



The State of New Hampshire
Department of Environmental Services



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Robert R. Scott, Commissioner

October 27, 2020

The Honorable Mary Jane Wallner, Chairman
 Fiscal Committee of the General Court
 State House

His Excellency, Governor Christopher T. Sununu
 and the Honorable Council
 State House
 Concord, NH 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI, authorize the Department of Environmental Services (NHDES) to accept and expend an additional \$1,500,000 in Drinking Water and Groundwater Trust Funds for the purpose of implementing emergency drought assistance to low-income residential well owners, effective upon Fiscal Committee and Governor and Council approval through June 30, 2021. 100% Drinking Water Groundwater Trust Fund.

Funding is to be appropriated as follows:

Drinking Water and Groundwater Trust
 03-44-44-442010-39040000
 FY 2021

Class	Budget Category	Current Budget	Requested Action	Revised Budget
Income				
009-401831	DW/GW Trust Funds	(\$32,597,853)	(\$1,500,000)	(\$34,097,853)
Expenditures				
018-500106	Overtime	\$10,000	-0-	\$10,000
020-500200	Current Expenses	\$11,800	-0-	\$11,800
022-500255	Rents-Leases Other than State	\$500	-0-	\$500
024-500225	Maint Other than Blg/Grd	\$200	-0-	\$200
027-582703	Transfers to OIT	\$34,766	-0-	\$34,766
028-582814	Transfers to General Services	\$22,841	-0-	\$22,841
030-500321	Equipment	\$200	-0-	\$200
037-500174	Technology-Hardware	\$300	-0-	\$300
038-500175	Technology-Software	\$200	-0-	\$200
039-500188	Telecommunications	\$4,872	-0-	\$4,872
040-500800	Indirect Costs	\$50,958	-0-	\$50,958

Class Con't.	Budget Category	Current Budget	Requested Action	Revised Budget
042-500620	Additional Fringe Benefits	\$36,626	-0-	\$36,626
049-584920	Transfers to Other Agencies	\$186,978	-0-	\$186,978
050-500109	Personnel Services Temp	\$140,711	-0-	\$140,711
059-500117	Personnel Services Temp Full Time	\$338,915	-0-	\$338,915
060-500601	Benefits	\$248,376	-0-	\$248,376
066-500544	Employee Training	\$4,000	-0-	\$4,000
070-500705	Instate Travel	\$2,100	-0-	\$2,100
073-500580	Grants - Non federal	\$10,500,000	-0-	\$10,500,000
080-500710	Out-of-State Travel	\$3,900	-0-	\$3,900
102-500731	Contracts for Program Services	\$1,000,000	-0-	\$1,000,000
300-500830	Reimbursements	-0-	\$1,500,000	\$1,500,000
301-504059	Loans	\$20,000,000	-0-	\$20,000,000
	Total	\$32,597,853	\$1,500,000	\$34,097,853

EXPLANATION

This request is to budget additional funds from the Drinking Water Groundwater Trust Fund (DWGTF) to the Drinking Water Groundwater Trust Account. When the funding for the operating budget to implement RSA 485-F for Fiscal Year 2020/2021 biennium was approved, it was anticipated that all awards made by the DWGTF Advisory Commission would be disbursed via classes 073 Grants and 301 Loans, and therefore no appropriation was made to class 300 Reimbursements. The \$1.5M award is intended to provide short-term relief and financial assistance for low-income New Hampshire homeowners served by residential wells that are experiencing insufficient water or no water due to drought conditions. Through financial assistance to eligible homeowners selected on the basis of household income, these funds will support New Hampshire citizens that have been hardest hit by the drought. The DWGTF Advisory Commission approved the program award on October 15, 2020 and program implementation details on October 23, 2020. Please see the attached document entitled "Emergency Drought Assistance to Low-Income Residential Well Owners New Hampshire Department of Environmental Services" for more information on tiered income criteria.

Although total program demand is uncertain at this time, it is anticipated that as many as 200 to 300 individual homeowners will receive assistance under this initiative. DES will be working with homeowners to determine their tier of financial eligibility and to identify the appropriate remedy for their particular situation. Remedies may include providing increased system storage in order to mitigate periods of peak demand and allow sufficient time for a well to recharge between withdrawals to extending or replacing existing wells.

By appropriating these funds to class 300 Reimbursements, it will allow the providers of the services, in this case the many licensed well installers and contractors that will be providing drought related

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solutions to eligible homeowners, to apply for direct reimbursement, thereby relieving the eligible homeowners of the burden of first making payment.

