



March 27, 2014

The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

Her Excellency, Governor Margaret Wood Hassan
and The Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Environmental Services (DES) to award grant aid funds, under the provisions of RSA 486-A, to the following six entities in the aggregate amount of \$465,992 for drinking water projects, effective upon Governor and Council approval. 100% General Funds.

Applicant	Town	Vendor Code	Grant Amount
North Conway Water Precinct	Conway	154445 B001	\$125,776
Conway Village Fire District	Conway	177213 B001	\$249,739
Village Square Condominium Association	Hampstead	257933 B001	\$21,457
Lyme Water Association	Lyme	211115 B001	\$15,111
Lakes Region Water Co., Inc. (Brake Hill Acres)	Gilford	201808 B001	\$21,779
Merrimack Village District	Merrimack	160038 B001	\$32,130

Funding is available in the account as follows:

	<u>FY 2014</u>	<u>FY 2015</u>	<u>After FY 2015</u>
03-44-44-442010-1426-073-500580	\$99,533	\$41,186	\$325,273
Dept. of Environmental Services, Public Water Systems, Grants-Non Federal			

EXPLANATION

The funds being requested are part of a drinking water state aid grant (SAG) program that provides financial assistance in the form of grants to NH communities to off-set the eligible costs of planning, engineering design, and construction costs of compliance with the requirements of the surface water treatment rule of the federal Safe Drinking Water Act and the formation or improvement of regional water systems that provide a benefit to public health. Over the term of the debt service, which will range from 5 to 40 years, the state will reimburse the entities for 20% to 30% of the eligible costs incurred during the design and construction of the drinking water system improvements plus a proportionate share of interest on borrowing for the project.

In November 2008 funding for new state aid grants, including public drinking water system grants, was postponed as part of a cost reduction measure to address significant state revenue shortfalls. A total of 16 applications for public drinking water system grants were affected. These projects were placed on a "Delayed and Deferred" list until funding was available. Funds for Delayed and Deferred drinking water system grants were appropriated in the state's Operating Budget for fiscal years 2014-2015. The drinking water system grants in this request represent six of the Delayed and Deferred projects. Additional information regarding these projects is shown in Exhibit A.

We respectfully request your approval.

Thomas S. Burack
Commissioner

DEPARTMENT OF ENVIRONMENTAL SERVICES
WATER DIVISION – DRINKING WATER AND GROUNDWATER BUREAU

STATE AID GRANTS
(03-44-44-442010-1426-073)

The effect of this request on appropriated funds is shown below

Fiscal Year	<u>2014</u>
Appropriation	\$1,261,429
Less: Scheduled Payments	<u>\$940,966</u>
Balance Available	\$320,463
Less: Previous Requests	\$130,180
Less: Current Request	
14-0511030 North Conway Water Precinct	\$25,155
14-0511010 Conway Village Fire District	\$9,605
14-1036020 Village Square Condo Association	\$21,457
14-1431010 Lyme Water Association	\$15,111
14-0882050 Brake Hill Acres	\$21,779
14-1531010 Merrimack Village District	<u>\$6,426</u>
Total	<u>\$99,533</u>
Balance Available	\$90,749

EXHIBIT A

Supplemental information to the preceding Governor and Executive Council request for approval of State Aid Grants for public drinking water systems under RSA 486-A.

Public Water System: North Conway Water Precinct

Municipality: Conway, NH

State Grant Number: 14-0511030

Project: Water distribution piping upgrades for interconnection with Conway Village

Description: Design and Construction of the upgrade of existing water mains and a pressure reducing station for interconnection of the North Conway Water Precinct with the Birch Hill Water District, and Conway Village Fire District.

Grant Eligible Project Costs: \$503,105

Grant Award: 25% of eligible costs (\$125,776)

Grant Term: 5 years

Application Received: 7/1/2010

Exhibit A (con't)

Public Water System: Conway Village Fire District

Municipality: Conway, NH

State Grant Number: 14-0511010

Project: Interconnection with North Conway public water system

Description: Design and construction of new water main and meter vault to interconnect with North Conway Water Precinct.

Grant Eligible Project Costs: \$998,955

Grant Award: 25% of eligible costs (\$249,739)

Grant Term: 26 years

Application Received: 3/2/2011

Exhibit A (con't)

Public Water System: Village Square Condominium Association

Municipality: Hampstead, NH

State Grant Number: 14-1036020

Project: Interconnection with Hampstead Area Water Company water system

Description: Design and construction of a water main to connect the Village Square Condo Association water system to the Hampstead Area Water System.

Grant Eligible Project Costs: \$ 85,827.31

Grant Award: 25% of eligible costs (\$21,457)

Grant Term: 1 year

Application Received: 8/12/2011

Exhibit A (con't)

Public Water System: Lyme Water Association

Municipality: Lyme, NH

State Grant Number: 14-1431010

Project: Interconnection with Lyme School water system

Description: Design and construction of a water line and system improvements to connect the Lyme Elementary School to the Lyme Water Association water system.

Grant Eligible Project Costs: \$60,445

Grant Award: 25% of eligible costs (\$15,111)

Grant Term: 1 year

Application Received: 8/19/2011

Exhibit A (con't)

Public Water System: Lakes Region Water Company, Inc. (Brake Hill Acres)

Municipality: Gilford, NH

State Grant Number: 14-0882050

Project: Interconnection with Gunstock Glen water system

Description: Design and construction of water main, pump house and storage tank improvements for interconnection of the Gunstock Glen and Brake Hill Acres public water systems.

Grant Eligible Project Costs: \$87,118

Grant Award: 25% of eligible costs (\$21,779)

Grant Term: 1 year

Application Received: 7/10/2008

Exhibit A (con't)

Public Water System: Merrimack Village District

Municipality: Merrimack, NH

State Grant Number: 14-1531010

Project: Groundwater investigation for Well #6

Description: Hydrologic investigation and evaluation of Well #6, which has recorded levels of chemical contaminants including volatile organic chemicals (excluding MTBE)

Grant Eligible Project Costs: \$128,521

Grant Award: 25% of eligible costs (\$32,130)

Grant Term: 5 years

Application Received:
