

New Hampshire Drinking Water & Groundwater
Trust Fund Advisory Commission
October 15, 2019
Meeting Minutes

Members Present:

Sen. Chuck Morse, Chair	Clark Freise, Asst. Comm. DES	Paul Sanderson
Sen. Tom Sherman, Vice Chair	Christopher Way	Lisa Morris
Rep. Deborah Hobson	Bernie Rousseau	Jason Gagnon
Rep. Kevin Maes	Rodney Bartlett	Marco Philippon
Rachel Miller	William Boyd, III	

Meeting convened at 10:01 a.m.

Opening Remarks – Sen. Chuck Morse

Draft Statement on Contamination.

“Regarding the application received for the Annual Drinking Water Construct Projects Assistance Program round that are seeking assistance to address contamination. The Drinking Water and Groundwater Trust Fund Advisory Commission has made it clear that addressing contamination of drinking water is our highest priority, and this was reinforced in the 2019 Award Plan that was adopted by the Commission in April.

As a reminder, funding of projects addressing contamination may be applied for at any time through the Special Projects Assistance Program. While there are several projects in this round of applications that address contamination, some of those applications were not prepared properly or lack the thoroughness and project readiness demonstrated in other applications. If these projects are not recommended for funding through this year’s annual round, I would encourage those applicants to seek guidance from the Department of Environmental Services in further developing the project and then to return at any time as a special project.

Currently, there is approximately \$10 million that has not been obligated from the \$37 million allotted to fund projects in 2019, with a \$2 million of that earmarked for the 2019 Source Water Protection Grant Program. The Commission is tasked with reviewing the 2019 project applications and making award decisions by November for a vote in December. With approximately \$70 million requested from the trust fund in this application round, with only \$20 million to award, it is easy to see the pressure the Commission is under making these selections.

Two of the criteria the Commission will consider in their review, which are outlined in the rules, are thoroughness of the application and project readiness. The Commission may make funding decisions based on whether the project is ready to proceed or if it shows proof of thoroughness, regardless if the project is addressing contamination or not. I just want to make

it clear that if needed, these projects may be taken up at a later date after the project is more thoroughly developed and an application is revised and resubmitted.”

Chair Morse is very disappointed with the application process. The commission has been very clear about what our expectations are for applicants. We are looking for applicants to be invested in their projects. We are looking for alternative methods of funding and loans over grants. We’ve been very clear that we should be the last resort.

Why are some applications coming into us without the local community having the project their capital plans? We’ve given clear instructions and donated lots of our time to this process. It seems disrespectful.

The statement I made was for contamination projects. Of the \$10 million we have to award; we’ve talked about \$2 million of that being allocated for Source Water protection. That leaves \$8 million.

E. Holmes – DWGTF Trust Fund Administrator

The committee will break into subcommittees. Consistency and clarity are important moving forward. All members of the four subcommittees have their own binders with all of their projects in it. We received 48 applications for the construction round. We’re looking at about a \$69 million request. It’s about 50/50 grant/loan request. The Source Water is already under way and a lot of work is being done there. The total request is \$2.06 million with the Source Water projects. We have about 30 few applications this year.

Drinking Water Construction Project Assistance Program Schedule:

Subgroup business to deal with today – elect a chair, spokesperson, meeting dates.

Leading up to November 12, there will be some subcommittee meetings to work through the list of projects to come up with a recommended list. Recuse yourself if you feel there is a conflict of interest. Meetings will be publicly noticed. Source water project list will follow the same format. Public meetings, email streams have to follow the public meeting guidelines.

We will review the project lists as a whole at the November 12 meeting. December we will have a final vote. That meeting is tentatively scheduled for December 9th.

Chair Morse – One thing that needs to be clear, you can’t rewrite an application and make an offer to do something different.

E. Holmes – Three considerations when going through these projects as Senator Morse mentioned:

#1 – Contamination – the Commission recognizes the financial impact of addressing contamination. Remember they can apply at any time.

#2 – Leverage funding – The Commission endeavors to leverage outside funding against the Trust Fund to the greatest extent possible.

#3 – Affordability – We calculate the using the MHI and the water rate affect the Affordability Index.

Always go back to the Rules when you get stuck. Waterfall Loans over Grants. Maximize outside funding. In each of the binders is a Drinking Water State Revolving Fund Project Priority List. It highlights the projects that have received funding. Be very clear that DES role is to help FACILITATE this process WITH you. Department of Environmental Services will help facilitate the process, take notes and go through the screening sheet with you.

Chair Morse – The subcommittees will come back to the full commission with recommendations. Any one of the 19 of us can bring something forward that wasn't recommended and discuss it.

E. Holmes recommends break out to subcommittees.

Clark Freise – Asst. Commissioner of Dept of Environmental Services

There are going to be more projects rejected than are accepted. There is nothing wrong with indicating a project shouldn't get funding. There are more requests than there is money. We did get feedback from the process last year that towns want to know "why" they were rejected.

Subcommittee breakout sessions started at 10:40 am.

Full Committee reconvened at 11:39 am.

Full committee discussed each of the subcommittee Chairs and spokespeople.

Subcommittee A – Jason Gagnon, Chair – New Hampshire Water Pollution Control Association

Subcommittee B – Bernie Rousseau, Chair – Public Member

Subcommittee C – Tom Sherman, Chair – Senator

Subcommittee D – William Boyd III, Chair and Spokesperson – Town Council Member

Chair Morse – Is working on a document that will deal with PFOA process that will be submitted to the legislature. If there is a lawsuit against a PFOA violation that is awarded money, where would the State put that money? PFOA could potentially be a billion-dollar problem. The State needs to be ready for that.

Minutes from last month.

Senator Sherman cleared up a question on the minutes from last month. Notes to reflect Tom Sherman "yes" to question if he would want to be Chair of Source Water Committee.

Second Clark Freise – no "e" in Clark, noted.

Third, Mr. Boyd noted to capitalize Southern New Hampshire Regional.

**Motion to pass September minutes as amended, Senator Sherman.

Chair Morse 2nd.

Unanimous consent.

Meeting adjourned at 11:50 am.