DES is requesting to budget these additional funds as shown below:

Class 300 To reimburse costs incurred by eligible homeowners whose wells have run dry for remedies to include a temporary auxiliary storage tank and bulk water, increasing storage capacity, lowering an existing well pump, deepening an existing well, installing a replacement well, and water quality sampling of the deepened/replacement well.

We respectfully request your approval.



Robert R. Scott, Commissioner

Emergency Drought Assistance to Low-Income Residential Well Owners
New Hampshire Department of Environmental Services
Approved by the Drinking Water and Groundwater Advisory Commission October 23, 2020

Total Allocation from the Drinking Water & Groundwater Trust Fund: \$1,500,000

Purpose

The purpose of this initiative is to provide short-term relief and financial assistance for low-income New Hampshire homeowners served by residential wells that are experiencing insufficient water or no water due to drought conditions. N.H. Dept. of Environmental Services (“NHDES”) will administer this program on behalf of the N.H. Drinking Water and Groundwater Advisory Commission (“Commission”) in the manner provided herein.

Note: There is currently a significant backlog of homeowners who have contacted NH drilling contractors requesting drought mitigation for their wells. This assistance will not increase the speed at which a drilling contractor can respond. However, by providing bottled water and offering financial assistance selected on the basis of household income, this initiative will support the state’s citizens hardest hit by the drought.

Eligibility

A homeowner is eligible to receive assistance only for the homeowner’s primary residence, only when the homeowner demonstrates that the primary residence lacks a safe or reliable source of drinking water due to drought, and only in the manner described below. NHDES reserves the right to determine whether payment should be made under this program in a manner consistent with directives from the Commission. All funding is contingent upon the availability of funds and NHDES or the Commission may prioritize projects for funding if funding is not available for all projects. Homeowner wells that are failing due to their use to provide water for non-essential outdoor activities (landscape, livestock, etc.) or for construction of a well on a lot or property where a well does not already exist are *not eligible*. Homeowners may request assistance under the program by filing an application provided by NHDES and the Commission. NHDES will verify eligibility prior to calculating possible assistance.

Low-Income Eligibility Criteria

Emergency drought assistance may be available for eligible residential well owners who meet either of the following low-income criteria thresholds:

Tier 1: Applicant’s household income is at or below \$37,028.50, which is 50% of the NH statewide average⁽¹⁾.

Tier 2: Applicant’s household income is at or below the income criterion based on the U.S. Department of Housing and Urban Development (HUD) guidelines and presented in Attachment A.

¹ The NH statewide average median household income (MHI), \$74,057, is based on the 2014-2018 American Community Survey 5-Year Estimates.

Drought Mitigation Actions

1. Short-term provision of water for eligible households with insufficient water due to drought.

For those eligible homeowners who do not have drinking water and are at or below the income criteria presented in Attachment A, NHDES will initiate bottled water delivery through the statewide contract to provide short-term relief while they are in the queue to have their well improved or replaced. The Commission authorizes NHDES to utilize the statewide contract for this purpose⁽²⁾.

2. Improving or Replacing Residential Wells with Insufficient Water Due to Drought

Financial assistance may be made available for qualifying low-income homeowners through a grant from the N.H. Drinking Water and Groundwater Trust Fund ("DWGTF") for improving or replacing a residential well with insufficient water due to drought. Funding assistance may be available for eligible homeowners as described below:

- Tier 1 - If the household income for the homeowner is at or below **\$37,028.50**, they are eligible for financial assistance for the total cost of the drought mitigation action minus a **\$250.00 deductible** to improve or replace a residential well. NHDES will work with the contractors to establish a method whereby such contractors may invoice the homeowner only for the \$250 and seek the balance directly as a grant from NHDES.
- Tier 2 - If the homeowner is at or below the income criteria presented in Attachment A for their area, they are eligible for financial assistance for 50% of the total cost to improve or replace a residential well.

Eligible costs include, but are not limited to:

- Providing temporary auxiliary storage tank and bulk water by the drilling contractor;
- Increasing storage;
- Lowering the existing well pump;
- Deepening an existing well; and,
- Installing a replacement well.

Additionally, once the work is completed, all wells must be sampled and tested for the water quality parameters presented in Attachment B by a NH accredited laboratory. The laboratory costs for testing the parameters presented in Attachment B are eligible. However, the provision of drought assistance does not guarantee the quality or quantity of water associated with the work funded by this grant, and costs to add treatment are not eligible costs.

