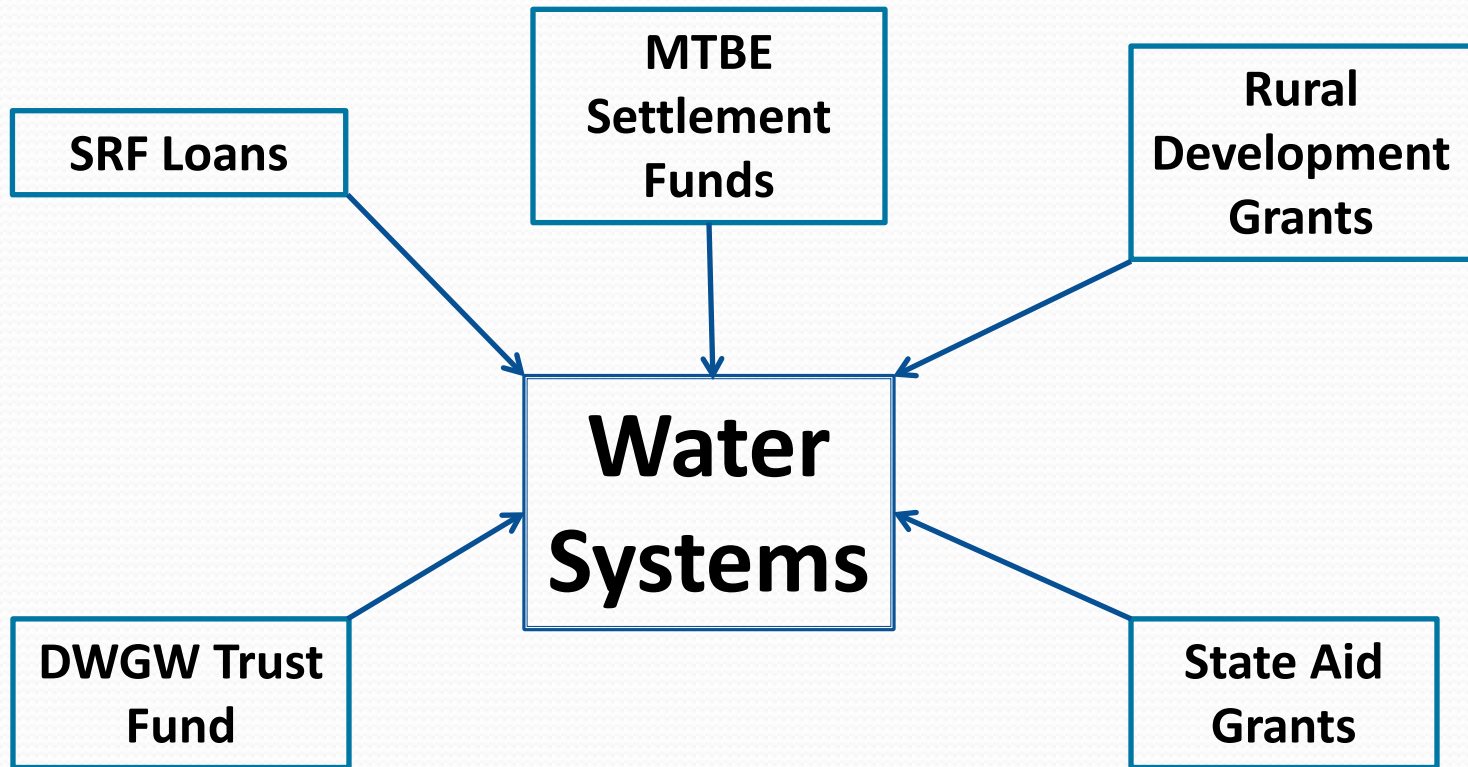


**Drinking and Ground Water Trust Fund
Advisory Committee
Presentation of Drinking Water
System Funding Options**

September 7, 2017

SOURCES OF DRINKING WATER INFRASTRUCTURE FUNDING AVAILABLE TO COMMUNITIES



SOURCES OF DRINKING WATER INFRASTRUCTURE FUNDING:

SRF LOANS

- Drinking Water State Revolving Loan Fund has been in existence since 1996
- Fund consists of federal funds matched with state dollars and repayments
- Since its inception, NHDES has given out 260 loans totaling \$305 million
- SRF available balance is \$22M (\$50M of requests)
- Loans are awarded based on priority listing developed annually

