

TABLE 1A
Interconnection, Consolidation, and Contamination Projects Subgroup -
15 Projects Requesting 50% or Less Grant

(I) INTERCONNECTION AND CONSOLIDATION AND (C) CONTAMINATION PROJECTS SUBGROUP ^{1,2}									
Applicant	Project Name	Project Category	Grant Request	% Grant Request of Project Total	Loan Request	Other Contributing Funds	Project Total ³	DWSRF Eligibility	Notes
Merrimack Village District	Wells 4 & 5 Water Treatment Plant	(C) Contamination	\$405,000	10%	\$0	\$3,755,000	\$4,160,000	YES	Primary (PFOA/PFOS). High DWSRF ranking but only DWGTF grant requested.
North Walpole Village District	1,4 Dioxane Treatment	(C) Contamination	\$200,000	14%	\$700,000	\$500,000	\$1,400,000	YES	DWSRF funding available.
Stonehenge Apartments	Stonehenge-Save the Water	(I) Interconnection and Consolidation	\$170,000	15%	\$250,000	\$700,000	\$1,120,000	YES	DWSRF funding available.
Moody Point Community Association	Newmarket Water Line Connection to Moody Point Neighborhood, Eliminating Need for PWS 1732010	(I) Interconnection and Consolidation	\$450,000	25%	\$1,356,000	\$0	\$1,806,000	YES	DWSRF funding available.
Rochester Water Department	Granite State Business Park Water System Improvement	(I) Interconnection and Consolidation	\$500,000	31%	\$0	\$1,100,000	\$1,600,000	NO	Growth-related
Goffstown Department of Public Works	DPW Water Main Extension	(I) Interconnection and Consolidation	\$157,500	39%	\$0	\$250,000	\$407,500	NO	Growth-related
Rye Water District	Central Water Treatment Plant	(C) Contamination	\$1,998,800	40%	\$2,998,200	\$0	\$4,997,000	YES	Secondary (iron/manganese).
Aquarion Water Company of New Hampshire	Mill Road Wellfield PFA Treatment	(C) Contamination	\$2,622,000	45%	\$2,622,000	\$556,000	\$5,800,000	YES	Primary (PFOA/PFOS).
Town of Pelham	Pelham MtBE Remediation Project	(I) Interconnection and Consolidation	\$2,500,000	49%	\$2,600,000	\$0	\$5,100,000	NO	Growth-related
Exeter Department of Public Works	Newfields Road Water Main Extension	(I) Interconnection and Consolidation	\$450,000	50%	\$450,000	\$0	\$900,000	YES	
Lower Bartlett Water Precinct	Route 302 Water Main Extension Project	(I) Interconnection and Consolidation	\$2,984,300	50%	\$2,984,300	\$0	\$5,968,600	YES	
Rochester Water Department	Route 202A Water Main Extension	(I) Interconnection and Consolidation	\$3,800,000	50%	\$1,293,000	\$2,507,000	\$7,600,000	YES	
Salem Water Department	Salem Reliability Improvements for the Southern NH Regional Water Initiative - Project 1 (Shannon Road Water Main)	(I) Interconnection and Consolidation	\$890,000	50%	\$890,000	\$0	\$1,780,000	NO	Growth-related
Salem Water Department	Salem Reliability Improvements for the Southern NH Regional Water Initiative - Project 2 (Lake St. and Bluff St. Water Main)	(I) Interconnection and Consolidation	\$1,600,000	50%	\$1,600,000	\$0	\$3,200,000	NO	Growth-related
Town of Windham	Route 111 Water Main Extension	(I) Interconnection and Consolidation	\$4,750,000	50%	\$4,750,000	\$0	\$9,500,000	NO	Growth-related
Town of Bow	Bow Junction/Bow Mills Waterline Extension	(I) Interconnection and Consolidation	\$4,413,610	79%	\$1,103,402	\$50,000	\$5,567,012	YES	
Kingston Fire Department	Kingston Fire Station	(C) Contamination	\$108,700	87%	\$0	\$16,000	\$124,700	NO	Primary (PFOA/PFOS).
Granite Post Green MHC, LLC	Shel-Al Mobile Home Park Municipal Water Connection	(I) Interconnection and Consolidation	\$20,000	100%	\$0	\$0	\$20,000	YES	
Rolling Acres Manufactured Home Park	Interconnection with Town of Milford	(I) Interconnection and Consolidation	\$1,384,000	100%	\$0	\$0	\$1,384,000	YES	High DWSRF ranking but only DWGTF grant requested.
DWGTF Requests (\$M)			\$29.4		\$23.6				
Total Request (\$M)			\$53.0						

DWSRF = Drinking Water State Revolving Fund

DWGTF = Drinking Water and Groundwater Trust Fund

Notes:

- The Interconnection and Consolidation (I) category represents projects that connect two or more public water systems (PWS); eliminate a PWS by combining it with an existing PWS; or, extend an existing system to serve additional customers (growth).
- The Contamination category (C) represents construction projects that directly address current drinking water standard violations or potential future violations with documented contamination nearby. The notes indicate if contamination is current or potential scenario.
- Project total is the cost of full project scope and may include grant and loan requests and/or other funding sources.

New Hampshire Drinking Water and Groundwater Advisory Commission

RSA 485-F:4 – SB380 – Chapter 11:2 – Laws of 2016

Subcommittee Group A Meeting Minutes

DRAFT

MEETING DATE: 9:30 a.m., Wednesday, August 1st, 2018, SH 100

Members of the Committee Present: Representative Chris Christensen
Lisa Morris
Bruce Breton
Rodney Bartlett
Rachel Miller

Audience Members Present: Josh Elliott – Senate Majority Policy Director
Rick Skarinka – Department of Environmental Services
Paul Susca – Department of Environmental Services

Meeting Discussion:

1) Welcome – Representative Chris Christensen, Chairman

The subcommittee reviewed the 2018 NH Drinking Water and Groundwater Advisory Commission pre-applications pertaining to interconnection, consolidation, and contamination projects. The members would discuss the specifics of each application with DES staff and make possible recommendations to the wider Advisory Commission. The members agreed to divide the applications into three categories: YES (projects that should be funded), NO (projects that should not be funded), and MAYBE (projects to be further discussed at future dates). The subcommittee noted that many of the applicants did not offer any contributing funds – they merely asked for a grant or a loan or combination of the two. The members recognized that many of the pre-applications did not follow the Advisory Commission’s vision of the applicant seeking outside funding and having “skin” in the game. DES explained that other subcommittees agreed. Many have thought it best to send a message this round and encourage applicants to do their due diligence and apply to the trust fund for the last amount needed for project completion.

2) Aquarion Water Company of New Hampshire – Mill Road Wellfield PFA Treatment

The applicant requested a \$2,622,000 grant and a \$2,622,000 loan. The applicant offered \$556,000 in contributing funds from planning and design. It would fund a treatment system for PFOA/PFOS, but DES stated that their PFOA/PFOS levels are not above established standards of 70 parts per trillion (ppt). The members believed the applicant did not have a strong case because PFOA/PFOS is an emerging contaminant. New science can be offered in the future that makes action on this project premature. The applicant should consider its priorities and return to the trust fund in the future. **Recommendation: NO.**

3) Town of Bow – Bow Junction/Bow Mills Waterline Extension

The applicant requested a \$1,103,402 loan and a \$4,413,610 grant. The applicant offered \$50,000 in contributing funds from the MtBE trust fund. The subcommittee recognized the applicant’s loss of Merrimack Station from its tax base. A waterline extension could advance economic development. The subcommittee raised concern over the high grant and low loan request. The applicant noted that there has been a long-standing issue since the 1970s in persuading the City of Concord to fulfill its promise in a federal grant application to serve the designated area of Bow. The applicant has known about this problem and has not proactively addressed it through legal action or capital reserve funds. The applicant has 80% of its residents on private wells. There is a greater need out there for funding. **Recommendation: NO.**

