



The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

March 26, 2014

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, to the City of Rochester (VC 177467 B002) in the amount of \$550,321 for a wastewater facility project, effective upon Governor and Council approval. 100% General Funds.

Funding is available in the account as follows:

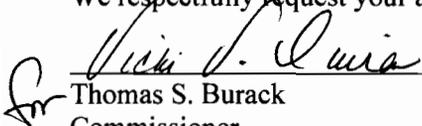
	<u>FY 2014</u>	<u>FY 2015</u>	<u>After FY 2015</u>
03-44-44-442010-1003-073-500580	\$37,089	\$33,298	\$479,934
Dept. of Environmental Services, State Aid Grants, Grants-Non Federal			

EXPLANATION

The funds being requested are part of a wastewater 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 certain sewage disposal facilities. Over the term of the debt service, which will range from 5 to 30 years, the state will reimburse the entities for 20% to 30% of the eligible costs incurred during the design and construction of the wastewater facilities plus a proportionate share of interest on borrowing for the project. In addition, some project costs qualify for an additional 10-30% SAG ("SAG Plus") for components related to septage and sludge handling and treatment facilities.

In November 2008 funding for new state aid grants, including wastewater facility grants, was postponed as part of a cost reduction measure to address significant state revenue shortfalls. A total of 103 applications for wastewater facility grants were affected. These projects were placed on a "Delayed and Deferred" list until funding was available. Funds for Delayed and Deferred wastewater facility grants were appropriated in the state's Operating Budget for fiscal years 2014-2015. The wastewater facility grant in this request represents 1 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 – WASTEWATER ENGINEERING BUREAU

STATE AID GRANTS
(03-44-44-442010-1003-073)

The effect of this request on appropriated funds is shown below:

Fiscal Year	<u>2014</u>
Appropriation	\$7,523,938
Less: Scheduled Payments	<u>\$3,091,196</u>
Balance Available	\$4,432,742
Less: Previous Requests	\$2,874,674
Less: Current Request	
C-839 Rochester - South Main Street Sewer Replacement / Solarbee Pilot	\$37,089
Total	<u>\$37,089</u>
Balance Available	\$1,520,979

EXHIBIT A

Supplemental information to the preceding Governor and Executive Council request for approval of State Aid Grants for sewage disposal facilities under RSA 486.

Municipality: Rochester, NH

State Grant Number: C-839

Project: South Main Street Sewer / Solarbee Pilot

Description: Pilot and analysis of solar powered aeration unit for the wastewater treatment facility and design and construction of sanitary sewers and pump station on South Main Street.

Grant Eligible Project Costs: \$1,834,404

Grant Award: 30% of eligible costs (\$550,321)

Grant Term: 20 years

Application Received: 6/21/2012