SOURCES OF DRINKING WATER INFRASTRUCTURE FUNDING:

SRF LOANS

- Loans are at very low interest
- Principle forgiveness may be available
 - Makes them a negative interest loan
- Could be used by towns as their “match”
- Usually oversubscribed – limits applicability
- Since Federal funds are involved
 - Davis-Bacon
 - American Steel

SOURCES OF DRINKING WATER INFRASTRUCTURE FUNDING: *OUTSIDE ENTITIES -- RURAL DEVELOPMENT AUTHORITY (RDA)*

- RDA (w/in the US Dept. of Agriculture) awards grants and low-interest loans to communities that meet population (smaller than 10,000) and income criteria
- If they meet RDA criteria, communities may qualify for grants up to \$500,000
- Communities apply directly to RDA for aid. Aid is restricted based on federal budget
- Average annual grants/loans budget = \$11 million

SOURCES OF DRINKING WATER INFRASTRUCTURE FUNDING:

STATE AID GRANTS

- State Aid Grant program for Drinking Water is currently not funded for future grants
- Program was initiated in 1996 as a way to assist communities with system interconnections and water filtration system upgrades - Grants were for 20% of costs.
- All eligible systems have been awarded grants and program is paying down remaining grants over next 25 years (grants are tied to debt service payments)

SOURCES OF DRINKING WATER INFRASTRUCTURE FUNDING: *MTBE SETTLEMENT FUNDS*

2003 State MtBE Litigation Resulted in Settlement Fund

- Governed by court orders with multiple defendants
- \$81.6 M apportioned to MtBE cleanup, \$61 M remains
- Settlement funds controlled by the NH Department of Justice (DOJ)
- Program is operated by DES MtBE Bureau
- DOJ reimburses NHDES for costs incurred and approves all projects over \$1 million in advance

MTBE SETTLEMENT FUND ELIGIBLE ACTIVITIES

- Public Water Supply Infrastructure
 - Significant MtBE contamination present
- Investigation and Remediation of MtBE sites
- Provide Safe Drinking Water to NH Citizens
- Testing Private Wells
- MtBE Contamination Prevention Measures

MTBE REMEDIATION BUREAU PROGRESS



- 9,400 DW samples collected (\approx 5,500 households)
- Gasoline Release Prevention
 - 11 MVRF spill prevention pads installed (22 in process)
 - 80 gasoline transfer devices delivered
 - 234 USTs removed
- Remediation: >15K tons of contaminated soil removed
- DW Infrastructure (water lines, etc.): 3 completed and 2 under construction



MTBE PROJECT STATUS

Status	Town/City	Name	Summary	Estimated Construction Costs
Construction complete	Rochester	Little Falls Coop	Approx. 1,400' water main extension, 30 service connections	\$490,000
Construction complete	Windham	Waterhouse Country Store	Approx. 5,660' water main extension, 5 service connections; 24 unit service connection pending	\$850,000
Water main construction complete, service connections pending	Salem	Lowell Road Area Wide MtBE	Approx. 1,500' water main extension; 5 service connections pending	\$158,000 (DES portion of construction costs)
Under construction	Derry	Metro Plaza Former Kershaws	Approx. 13,500' water main extension	\$2,254,000 (DES portion of construction costs)
Under construction	Dover	Dover Water Dept. Griffin & Ireland well	Approx. 2,100' interim water main connection (permanent connection to be decided at later date)	\$1,490,000 (DES portion of construction costs)
Pending construction	Atkinson	Sunoco 03666419	Approx. 1,000' water main extension, 3 service connections	\$108,000
Pending Construction	Tilton	Former Fluffy's Convenience Store	Approx. 800' water main extension, 5 service connections	In bid
Design phase	Epsom	Green Valley 55258 Former Getty	Approx. 2,600' water main extension, 5 service connections	In bid

