

Drinking Water and Groundwater Trust Fund
2023 Annual Round

Drinking Water Construction Project Assistance
Subcommittee Funding Recommendation Report



NEW HAMPSHIRE DRINKING WATER
& GROUNDWATER TRUST FUND



Prepared by:

*Construction Project Assistance Subcommittee
And the
New Hampshire Department of Environmental Services*

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Overview of the 2023 Drinking Water Construction Project Assistance Annual Round

As of December 31, 2022 the uncommitted Drinking Water and Groundwater Trust Fund (DWGTF) balance was approximately \$108.9 million based on income investment earnings and repayment into the fund; expenditures paid from the fund; the obligated balance of grants, loans, and other contracts; and committed funds. The Advisory Commission did not vote to set a target allocation amount for 2023, the target is typically set at 20% of the fund balance; for calendar year 2023 this would be \$21,776,141.

Historically, the Advisory Commission has distributed the total allocation as 50% Construction Program Assistance grants and 40% as loan, and the remaining 10% \$2,177,614 would be allocated to other grants, which includes the Source Water Protection Program and NHDES Initiatives. However, the Advisory Commission reserves the right to award more or less than this amount at their sole discretion depending on the quality and quantity of projects and needs of the State.

Program	Loan	Grant
Drinking Water Construction Project Assistance Program: Special Projects and Annual Round	\$8,710,456	\$10,888,070
Source Water Protection Grant Program	0	\$2,000,000
NHDES Initiatives	0	\$177,614

Potential Allocation for 2023 based on 20% balance=\$21,776,141

Between January and October 2023, several projects were approved for funding through the Special Project Assistance Program, totaling \$5,389,628 in grants; this amount was taken into consideration during the Subcommittee review.

Project Name	Funding Program	Project Description	Grant Approved
Winchester	SPA	Water Storage Tank, Water Main, and Booster Station	100,000
Olde Country Village	SPA	Interconnection with Pennichuck for PFAS	900,000
Northumberland	SPA	Hill area infrastructure improvements. New watermains, valves, and hydrants	1,500,000
Rolling Meadows	SPA	Interconnection for PFAS	620,000
Hooksett	SPA	Route 3A TIF District Infrastructure Expansion-additional loop	384,170
Tilton Northfield Water District	SPA	Iron and Manganese water treatment facility	1,585,458
Sanbornville Gap Funding	SPA	Water main replacements	300,000
TOTAL			5,389,628

The New Hampshire Department of Environmental Services announced the request for proposals in September 2023. for the 2023 DWCPA Annual Round were advertised on the DWGTF webpage, and several outreach sessions were held to communicate the DWGTF funding priorities and solicit requests for proposals. On October 13th, 2023, NHDES received 29 applications with projects from 26 different towns. The total funding amounts requested are summarized in the table below.

Applications Received	Loan Request	Grant Request	Total Funding Request	Total Leveraged Funds	Maximum Loan Request	Maximum Grant Request
29	\$22,147,250	\$27,199,146	\$49,346,396	\$47,928,914	\$6,000,000	\$10,700,000

The Subcommittee met on October 24th and October 25th and reviewed the applications according to the eligibility criteria. The Subcommittee has proposed the funding recommendation below for the Advisory Commission.

Funding Recommendation

Move to fund the 12 projects identified in the Funded List and decline Town of Londonderry, Jewel Estates Cooperative, and Warde Senior Living for funding from the annual round, but the applicants may submit proposals to the Special Project Assistance Program when budgets are further developed. The Town of Lancaster is declined funding from the annual round but may reapply for 100% loan as a Special Project.

Drinking Water Construction Projects Assistance Program Funded

Applicant	Location	Project Name	Recommended Loan	Recommended Grant
Lakes Region Mobile Home Coop	Belmont	Distribution Replacement and Pumphouse Upgrades	\$812,500	\$812,500
Lakeview Condos HOA	Enfield	Water System Improvements	\$350,000	\$150,000
Emerald Lake Village District	Hillsborough	Water Distribution Upgrades	\$0	\$390,000
Pine Valley Estates	Kingston	Source Replacement and New Pumphouse	\$115,000	\$215,000
North Conway Water Precinct	North Conway	Pressure Zone Connection	\$1,357,200	\$150,800
Plymouth Village Water & Sewer District	Plymouth	Gap Funding for Bid Alternate for Holderness Well	\$0	\$428,781
City of Rochester	Rochester	Salmon Falls Booster Pump Station Upgrade	\$3,275,000	\$0
Rye Water District	Rye	Central Water Treatment Plant	\$4,950,000	\$0
Pine Grove Mobile Home Park	Swanzey	Water Distribution System Completion	\$0	\$265,755
Highland Place/T&B Investments	Tamworth	New Source for Contamination and Housing Expansion	\$282,000	\$50,000
Michawanic Village Condo Association	Wakefield	Leaking Expansion tank	\$100,000	\$0
Pillsbury Lake Village District	Webster	Source Capacity Improvements	\$66,250	\$198,750
Funding Recommended Total			\$11,307,950	\$ 2,661,586

