



STATE OF NEW HAMPSHIRE
**American Recovery
and Reinvestment Act**



JOINT PUBLIC HEARING
CWSRF and DWSRF
PROGRAMS

INTENDED USE PLANS HEARINGS AGENDA

- **Introduction** Harry Stewart, NHDES
- **US Rural Dev. Admin** Gregg McPherson or Rhonda Shippee
- **Intended Use Plans: Development Approach and Priority System**
 - Clean Water State Revolving Fund
 - Drinking Water State Revolving Fund
- **Questions & Answers on the Program Approach**
- **Formal Public Hearing for DES to Receive Comments**
 - Elected State Officials
 - Clean Water SRF
 - Drinking Water SRF



Funding Overview

- \$37.6 million for Clean Water State Revolving Fund (\$630 +/- M in applications)
- \$18.7 million (\$250 +/-M in applications) for Drinking Water SRF
- Principal forgiveness for all stimulus funds: this is the most generous use of these funds possible. No other New England state is doing it this way
- DES proposes to “double” the funding with matching low interest loans (\$75.2 million in CWSRF projects and \$37.4 million in DWSRF)
- Rationale: This expands the number of projects that can receive stimulus funds.



DES Process (through 4/10/09)

- January 9: Informational Meeting
- February 6: Informational Meeting and Opened Pre-application Process
- February 27: Closed pre-application process
- DES Ranked projects
- March 20: Published Draft Intended Use Plans
- Through 4/10: Will receive public comment

Project Ranking System Development

- DES developed ranking CWSRF and DWSRF systems to prioritize projects that we believe are objective.
- Considered readiness to proceed plus other project attributes.
- By federal law, 20% set aside for green, energy efficient, or water efficient projects required for both programs.



DES Process Going Forward

- April 10: Public Comment Period ends
- April 17 +/-: Finalize Intended Use Plans
- April 17 +/-: Receive EPA Grants
- April (to be scheduled): Meeting with “successful” applicants to discuss details
- May & June: Issue loans to communities
- May onward: Technical reviews and approvals, and measure and ensure progress.
- ARRA Accountability is very, very significant



Interest Rates

- Are being adjusted down.
- No interest payment on stimulus portion of loans will be required.
- Interest will still apply to “conventional loans” tied to stimulus projects.



SRF INTEREST RATE CHANGES

Loan Term	Former Interest Rate (%)	Approximate Interest Rate (to be adjusted & finalized today) (%)
5 years	1.315	1.1875
10 years	2.63	2.375
15 years	3.945	3.5625
20 years	4.208	3.8



SB 39: Special Meetings

- Special meetings will be enabled w/out need for court approval.
- Passed the Senate and we hope will pass House and become law (next week?).
- Bill language in part enables town meeting on any “ARRA” project after posting/publishing notification at least 7 days prior to the meeting.



Rural Development Administration

- DES is closely coordinating with RDA.
- RDA Grants and Loans are the key to making the NH “pie” bigger. There are \$ millions at stake for NH.
- If you are eligible for RDA, please apply, even if you appear to have “made the cut.”
- You’re community may get a better package from RDA.
- Enabling more projects benefits New Hampshire’s environment and economy.



“Readiness to Proceed”

- DES has taken readiness to proceed at face value in pre-applications.
- Please note: Stimulus loan agreements will have tight time frames consistent with those presented in your pre-applications.
- We all have unique obligations under ARRA.
- Failure to meet agreed-upon time frames will result in loss of money.



CWSRF

CWSRF ARRA REVIEW PROCESS

- 324 Project Pre-Applications/ \$637,024,189
 - Wastewater – 263 projects/\$590,003,948
 - Energy – 18 projects/\$26,066,042
 - Green – 43 projects/\$20,954,199
- Develop 3 sets of criteria, 3 project priority lists
- Objective review for each pre-application, apply criteria, develop score and ranking



RANKING CRITERIA - Wastewater

- Developed by DES using the following considerations:
 - ARRA requirements
 - Readiness
 - Green
 - Benefits to environment and public health
 - Capacity issues
 - Affordability



