



# PUBLIC WORKS DEPARTMENT

CITY OF PORTSMOUTH  
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## 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.