Projects Recommended to Reapply to the Special Projects Assistance Program

Applicant	Location	Project Name	Recommended Loan	Recommended Grant
Town of Londonderry	Londonderry	High Range Road Area Water Main Project	\$0	\$10,700,000
Jewel Estates Cooperative	Merrimack	Water Distribution System and Utility Replacement	\$432,000	\$1,008,000
Town of Lancaster	Lancaster	Water Storage Tank Installation	\$0	\$1,851,760
Warde Senior Living/Integrated Realty Resources	Windham	Windham Rehabilitation Water Supply Improvements	\$0	\$3,500,000

Drinking Water Construction Projects Assistance Program Unfunded List

Applicant	Location	Project Name	Loan	Grant
Country Village Mobile Home Park	Canaan	Hill Pointe Water Project	\$0	\$100,000
City of Claremont	Claremont	Spofford Street and Hartford Neighborhood Watermains	\$1,885,000	\$1,540,000
Conway Hale Estates	Conway	Pumphouse Upgrade	\$100,000	\$142,000
Francestown Village Water	Francestown	Bedrock Well Assessment	\$0	\$16,300
Gunstock Acres Village Water District	Gilford	New External Above Ground Tank at Pump Station	\$0	\$698,200
Lake Shore Park	Gilford	Water Systems Upgrades	\$0	\$412,000
Goffstown Village Water Precinct	Goffstown	Wellhead Protection	\$0	\$250,000
Town of Jaffrey	Jaffrey	Squantum Road Watermain	\$0	\$600,000
Century Village Condominiums	Londonderry	Interconnection with Pennichuck East Utility	\$600,000	\$600,000
Wade Farm Condo Association	Newmarket	New Well House and Water Main Distribution	\$338,300	\$338,300
Town of Newport	Newport	Unity Road Water Improvement Project	\$1,330,000	\$350,000
City of Rochester-CW	Rochester	Coheco Well Water Treatment Facility Upgrades	\$6,000,000	\$2,200,000
Mountain Lakes District	Woodsville	Dartmouth, Hanover, King Streets Watermain Project	\$154,000	\$231,000

Project Descriptions Recommended for Funding

Listed alphabetically by Town

Lakes Region Mobile Home Cooperative Belmont

Median Household Income: 68,618	Population Served: 276	Connections: 111	Current Water Rates (AI): \$1,082 (1.58)	Projected Water Rates (AI): \$1,470 (2.15)
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The Lakes Region Mobile Home Park Cooperative is a manufactured home community built in the 1970's. Many components of the water system are original, antiqued and need replacement. There are continually water shortages due to impairments/leaks in the distribution system. The ongoing leaks require constant monitoring and bulk water deliveries; the water system has received over 10 bulk water deliveries in 2023 already. This project will install new distribution mains and services lines to each home, construct a new pumphouse with new electrical, control panel, Variable Frequency Drive (VFD) booster pumps, well pumps, flow meters, and clean the atmospheric tanks. The Lakes Region Mobile Home Cooperative is ready to be proactive to upgrade their water system to result in lower operational costs, financial sustainability, and water security into the future.

Lakeview Condos Homeowners Association Enfield

Median Household Income: 49,533	Population Served: 230	Connections: 131	Current Water Rates (AI): \$732 (1.48)	Projected Water Rates (AI): \$824 (1.66)
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Lakeview Condominiums Homeowners Association Water System consist of two source wells, an atmospheric storage tank, two metering manholes, and a distribution system that was constructed in the late 1980-1990's. The system has a significant deficiency in that metering manholes and electrical components are below grade and in confined space The environment in the manholes is very moist, causing corrosion of the electrical components. The water system frequently exceeds the MCL for total coliform bacteria during the summer. This project includes constructing two block buildings, re-piping from source wells to the buildings, new electrical components, and telemetry between the two new building, water meters, and standby chlorination systems. The new system will allow for real time monitoring to provide a safe and reliable water supply.

