

LEGISLATIVE COMMITTEE MINUTES

HB398

Bill as Introduced

HB 398 - AS AMENDED BY THE HOUSE

6Jan2022... 2117h

2021 SESSION

21-0469
06/08

HOUSE BILL **398**

AN ACT making an appropriation to the department of environmental services for funding eligible wastewater projects.

SPONSORS: Rep. Buco, Carr. 2; Rep. Umberger, Carr. 2; Rep. Leishman, Hills. 24; Sen. Watters, Dist 4

COMMITTEE: Finance - *HOUSE* *OTPA* *21-0*

AMENDED ANALYSIS

This bill makes appropriations to the department of environmental services for the purpose of funding eligible wastewater projects under RSA 486.

.....

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears [~~in brackets and struck through~~].
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

HB 398 - AS AMENDED BY THE HOUSE

6Jan2022... 2117h

21-0469
06/08

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT making an appropriation to the department of environmental services for funding eligible wastewater projects.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Department of Environmental Services; Appropriation. There is hereby appropriated to the
2 department of environmental services the sum of \$5,735,248 for the fiscal year ending June 30, 2023
3 and \$6,919,115 for the fiscal year ending June 30, 2024, which shall be nonlapsing, for the purpose of
4 funding eligible wastewater projects under RSA 486. The governor is authorized to draw a warrant
5 for said sum out of any money in the treasury not otherwise appropriated.

6 2 Effective Date. This act shall take effect July 1, 2022.

**HB 398 FISCAL NOTE
 AS AMENDED BY THE HOUSE (AMENDMENT #2021-2117h)**

AN ACT making an appropriation to the department of environmental services for funding eligible wastewater projects.

FISCAL IMPACT: State County Local None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
Appropriation	\$0	\$5,735,248	\$6,919,115	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	\$5,735,248	\$6,919,115	\$0
Funding Source:	<input checked="" type="checkbox"/> General <input type="checkbox"/> Education <input type="checkbox"/> Highway <input type="checkbox"/> Other			

LOCAL:

Revenue	\$0	\$5,735,248	\$6,919,115	\$0
Expenditures	\$0	\$0	\$0	\$0

METHODOLOGY:

This bill appropriates \$5,735,248 in FY 2023 and \$6,919,115 in FY 2024 (\$12,654,363 total) of general funds to the Department of Environmental Services for the purpose of funding eligible wastewater projects under RSA 486. This bill will increase state expenditures and local revenue by \$5,735,248 in FY 2023 and \$6,919,115 in FY 2024.

AGENCIES CONTACTED:

None

CHAPTER 19
HB 398 - FINAL VERSION

6Jan2022... 2117h

2022 SESSION

21-0469
06/08

HOUSE BILL **398**

AN ACT making an appropriation to the department of environmental services for funding eligible wastewater projects.

SPONSORS: Rep. Bucu, Carr. 2; Rep. Umberger, Carr. 2; Rep. Leishman, Hills. 24; Sen. Watters, Dist 4

COMMITTEE: Finance

AMENDED ANALYSIS

This bill makes an appropriation to the department of environmental services for the purpose of funding eligible wastewater projects under RSA 486.

Explanation: Matter added to current law appears in *bold italics*.
 Matter removed from current law appears ~~[in brackets and struck through.]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

CHAPTER 19
HB 398 - FINAL VERSION

6Jan2022... 2117h

21-0469
06/08

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Two

AN ACT making an appropriation to the department of environmental services for funding eligible wastewater projects.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 19:1 Department of Environmental Services; Appropriation. There is hereby appropriated to
2 the department of environmental services the sum of \$5,735,248 for the fiscal year ending June 30,
3 2023 and \$6,919,115 for the fiscal year ending June 30, 2024, which shall be nonlapsing, for the
4 purpose of funding eligible wastewater projects under RSA 486. The governor is authorized to draw
5 a warrant for said sum out of any money in the treasury not otherwise appropriated.

6 19:2 Effective Date. This act shall take effect July 1, 2022.

Approved: April 18, 2022
Effective Date: July 01, 2022

Committee Minutes

SENATE CALENDAR NOTICE
Finance

21

ATTENDANCE

- ✓ Sen Gary Daniels, Chair
- ✓ Sen John Reagan, Vice Chair
- ✓ Sen Bob Giuda, Member
- ✓ Sen Erin Hennessey, Member
- ✓ Sen Chuck Morse, Member
- ✓ Sen Lou D'Allesandro, Member
- ✓ Sen Cindy Rosenwald, Member

START : 1:01 pm

STOP : 1:22 pm

Date: February 9, 2022

HEARINGS

Tuesday	02/15/2022
(Day)	(Date)
Finance	State House 103
(Name of Committee)	(Place)
	1:00 p.m.
	(Time)

1:00 p.m.	HB 398	making an appropriation to the department of environmental services for funding-eligible wastewater projects
1:10 p.m.	HB 412	making an appropriation to the department of environmental services for the purpose of funding public water system projects.

EXECUTIVE SESSION MAY FOLLOW

Sponsors:

HB 398

Rep. Buco

Rep. Umberger

Rep. Leishman

Sen. Watters

HB 412

Rep. Buco

Rep. Umberger

Rep. Leishman

Rep. Hatch

Sen. Bradley

Sen. Watters

Deb Martone 271-4980

Gary L. Daniels
Chairman

Senate Finance Committee

Deb Martone 271-4980

HB 398, making an appropriation to the department of environmental services for funding eligible wastewater projects.

Hearing Date: February 15, 2022

Time Opened: 1:01 pm

Time Closed: 1:22 pm

Members of the Committee Present: Senators Daniels, Reagan, Giuda, Hennessey, Morse, D'Allesandro and Rosenwald

Bill Analysis: This bill makes appropriations to the department of environmental services for the purpose of funding eligible wastewater projects under RSA 486.

Sponsors:

Rep. Buco
Sen. Watters

Rep. Umberger

Rep. Leishman

Who supports the bill: Senator David Watters; Representatives Tom Buco and Tracy Emerick; Russell Dean (Town of Exeter); Dennis Shanahan (City of Dover); Katherine Heck (New Hampshire Municipal Association); Boyd Smith (NH Water Works Association); William Hounsell (Granite State Rural Water Association); Paul Dargie; Robert Hinkel; Shelagh Connelly and Peter Goodwin (New Hampshire Water Pollution Control Association); Michael Carle; Danielle Basora; Gary Tillman; Rebecca Elwood; Ken Conaty; Mary Ley; Alex Gleeson; Alex Koutroubas (American Council of Engineering Companies of New Hampshire); Ed Morris (Town of Enfield); Kristin Noel; Robina Parise; Jason Randall (Plymouth Village Water & Sewer District); Brian Goetz (City of Portsmouth); Jason Gagnon.

Summary of testimony presented in support:

Representative Tom Buco:

- This bill fulfills the state funding commitment to aid municipalities in complying with clean water mandates.
- Senator Rosenwald inquired if the ARPA Supplemental State Evolving Funds could be used for these projects. Representative Buco was unsure.
- Senator D'Allesandro asked if there was any money left in the rotating funds for these projects. The funding the House found was a General Fund appropriation. Representative Buco agreed.

Representative Tracy Emerick:

- It is the state's obligation to clean up these projects. They keep being placed on the shelf. It looks like there could be funds available for these projects.

Dennis Shanahan, Deputy Mayor and City Councilor, City of Dover:

- Dover has long considered itself a leader in reducing the impact to the city on the sensitive areas that surround it. They have long since adopted best management practices for storm water and wastewater, reducing contaminants that flow into the region's seven rivers. They've invested significantly in their wastewater treatment plant to reduce contaminants that enter the Great Bay watershed.
- The city's staff has pulled off miracles in obtaining equipment that is worth millions of dollars at significant discounts. This lessens the cost to ratepayers to support the effort the city has taken on to reduce contaminants.
- Their focus included facilitating the elimination of defective, private septic systems with the state's help over the last several years.
- Past state aid grants have been invaluable in getting these kinds of projects done. HB 398 continues the partnership between the city and the state,
- There are specific projects in Dover that are supported by this. They are doing work to reduce storm water infiltration into their wastewater treatment plant. Wastewater that gets diluted by stormwater becomes increasingly inefficient at removing nitrogen. The more the infiltration gets reduced, the more effective the city can be.
- They've renovated one of the city's largest wastewater pump stations at significant expense.
- They're working towards completing innovative catch spoils treatment systems. Spoils cleaning out of catch basins is mandated to be done twice a year. The city has found it to be wasteful and expensive to take those materials and send them to a landfill. They've developed a way to clean those spoils, recycle the sand and minimize the cost to taxpayers of tipping fees for this material.
- Grants for these projects are received after the fact. The projects are included on DES' project priority list. They are essentially complete. They don't qualify for any federal infrastructure funding. If funded by state aid grant money, it will go directly to reducing the rate users pay for sewer services.
- They continue to maintain comprehensive, effective wastewater and stillwater management systems that the city provides as a benefit to the region and the state. This is why shared funding is so vital. This will keep state waterways clean and healthy.
- Dover invests in structures that provide a benefit to the entire region surrounding the city. Having the state provide a portion of the funding of the work will allow the city to move toward cleaner rivers and basins.
- Senator Rosenwald inquired as to exactly which projects would get this funding. Deputy Mayor Shanahan indicated outside of Dover, he does not know specifically which projects.
- Senator D'Allesandro asked if Dover had completed the separation project. Deputy Mayor Shanahan stated the city had completed the project back in the 1970s. They are, however, still working on infiltration. They occasionally illicit crossover between the two systems, but in terms of the majority of their infrastructure, stormwater drainage and wastewater are separate.

- With these grants they would be able to keep the water and sewer rates as low as possible.
- Senator D'Allessandro inquired if the city had combined their water and sewer rates. Deputy Mayor Shanahan explained the bill received by the ratepayer includes them both, but they are separable. The City Council approves of the rates separately during the budget process.
- Senator Daniels asked about the mandate to remove the spoils twice a year. Deputy Mayor Shanahan indicated it was a best management practice they adopted, and it is incorporated into the city's municipal stormwater permitting system.

Katherine Heck, Government Finance Advisor, New Hampshire Municipal Association:

- The grants would fund 11 projects that did not receive funding, including Hooksett, Dover, Concord, Nashua, Exeter, Newport, Littleton and Salem. These were projects that were completed in 2019, or substantially completed and therefore, not eligible for any additional funding through ARPA.
- This would also provide funding for 110 additional projects that DES has identified as eligible for state funding.
- These funds are critical, and the funding source should be continued. The partnership that this provides allows communities to address overdue infrastructure needs, as well as expand projects that are long overdue.
- This will facilitate healthy water and wastewater systems. It will also aid in economic development and address concerns about housing.

William Hounsell, Policy Analyst, Granite State Rural Water Association:

- Mr. Hounsell represents both the North Conway Water Precinct and the Lower Bartlett Water Precinct.
- In 1990 the State Aid Grant Program was established. It has worked perfectly ever since.
- It is a leveraging device where the state becomes a partner in local debt; all of the debt is at the local level. These grants pay the principal and interest payment annually. It makes it affordable for communities to build these projects.
- North Conway built a regional system which is interconnected to Conway Village, Lower Bartlett and has the capacity to move out into the town of Conway for economic development, affordable housing and other needs.
- Before us now is a once in a generation opportunity to get communities to an affordable position to take on major construction.
- Many of these systems are aging; they were built in the 1970s. The towns and cities try to maintain and upgrade them.
- As these bonds are paid off in time it becomes even more affordable.
- Please keep the SAG grants fully funded and in place. It could be flat lined in the budget at \$15 million per year. At that amount, hundreds of millions of dollars of construction will be supported at the local level. And it is in the state's interest.

Russell Dean, Town Manager, Town of Exeter:

- They recently built a \$54 million wastewater facility that completely changed the dynamics of their wastewater system. They work on a 3-tier system, an inverted block rate system. They have been applying for this state aid for a few years.
- Senator D'Allesandro asked about the spillage of nitrogen into the estuary, and if it had been taken care of. Mr. Dean explained they are removing hundreds of thousands of pounds of sludge from their lagoon system. It has changed the system fundamentally from what it was. The nitrogen spill has been mitigated. The lagoon system is from the past.
- Exeter's rates have risen 400 percent as a result of the project. It was a huge hit to their businesses and residents. The money in HB 398 would go a long way in mitigating those rates.

dm

Date Hearing Report completed: February 17, 2022

Speakers

Senate Remote Testify

Finance Committee Testify List for Bill ~~HB398~~ on 2022-02-15

~~Support: 22~~ ~~Oppose: 10~~

<u>Name</u>	<u>Title</u>	<u>Representing</u>	<u>Position</u>
✓ Connelly, Shelagh	A Member of the Public	NHWPCA Government Affairs Committee	Support
✓ Goodwin, Peter	A Member of the Public	New Hampshire Water Pollution Control Association (NHWPCA) Government Affairs Committee	Support
✓ Carle, Michael	A Member of the Public	Myself	Support
✓ Watters, Senator David	An Elected Official	Myself	Support
✓ Dargie, Paul	An Elected Official	Myself	Support
✓ Basora, Danielle	A Member of the Public	Myself	Support
✓ Tillman, Gary	A Member of the Public	Myself	Support
✓ Hinkel, Robert	An Elected Official	Myself	Support
✓ Elwood, Rebecca	A Member of the Public	Myself as a wastewater professional	Support
✓ Conaty, Ken	A Member of the Public	Myself	Support
✓ Ley, Mary	A Member of the Public	Myself	Support
✓ Gleeson, Alex	A Member of the Public	Myself	Support
✓ Koutroubas, Alex	A Lobbyist	American Council of Engineering Companies of New Hampshire	Support
✓ Morris, Ed	A Member of the Public	Town of Enfield	Support
✓ Buco, Thomas	An Elected Official	Myself	Support
✓ Noel, Kristin	A Member of the Public	Myself	Support
✓ PARISE, ROBINA	A Member of the Public	Myself	Support
✓ Jean, Russell	A Member of the Public	Town of Exeter	Support
✓ Randall, Jason	A Member of the Public	Plymouth Village Water & Sewer District	Support
✓ Goetz, Brian	A Member of the Public	City of Portsmouth	Support
✓ SHANAHAN, DENNIS	An Elected Official	City of Dover	Support
Gagnon, Jason	A Member of the Public	Myself	Support

Testimony

House Bill 398

Senate Finance Committee

February 15, 2022

Thank you Mr. Chairman:

For the record my name is Tom Bucu.

I represent Carroll County District #2 which includes the towns of Chatham, Conway, Eaton and Hale's Location.

I appear before you today to request that this Senate Finance Committee recommend House Bill 398 Ought to Pass as Amended.

HB 398 makes appropriations to the Department of Environmental Services to fund eligible wastewater projects under RSA 486.

This bill as amended fulfills the state funding commitment to aid municipalities in complying with clean water mandates.

The amendment updates the effective date.

The House Finance Committee recommended Ought to Pass with Amendment by roll call vote of 21-0.

The bill then went to the House Floor where it passed by Voice Vote with no debate.

HB 398 is now here before the Senate Finance Committee where I request that you send it to the full Senate with a recommendation of Ought to Pass with Amendment.

Thank you.

Representative Tom Bucu

Tom.bucu@leg.state.nh.us

603-986-5629

STATE WATER POLLUTION CONTROL GRANT PROGRAM

In Accordance With Revised Statutes Annotated 486:1, III.

FISCAL YEAR 2022 PROJECT LIST

Municipality	Project Name	Project Cost
Rochester	PS Stand-By Power Sets	\$134,400
Rochester	WWTF PLC System Upgrade	\$526,000
Rochester	Portable Bypass Pump	\$62,500
Rochester	Biosolids Dewatering Facility and Carbon Storage Building	\$15,953,000
Rochester	Colonial Pines Sewer Extension - Phase II	\$3,500,000
Rochester	River St. PS Upgrade & EA Implementation	\$1,398,800
Rochester	WWTF Plant Water Upgrade	\$140,000
Rochester	Aeration Blower Generator Connection	\$78,500
WRBP	Automated Aeration Valve Installation & EA Implementation	\$337,000
WRBP	Aeration Blower Upgrade & EA Implementation	\$400,000
WRBP	Return Activated Sludge Pump Upgrades	\$100,000
WRBP	WWTP Back-Up Generator Replacement	\$250,000
Concord	Control Building & Influent Building Generators ¹	\$824,685
Concord	Headworks & Pump Replacement ¹	\$1,501,182
Concord	Motor Control Center Upgrade (Penacook) ¹	\$936,800
Concord	Secondary Clarifier Upgrade	\$73,400
Concord	WWTF Energy Improvements Implementation	\$500,000
Concord	WWTF Energy Efficiency Project	\$589,000
Concord	WWTF HVAC Improvements	\$1,710,000
Manchester	CMOM Contract #3	\$6,300,000
Nashua	WWTF Energy Recovery Generator Upgrade	\$2,759,800
Nashua	WWTF SCADA Upgrades ¹	\$779,473
Nashua	WWTF Water Booster Upgrades	\$779,000
Nashua	Capacity Management Operation and Maintenance Plan Implementation - Ph. 1	\$2,600,000
Nashua	WWTF Facility Plan	\$300,000
Nashua	WWTF Primary Tank Upgrade	\$4,396,000
Nashua	WWTF Wet Weather Treatment Facility Screen & Rake Upgrades	\$2,281,000
Nashua	NWTF Aeration Davit Arm	\$100,000
Nashua	Pump Station Upgrades - Phase I	\$4,885,000
Nashua	Capacity Management Operation and Maintenance Plan Implementation - Ph. 2	\$2,600,000
Claremont	WWTF Blower Replacement	\$689,000
Goffstown	Elm St. WW PS Replacement	\$1,000,000
Allenstown	Library St. Force Main & Suncook Pond PS	\$1,616,000.00
Milford	WWTF Dewatering Upgrades, Phase 2	\$850,000
Portsmouth	Pease WWTF CIP	\$3,800,000
Portsmouth	Peirce Island WWTF Upgrade	\$89,665,863
Salem	South Broadway Sewer, Water and Bridge Improvements ¹	\$12,319,500
Salem	W. Duston Rd. Area Sewer, Water, Stormwater & Roadway Improvements	\$1,187,000
Dover	2015 UI Reduction ¹	\$620,534
Dover	Vamey Brook PS	\$3,000,000
Dover	Catch Basin & Wet Well Cleaning Treatment	\$3,500,000
Somersworth	Blackwater Rd. Pump Station	\$916,000
Somersworth	WWTF Upgrades	\$12,440,000
Durham	Dover Rd. PS Force Main	\$2,580,000
Durham	WWTF Grit System Upgrade	\$1,340,500
Littleton	Subarea 5 Wastewater Improvements ¹	\$4,193,120
Exeter	WWTF & Main PS Upgrades ¹	\$63,445,321
Hooksett	Phase II WWTF Capital Improvements ¹	\$7,603,731
Hooksett	WWTF Phase 3 Capital Improvements ¹	\$881,973
Hooksett	2018 Sewer Extension Project	\$2,500,000
Lebanon	CSO #12	\$3,700,000
Lebanon	CSO #11 Phase 2	\$11,930,000
Newport	1st, 2nd, 3rd and 4th St. Infrastructure Improvements ¹	\$1,180,863
Newport	Knoil St. Sewer Project	\$680,000
New Castle	WW System Improvements, AMP & Planning	\$2,500,000
Newington	Paul Brook PS Force Main Replacement Phase II	\$1,000,000
Ashland	Septage Receiving & Headworks Upgrade	\$3,224,237
Whitefield	WWTF Upgrades	\$5,196,000

¹Winnepesaukee River Basin Program

Wastewater State Aid Grant (SAG) Funding Summary: Fiscal Year 22

Project Cost Estimate

DES Operating Budget Prioritized Need #11	\$94,287,172
FY 22 SAG Hopeful Projects	\$205,948,200
Total:	\$300,235,372

SAG Payment Estimate^{2,3}

DES Operating Budget Prioritized Need #11	\$2,051,248
FY 22 SAG Hopeful Projects	\$3,497,667
Total:	\$5,548,935

Notes:

- Project included in the 22-23 DES Operating Budget as Prioritized Need #11.
- SAG contribution of principal and interest for SAG Hopeful projects calculated using the standard Clean Water State Revolving Fund (CWSRF) 20-year loan amortization with equal principal, at the current rate of 2.0000% during the repayment term.
- SAG contribution for SAG Hopeful projects includes a 20% contingency to allow for project cost increases, variances in SAG eligibility and/or projects with financing other than the standard CWSRF loan amortization (i.e. reserve funds, alternate rates/amortization structure).

58

STATE WATER POLLUTION CONTROL GRANT PROGRAM

In Accordance With Revised Statutes Annotated 486:1, III.

FISCAL YEAR 2023 PROJECT LIST

Municipality	Project Name	Project Cost
Rochester	Franklin St. Area Infrastructure Upgrades	\$3,478,350
Rochester	Rte. 11 PS Upgrade & EA Implementation	\$1,288,000
Rochester	Septage Receiving Facility	\$825,000
Rochester	Tera Estates Sewer Pump Station Upgrade	\$1,482,000
WRBP	Winnisquam Pump Station Generator	\$300,000
Concord	Primary Clarifier Replacement	\$1,230,000
Concord	Hannah Dustin PS Replacement	\$512,000
Concord	Switchgear & Transformer Replacement, 35 KV	\$680,000
Boscawen	Sewer Replacement & WW AMP	\$1,500,000
Manchester	Emergency Power Upgrade-Design	\$750,000
Manchester	CSO Abatement	\$2,500,000
Manchester	Sheffield Rd. Pump Station, Force Main	\$2,075,000
Nashua	Tank Drain Upgrades	\$1,320,000
Nashua	Pump Station Upgrades - Phase II	\$6,115,000
Nashua	Effluent Defoamant Chemical Building	\$565,000
Nashua	NWTF Primary and Secondary Digester Cleanout	\$712,000
Nashua	NWTF Class A Biosolids Upgrades	\$2,500,000
Nashua	NWTF Fire Alarm System	\$610,000
Nashua	NWTF Vehicle Garage	\$1,110,000
Nashua	NWTF Washpress Tube Upgrade	\$350,000
Nashua	Primary Digester Heat Exchanger	\$200,000
Wolfeboro	Rapid Infiltration Basin Remediation	\$3,500,000
Wolfeboro	VI Rehabilitation	\$1,000,000
Keene	Headworks Treatment, Martell Court Pump Station	\$1,342,000
Keene	WWTP Generator Replacement	\$145,000
Keene	Colony Court Sewer Replacement	\$1,143,000
Keene	Sewer Structural Repair & Lining	\$184,000
Keene	Martell Court Upgrade, Phase II	\$180,000
Berlin	BLDG Demo-4/1 Reduction	\$500,000
Berlin	VI Reduction Phase II	\$848,620
Claremont	WWTF Electrical Upgrade	\$3,469,000
Portsmouth	Heritage Ave. Pump Station Replacement	\$1,200,000
Hanniker	WWTF Dewatering Upgrade	\$1,000,000
Hanniker	Wastewater Upgrades	\$3,200,000
Newmarket	Rte. 108 Sewer Main Replacement	\$900,000
New London	Pumping Station Electrical Upgrades	\$750,000
Hampton	WWTF Upgrade, Phase I	\$11,780,000
Derry	Influent Pump Station Improvements	\$400,000
Lebanon	Aeration Blower & Automated Valves Energy Efficiency Upgrades	\$350,000
Lebanon	CSO #13	\$2,800,000
Lebanon	Huber Sludge Dewatering Press	\$1,100,000
Lebanon	Sewer Interceptor	\$1,000,000
Lebanon	Hillicrest Acres Sewer Access	\$4,000,000
Plymouth Vill. WSD	Bayley Ave. & Langdon Park Rd. Sewer Improvements	\$225,000
Plymouth Vill. WSD	Phase 1A Septage Receiving Improvements	\$750,000
Plymouth Vill. WSD	Main St. Utility Improvements Phases 1,2, and 3	\$5,200,000
Plymouth Vill. WSD	PS No. 1 Upgrade	\$1,840,000
Plymouth Vill. WSD	PS No. 4 Force Main Replacement-Phase 3	\$1,500,000
Plymouth Vill. WSD	Phase 3 Septage Receiving Improvements-Brown Grease	\$800,000
Plymouth Vill. WSD	Phase 2 Septage Receiving Improvements	\$2,900,000
Winchester	WWTF Solids & Septage Improvements	\$2,988,500
Colebrook	Sewer Improvement Project Phase 1	\$2,688,000
Epping	Railroad Ave. Water & Sewer Improvements	\$600,000
Epping	Sewer Force Main Replacement	\$800,000
Epping	WWTF Phase II Short Term Improvements	\$2,200,000
Ashland	Roadway & Utility Reconstruction	\$1,871,800
Ashland	Energy Audit Measure Implementation	\$105,000
Lancaster	Summer St. Water, Sewer & Drainage Improvements	\$775,000
Lancaster	Wastewater Upgrades	\$3,500,000
Laconia	Elm St. Sewer Replacement	\$1,780,100
Seabrook	WWTF Upgrades	\$2,952,000
Seabrook	Sewer Outfall Pipe Replacement	\$890,000

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Wastewater State Aid Grant (SAG) Funding Summary: Fiscal Year 23

Project Cost Estimate	FY 23 SAG Hopeful Projects	\$104,344,470
SAG Payment Estimate ^{1,2}	DES Operating Budget Prioritized Need #11 ³ FY 23 SAG Hopeful Projects	\$1,624,116
	Total	\$105,968,586
		\$8,833,773

Notes:

1. SAG contribution of principal and interest for SAG Hopeful projects calculated using the standard Clean Water State Revolving Fund (CWSRF) 20-year loan amortization with equal principal, at the current rate of 2.000% during the repayment term.

2. SAG contribution for SAG Hopeful projects includes a 20% contingency to allow for project cost increases, variances in SAG eligibility and/or projects with financing other than the standard CWSRF loan amortization (i.e. reserve funds, alternate rates/amortization structure).

3. Project Cost Estimates for the 22-23 DES Operating Budget Prioritized Need #11 are included on the FISCAL YEAR 2022 PROJECT LIST (Page 1).

