



The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

April 21, 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 following three entities in the aggregate amount of \$3,885,942 for wastewater facility projects, effective upon Governor and Council approval. 100% General Funds.

| Applicant | Vendor Code | Grant Amount |
|------------------------------|-------------|--------------|
| Lebanon, City of | 177422 B002 | \$762,121 |
| Keene, City of | 177417 B002 | \$838,872 |
| Conway Village Fire District | 177213 B001 | \$2,284,949 |

Funding is available in the account as follows:

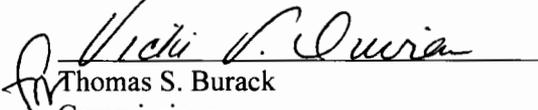
| | | | |
|---|----------------|----------------|----------------------|
| | <u>FY 2014</u> | <u>FY 2015</u> | <u>After FY 2015</u> |
| 03-44-44-442010-1003-073-500580 | \$260,914 | \$230,073 | \$3,394,955 |
| Dept. of Environmental Services, State Aid Grants, Grants-Non Federal | | | |

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 grants in this request represent 5 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 | | \$2,911,763 |
| Less: Concurrent (5/7/14) Request | | \$155,366 |
| Less: Current Request | | |
| C-844 | Lebanon - CSO CONTRACTS 1, 2, 3, DESIGN 4 | \$59,787 |
| C-845 | Keene - 2007 Sewer Manhole Installation Project | \$27,011 |
| C-846 | Keene - 2008 Sewer Manhole Installation Project | \$32,627 |
| C-847 | Keene - 2008 Infrastructure Project | \$53,597 |
| | | \$113,235 |
| C-848 | Conway Vill. Fire Dist. - Ph I & IA Water & WW Improvements & I/I Rehab | \$87,892 |
| | Total | <u>\$260,914</u> |
| | Balance Available | \$1,104,699 |

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: Lebanon, NH

State Grant Number: C-844

Project: Combined Sewer Overflow Contracts 1, 2, 3 and Contract 4 Design

Description: Design and construction in accordance with the long term control plan for separation of combined sewers on: Davis, Church, Valley and Pine Street (Contract 1); Water, South, Abbott, Chestnut, Perley, Calvin, College, Spring and Lewis Street (Contract 2); and in the vicinity of Granite and Hough Street and at combined sewer outfalls A, B and C (Contract 3 and Contract 4 Design).

Grant Eligible Project Costs: \$3,810,607

Grant Award: 20% of eligible costs (\$762,121)

Grant Term: 28 years

Application Received: 11/4/2008

EXHIBIT A (Cont.)

Municipality: Keene, NH

State Grant Number: C-845

Project: 2007 Sewer Manhole Installation Project

Description: Installation of new sewer system manholes in portion of downtown area to improve integrity of manholes and accessibility for flow monitoring and maintenance.

Grant Eligible Project Costs: \$90,035

Grant Award: 30% of eligible costs (\$27,011)

Grant Term: 1 year

Application Received: 7/2/2010

State Grant Number: C-846

Project: 2008 Sewer Manhole Installation Project

Description: Installation of new sewer system manholes in portion of downtown area to improve integrity of manholes and accessibility for flow monitoring and maintenance.

Grant Eligible Project Costs: \$108,757

Grant Award: 30% of eligible costs (\$32,627)

Grant Term: 1 year

Application Received: 7/2/2010

State Grant Number: C-847

Project: 2008 Infrastructure Project

Description: Design and construction for sewers on Castle Court and Castle, Colorado, Howard, Forest, North, Prospect and Wilder Streets.

Grant Eligible Project Costs: \$2,597,444

Grant Award: 30% of eligible costs (\$779,234)

Grant Term: 21 years

Application Received: 7/1/2011

Total Grant Award - Keene, NH: \$838,872

EXHIBIT A (Cont.)

Municipality: Conway Village Fire District, Conway, NH

State Grant Number: C-848

Project: Phase I & IA Water & Wastewater Improvements & Infiltration/Inflow Rehabilitation

Description: Study, design and construction for sewers and pump stations in the vicinity of Route 16 and development of an Inter-municipal Agreement with North Conway Water Precinct to share costs for wastewater treatment.

Grant Eligible Project Costs: \$7,616,497

Grant Award: 30% of eligible costs (\$2,284,949)

Grant Term: 26 years

Application Received: 6/14/2011