Emerald Lake Village District Hillsborough

Median Household Income: 55,000	Population Served: 1,300	Connections: 528	Current Water Rates (AI): \$1,187 (2.16)	Projected Water Rates (AI): \$1,323 (2.41)
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The Emerald Lake Village District (District) water system consists of six active bedrock wells, two water treatment plants, one water storage tank, four underground zone meter pits, and 13 miles of water main. The distribution system was installed in 1966 and is in very poor condition, resulting in a high number of breaks and significant leaks each year. The District has endured significant water loss in its system due to water main leaks, and has had to purchase bulk water, stressing the financial capacity of the District. The project includes replacement of +/- 3,900 feet of degraded water main and is an extension of the 2022 Water Main Project funded in 2020 by the DWGTF. The replacement of these

aging water mains is critical to avoid further water supply and distribution deficiencies, improve resiliency and energy efficiency, and ensure compliance with the District’s water conservation program.

Pine Valley Estates Kingston

Median Household Income: 67,360	Population Served: 40	Connections: 16	Current Water Rates (AI): \$ 1,316 (1.95)	Projected Water Rates (AI): \$1,675 (2.49)
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Pine Valley Estates (PVE) is a 16-unit primary residence condominium community built in the late 1980’s that just recently became registered as a Public Water System and the wells were not installed to public drinking water standards and regulations. The system runs off two inadequate wells; one is low-producing and the other has high nitrates due to the proximity to a leaching field and the housing units must have drinking water delivered. The water system is faced with many challenges, including human health risk with the quality, vulnerability to failure and no redundancy, and high costs covered by only 16 users. However, PVE understands they must take steps to bring this system into compliance and connect all the homes to one system. This project will develop a new source and install a new pumphouse to provide a clean and reliable source to all the residents of PVE.

North Conway Water Precinct North Conway

Median Household Income: 53,590	Population Served: 6,420	Connections: 2,006	Current Water Rates (AI): \$ 417 (0.78)	Projected Water Rates (AI): \$445 (0.83)
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The North Conway Water Precinct (NCWP) has five active groundwater wells; four wells are connected to the North Zone and one to the South Zone, resulting in about 83% of supply derived from the North and 17% from the South Zone. However, water usage is disproportionately used in the South (60%) and provides bulk water to Pennichuck’s Birch Hill water system; a regional high school; Conway Village Fire District for fire suppression; and the economic center of regional tourism. The two zones join at a single pressure reducing valve and from here the distribution system starts to bottleneck, with distribution through only a single 12" pipe that lies above a stone culvert at Kearsarge Brook. This single connection is vulnerable to damage in the event of flooding, and repair and replacement would result in long-duration supply shortages to the South Zone. A Water Infrastructure Asset Management Evaluation determined that the water distribution system requires a second water main connection to improve redundancy and reliability. This project will install +/- 3,500 ft of water main to create a direct connection between the north and south without crossing Kearsarge Brook.

Plymouth Village Water and Sewer District Plymouth

Median Household Income: 67,637	Population Served: 6,700	Connections: 1,180	Current Water Rates (AI): \$924 (1.37)	Projected Water Rates (AI): \$924 (1.37)
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The District relies on two gravel-packed wells located in close proximity to Route 93, which are exposed to road salt runoff and spills. As part of the most recent Sanitary Survey conducted in 2016 by NHDES, the development of an additional water source was recommended as a high priority project. The District identified the Holderness School well field as having the quantity and quality of water required by the District as a new source. The Holderness Well project received a \$1,650,000 DWGTF grant and \$1,650,000 SRF loan in 2018 to develop the new source, construct new water main and booster pump

station, and a tie-in of the new water line to the existing water distribution mains. The October 4, 2023 bid opening resulted in total bid prices exceeding the funding currently available. This DWGTF request will fund Bid Alternate A, creating a returning treated water to the Holderness booster station.