NH Dept. Environmental Services
 Operating Budget 2022-2023
 Wastewater State Aid Grant Prioritized Need

Project No.	Municipality	Project Name	Grant Payment 2022	Grant Payment 2023
187-04	Hooksett	WWTF Phase 2 Capital Improvements	\$300,238	\$150,119
187-06	Hooksett	WWTF Phase 3 Capital Improvements	\$70,558	\$35,279
D2015-0502	Dover	2015 Infiltration/Inflow Reduction	\$16,547	\$8,274
D2016-0712	Concord	Headworks and Pump Replacement	\$1,681	\$830
D2016-1002	Nashua	WWTF SCADA Upgrades	\$62,358	\$31,179
130-15	Exeter	WWTF and Main Pump Station Upgrade	\$1,399,398	\$1,097,966
169-11	Newport	1st, 2nd, 3rd, & 4th Street Infrastructure Improvements	\$17,713	\$17,713
129-05	Littleton	Sub-Area 5 Sewers	\$41,931	\$41,931
193-05	Salem	Salem South Broadway Sewer, Water and Bridge Improvements	\$123,195	\$123,195
D2017-1203	Concord	Control Building and Influent Building Generators	\$8,247	\$8,247
D2018-0209	Concord	MCC Upgrade (Penacook)	\$9,382	\$9,382
Total Prioritized Need #1			\$2,051,248	\$1,524,115

11
 11
 + 121

 132



TOWN OF EXETER, NEW HAMPSHIRE

10 FRONT STREET • EXETER, NH • 03833-3792 • (603) 778-0591 • FAX 772-4709

www.exeternh.gov

February 15th, 2022

Honorable Gary Daniels
Chairman, Finance Committee
State House
107 N. Main Street
Concord NH 03303

Dear Senator Daniels, Chair and Members of the Senate Finance Committee,

The Exeter Select Board writes today in support of fully funding HB398 and HB412, which would restore funding for state aid grants (SAG) for wastewater projects in New Hampshire municipalities, water, and sewer districts.

Exeter plans to use the state aid, if approved, to directly offset ratepayer costs associated with a record 54 million dollar-plus replacement of its Wastewater Treatment Facility and adjoining Main Pump Station. This project is the single largest capital project in Town history, and was developed in response to EPA regulations which impacted the Town per our latest NPDES permit, and was constructed via a consent order with the EPA. The new Wastewater Facility will discharge into the Squamscott River in Exeter and Stratham, which is on the impaired rivers list. Discharge will then travel to Great Bay.

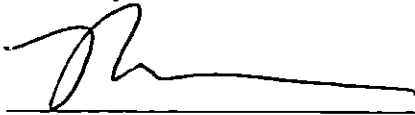
The project included the creation of a completely different treatment system for the Town, and has included the removal of hundreds of thousands of tons of sludge from old lagoons, which had been part of the wastewater site in Exeter since 1963. While this project is a great investment for the Town including the positive impacts on Great Bay, our ratepayers have been greatly impacted by the payback of the revolving fund loan required to fund the project, as these costs are passed along to our 3400 plus water/sewer account holders. These accounts represent all walks of life: residents, small businesses, large businesses, educational institutions, and not for profit organizations. All have been impacted by sewer rates that have risen nearly 400 percent.

Sewer rate relief is imperative for these key stakeholders, and restoring this funding would go a long way in affirming the State's commitment that it cares not only about improving the environment including Great Bay, but also cares about a commitment to residents and businesses and their ability to operate through the financial support the SAG program provides.

We hope you will look favorably at fully funding this bill. We hope the committee understands that although Exeter may be a prime beneficiary of this program, the projects to which it applies are equally as important to all public wastewater systems in the State. In addition, construction of facilities such as ours make regionalization possible. Communities that regionalize, particularly for sewer, are able to benefit from economies of scale and positively address environmental (ie treatment) issues in their communities. We are happy to share more of Exeter's experience and the

importance of this funding to not just Exeter, but to all communities attempting to fund valuable wastewater improvements, and why the time is now to restore this funding.

Sincerely,

A handwritten signature in black ink, appearing to be 'R. Dean', written over a horizontal line.

Russell Dean, Town Manager

Granite State Rural Water Association -North Conway Water Precinct
Lower Bartlett Water Precinct

Good afternoon, I am William Hounsell representing Granite State Rural Water Association, North Conway Water Precinct and Lower Bartlett Water Precinct. These precincts are in the home areas of the prime co-sponsors of HB398 and HB412, all within Senator Bradley's District.

We gathered here to discuss a huge generational funding opportunity. I started this water journey in 1977 as a Commissioner of Conway Village Fire District, then served as Selectman in the Town of Conway, then a representative to the General Court and then a consultant/lobbyist on water issues. I am of the seventh generation living in Conway. I have worked on this funding issue steadily for 45 years.

We are all aware that water is the essence of life and community survival.

The language of ~~HB398~~ and HB412 have passed the Senate on policy as part of SB127 and laid on the table until the availability of money became better understood. Now it is understood and we have the money. Now is the time for action and commitment to the obligation of the words under law, "the State Shall Pay". It is so counter productive to have to fight every session to fund two long established State Aid Grant Program for drinking water and wastewater infrastructure grant funding. It is essential that these programs can be trusted to be in place and funded in an ongoing manner. These funds are of the people and for the people, and pass through the NHDES for engineering oversight and management. It has been clearly stated before the Finance Committees of the House and Senate that these grant funds are not part of the NHDES budget; these funds pass through the NHDES except that some of these funds are allocated through the budget process to the NHDES to pay for staff to meet the management engineering oversight of RSA 486 and RSA 486-A. HB412 offers just that combination of uses in order to lift the moratorium of funding, which was put in place in 2008, and gets the program started up again.

We have worked for 14 years steady to fund the wastewater SAG obligations and now it is time to fund both water and wastewater programs, as was done 18 years in a row before that time. HB398 does this.

SB127 omnibus policy bill that passed the senate unanimously addresses affordable housing as well as wastewater and drinking water. It also addresses economic development , (and the creation of new jobs).

HB398 and HB412 as amended also allows for more affordable housing and protects, and enhances the health of the citizens of New Hampshire, and makes economic development possible.

It is imperative that we work together to protect water sources and develop new sources. Water into the house and water out of the house- it is essential that we understand that both aspects of this are one and the same, accessing the source and protecting the source.

486-A:1 Purpose.

SAG programs are the people's money, out of the general fund, and partners in bond payments with cities, towns, precincts and village districts to bring regionalized planning and construction of drinking water infrastructure, including the purchase of land for drinking water source development and the construction of wells and necessary treatment and pump house infrastructure for regional distribution.

This regionalized approach will require public water systems at the local level to plan beyond just there own needs, but instead to plan and build infrastructure to serve other

systems beyond their borders. This approach is in the interest of the state as well as all of its communities. It allows for more to be constructed in an affordable manner.

The financial vehicle that allows this to be done at the local level is the three-legged stool of public financing, namely federal grants, state grants and local bond debt.

The State Aid Grant program's debt obligation is only 25% of the eligible project cost on water infrastructure and 20% to 30% on wastewater infrastructure (depending on medium household incomes and stress level of rates). The grants are in the form of annual P&I payments by the state on the local bond debt.

In the 1970's the federal grant was 75%, the state grant was 20% and the local debt was 5%. That was when the last national water infrastructure was built with a more global planning approach as it had to do with cleaning up our rivers, lakes and streams from contamination by building the major water wastewater infrastructure that has aged since. It is our understanding NOW that the federal grants on wastewater could be at the 50% level.

Matched with the SAG programs of (on average) 25% level, that leaves the local debt payments at 25%. Keep in mind that the local bond debt is 50%, but with the state share of annual principal and interest payments it is affordable. The affordability formulas are derived from the federal and state perspective and the people at the local level are all right with that. The warrant articles to authorize bonding for projects will pass at that affordable level. The voters just need to know that the state funding partnership is dependable.

Our municipalities will be faced with supply delays, product shortages, and rising cost of construction due to inflation. It will take time for many of these projects to get voter bond approval. It will take time to get preliminary engineering done (master plan for water and wastewater infrastructure). It will take time to design each project, time to advertise, bid and award contract. Substantial time to construct, complete and one year of time for warranty to pass before the first SAG payment is due.

If SAG is reliably funded every year at an established flat-line level then there will be trust at the local level that the state, through its legislators, will always fund the policy law and the word "SHALL PAY" relative to RSA 486 and 486A will mean something. Then they will pass these bonds and put their homes and land up as collateral to do so. SAG incentivizes the municipalities and districts and precincts to plan regionally and vote for warrant articles to do all of this.

The state and its agencies cannot make the voters at the local level pass articles for debt authorization. However the people who vote want to do what the federal regulatory drivers are telling them to do, and will do so IF IT IS AFFORDABLE.

NOW IS THE TIME TO FUND SAG WATER AND SAG WASTEWATER PROGRAMS.

Let's get the NHDES engineering bureaus and the staff engineers to work again to help oversee and build this very critical municipal infrastructure in a partnership for accomplishment with the states local governmental entities. Funding SAG does that.

Please read the NHDES's oversight of projects according to **RSA 486:1 State Contributions.** – V. The department shall perform the following functions related to administration of the provisions of RSA 486:1, III:.....

