

New Hampshire Drinking Water & Groundwater
Trust Fund Advisory Commission
February 10, 2020
Meeting Minutes

Members Present:

Sen. Chuck Morse	Lisa Morris
Sen. Tom Sherman	Paul Sanderson
Rep. Deborah Hobson	Bernard Rousseau
Rep. Kevin Maes	Former Senator Richard Russman
Robert Scott	William Boyd, III
Christopher Way	Jason Gagnon
Clark Freise	Rodney Bartlett

Also Present: Allen Brooks, Esq. Assistant Attorney General, Department of Justice

Meeting convened at 9:02 a.m.

Chair Morse: Approval of minutes for December 9, 2019

**Motion to approve December Minutes made by Mr. Rousseau
Second by Sen. Tom Sherman
13-0-1 (Dr. Lisa Morris, Dir. Public Health abstained)**

Erin Holmes, P.E. DWGTF Administrator, MtBE Remediation Bureau, DES

Administrative Items:

General Trust Fund Update – presented by Susan Carols, COO, DES
Summary of Fund Balance and Update Spending Forecast

DRINKING WATER/ GROUND WATER TRUST
CUMULATIVE SUMMARY AS OF DECEMBER 31, 2019

BEGINNING FUND BALANCE: July 1, 2017	\$	277,619,263
INCOME:		
Investment Earnings	12,725,923	
Water Rights Reimbursements	<u>2,674,822</u>	15,400,745
EXPENDITURES:		
Operating Expenses	1,587,272	
Loans	12,950,104	
Grants	19,899,275	
2019 Legislative Disbursements	<u>-</u>	
TOTAL EXPENDITURES		34,436,651
OBLIGATION BALANCE AS OF 12.31.19		
Grants	36,078,048	
Loans	13,277,396	
Contracts	<u>1,270,565</u>	
TOTAL OBLIGATIONS		50,626,009
BALANCE BEFORE COMMITMENTS		\$ 207,957,348
COMMITMENTS AS OF 12.31.19		
2019 Legislative Commitments	6,500,000	
Grants	4,634,409	
Land Grants	3,384,109	
Loans	<u>26,494,500</u>	
TOTAL COMMITMENTS		41,013,018
BALANCE AFTER COMMITMENTS AS OF 12.31.19		\$ 166,944,330
<i>20% of Balance</i>		<i>\$ 33,388,866</i>

2019 Legislative Commitments represent the two appropriations made during the 2019 session. \$6M to DES and \$500,000 to DHHS-Public Health. Both agencies will be paid on a reimbursement basis. Both appropriations expire 06.30.21

Discussion Continued.

Chair Morse: One thing to keep in mind, we are getting away from MtBE and getting into other chemicals. The original philosophy of the Committee treating this like LCHIP funding and contamination coming first is really important as we move forward.

5 Rivers Conservation Trust Request to Transfer Grant Award (E. Holmes)

In 2018 the Commission awarded a grant to 5 Rivers Conservation Trust. The town of Hopkinton and the 5 Rivers Conservation Trust decided it would be better if the Town of Hopkinton directly purchased this property rather than go through the easement process with 5 Rivers. Both parties have submitted a letter in support of the transfer request and it also results in a cost savings because some fees associated with the easement do not apply on the town side. They are requesting a transfer of the grant recipient and a reduction of that grant from \$87,000. To \$63,5000. from the Trust Fund.

Moved by Sen. Tom Sherman

Second by William Boyd

Discussion continued.

Unanimous consent.

Other administrative updates:

Governor & Council approved the Pitcher Pilot Program contract. It was not approved for the full amount. It was approved for \$158,000 for the contractor. The rest of the money will be used for sampling and supplies. We should have data within 6 to 8 months on the initial 50-person pilot. We may be able to scale up next year.

Discussion continued.

Subcommittee on "Rules": Rodney Bartlett is the Chair of the Rules committee and he provided a brief update.

Rodney Bartlett, Public Member: We've had one meeting. The discussion focused on how to provide better clarity in the application process. Many fields were not filled out in the last round of applications. It would save time and give applicants a better opportunity to be ranked against each other.

Clark Freise, Asst. Commissioner, DES – suggested a tiered approach to the application process. Perhaps DES works with applicants on their applications to save time and energy.

Discussion continued.

Special Projects Assistance program applications: E. Holmes

1 – Town of Colebrook has a Grant Amendment Request – In 2017 they received a grant of \$1.15 M. In the final design stages, DOT and suggested changes. These changes result in a need for an increase in the original grant from \$1.15 to \$1.25 M. It is time critical. DES is treating this as a special project.

Discussion continued.

William Boyd moves to approve Colebrook Amendment Request.

Sen. Tom Sherman second.

Discussion continued around water leakage in original project.

Motion Adopted.

2 - Lee Oak Cooperative Grant Request – Participated in the 2019 Application round. There was a significant financial change of \$545,000. In grant funds to supplement what they already received. They are looking for a grant match to go with CDBG funding. Problems include coliform bacteria and leaking.

Discussion continued.

Commissioner of DES has requested that if CDBG grant funding is not granted, the applicant, Lee Oaks, come back before the Advisory Commission with an update as to how the money awarded from this commission will be spent.