Readiness to Proceed

I. Readiness to Award Construction Contract (Maximum 30 points)

Award Date	Maximum	Points
By June 17, 2009	100%	30.0
June 18-August 16, 2009	75%	22.5
August 17-October 15, 2009	50%	15.0
October 16-December 14, 2009	25%	7.5
December 15, 2009-January 16, 2010	10%	3.0
After January 16, 2010	0%	0



Benefits to the Environment or Public Health

II. Project Benefits to Environment or Public Health (Maximum 30 points)

Project Addresses	Maximum	Points
State or Federal Order	100%	30.0
Surface water quality impairment issue(s)	75%	22.5
Chronic NPDES Compliance Issues (w/out order)	50%	15.0
Surface water quality in unimpaired waters	25%	7.5
Little water quality benefit	0%	0



WWTF, PS or Sewer System Capacity

III. Project Benefits to Treatment Plant, Pump Station or Sewer System Facility Capacity (Maximum 20 points)

Facility Flow or Loading as % of Capacity	Maximum	Points
Above 100%	100%	20.0
81-100%	67%	13.4
70-80%	33%	6.6
< 70%	0%	0



Project has Green Component

IV. Project Includes Component that has Green Infrastructure, Water Efficiency, Energy Efficiency or Environmentally Innovative Benefit (Maximum 5 points)

Prorated % of Project Cost*	Maximum	Points
35-49%	100%	5.0
20-34%	67%	3.35
1-19%	33%	1.65
<1%	0%	0



Affordability

V. Affordability (Maximum 15 points)

User Rate/Median Income x 100%	Maximum	Points
>2.0	100%	15.0
1.75-2.0	75%	11.25
1.50-1.74	50%	7.5
1.00-1.49	25%	3.75
<1.0	0%	0

e.g., sewer use rate = \$500/yr, median household income = \$40,000/yr.
affordability ratio = $500/40,000 \times 100\% = 1.25$



RANKING CRITERIA – Energy

- Developed by DES using the following considerations:
 - Projects with 50% or more cost dedicated to energy efficiency, water efficiency, etc.
 - Readiness to proceed to construction contract award
 - Affordability



Readiness to Proceed

I. Readiness to Award Construction Contract (Maximum 40 points)

Award Date	Maximum	Points
By June 17, 2009	100%	40.0
June 18-August 16, 2009	75%	30.0
August 17-October 15, 2009	50%	20.0
October 16-December 14, 2009	25%	10.0
December 15, 2009-January 16, 2010	10%	4.0
After January 16, 2010	0%	0



Project has Green Component

II. Project Includes Component that has Water Efficiency or Energy Benefit (Maximum 40 points)

Prorated % of Project Cost*	Maximum	Points
81-100%	100%	40.0
65-79%	67%	26.8
50-64%	33%	13.2



Affordability

III. Affordability (Maximum 20 points)

User Rate/Median Income x 100%	Maximum	Points
>2.0	100%	20.0
1.75-2.0	75%	15.0
1.50-1.74	50%	10.0
1.00-1.49	25%	5.0
<1.0	0%	0



RANKING CRITERIA – Stormwater/NPS

- Developed by DES using the following considerations:
 - Readiness to proceed to construction contract award
 - Benefit to environment or public health
 - Use of green infrastructure/environmental innovation



Readiness to Proceed

I. Readiness to Award Construction Contract (Maximum 30 points)

Award Date	Maximum	Points
By June 17, 2009	100%	30.0
June 18-August 16, 2009	75%	22.5
August 17-October 15, 2009	50%	15.0
October 16-December 14, 2009	25%	7.5
December 15, 2009-January 16, 2010	10%	3.0
After January 16, 2010	0%	0



Project Benefits to Environment or Public Health

II. Project Benefits to Environment or Public Health (Maximum 30 points)

Project Addresses	Maximum	Points
Stormwater Impaired Water	100%	30.0
NPDES MS4 Compliance Issue	75%	22.5
Chronic Flooding	50%	15.0
Surface Water Quality (Unimpaired)	25%	7.5
Little Water Quality Benefit	0%	0