Granite State Rural Water Association -North Conway Water Precinct
Lower Bartlett Water Precinct

State Aid Grant programs offer a partnership with the state and federal governments that combines the broadest knowledge of regional planning and state and federal oversight with the local desire to find an affordable way to accomplish the maximum that can affordably be constructed at the local level.

These SAG programs match nicely with the SRF funding through the EPA and Rural Development funding through the department of Agriculture and can be matched with Northern Borders, Economic Development Administration, CDBG and private funds and then finally, as the place of last resort, the Drinking Water and Groundwater Trust Fund loan/grant funding. This SAG program for drinking water will eventually help us address the huge cost of PFAS contaminants as well as arsenic and manganese and the installation of drinking water treatment systems as stated in testimony February 8,2021 by NHDES Commissioner Robert R. Scott.

These two State Aid Grant programs are not new programs. They were established in 1990 and 1992 with bipartisan support.

Please vote - Ought To Pass.

Respectfully submitted, Bill Hounsell



February 14, 2022

Honorable Gary Daniels, Chairman
Senate Finance Committee
State House Room 103
Concord, NH 03301

Re: HB 398, making an appropriation to the department of environmental services for funding eligible wastewater projects.

Dear Chairman Daniels and Committee Members:

I write to express the New Hampshire Municipal Association's strong support for HB 398.

This bill would appropriate \$5.7 million for fiscal year 2023 and \$6.9 million for fiscal year 2024 to provide initial grant funding for 11 wastewater treatment projects originally slated to receive state aid grant funding in the current biennium, plus 110 new projects which have been identified by the department of environment services as projects which should be complete and eligible for grant funding over the next biennium.

Under RSA 486, municipalities finance the full cost of wastewater projects up-front, complete construction, and then apply for payment of the state share, which is 20-30% of the eligible project costs, usually paid over the amortization period of the municipal financing (bonding or borrowing from the state revolving loan fund). In the most recent biennium budget funding was appropriated for a back-log of 70 projects which had been subject to a moratorium.

All projects which were substantially complete by December 2019 were funded except for 11 projects whose funding was held back due to the pandemic's impact on the state budget. Unfortunately, because these projects were completed prior to March 3, 2020, they are not eligible for federal funding under the American Rescue Plan (ARPA), leaving Hooksett, Dover, Concord, Nashua, Exeter, Newport, Littleton, and Salem to fund these projects entirely locally, rather than being able to rely on the state's promise to provide funding for these qualifying projects.

HB 398 will remedy this problem by providing funding for these qualifying projects as well as providing funding for 110 additional qualifying projects that DES has identified across the state as eligible for state funding.

NEW HAMPSHIRE MUNICIPAL ASSOCIATION

25 Triangle Park Drive • Concord, NH 03301 • Tel: 603.224.7447

NHMAinfo@nhmunicipal.org • governmentaffairs@nhmunicipal.org • legalinquiries@nhmunicipal.org

www.nhmunicipal.org

In 1959 the legislature enacted RSA 149-A, Aid to Municipalities for Water Pollution Control, the predecessor statute to RSA 486, based on the following principles stated in the law:

- A recognition that the state and/or federal government have required certain municipalities to construct wastewater control systems to control the pollution of its surface waters thereby improving the quality of such waters in the interest of health, recreation, and industry.
 - A recognition that these municipalities have in the past and others in the future will expend significant taxpayer monies to pay for these systems in accordance with developing federal and state laws and regulations.
 - A recognition that the program benefits not only the local municipality but also residents of the entire state.
-
- A recognition that the state should assume its proportionate share of the financial obligations resulting from the installation of such systems acting in the best interest of the general public's health and welfare.

These same principles still apply today in terms of funding this important state and local partnership and will continue to apply well into the future. HB 398 is a step toward continuing and ensuring that this critical public health measure can be financially supported. We urge your support of HB 398.

Respectfully submitted,

Katherine Heck
Government Finance Advisor



Hooksett Wastewater Treatment Facility

Board of Sewer Commissioners
1 Egawes Drive
Hooksett, NH 03106
(603) 485-7000

February 11, 2022

Members of the Finance Committee
State Senate
State House
Concord, NH 03301

Delivered by email

Re: HB 398 — Funding for Eligible Wastewater Projects

Honorable Committee Members:

I am writing on behalf of the Hooksett Sewer Commission and Hooksett Wastewater Treatment Facility. We strongly urge the NH House Finance Committee to continue support of HB 398 which authorizes the appropriation to the Department of Environmental Services for funding eligible wastewater projects. We are one of the facilities that will receive funding from this bill. We are on the list of “forgotten eleven” projects that did not get that funding in the past. The projects have long been completed and paid for. This funding would allow us to continue to replace worn out infrastructure in the future,

The Town of Hooksett is a committed steward of the environment. The stretch of the Merrimack River that passes the treatment plant is highly utilized for recreation in the summer. Thank you for considering our comments. I would be honored to answer any questions you may have of us on this bill.

Respectfully submitted,

Ken Conaty
Superintendent
Hooksett Wastewater Treatment Facility
Ken.hooksettsewer@gmail.com

1 Egawes Drive • Hooksett, New Hampshire 03106
Tel (603) 485-7000 or 485-4112 Fax (603) 485-4306
Email: hooksettsewer@comcast.net Website: www.hooksettsewer.com



*Celebrating
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2nd Director-at-Large

Michael Trainque
NEWEA Director

Mike Carle
Past President

February 4, 2022

Members of the Finance Committee
State Senate
Concord, NH 03301

Delivered by email

Re: HB 398 — Funding for Eligible Wastewater Projects — Please Support

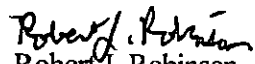
Honorable Committee Members:

I am writing On behalf of the NH Water Pollution Control Association (NHWPCA) and our 300+ members who represent all of the 73 publicly-owned wastewater treatment facilities (WWTFs) throughout the State. As representatives of the men and women who provide safe drinking water and clean it for safe return to the environment, **we strongly urge the NH Senate Finance Committee to continue support of HB 398** which authorizes the appropriation to the Department of Environmental Services for funding eligible wastewater projects.

The funding included in this bill covers FY 22/23 and includes assisting communities from all parts of NH, stretching from Nashua to Berlin, from Keene to Concord, Hampton to Lebanon, and Conway to Manchester, to name a few. These projects were completed with the understanding the state would meet its legal commitments under RSA 486. Because these communities were proactive in addressing infrastructure problems, the projects covered under this bill are not eligible for the current ARPA funding, nor will be eligible for any future infrastructure assistance. Please see included a list of projects.

For every dollar the state pays in grants out of the General Fund there is much more than a dollar returned to the General Fund for rooms and meals as a result increased viability of economic growth of the community and the health benefits of clean water and healthy drinking water. The NHWPCA and its members are committed stewards of the environment. Thank you for considering these comments and for helping us meet our mission of protecting public health through safely managing wastewater, while maintaining rate and taxpayer affordability.

Respectfully submitted,


Robert J. Robinson
President, NHWPCA

STATE WATER POLLUTION CONTROL GRANT PROGRAM
 In Accordance With Revised Statutes Annotated 486:1, III.
 FISCAL YEAR 2022-2023 PROJECT LIST