4) Exeter Department of Public Works – Newfields Road Water Main Extension

The applicant requested a \$450,000 grant and a \$900,000 loan. The applicant offered \$1,800,000 in contributing funds. The project would extend water lines to their public works facility. The applicant is constructing a wastewater treatment plant that is adjacent to the public works facility. There is a well onsite, but the applicant believes the water demands may be greater, leading to the need for

municipal water supply. The applicant's contributing funds come from SRF, but much of the application coupled wastewater and water projects. The subcommittee noted the project has been ongoing and the applicant took notice of the trust fund in the midst of their project and applied. **Recommendation: MAYBE.**

5) Goffstown Department of Public Works – DPW Water Main Extension

The applicant requested a \$157,000 grant. The applicant offered \$250,000 in contributing funds. Current onsite wells are in poor condition and the applicant wants to extend municipal water supply to DPW. The area could be developed for recreational purposes in the future. The applicant secured funding at a town meeting, but when the applicant went out to bid, the cost for the project was higher than expected. The grant request would cover the gap. If the applicant is not awarded funding, the project would be delayed until the applicant could return to a town meeting for additional funding. The project does not rank on the SRF. Questions arose over who owns the line after its construction. DES stated that Grasmere Water Precinct would own the line. **Recommendation: MAYBE.**

6) Granite Post Green MHC, LLC – Shel-Al Mobile Home Park Municipal Water Connection

The applicant requested a \$20,000 grant. The applicant offered no contributing funds. The applicant seeks to connect to municipal water due to nearby contamination from Coakley Landfill. The project ranks low on the SRF. While it is a small grant amount, there is no significant contamination that requires an immediate award. **Recommendation: NO.**

7) Kingston Fire Department – Kingston Fire Station

The applicant requested a \$108,700 grant. The applicant offered \$16,000 in contributing funds from in-kind services. The applicant used adjacent property for the use of Class B firefighting foam, leading to a contaminated well. There is an ongoing investigation to determine if residential wells are contaminated as well. The extent of the contamination is not clear. The project would seek to install a treatment system on the applicant's well. The project is not eligible for SRF because it is not a public water system. The subcommittee realized that this is an ongoing issue and does not constitute a significant contamination at this time. The town should look into self-funding this issue. **Recommendation: NO.**

8) Lower Bartlett Water Precinct – Route 302 Water Main Extension Project

The applicant requested a \$2,984,300 loan and a \$2,984,300 grant. The applicant offered no contributing funds. The applicant seeks to interconnect with the Bartlett Village Water Precinct. There is no regulatory obligation to interconnect. It is an economic decision by the smaller water systems. There is no contamination issue. There is no full agreement for interconnections. The members believed there should be a more thorough application on interconnection fees and a MOU between the parties to make it a worthwhile project. **Recommendation: NO.**

9) Merrimack Village District – Wells 4 & 5 Water Treatment Plant

The applicant requested a \$405,000 grant. The applicant offered \$405,000 in capital reserve funds and \$3,350,000 from a responsible party (Saint Gobain). The applicant plans to construct a water treatment plans for PFOS/PFOA contamination in wells #4 and #5. The wells are currently shut down. There are additional costs that Saint Gobain is unwilling to pay. The plant will be built with or without a trust fund award. The subcommittee felt there was a tremendous amount of alternative funding sources. Having the trust fund cover the last 10% of the project is what the Advisory Commission is looking for. **Recommendation: YES.**

10) Moody Point Community Association – Newmarket Water Line Connection

The applicant requested a \$1,806,000 loan and a \$450,000 grant. The loan would cover the cost of the project. The applicant offered no contributing funds. The applicant has shown a commitment to investing in past infrastructure. They are seeing a rise in contamination and cannot develop additional other water sources. DES said the project ranks high on funding availability for SRF. DES noted that the MHI is of Newmarket, not of the applicant. The applicant probably has a higher MHI because the properties reside on Great Bay. However, the water rates are reflective of the applicant. The applicant is eligible for a full SRF loan for the whole project. The subcommittee believed they should offer the grant award. It will depend on whether the project remains in the SRF funding availability based on other SRF funded projects. DES stated those who live in Moody Point will bear the project costs. Based on a great deal of confusion over the application, the subcommittee felt that the applicant could reapply next year if the project does not move forward by the Advisory Commission. **Recommendation: MAYBE.**