Lee Oaks confirmed and clarified that Trust Fund monies would be used entirely for Drinking Water, not waste water.

Discussion continued.

Chair Morse suggested we make a motion in two phases:

1-Money can only be used on drinking water

2-Project doesn't move forward without the approval of DES.

William Boyd motioned based on Chair Morse suggestions.

Mr. Way second.

Additional Discussion.

Motion adopted.

Erin Holmes mentioned that the timing of all the grants needs to be explored further. All grantors want to be the "last dollars"

Senator Sherman mentioned maybe all applicants should have a Plan A and a Plan B in case funding doesn't work out with a particular grantor.

3 - Tioga River in Belmont: This is a newly acquired system in 2019 and it has leaks. This was a failing system and Abenaki took it over. This is a time critical project. They are requesting \$50,000 from the Trust Fund consisting of 90% loan (\$45,000) and 10% grant. 22 customers rely on this system.

Discussion continued.

Motion to accept request by Mr. Rousseau

Mr. Russman second.

Motion adopted.

Update on December 2019 Special Projects (E.Holmes):

Peterborough/Jaffrey project – Feb 19th working to have all the funding partners together.

Windham-working on some internal town meetings. Expect meeting in March.

Pelham – expect a meeting in March, I encouraged them to reach out to Pennichuck to inquire about extending water into Pelham.

Lower Bartlett – we have not received any further information.

Newmarket – we are expecting a revised special project application, potentially by the end of the month.

Hooksett – there has been little contact and have not received a revised application.

Bethlehem – we haven't received a special project application from them yet. They are little behind schedule.

WIIN – Water Infrastructure Improvement for the Nation Act

Johnna McKenna, Administrator III Revolving Loans Fund Unit

This act amends the Safe Drinking Water Act. There are three different grant programs through EPA to promote public health and protection of the environment.

First grant program handles lead in school and daycare facilities.

Second grant program is for small and disadvantaged water systems. Requires a 45% match.

NH was allocated \$420,000. The match we are looking for is \$343,636. Which brings the total to a little of \$760,000. To provide in grant funds. We plan to use these funds to provide grants to small disadvantaged, low-income rural community water systems.

Discussion continued.

Ms. McKenna added that part of this would be for implementing asset management component for small systems like a business plan.

Chair Morse – The WIIN program can be another bucket of money. DES should keep control of that.

Senator Sherman moved to accept this WIIN Act award.

Clark Freise second.

Motion adopted.

PFAS Discussion, Clark Freise, Asst. Commissioner, DES

DES put standards in place in September 2019. Those standards were “stayed” in Superior Court. We’ve now been authorized to go to the Supreme Court to ask to have the “stay” taken off. We did have a number of public water systems move ahead and perform tests in the fourth quarter. We are finding PFAS contamination, however not as high of a rate as we had feared. We forecasted it would be around 7-9% but it is coming in at around 5.25%. Approximately 1 in 20 water systems is coming in with contamination above the health base standards that we recommended that are “stayed.” Clark disagrees with the “stay”

There are a number of bills that have been put forward that are bipartisan in nature. Clark is pleased to see members of both parties working for clean water.

What this legislation does not address is private homes. The state does not require testing nor does it have any requirements for treatment.

Discussion continued.

Clark would like to be asked to come forward with some ideas, projects and plans to support testing, remediation where private homes are concerned.

Chair Morse: There are 2 bills on the senate floor this week. Sen. Sherman has the PFAS standards on the floor this week. There is also a plan to set up \$50 M that has a lot of support. He understands what Clark is saying and mentioned that NH does have a very successful ODD fund in the state. He thinks something similar to that fund is perhaps what we should replicate. However, the state can't take the whole lift of society. It's impossible to know what the exposure would be.

Discussion continued with Senator Sherman. He mentioned the Breakfast Hill area of Greenland.

William Boyd mentioned the Saint Gobain radius of Litchfield, Merrimack, Bedford, etc. This will be brought forth at another upcoming meeting.

Southern New Hampshire Regional Water Project – Mike Unger, DES

It has been 6 months since the last update on this project. In September the DWGTF authorized some additional funding. Crews are working on Route 28 installing water main. This will support the core of the project to get water through Windham, Salem, Atkinson, and Hampstead. We are still planning on having the water flowing on June 15th. Towns are putting start up plans into place and deciding which valves to turn on, how to perform testing and how to get people connected. We are seeing cost increases for a number of different reasons, so we are not ready to present costs today.

Chair Morse – this is where the liaison piece is so important. This project has been 3 years in the making. Hundreds of meetings. Chair Morse believes we failed with DOT in the Salem area. They paved sections that shouldn't have been paved. There are other issues and we are learning a lot. However, the Department has been fantastic about keeping up with every detail, every change, etc.

Discussion continued.

Plaistow Town Manager, Mark Pearson addressed the Commission. Plaistow is ready for a system.

Public Comment: from Ray Breslin, 3 Gary Drive, Londonderry, NH. Discussion continued around educating people about the importance of water quality.

Motion to adjourn by Former Sen. Russman

Rep Deb Hobson second.

Motion adopted.

Meeting adjourned at 11:07 a.m.