Municipality	Project Name	Project Cost
Rochester	PS Stand-By Power Sets	\$134,400
Rochester	WWTF PLC System Upgrade	\$525,000
Rochester	Portable Bypass Pump	\$62,500
Rochester	Biosolids Dewatering Facility and Carbon Storage Building	\$15,953,000
Rochester	Colonial Pines Sewer Extension - Phase II	\$3,500,000
Rochester	River St. PS Upgrade & EA Implementation	\$1,399,900
Rochester	WWTF Plant Water Upgrade	\$140,000
Rochester	Aeration Blower Generator Connection	\$78,500
WRBP	Automated Aeration Valve Installation & EA Implementation	\$337,000
WRBP	Aeration Blower Upgrade & EA Implementation	\$400,000
WRBP	Return Activated Sludge Pump Upgrades	\$100,000
WRBP	WWTP Back-Up Generator Replacement	\$250,000
Concord	Control Building & Influent Building Generators ¹	\$824,685
Concord	Headworks & Pump Replacement ¹	\$1,501,182
Concord	Motor Control Center Upgrade (Penacook) ¹	\$936,800
Concord	Secondary Clarifier Upgrade	\$73,400
Concord	WWTF Energy Improvements Implementation	\$500,000
Concord	WWTF Energy Efficiency Project	\$589,000
Concord	WWTF HVAC Improvements	\$1,710,000
Manchester	CMOM Contract #3	\$6,300,000
Nashua	WWTF Energy Recovery Generator Upgrade	\$2,759,900
Nashua	WWTF SCADA Upgrades ¹	\$779,473
Nashua	WWTF Water Booster Upgrades	\$779,000
Nashua	Capacity Management Operation and Maintenance Plan Implementation - Ph. 1	\$2,600,000
Nashua	WWTF Facility Plan	\$300,000
Nashua	WWTF Primary Tank Upgrade	\$4,396,000
Nashua	WWTF Wet Weather Treatment Facility Screen & Rake Upgrades	\$2,261,000
Nashua	NWTF Aeration Davit Arm	\$100,000
Nashua	Pump Station Upgrades - Phase I	\$4,885,000
Nashua	Capacity Management Operation and Maintenance Plan Implementation - Ph. 2	\$2,600,000
Claremont	WWTF Blower Replacement	\$689,000
Goffstown	Elm St. WW PS Replacement	\$1,000,000
Allenstown	Library St. Force Main & Suncook Pond PS	\$1,616,000.00
Milford	WWTF Dewatering Upgrades, Phase 2	\$850,000
Portsmouth	Pease WWTF CIP	\$3,800,000
Portsmouth	Peirce Island WWTF Upgrade	\$89,665,863
Salem	South Broadway Sewer, Water and Bridge Improvements ¹	\$12,319,500
Salem	W. Duston Rd. Area Sewer, Water, Stormwater & Roadway Improvements	\$1,187,000
Dover	2015 I/I Reduction ¹	\$620,534
Dover	Varney Brook PS	\$3,000,000
Dover	Catch Basin & Wet Well Cleaning Treatment	\$3,500,000
Somersworth	Blackwater Rd. Pump Station	\$916,000
Somersworth	WWTF Upgrades	\$12,440,000
Durham	Dover Rd. PS Force Main	\$2,580,000
Durham	WWTF Grit System Upgrade	\$1,340,500
Littleton	Subarea 5 Wastewater Improvements ¹	\$4,193,120
Exeter	WWTF & Main PS Upgrades ¹	\$63,445,321
Hooksett	Phase II WWTF Capital Improvements ¹	\$7,603,731
Hooksett	WWTF Phase 3 Capital Improvements ¹	\$881,973
Hooksett	2019 Sewer Extension Project	\$2,500,000
Lebanon	CSO #12	\$3,700,000
Lebanon	CSO #11 Phase 2	\$11,930,000
Newport	1st, 2nd, 3rd and 4th St. Infrastructure Improvements ¹	\$1,180,853
Newport	Knoll St. Sewer Project	\$580,000
New Castle	WW System Improvements, AMP & Planning	\$2,500,000
Newington	Paul Brook PS Force Main Replacement Phase II	\$1,000,000
Ashland	Septage Receiving & Headworks Upgrade	\$3,224,237
Whitefield	WWTF Upgrades	\$5,196,000
Rochester	Franklin St. Area Infrastructure Upgrades	\$3,478,350
Rochester	Rte. 11 PS Upgrade & EA Implementation	\$1,283,000
Rochester	Septage Receiving Facility	\$825,000
Rochester	Tara Estates Sewer Pump Station Upgrade	\$1,482,000

WRBP	Winnisquam Pump Station Generator	\$300,000
Concord	Primary Clarifier Replacement	\$1,230,000
Concord	Hannah Dustin PS Replacement	\$512,000
Concord	Switchgear & Transformer Replacement, 35 KV	\$680,000
Boscawen	Sewer Replacement & WW AMP	\$1,500,000
Manchester	Emergency Power Upgrade-Design	\$750,000
Manchester	CSO Abatement	\$2,500,000
Manchester	Sheffield Rd. Pump Station, Force Main	\$2,075,000
Nashua	Tank Drain Upgrades	\$1,320,000
Nashua	Pump Station Upgrades - Phase II	\$6,115,000
Nashua	Effluent Defoamant Chemical Building	\$565,000
Nashua	NWTF Primary and Secondary Digester Cleanout	\$712,000
Nashua	NWTF Class A Biosolids Upgrades	\$2,500,000
Nashua	NWTF Fire Alarm System	\$610,000
Nashua	NWTF Vehicle Garage	\$1,110,000
Nashua	NWTF Washpress Tube Upgrade	\$350,000
Nashua	Primary Digester Heat Exchanger	\$200,000
Wolfeboro	Rapid Infiltration Basin Remediation	\$3,500,000
Wolfeboro	I/I Rehabilitation	\$1,000,000
Keene	Headworks Treatment, Martell Court Pump Station	\$1,342,000
Keene	WWTP Generator Replacement	\$145,000
Keene	Colony Court Sewer Replacement	\$1,143,000
Keene	Sewer Structural Repair & Lining	\$194,000
Keene	Martell Court Upgrade, Phase II	\$190,000
Berlin	BLDG Demo-I/I Reduction	\$500,000
Berlin	I/I Reduction Phase II	\$848,620
Claremont	WWTF Electrical Upgrade	\$3,469,000
Portsmouth	Heritage Ave. Pump Station Replacement	\$1,200,000
Henniker	WWTF Dewatering Upgrade	\$1,000,000
Henniker	Wastewater Upgrades	\$3,200,000
Newmarket	Rte. 108 Sewer Main Replacement	\$900,000
New London	Pumping Station Electrical Upgrades	\$750,000
Hampton	WWTF Upgrade, Phase I	\$11,780,000
Derry	Influent Pump Station Improvements	\$400,000
Lebanon	Aeration Blower & Automated Valves Energy Efficiency Upgrades	\$350,000
Lebanon	CSO #13	\$2,600,000
Lebanon	Huber Sludge Dewatering Press	\$1,100,000
Lebanon	Sewer Interceptor	\$1,000,000
Lebanon	Hillcrest Acres Sewer Access	\$4,000,000
Plymouth Vill. WSD	Bayley Ave. & Langdon Park Rd. Sewer Improvements	\$225,000
Plymouth Vill. WSD	Phase 1A Septage Receiving Improvements	\$750,000
Plymouth Vill. WSD	Main St. Utility Improvements Phases 1,2, and 3	\$5,200,000
Plymouth Vill. WSD	PS No. 1 Upgrade	\$1,640,000
Plymouth Vill. WSD	PS No. 4 Force Main Replacement-Phase 3	\$1,500,000
Plymouth Vill. WSD	Phase 3 Septage Receiving Improvements-Brown Grease	\$800,000
Plymouth Vill. WSD	Phase 2 Septage Receiving Improvements	\$2,900,000
Winchester	WWTF Solids & Septage Improvements	\$2,998,500
Colebrook	Sewer Improvement Project Phase 1	\$2,668,000
Eppling	Railroad Ave. Water & Sewer Improvements	\$600,000
Eppling	Sewer Force Main Replacement	\$800,000
Eppling	WWTF Phase II Short Term Improvements	\$2,200,000
Ashland	Roadway & Utility Reconstruction	\$1,971,900
Ashland	Energy Audit Measure Implementation	\$105,000
Lancaster	Summer St. Water, Sewer & Drainage Improvements	\$775,000
Lancaster	Wastewater Upgrades	\$3,500,000
Laconia	Elm St. Sewer Replacement	\$1,760,100
Seabrook	WWTF Upgrades	\$2,352,000
Seabrook	Sewer Outfall Pipe Replacement	\$890,000



February 14, 2022

Honorable Senator Gary Daniels, Chairman
Senate Finance Committee
State House Room 103
Concord, NH 03301

Re: ~~HB398~~ and HB412 - making appropriations to the NH Department of Environmental Services (NHDES) to fund eligible public wastewater (HB398) and drinking water system (HB412) projects

Dear Chairman Daniels and Committee Members:

I am writing on behalf of the NH Water Works Association (NHWWA) and our 300+ members who represent the roughly 2,500 regulated public drinking water suppliers that serve two-thirds of our residents with safe, reliable, and affordable drinking water. Many of our members also operate wastewater treatment facilities, which is why funding for water infrastructure requires a broad perspective and understanding of this essential public service.

Our Association supports both HB398 and HB412, and request that you support them, too. These Bills appropriate funds via State Aid Grants (SAG) for important water and wastewater projects not currently funded through other sources. The SAG programs are a legal promise made under RSA 486 to help towns with water infrastructure investments. These investments are not optional – our public health and economic wellbeing rely on them. Key points related to each bill are summarized below.

Until recently, public water infrastructure has been underfunded and accumulating deferred maintenance for nearly 40 years. Investment has lagged while user demand has grown, new contaminants have emerged, and infrastructure has aged. With this unusual influx of federal funds, we have a generational opportunity over the next decade to make up for the deterioration of critical public water systems.

Our key points in support of HB398 and HB412 include the following:

- Keeping promises made. Towns depend on the State meeting its legal obligation to support approved infrastructure projects. A town's collateral is its property base. Thus, residents are literally "betting the farm" on promised SAG funding.
- Consistent and meaningful state aid is affordable. The \$12.6Mm / year requested by HB398 is much less than one percent (1%) of the State budget. This amount should and can be readily committed annually as a critical investment in public and economic health.



