the state aid program. (RSA 486). The appropriation amounts are estimated based on eligible wastewater projects known to the Department as of 8/15/2018.

The estimates are based on a 20% state grant, assume 20 year loans, and are calculated on project cost projections. Some projects may be eligible for a 30% grant and the actual payments will be based on final eligible project costs net of grants received from other sources such as the USDA or principal forgiveness from the Clean Water State Revolving Fund (CWSRF). The Department estimates expenditures will be \$3,652,347 in FY 2020, \$3,781,024 in FY 2021, \$4,850,221, in FY 2022, \$4,924,122 in FY 2023 with \$79.9 million paid over the remaining 16 years on the loan. The appropriations for amounts in future fiscal years, after FY 2021, will be included in the Department's biennial operating budget.

AGENCIES CONTACTED:

Department of Environmental Services