



The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

February 25, 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-A, to the following seven entities in the aggregate amount of \$2,535,285 for drinking water projects, effective upon Governor and Council approval. 100% General Funds.

Applicant	Town	Vendor Code	Grant Amount
Orford Village District	Orford	167886 B001	\$133,779
Lower Bartlett Water Precinct	Bartlett	160106 B001	\$1,459,741
Rye Water District	Rye	160018 B001	\$47,091
White Rock Cooperative Estates	Tilton	157123 B001	\$167,781
Granliden Community Association	Sunapee	154742 B001	\$85,286
City of Manchester (Manchester Water Works)	Manchester	177433 B001	\$273,769
Pennichuck East Utility (Birch Hill)	Conway	225852 B001	\$367,838

Funding is available in the account as follows:

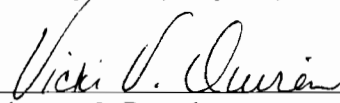
	<u>FY 2014</u>	<u>FY 2015</u>	<u>After FY 2015</u>
03-44-44-442010-1426-073-500580	\$130,180	\$118,173	\$2,286,932
Dept. of Environmental Services, Public Water Systems, Grants-Non Federal			

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 seven of the Delayed and Deferred projects. Additional information regarding these projects is shown in Exhibit A.

We respectfully request your approval.

for 
 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	\$0
Less: Current Request	
14-1831010 Orford Village District	\$4,957
14-0161020 Lower Bartlett Water Precinct	\$54,298
14-2041010 Rye Water District	\$9,418
14-2353060 White Rock Cooperative Estates	\$3,166
14-2272010 Granliden Community Association	\$2,180
14-1471010 Manchester Water Works	\$34,414
14-0512010 Birch Hill (PEU)	<u>\$21,747</u>
Total	<u>\$130,180</u>
Balance Available	\$190,283

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: Orford Village District

Municipality: Orford, NH

State Grant Number: 14-1831010

Project: Development of groundwater supply and upgrade of existing public water system.

Description: Purchase of existing well and pump house, interconnection with adjacent water system, and upgrade of distribution system to connect all customers with new source of supply.

Grant Eligible Project Costs: \$ 445,931

Grant Award: 30% of eligible costs (\$133,779)

Grant Term: 27 years

Application Received: 6/24/2008

Exhibit A (con't)

Public Water System: Lower Bartlett Water Precinct

Municipality: Bartlett, NH

State Grant Number: 14-0161020

Project: Interconnection with adjacent public water systems in the Bartlett area.

Description: Design and construction of upgrades to Well # 1 to accommodate additional water supply demand, and interconnection of existing water systems including installation of water mains and storage tank to provide service to adjacent public water systems.

Grant Eligible Project Costs: \$5,838,963

Grant Award: 25% of eligible costs (\$1,459,741)

Grant Term: 27 years

Application Received: 6/29/2008

Exhibit A (con't)

Public Water System: Rye Water District

Municipality: Rye, NH

State Grant Number: 14-2041010

Project: Interconnection with Adams Mobile Home Park

Description: Design and construction of interconnection with Adams Mobile Home Park which included installation of 12-inch water main.

Grant Eligible Project Costs: \$188,365

Grant Award: 25% of eligible costs (\$47,091)

Grant Term: 5 years

Application Received: 11/10/2010

Exhibit A (con't)

Public Water System: White Rock Cooperative Estates

Municipality: Tilton, NH

State Grant Number: 14-2353060

Project: Interconnection with Lochmere Village District water system

Description: Design and construction of interconnection with Lochmere Village District water system including installation of 3-inch PVC water main.

Grant Eligible Project Costs: \$ 671,124

Grant Award: 25% of eligible costs (\$167,781)

Grant Term: 40 years

Application Received: 09/26/2008

Exhibit A (con't)

Public Water System: Granliden Community Association

Municipality: Sunapee, NH

State Grant Number: 14-2272010

Project: Interconnection with Town of Sunapee water system

Description: Design and construction of water main extension to connect Town of Sunapee and Granliden water system.

Grant Eligible Project Costs: \$426,433

Grant Award: 20% of eligible costs (\$85,286)

Grant Term: 20 years

Application Received: 12/5/2008

Exhibit A (con't)

Public Water System: Manchester Water Works

Municipality: Manchester, NH

State Grant Number: 14-1471010

Project: Water Main River crossing of Merrimack River

Description: Design and construction of Water Main River crossing of Merrimack River to enhance service to Central Hooksett Water Precinct and provide redundancy of river crossing for north Manchester water service area.

Grant Eligible Project Costs: \$ 1,095,076

Grant Award: 25% of eligible costs (\$273,769)

Grant Term: 19 years

Application Received: 7/29/2008

Exhibit A (con't)

Public Water System: Birch Hill Water System (Pennichuck East Utility, Inc)

Municipality: Conway, NH

State Grant Number: 14-0512010

Project: Interconnection with North Conway Water Precinct

Description: Design and construction of water transmission main to connect Birch Hill water system with North Conway Water Precinct distribution system.

Grant Eligible Project Costs: \$ 1,471,354

Grant Award: 25% of eligible costs (\$367,838)

Grant Term: 20 years

Application Received: 7/1/2008