- State aid is needed. Needed infrastructure projects can exceed a town's bonding and rate-structure capacity. By making local projects more affordable, projects are more likely to be done proactively versus an emergency mode. It is much more cost effective to be proactive.
 - SAG complements other State programs. SAG funds can act as match for federal funds and extend the impact and duration of the Drinking Water and Groundwater Trust Fund.
 - Federal fund ineligibility. Municipalities can NOT use ARPA funds for water and sewer projects completed prior to March 3, 2021. These town are counting on existing State promises to help fund approved, completed projects.
 - Senate approval received. Similar legislation was passed 24-0 by the Senate in the prior session.
-

The drinking water SAG program (HB412) has been unfunded for over a decade and allowed to wither. HB412 currently allocates \$500,000 / year to assist towns with planning to better utilize incoming federal funds within existing NHDES programs. Note that this amount was originally proposed in the early 1990s, and an equivalent amount in current dollar value would be roughly \$1.5 million.

While we support \$500,000 / year through HB412 as a starting point for full parity, we recognize that the amount, while helpful to towns, does not justify a new NHDES administrative program. We suggest these funds be allocated and the NHDES authorized to use them as it sees fit, in accordance with the intention of HB412.

Providing adequate and consistent funding for water infrastructure is a legal promise, a moral duty, and a sound investment in public and economic health. With substantial federal funding committed to upgrade aging infrastructure, the State has a perfect opportunity to leverage these new funds and contribute its fair share.

As a reliable and trustworthy partner, the State will enable municipalities to to engage in proactive and cost-effective infrastructure work. We urge your enthusiastic support of HB398 and HB412.

Thank you for considering our testimony.

Sincerely,

Boyd Smith
President and CEO
BSmith@NHWWA.org

Town of Hampton



February 4, 2022

Senator Gary Daniels
State House Room 105
107 North Main Street
Concord, NH 03301

Via Email: Gary.Daniels@leg.state.nh.us

Re: HB 398 — Funding for Eligible Wastewater Projects

Dear Senator Daniels and Honorable Committee Members:

On behalf of the Town of Hampton, please accept this letter of our support of HB 398 as well as our request to urge the NH Senate Finance Committee to continue its support of this bill. As a community that appropriated \$11.78M in vital upgrades to our Wastewater Treatment Plant and is currently under construction, funding from the SAG program would serve to offset costs to the Town. Approval of this Bill authorizes the appropriation for SAG Funding to the Department of Environmental Services for these types of eligible Wastewater Projects.

The funding included in this bill covers FY 22/23 and includes assisting communities from all parts of NH, stretching from Nashua to Berlin, from Keene to Concord, Hampton to Lebanon, and Conway to Manchester, to name a few. These projects were completed with the understanding the state would meet its legal commitments under RSA 486. **Because these communities were proactive in addressing infrastructure problems, the projects covered under this bill are not eligible for the current ARPA funding, nor will be eligible for any future infrastructure assistance.**

For every dollar the State pays in grants related to water and wastewater out of the General Fund, there is much more than a dollar returned. This is seen with the vitality of the business community, increased viability of economic growth and the continued health benefits of clean natural water and drinking water. Along with the New Hampshire Water Pollution Control Association (NHWPCA) we are all committed to be stewards of the environment.

Thank you for considering these comments and supporting our goals of protecting public health through safely managing wastewater, while maintaining rate and taxpayer affordability.

Respectfully submitted,

James Sullivan
Town Manager – Hampton, NH

CC: Senate Finance Committee Member Via Email ; Senator Sherman -via Email

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Jim Donchess

Mayor • City of Nashua

February 14, 2022

Senate Finance Committee
New Hampshire Statehouse Room 103
107 N. Main Street
Concord, NH 03301

RE: ~~House Bills 398~~ and 412

Mr. Chairman and Members of the Committee,

As the Mayor of the City of Nashua, I am writing to you in support of House Bill 398 and House Bill 412. Nashua currently has \$21,460,373 in eligible wastewater projects that some of the funding in these bills could go towards. Because these projects are not eligible for American Rescue Plan Act (ARPA) funding, the State's financial support of these capital projects is even more critical.

Nashua's eligible projects are necessary to stay operational and compliant with New Hampshire DES regulations and mandates. If these bills were to fail to pass, Nashua and other municipalities would be negatively impacted. This proposed state funding will make it easier for municipalities to fund these projects and avoid delays in updating necessary infrastructure.

I ask that the members of this committee give these bills a recommendation of Ought to Pass. By making previously promised funding available and allocating additional funding for future projects, municipalities will be able to start the process of initiating these projects and protecting their infrastructure for their residents.

Thank you for your consideration.

Sincerely,

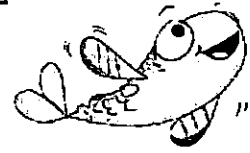


Jim Donchess, Mayor
City of Nashua



PUBLIC WORKS DEPARTMENT

CITY OF PORTSMOUTH
680 Peverly Hill Road Portsmouth N.H. 03801
(603) 427-1530
cityofportsmouth.com



Think Blue!
Water | Wastewater | Stormwater

Testimony for the New Hampshire Senate Finance Committee State Aid Grants for Wastewater Projects February 15, 2022

Brian Goetz
Deputy Director of Public Works
City of Portsmouth

My name is Brian Goetz and I am the Deputy Director of Public Works for the City of Portsmouth. In that capacity I am in charge of the City's water, wastewater and stormwater systems and have been intimately involved with the infrastructure improvement programs throughout the City and region. I am submitting testimony on behalf of the City of Portsmouth to recommend that the Finance Committee vote to pass ~~HB 398~~ and HB 412, bills related to State Aid Grant (SAG) funding.

For years the City has committed millions of dollars toward sewer system upgrades, including our recent efforts to upgrade our Peirce Island Wastewater Treatment Facility. To accomplish all of this work, the City has relied on State Revolving Fund loans and SAG for financing.

The City of Portsmouth has been proactively committed, to not only meet increasingly stringent regulatory guidelines for their water and wastewater system, but to also replace aging infrastructure on a programmed basis. This commitment continues. Our proposed six-year capital improvement plan includes millions of dollars for sewer system infrastructure and treatment improvements. This is in addition to the funds totaling nearly \$100 million recently spent to upgrade our Peirce Island Wastewater Treatment Facility. This has led to continued customer rate increases. Again, as with our capital planning, the City has been proactive with increasing sewer rates in anticipation of these projects to avoid rate shock. Even with that, the City sewer's rates will see an approximately four percent annual rate increase for the foreseeable future to bond and pay for these projects. These rate increases have been predicated on the anticipated funds already committed by the State through the SAG. If these funds are eliminated or deferred, it will result in additional costs for our customers in Portsmouth and New Castle.

These improvements, past and present, benefit not just the citizens of Portsmouth and New Castle but importantly, the waters of the State of New Hampshire. Many of these projects must meet regulatory requirements mandated by the New Hampshire Department of Environmental Services and the EPA. The City of Portsmouth, along with many other

communities in the State, particularly those in the Great Bay estuary who are facing the financial burden of significant sewer upgrades, support the continued appropriation of funds for SAG programs and oppose any legislation that suspend them.

The Portsmouth City Council recently adopted Principles for Legislative Positions. SB 398 and HB 412 support several of those principles, such as: support revenue streams to aid municipalities, specifically those that name Portsmouth or will directly support Portsmouth; support plans to fund/support infrastructure; support directing revenues to the purposes for which they are raised; and require the State to honor existing financial commitments to communities before new financial commitments are awarded, e.g. infrastructure reimbursements.

For the reasons set forth above, the City of Portsmouth supports HB 398 and HB 412 and urges the Senate Finance Committee to vote these bills Ought to Pass.

Debra Martone

From: Julie Gilman
Sent: Monday, February 14, 2022 10:58 AM
To: ~Senate Finance Committee
Subject: Correction ~~HB 398~~ and hb 412 State Aid to water and wastewater projects

Senators,
Apologies for citing incorrect bill numbers. I intended to ask your support for HB398 and HB412.

Representative Julie D. Gilman
Rockingham District 18
Exeter
Municipal and County Government

From: Julie Gilman
Sent: Monday, February 14, 2022 10:39 AM
To: ~Senate Finance Committee <SenateFinanceCommittee@leg.state.nh.us>
Subject: SB 334 and SB 249 State Aid to water and wastewater projects

Honorable Senators,

I write to urge you to support SB 334 and SB 249 as OTP.
11 municipalities in New Hampshire have been promised aid for the cost of new water and wastewater projects we have had to build due to EPA and NHDES increased standards. Exeter's WWTF is an award winning treatment facility project the State should be proud to support. While we want to do our best to keep the Great Bay and surrounding estuaries clean and the Pandemic caused a pause, it has become the sole responsibility of our rate payers to bear the full costs while the promised State aid is withheld.

The remaining 110 projects deserve the same assistance for the same reasons.