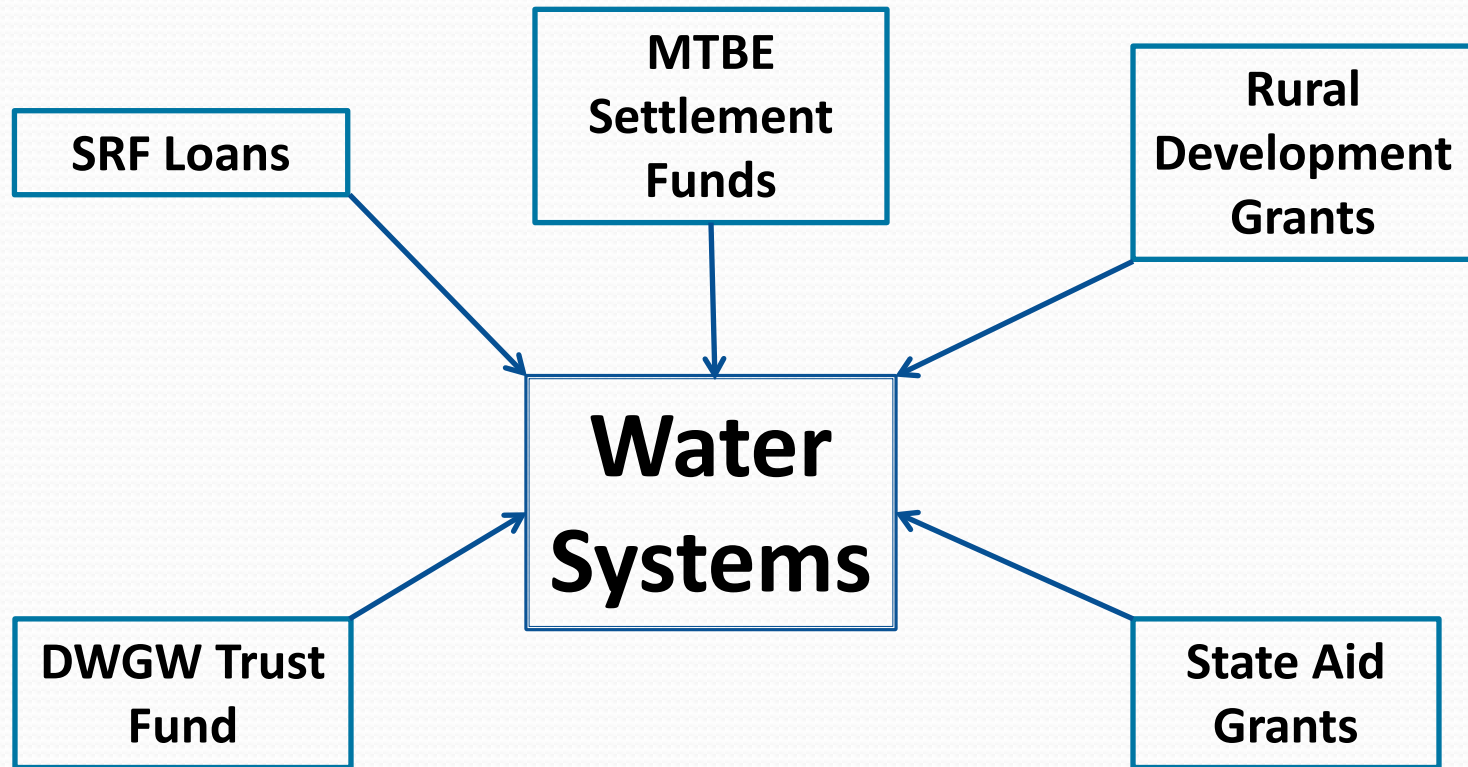
~XXX projects in the feasibility stage

SOURCES OF DRINKING WATER INFRASTRUCTURE FUNDING: *DRINKING WATER & GROUNDWATER TRUST FUND*

Drinking Water and Groundwater Trust Fund (DWGW)

- Funds from ExxonMobil Trial (2013)
- \$276.4 million deposited 6/1/2016 into Trust Fund account maintained by State Treasurer
 - Current balance \$278M
- Use of funds controlled by RSA 485-F

SOURCES OF DRINKING WATER INFRASTRUCTURE FUNDING AVAILABLE TO COMMUNITIES



485-F Authorized Tools

- Grants and Loans
 - Drinking water infrastructure
 - Water supply land protection
 - Competitive
 - Matching funds required for grants
- Loan program within the Trust Fund
 - Provides towns an expanded “match” pool
 - Extends life and reach of Trust Fund