City of Rochester Rochester

Median Household Income: 70,582	Population Served: 25,000	Connections: 7,500	Current Water Rates (AI): \$921 (1.31)	Projected Water Rates (AI): \$921 (1.31)
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The Salmon Falls Booster Pump Station (SFBPS) was built in 1984 and consists of two booster pump stations at the site of the Salmon Falls tank. The SFBPS provides backup to the Richardson Street Booster Pump Station (RSBPS), that provides pressure and flow to the Rochester Hill Service Zone and Granite State Business Park. The SFBPS has reached the end of its useful life and been inactive since 2012 and is unable to meet future flow demands required by business development. This project will support economic development in the area by providing increased flows required by Albany Engineered Composites, a manufacturing company headquartered in Rochester, a new school proposed to be constructed along Salmon Falls Road, and future development planned for the Granite State Business Park. The project will involve replacement of the two existing stations at the SFBPS with a single new station to improve the overall functionality of the infrastructure and remove confined space conditions.

Rye Water District Rye

Median Household Income: 116,332	Population Served: 4,500	Connections: 1,700	Current Water Rates (AI): \$461 (0.40)	Projected Water Rates (AI): \$841 (0.72)
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Rye Water District (RWD) maintains three source water wells: Bailey Brook, Cedar Run, and Garland Road Wells. Bailey Brook and Cedar Run each both have low pH, and iron and manganese more than U.S. Environmental Protection Agency (EPA) Secondary Standards and has caused consumer complaints about discolored water. Source water from these bedrock wells is not currently treated and require iron and manganese filtration to meet EPA Secondary Standards compliance. The water in the Garland Road Well has an increased level of radon and low pH, and low levels of PFAS above the proposed EPA MCL. In 2019, the RWD completed an asset management report and aims to provide a level of service that meets emerging State and Federal standards for drinking water. The project consists of the construction of a new Water Treatment Facility (WTF) centrally located to all three wells.

Pine Grove Mobile Home Park Swanzey

Median Household Income: 39,240	Population Served: 305	Connections: 112	Current Water Rates (AI): \$386 (0.98)	Projected Water Rates (AI): \$407 (1.04)
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The Pine Grove Mobile Home Park has provided housing for low-moderate income families for more than 20 years. In addition to other already completed water improvements, the water distribution system needs to be replaced due to age, ongoing leaks, and high unaccounted water use. Funding was secured through MtBE Settlement Funds, SRF, and an ARPA Grant. The project includes +/- 2,100 ft of new water main, flushing hydrants and valves, and connections of 44 new homes. This work will also complete proper looping of the water mains within the system and minimize areas that need to be shut off during routine maintenance. The low bidder for this work was higher than the secured funding

package, additional funding is time critical as the local contractor is ready, but due to the nature of the work, the scope cannot be reduced.

Highlands Water Tamworth

Median Household Income: 26,599	Population Served: 70	Connections: 18
Current Water Rates (AI): \$410 (1.54)	Projected Water Rates (AI): \$1,330 (5.00)	

The existing water system is a dug well that comes into a makeshift water room on the side of a small cabin. The system was not an approved Community Water System until the property was purchased by the new owners, who subsequently learned from NHDES it must be registered as a regulated water system. At that time, it was recognized there were multiple structural and water quality violations (e-coli bacteria and radium). The new owners have drilled a new source well, but the system still needs infrastructure upgrades, a new well house, and storage with tank. The system currently supplies water for 12 units and once the project is complete, an additional 6 units will be added.

Michawanic Village Condominium Association Wakefield

Median Household Income: 88,750	Population Served: 120	Connections: 48
Current Water Rates (AI): \$600 (0.68)	Projected Water Rates (AI): \$816 (0.92)	

The Michawanic Village Condominium Association system consists of two driven wells and an expansion tank that was installed in the mid-1980's. A small hole developed in the tank in December 2022 after a winter storm. The leak slowly reduced and eventually stopped, it is suspected that corrosion products and silt in the bottom of the tank temporarily sealed the leak. The project will abandon a leaking tank, improve the reliability of the water system and reduce the electricity used by the system.

Pillsbury Lake Village District Webster

Median Household Income: 51,714	Population Served: 160	Connections: 63
Current Water Rates (AI): \$1,334 (2.58)	Projected Water Rates (AI): \$1,454 (2.81)	

The Pillsbury Lake Village District (PLVD) water system is made up of two smaller systems: the Franklin-Pierce and Peninsula. The systems have recently been upgraded with new distribution, but there is a source capacity deficiency. The PLVD needs to site, install, and connect an additional source of supply to meet the demands of the users and permanently interconnect their two systems and discontinuing the Peninsula system that has poor water quality, high arsenic and manganese levels, and very high costs of treatment and operation. This project will drill and connect a new well to meet the whole source capacity of the system, bringing it into compliance and promoting financial sustainability by reducing operational costs.