11) North Walpole Village District – 1, 4 Dioxane Treatment



The applicant requested a \$700,000 loan and a \$200,000 grant. The applicant had \$500,000 in contributing funds. The project would upgrade an existing water treatment plant to address 1, 4 Dioxane, a manmade contaminant. The applicant is unsure who caused the contamination. A \$500,000 trust fund grant was given in the 2017 round. The applicant has sought out USDA grants, but they will most likely not receive one. Because the applicant is SRF eligible, their loan portion would be covered. The trust fund would offer a \$200,000 grant. **Recommendation: YES.**

12) Town of Pelham – Pelham MtBE Remediation Project

The applicant requested a \$2,500,000 grant and a \$2,500,000 loan. The applicant offered no contributing funds. The applicant has a notable history of MtBE contamination. The applicant seeks to extend Pennichuck’s water system to private homes with contaminated wells. The subcommittee heard from DES that the applicant listed a number of contaminants that affect the private wells, but DES is not aware of major contaminations. MtBE contamination has dissipated overtime and is not as serious as it was before. The applicant noted that they will submit a warrant article for \$2,500,000 to cover half the cost of the project. They are asking the trust fund for a grant as they do not have the ability to borrow at this time. Members noted that the applicant placed a great emphasis on contamination, but it did not appear that contamination is as rampant as stated. The subcommittee believed economic development was a major consideration. **Recommendation: YES.**

13) Rochester Water Department – Granite State Business Park Water System Improvement

The applicant requested a \$1,150,000 loan and a \$500,000 grant. The applicant offered \$450,000 in contributing funds. The subcommittee noted that there was no contamination issue. It appeared to the members that the applicant just wanted to expand their water system. The applicant has talked about economic development for a while, but the applicant does not offer anything from their capital reserves. The subcommittee felt the applicant could return next year. **Recommendation: NO.**

14) Rochester Water Department – Route 202A Water Main Extension

The applicant requested a \$1,293,000 loan and a \$3,800,000 grant. The applicant offered \$2,507,000 contributing funds from the MtBE fund and private contributors. The project would extend a water main to Fe, Mn, and MtBE contaminated sites. The subcommittee believed the contributing funds were an important consideration. It could open up for future economic development. Members were concerned about the high grant request, but believed it was a worthy project due to the level of contamination. **Recommendation: YES.**

15) Rolling Acres Manufactured Home Park – Interconnection with Town of Milford

The applicant requested a \$1,384,000 grant. The applicant offered no contributing funds. The applicant had a high SRF ranking, but only made a trust fund grant request. The applicant has an existing SRF loan that has not been fully dispersed. DES stated there is about \$100,000 left. The applicant is receiving 90% principal forgiveness on the SRF loan. The project currently ranks on the funding portion of the SRF, but the applicant did not ask for any loan. If the applicant is awarded SRF again, the applicant will not receive as high a principal forgiveness as in the previous SRF round. The subcommittee believed the applicant did not offer any contributing funds and that the pre-application was not sophisticated. **Recommendation: NO.**

16) Rye Water District – Central Water Treatment Plant

The applicant requested a \$1,998,800 grant and a \$2,998,200 loan. The applicant offered no contributing funds. The applicant is not near the funded portion of the SRF. The applicant had a very high MHI and lower than average water rates. The subcommittee noted the applicant has the potential to address the problem itself. The subcommittee was reluctant to award such a sizable award absent a contamination issue. **Recommendation: NO.**

17) Salem Water Department – Salem Reliability Improvements for the Southern NH Regional Water Initiative (Project 1 – Shannon Road Water Main)

