

City of Portsmouth

Department of Public Works



Written Testimony to the New Hampshire House of Representatives Finance Committee

State Aid Grants for Wastewater Projects

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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 to recommend that the Finance Committee vote to oppose the amendments to HB 1 and HB 2 that would suspend all State Aid Grant payments for existing projects for fiscal years 2022 and 2023.

For years the City has committed millions of dollars toward sewer system upgrades, including our recent effort to upgrade our Peirce Island Wastewater Treatment Facility. To accomplish all of this work, the City has relied on State Revolving Fund loans and State Aid Grants 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 \$22 million for sewer system infrastructure and treatment improvements. This is in addition to the funds totaling nearly \$100 million that were committed to our Peirce Island treatment upgrade. 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 they are eliminated or deferred they will lead to 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 are required to meet regulatory requirements mandated by the State 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 amendments that suspend them.

The City of Portsmouth has adopted several Legislative Principles that; support revenue streams to aid municipalities, specifically those that name Portsmouth; support plans to fund/support infrastructure; and support directing revenues to the purposes for which they are raised. Opposing amendments to HB1 and HB 2 that would suspend SAG payments supports these Legislative Principles. Thank you for your consideration.