3. Connection to an Existing Community Water System

Financial assistance may be made available for qualifying low-income homeowners through a grant from the DWGTF for construction of a service connection to a community water system to replace a residential well with insufficient water due to drought. Funding assistance may be available for eligible homeowners as described below:

² The Commission previously authorized NHDES to utilize this contract to address contamination issues.

- Tier 1 - If the household income for the homeowner is at or below **\$37,028.50**, they are eligible for financial assistance for the total cost of the drought mitigation action minus a **\$250.00 deductible** to construct a service connection to a community water system. NHDES will work with the contractors to establish a method whereby such contractors may invoice the homeowner only for the \$250 and seek the balance directly as a grant from NHDES.
- Tier 2 - If the homeowner is at or below the income criteria presented in Attachment A for their area, they are eligible for financial assistance for 50% of the total cost to construct a service connection to a community water system.

Eligible costs include, but are not limited to:

- Designing and permitting the connection to a nearby community water system;
- Installing a service connection to a nearby community water system; and,
- Installation of the connection of the indoor system to the new service connection.

Cost of monthly usage fees are not eligible. The cost to provide a service connection to an existing community water system may not exceed \$15,000.

NHDES Grant Administration

1. The homeowner or licensed contractor will submit the eligibility application signed by both the homeowner and the licensed contractor which includes verification that the well issues are drought-related and information needed for low-income determination. NHDES will determine eligibility and the financial assistance amount the homeowner may receive.
2. If the homeowner is eligible and requests bottled water service, NHDES may initiate a delivery at no cost to the homeowner through the statewide contract.
3. NHDES may pay contractors directly in accordance with the provisions described above.
4. To receive payment, the contractor will be required to submit documentation of the work, the well installation report, the total cost in a manner that accounts for the 50% or \$250 payment due from the homeowner, and other reasonable documentation as required by NHDES.

Effective Date: Retroactive to June 23, 2020

Sunset Date: The emergency drought assistance in each county expires when the county and all contiguous counties in New Hampshire and/or bordering states have had no drought classification (D1 to D4) designated for four consecutive weeks or available funding has been exhausted⁽³⁾. Eligible homeowners who have submitted their application to NHDES prior to the described date above will be provided assistance until the work is completed.

Waiver: The Commission, in its discretion, may waive any of these provisions if granting the waiver will result in circumstances that better fulfill the purpose and intent of the initiative described above or if strict adherence to the provision being waived would not be in the best interest of the public, the environment, or the Drinking Water and Groundwater Trust Fund program. The Commission may designate a Subcommittee to approve or deny waivers on their behalf.

³ Drought classifications are published in the U.S. Drought Monitor which is produced through a partnership between the National Drought Monitor Center at the University of Nebraska-Lincoln, the United States Department of Agriculture, and the National Oceanic and Atmospheric Administration.

ATTACHMENT A
Residential Well Emergency Drought Assistance to Low-Income Residential Well
Owners
Income Eligibility Guidance

Tier 1 Income Criteria

The total household annual income is no greater than \$37,028.50, the equivalent of 50% of the statewide average of median household incomes⁽¹⁾. If qualified at this level, up to the full cost of the project may be eligible for reimbursement, less a \$250 deductible.

Tier 2 Income Criteria

The total household annual income is greater than \$37,028.50 but less than or equal to the applicable area median household income shown on the chart below. If qualified at this level, up to 50% of the cost of the project may be eligible for reimbursement.