The applicant requested an \$890,000 grant and an \$890,000 loan. The applicant offered no contributing funds. The projects listed by the applicant are not a crucial part of the Southern NH Regional Water Initiative. The Initiative is addressing phase 1 at this time. The project listed aims at Phase 2 and is not necessary until the future. The subcommittee believed the applicant should apply in the future when phase 2 is set to begin. **Recommendation: NO.**

18) Salem Water Department – Salem Reliability Improvements for the Southern NH Regional Water Initiative (Project 2 – Lake Street and Bluff Street Water Main)



The applicant requested a \$1,600,000 grant and a \$1,600,000 loan. The applicant offered no contributing funds. The projects listed by the applicant are not a crucial part of the Southern NH Regional Water Initiative. The Initiative is addressing phase 1 at this time. The project listed aims at Phase 2 and is not necessary until the future. The subcommittee believed the applicant should apply in the future when phase 2 is set to begin. **Recommendation: NO.**

19) Stonehedge Apartments – Stonehedge Save The Water

The applicant requested a \$170,000 grant and a \$250,000 loan. The applicant had \$700,000 in contributing funds. The project was the second highest ranked project on the SRF and is eligible for full funding. The applicant is a standalone community of apartment buildings. The applicant has had bacteria problems for some time. Pennichuck is extending municipal water to a development across the street. The project seeks to replace their distribution piping and connect to Pennichuck’s nearby line. The subcommittee recognized there is a need, but doubted the applicant’s inability to acquiring funding on their own. The applicant acquired the apartments a year a half ago and did a water audit after the purchase. The applicant should have the ability to seek out a private loan. The subcommittee believed the applicant should take an SRF loan to cover the full project cost. **Recommendation: NO.**

20) Town of Windham – Route 111 Water Main Extension

The applicant requested a \$4,750,000 grant and a \$4,750,000 loan. The applicant offered no contributing funds. The project seeks to extend a water main to Ledge Road. The project is focused on economic development. The project does not rank on the SRF. The members argued the applicant did not offer any contributing funds for such a significant award request. **Recommendation: NO.**

21) Subcommittee A Pre-Application Ranking

Project	Town	Rank	Grant	Loan	Total TF	Outside Funds	Total Project	TF Share	Grant Share	
Wells 4 and 5 Treatment Plant	Merrimack	1	\$405,000	\$0	\$405,000	\$3,755,000	\$4,160,000	10%	100%	
1,4 Dioxane Treatment	N. Walpole	2	\$200,000	SRF Loan	\$200,000	\$1,200,000	\$1,400,000	14%	100%	SRF Loan of \$700,000
Rt 202A Water Main	Rochester	3	\$3,800,000	\$1,293,000	\$5,093,000	\$2,507,000	\$7,600,000	67%	75%	
Pelham MtBE	Pelham	4	\$2,500,000	\$2,500,000	\$5,000,000	\$0	\$5,000,000	100%	50%	
DPW Water Main Extension	Goffstown	5	\$157,500	\$0	\$157,500	\$250,000	\$407,500	39%	100%	
YES Subtotal			\$7,062,500	\$3,793,000	\$10,855,500	\$7,712,000	\$18,567,500	58%	65%	
Moody Point	Newmarket	1	\$450,000	\$1,356,000	\$1,806,000	\$0	\$1,806,000	100%	25%	
Rt 302 Water Main Extension	Bartlett	2	\$2,984,300	\$2,984,300	\$5,968,600	\$0	\$5,968,600	100%	50%	
Newfields Road Water Main Extension	Exeter	3	\$450,000	\$450,000	\$900,000	\$0	\$900,000	100%	50%	
YES Subtotal			\$3,884,300	\$4,790,300	\$8,674,600	\$0	\$8,674,600	100%	45%	
YES and MAYBE			\$10,946,800	\$8,583,300	\$19,530,100	\$7,712,000	\$27,242,100	72%		



TOTAL										
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