Green Infrastructure/Environmental Innovation

III. Project Benefits to Environment or Public Health (Maximum 40 points)

Project Addresses	Points
Low Impact Development or	40
Establish/Restore Buffers	20
Restores Morphology	20



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DWSRF
PROGRAM

DWSRF ARRA REVIEW PROCESS

- 265 Pre-applications (\$246,236,590)
- \$ 37,400,000 available for projects (\$18,700,000 ARRA funds and \$18,700,000 DWSRF funds)
- Drinking Water Infrastructure Projects
- Energy/Water Efficiency & Green Projects (20% -\$3.9 million)



DWSRF Setasides Allotment

- Available: 4% Administration (\$780,000)
- To be taken by NH: **\$390,000 (2%)**
- Available: 2% Technical Assistance (\$390,000)
- To be taken by NH: **\$390,000 (2%)**
- Available: 10% Program Management (\$1,950,000)
- To be taken by NH: 0



RANKING CRITERIA – Drinking Water

- Developed by DES using the following considerations:
 - ARRA requirements (New)
 - Readiness
 - Green
 - SDWA Violations *
 - Quantity/Storage Deficiencies *
 - Treatment/Design Deficiencies *
 - Affordability *
 - Capacity Development (New) *
- * Not eligible for PWS with less than 50% permanent residents



RANKING CRITERIA - Drinking Water

- Violations of National Drinking Water Standards
 - Total and fecal coliform
 - Nitrate
 - Filtration Related Treatment Techniques
 - THM's
 - Lead and Copper (90th percentile)
 - Primary Organics, inorganics, and radionuclides
 - Secondary standards
 - Boil status

RANKING CRITERIA - Drinking Water

- Quantity Deficiencies or Insufficient Storage
 - Continual shortage (daily)
 - Shortage during peak demand
 - Shortage during seasonal high use with conservation plan
 - Shortage during seasonal high use without conservation plan



RANKING CRITERIA – Treatment/Design Deficiencies

- Design deficiencies that could be corrected by enlargement, repair, installation, or replacement of all or a portion of the water system



RANKING CRITERIA – Capacity Development

- Public water systems in need of significant technical, managerial, or financial assistance
 - Identified the need for improvements in Sanitary Survey and listed on capacity development tracking database.



RANKING CRITERIA - Drinking Water

- Readiness to proceed to construction contract award – 30 points (Maximum)
 - ARRA requires that preference be given to projects that can be started within 120 days of February 17, 2009.
 - Project score based on pre-application information submitted by applicant.
 - Use it or lose it.



Readiness to Proceed

I. Readiness to Award Construction Contract (Maximum 30 points)

Award Date	Points
By June 17, 2009	30
June 18-August 16, 2009	22
August 17-October 15, 2009	15
October 16-December 14, 2009	7
December 15, 2009-January 16, 2010	3
After January 16, 2010	0



RANKING CRITERIA - Drinking Water

- Affordability
 - Ratio that compares water rate to the Median Household Income (MHI)
 - MHI used from 2000 census
 - Water rates utilized from 2006 Water Rate survey or statewide average



Affordability

V. Affordability (Maximum 15 points)

User Rate/Median Income x 100%	Points
>2.0	15
1.75-2.0	11
1.50-1.74	7
1.00-1.49	3
<1.0	0

e.g., water use rate = \$500/yr, median household income = \$40,000/yr
affordability ratio = $500/40,000 \times 100\% = 1.25$



RANKING CRITERIA - Drinking Water

- Project Includes Component that has Green Infrastructure, Water Efficiency, Energy Efficiency or Environmentally Innovative Benefit
 - ARRA requires 20% of funds be dedicated to green projects (\$3.9 million)
 - EPA listed “categorical” green projects
 - Conventional energy or water efficiency



Public Hearing Procedure

- Please keep comments concise due to limited time.
- We will allow more time once everyone has commented.
- Written comments are encouraged especially if you have new information or differences in interpretation of project ranking.
- We will seriously consider all comments.
- In the public hearing context, this is not a question and answer period: we are here to receive comments. If you have questions, please comment then contact staff afterwards. You have a week to finalize your written comments
- Note: rankings could change based on DES analysis of comments.