COUNTY ⁽²⁾	HOUSEHOLD SIZE ⁽¹⁾					
	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON
BELKNAP	\$ 59,246	\$ 59,246	\$ 61,450	\$ 68,250	\$ 73,750	\$ 79,200
CARROLL	\$ 59,246	\$ 59,246	\$61,450	\$68,250	\$ 73,750	\$ 79,200
CHESHIRE	\$ 59,246	\$ 59,246	\$ 62,300	\$ 69,200	\$ 74,750	\$ 80,300
COOS	\$ 59,246	\$ 59,246	\$ 61,450	\$ 68,250	\$ 73,750	\$ 79,200
GRAFTON	\$ 59,246	\$ 59,300	\$ 66,700	\$ 74,100	\$ 80,050	\$ 86,000
HILLSBOROUGH	\$ 59,246	\$ 60,250	\$ 67,800	\$ 75,300	\$ 81,350	\$ 87,350
^(b) Nashua MSA	\$ 59,246	\$ 62,800	\$ 70,650	\$ 78,500	\$ 84,800	\$ 91,100
^(b) Manchester MSA	\$ 59,246	\$ 59,246	\$ 61,450	\$ 68,250	\$ 73,750	\$ 79,200
MERRIMACK	\$ 59,246	\$ 59,246	\$ 64,250	\$ 71,350	\$ 77,100	\$ 82,800
ROCKINGHAM	\$ 59,246	\$ 62,750	\$ 70,600	\$ 78,400	\$ 84,700	\$ 90,950
^(c) Boston MSA	\$ 67,400	\$ 77,000	\$ 86,650	\$ 96,250	\$ 103,950	\$ 111,650
^(d) Lawrence MSA	\$ 59,246	\$ 62,750	\$ 70,600	\$ 78,400	\$ 84,700	\$ 90,950
^(e) Western Rockingham	\$ 59,246	\$ 62,800	\$ 70,650	\$ 78,500	\$ 84,800	\$ 91,100

COUNTY (Con't) ⁽²⁾	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON
⁽¹⁾ Portsmouth-Roch MSA	\$ 59,246	\$ 62,800	\$ 70,650	\$ 78,500	\$ 84,800	\$ 91,100
STRAFFORD	\$ 59,246	\$ 62,800	\$ 70,650	\$ 78,500	\$ 84,800	\$ 91,100
SULLIVAN	\$ 59,246	\$ 59,246	\$ 61,450	\$ 68,250	\$ 73,750	\$ 79,200

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Notes:

1. Income criterion is based on U.S. Department of Housing and Urban Development (HUD) guidelines and the average statewide Median Household Income (MHI). For county and household sizes with a MHI below 80% of the statewide average, the calculated value of 80% of the statewide average MHI, \$59,246, has been substituted for the HUD criteria. This change is reflected in the table as a larger font size where applicable. The HUD income criteria presented are 80% of the area MHI. The NH statewide average MHI, \$74,057, is based on the 2014-2018 American Community Survey 5-year estimates.
2. Income Limits shown are for the entire county or for towns included in a separate Metropolitan Statistical Area (MSA) within a particular county.
 - a. Amherst, Brookline, Greenville, Hollis, Hudson, Litchfield, Mason, Merrimack, Milford, Mont Vernon, Nashua, New Ipswich, Pelham, Wilton
 - b. Bedford, Goffstown, Manchester, Weare
 - c. Seabrook, South Hampton
 - d. Atkinson, Chester, Danville, Fremont, Hampstead, Kingston, Newton, Plaistow, Raymond, Salem, Sandown, Windham
 - e. Auburn, Candia, Deerfield, Londonderry, Northwood, Nottingham
 - f. Brentwood, East Kingston, Epping, Exeter, Greenland, Hampton Falls, Kensington, New Castle, Newfields, Newington, Newmarket, North Hampton, Portsmouth, Rye, Stratham

Questions? Email: droughtwellinfo@des.nh.gov

ATTACHMENT B

Eligible Water Quality Testing Parameters⁽¹⁾

Upon completion of drought mitigation actions associated with improvements or replacement of the existing well, all wells must be sampled for the following water quality parameters. The laboratory costs for parameters listed below are eligible project costs⁽²⁾.

Arsenic	Bacteria (Total Coliform and E.coli)
Chloride	Copper (both stagnant and flushed)
Fluoride	Hardness
Iron	Manganese
Nitrate/Nitrite	pH
Radon	Sodium
Uranium	Lead (both stagnant and flushed)

Notes:

1. The list of water quality parameters is recommended by New Hampshire Department of Environmental Services for private well users and home buyers. For additional information, please visit the NHDES website:
<https://www.des.nh.gov/organization/divisions/water/dwgb/nhelap/index.htm>
2. For the laboratory costs to be eligible, the analyses must be performed by a laboratory accredited through the New Hampshire Environmental Laboratory Accreditation Program. The NHDES website has an accredited laboratory search available at <http://www4.des.state.nh.us/CertifiedLabs/Certified-Method.aspx> and a list of accredited laboratories providing well water quality testing services in new Hampshire at <https://www.des.nh.gov/organization/divisions/water/dwgb/nhelap/documents/labs-private-wells.pdf>.