



AGENDA ITEM #: 22-115 & 22-122
 COUNCIL MTG OF: October 18, 2022
 FROM: Michael A. Fowler, P. E., Public Works Director
 OFFERED BY: Michael A. Fowler, P. E., Public Works Director
 PREPARED BY: Michael A. Fowler, P. E., Public Works Director
 SUBJECT: Hood Pond Watershed Management Plan – CWSRF Application and Supplemental Appropriation

STAFF REPORT
Public Hearing 11-1-22
New Business 11-22-22

PURPOSE

The purpose of this document is to request Town Council consideration and approval to apply for, accept and expend NHDES grant funds related to the study of the Hood Pond watershed. Further, the Town Council is requested to approve a supplemental appropriation and authorization to borrow funds.

TOWN ADMINISTRATOR COMMENTS:

The Council is encouraged to support this project, as the project will help maintain clean water in Derry, therefore enhancing the quality of life and spurring further economic development. Required actions include two Resolutions: RES 22-074 to raise \$100,000 for this project and RES 22-82 to issue \$100,000 in loans through NHDES with 100% principal forgiveness.

BACKGROUND

DPW staff submitted pre-applications to the NHDES Clean Water SRF (CWSRF) grant program. The program will fund a project to assess Hood Pond for impairments such as phosphorus loading and other parameters. This project will assist the Town in remaining in compliance with the EPA MS4 permit for stormwater.

DISCUSSION

The pre-applications were due to NHDES by June 1. NHDES published the scoring criteria in late August 2022. The Hood Pond Watershed project scored favorably at #8 out of 30 applications. DPW staff now returns to Town Council to execute a formal vote to proceed with a final application and authorization to accept these funds. The Hood Pond Watershed plan project has been confirmed for a loan and 100% principal forgiveness due to additional funds the state received over the past two years supplemented by Federal sources. An engineering firm will be selected through a QBS process and the study will commence in 2023, coinciding with improvements to Hood Park slated for 2023.

FISCAL IMPACT

The maximum award of the ARPA loan is \$100,000. Given that there is 100% principal forgiveness of the loan, there is no impact to the tax rate.

RECOMMENDED ACTION BY COUNCIL

It is recommended that the Town Council authorize the recommended work scope and authorize the Town Administrator to apply for, accept and expend any eligible funding through the NHDES loan program and authorize the Town Administrator to execute any related documentation to borrow these funds related to the Hood Pond Watershed Management Plan. Also, Town Council is requested to approve a supplemental appropriation for an amount up to \$100,000 with an offsetting revenue of the same amount.

SUGGESTED MOTION: Please see Resolutions #2022-074 & #2022-082



RESOLUTION

Number 2022-082

To Enter into an Agreement with New Hampshire Department of Environmental Services for a Loan for the Hood Pond Watershed Study and Authorize Participation in the Principal Forgiveness Program

WHEREAS, the Town Charter establishes the Town Council as the appropriating authority of the Town and as such it is empowered by Section 9.6 of the Charter to make supplemental appropriations after the annual budget is adopted; and

WHEREAS, the Department of Public Works is responsible for stormwater management to maintain compliance with EPA regulations; and

WHEREAS, the Hood Pond Watershed is critical to water quality in the Downtown; and

WHEREAS, the NH Department of Environmental Services recently made available low interest loans and principal forgiveness to assist with these studies;

NOW, THEREFORE, BE IT RESOLVED that the Town Council, pursuant to the Municipal Finance Act, RSA Chapter 33, that the Town Administrator is hereby authorized to execute all necessary documents to participate in and benefit from the NHDES principal forgiveness program, which will result in a 100% principal forgiveness for this project between the Town and the New Hampshire Department of Environmental Services to effect a borrowing in the principal amount not to exceed \$100,000 to finance the Hood Pond Watershed Study.

IT IS FURTHER RESOLVED that the Town Administrator is hereby designated as the Authorized Representative of the Applicant for the purpose of filing an application for a loan in accordance with New Hampshire Code of Administrative Rules, furnishing such information, data, documents and disbursements pertaining to the applicant for a loan as may be required; and otherwise to act as the authorized representative of the Applicant in connection with the loan application.

This Resolution has been adopted by a two-thirds majority of the entire Council as required by Charter and shall take effect immediately upon its passage.

Adopted: November 22, 2022

Attest:

Joshua Bourdon, Council Chair
Date: _____

Cristina Guilford, Town Clerk
Date: _____

Archival Ref: TC Agenda Item #22-122