Respectfully,

Representative Julie D. Gilman
Rockingham District 18
Exeter
Municipal and County Government

Debra Martone

From: Jason Gagnon <jgagnon@ncwpmh.org>
Sent: Tuesday, February 15, 2022 11:22 AM
To: Gary Daniels; John Reagan; Lou D'Allesandro; Chuck Morse; Bob Giuda; Cindy Rosenwald; Erin Hennessey; Debra Martone
Subject: HB 398 - State Aid Grants

Honorable members of the Senate Finance Committee,

I am writing to express my support for HB 398 and the funding of the State Aid Grant (SAG) program for wastewater projects. Regular funding for the SAG program is a critical part of the funding partnership that makes wastewater projects affordable throughout the State. Especially now, given the influx of federal water/wastewater funding, SAG allows the State of NH to *leverage* a modest State investment and receive a return of many times that value in the form of infrastructure to support clean water and healthy economic development. I want to stress that point again – SAG is NOT an *expense*, rather it is an *investment* whereby the return in infrastructure value to the State of New Hampshire is much greater than the modest amount of funds committed annually to the SAG program. I can say without question that North Conway would not have been able to develop the wastewater infrastructure we have – infrastructure that supports growth of the tourism economy, a major economic driver of New Hampshire's overall economy – without the SAG program making our efforts affordable for the citizens and taxpayers.

Thank you all for your service to the State of New Hampshire. If you have any specific questions about how SAG has helped North Conway, please do not hesitate to contact me directly.

Respectfully,

Jason N. Gagnon

Superintendent
North Conway Water Precinct
PO Box 630
104 Sawmill Lane
North Conway, NH 03860
(603) 356-5382

Debra Martone

From: Shelagh Connelly <shelagh.connelly@rmirecycles.com>
Sent: Tuesday, February 15, 2022 11:24 AM
To: Gary Daniels; John Reagan; Lou D'Allesandro; Chuck Morse; Bob Giuda; Cindy Rosenwald; Erin Hennessey; Debra Martone
Cc: Robert Robinson (rrobinson@manchesternh.gov); Elwood, Rebecca; mcarle@hamptonnh.gov; Bsmith@NHWWA.org
Subject: Support ~~HB 398~~ and HB 412 - Please vote OTP

Members of Senate Finance Committee:

I write to you today to ask that you support the two water infrastructure bills that are before you today. This is incredibly important as we look to continue the progress that has been made over the last 50 years under the Clean Water Act. We are anticipating that the NH Legislature will make good on promises made to these communities, and that this investment will keep towns and cities on track to achieve compliance with water quality standards.

As a member of the water quality professionals here in NH, it is essential to continue this very important investment – because Water's Worth It!

Thank you for your service in the Legislature.

Best,
Shelagh



Shelagh Connelly
President
1171 NH Route 175
Holderness, NH 03245
603-536-8900 office
603-536-8998 fax
603-387-8162 cell
Shelagh.connelly@rmirecycles.com
www.RMIrecycles.com
Down to Earth Recycling Solutions

Voting Sheets

Senate Finance Committee

EXECUTIVE SESSION

Bill # HB 398

Hearing date: 02/15/2022

Executive session date: 03/15/22

Motion of: OTF

VOTE: 7-0

<u>Made by</u> Daniels <input type="checkbox"/>	<u>Seconded</u> Daniels <input type="checkbox"/>	<u>Reported</u> Daniels <input type="checkbox"/>
<u>Senator:</u> Reagan <input type="checkbox"/>	<u>by Senator:</u> Reagan <input checked="" type="checkbox"/>	<u>by Senator:</u> Reagan <input type="checkbox"/>
Giuda <input checked="" type="checkbox"/>	Giuda <input type="checkbox"/>	Giuda <input checked="" type="checkbox"/>
Rosenwald <input type="checkbox"/>	Rosenwald <input type="checkbox"/>	Rosenwald <input type="checkbox"/>
D'Allesandro <input type="checkbox"/>	D'Allesandro <input type="checkbox"/>	D'Allesandro <input type="checkbox"/>
Morse <input type="checkbox"/>	Morse <input type="checkbox"/>	Morse <input type="checkbox"/>
Hennessey <input type="checkbox"/>	Hennessey <input type="checkbox"/>	Hennessey <input type="checkbox"/>

Motion of: _____

VOTE: _____

<u>Made by</u> Daniels <input type="checkbox"/>	<u>Seconded</u> Daniels <input type="checkbox"/>	<u>Reported</u> Daniels <input type="checkbox"/>
<u>Senator:</u> Reagan <input type="checkbox"/>	<u>by Senator:</u> Reagan <input type="checkbox"/>	<u>by Senator:</u> Reagan <input type="checkbox"/>
Giuda <input type="checkbox"/>	Giuda <input type="checkbox"/>	Giuda <input type="checkbox"/>
Rosenwald <input type="checkbox"/>	Rosenwald <input type="checkbox"/>	Rosenwald <input type="checkbox"/>
D'Allesandro <input type="checkbox"/>	D'Allesandro <input type="checkbox"/>	D'Allesandro <input type="checkbox"/>
Morse <input type="checkbox"/>	Morse <input type="checkbox"/>	Morse <input type="checkbox"/>
Hennessey <input type="checkbox"/>	Hennessey <input type="checkbox"/>	Hennessey <input type="checkbox"/>

<u>Committee Member</u>	<u>Present</u>	<u>Yes</u>	<u>No</u>	<u>Reported out by</u>
Senator Daniels, Chairman	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Reagan, Vice-Chair	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Giuda	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Senator Hennessey	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Rosenwald	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Morse	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator D'Allesandro	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Amendments: _____

Notes: _____

Committee Report

STATE OF NEW HAMPSHIRE
SENATE
REPORT OF THE COMMITTEE

Tuesday, March 15, 2022

THE COMMITTEE ON Finance

to which was referred **HB 398**

AN ACT

making an appropriation to the department of
environmental services for funding eligible
wastewater projects.

Having considered the same, the committee recommends that the Bill

OUGHT TO PASS

BY A VOTE OF: 7-0

Senator Bob Giuda
For the Committee

Deb Martone 271-4980

Docket of HB398

Bill Title: making an appropriation to the department of environmental services for funding eligible wastewater projects.

Official Docket of HB398.:

Date	Body	Description
1/10/2021	H	Introduced (in recess of) 01/06/2021 and referred to Finance HJ 2 P. 46
2/4/2021	H	Public Hearing: 02/09/2021 09:30 am Members of the public may attend using the following link: To join the webinar: https://www.zoom.us/j/92166004660 / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
2/16/2021	H	Executive Session: 02/16/2021 10:30 am Members of the public may attend using the following link: To join the webinar: https://www.zoom.us/j/92166004660
3/23/2021	H	Retained in Committee
8/31/2021	H	Division I Work Session: 09/14/2021 01:45 pm LOB 212
10/6/2021	H	Executive Session: 10/26/2021 10:00 am LOB 210-211
11/4/2021	H	Committee Report: Ought to Pass with Amendment #2021-2117h 10/28/2021 (Vote 21-0; RC) HC 48 P. 33
1/9/2022	H	Amendment #2021-2117h : AA VV 01/06/2022 HJ 1
1/9/2022	H	Ought to Pass with Amendment : MA VV 01/06/2022 HJ 1
1/18/2022	S	Introduced 01/05/2022 and Referred to Finance; SJ 2
2/9/2022	S	Hearing: 02/15/2022, Room 103, SH, 01:00 am; SC 7
3/16/2022	S	Committee Report: Ought to Pass, 03/24/2022; SC 12
3/24/2022	S	Ought to Pass: MA, VV; OT3rdg; 03/24/2022; SJ 6
4/7/2022	S	Enrolled Adopted, VV, (In recess 03/31/2022); SJ 8
4/8/2022	H	Enrolled (in recess of) 03/31/2022
4/19/2022	H	Signed by Governor Sununu 04/18/2022; Chapter 19; EFF.07/01/2022

NH House

NH Senate

Other Referrals

Senate Inventory Checklist for Archives

Bill Number: HB 398

Senate Committee: FINANCE

Please include all documents in the order listed below and indicate the documents which have been included with an "X" beside

Final docket found on Bill Status

Bill Hearing Documents: {Legislative Aides}

Bill version as it came to the committee

All Calendar Notices

Hearing Sign-up sheet(s)

Prepared testimony, presentations, & other submissions handed in at the public hearing

Hearing Report

Revised/Amended Fiscal Notes provided by the Senate Clerk's Office

Committee Action Documents: {Legislative Aides}

All amendments considered in committee (including those not adopted):

___ - amendment # ___ ___ - amendment # ___

___ - amendment # ___ ___ - amendment # ___

Executive Session Sheet

Committee Report

Floor Action Documents: {Clerk's Office}

All floor amendments considered by the body during session (only if they are offered to the senate):

___ - amendment # ___ ___ - amendment # ___

___ - amendment # ___ ___ - amendment # ___

Post Floor Action: (if applicable) {Clerk's Office}

___ Committee of Conference Report (if signed off by all members. Include any new language proposed by the committee of conference):

___ Enrolled Bill Amendment(s)

___ Governor's Veto Message

All available versions of the bill: {Clerk's Office}

as amended by the senate ___ as amended by the house

final version

Completed Committee Report File Delivered to the Senate Clerk's Office By:

Debra A. Martone
Committee Aide

06/14/22
Date

Senate Clerk's Office jm