Water Supply Land Protection Grant Program
Under the NH Drinking Water and Groundwater Trust Fund

2018 Program Guidelines

NH Drinking Water and Groundwater Advisory Commission

These guidelines were adopted on March 12, 2018 by the NH Drinking Water and Groundwater Advisory Commission (the Commission) established under RSA 485-F:4. They describe the Water Supply Land Protection Grant Program for 2018 being administered by the Commission. The Commission's program of loans and grants for construction-related projects is described in a separate document.

Eligibility criteria for projects

1. Land eligible – any of the following is eligible:
   a) High-Priority Water Supply Land (HPWSL - see Attachment 2). Unprotected, undeveloped HPWSL makes up 9.5% of the state. NHDES has created a GIS dataset that describes this land.
   b) Land identified by a public water system (PWS) or municipality through a systematic approach as important to protecting present or future water supply sources. (The Commission will adopt guidelines regarding how PWSs or municipalities might carry out this process.)
   c) Land eligible for funding under NHDES Water Supply Land Protection Grant Program; see Env-Dw 1002.05. (Note: this program has no statewide funding.):
      - Wellhead Protection Area (active, proposed, or future) for Community (including municipal) or Non-Transient, Non-community PWS, or
      - In a water supply watershed within 5 miles of PWS intake on a lake/reservoir, or
      - In a water supply watershed and contains riparian frontage.
2. Conditions
   a) Free of contamination or potential contamination sources, and undeveloped (unless the property is to be restored to an uncontaminated, undeveloped state), and
   b) Not already permanently protected through a conservation easement or deed restrictions. (Ownership by a municipality or a land trust does not make the project ineligible, but the applicant would need to make a compelling case for additional protection. Land is eligible if it could be sold without permanent restrictions on use. This is intended to allow for permanent protection of land that may be in danger of being developed in the future, and especially for projects owned by a municipality, water supplier, or conservation organization but which is not yet permanently protected.)
3. Measures must be put in place to ensure permanent protection, such as either of the following:
   a) Preferable: a conservation easement to be held by a land trust or conservation organization

that has adopted LTA Standards and Practices, a municipality, or appropriate state or federal agency, with third-party right of enforcement by State of New Hampshire.

b) Acceptable: deed restriction with third-party right of enforcement by the State of New Hampshire or other appropriate state or federal agency, or other similarly binding legal means.

4. Eligible project value is proportional to the eligible land as a percentage of the acreage of all parcels in the project.
5. There is no firm cap on the amount of a grant, although the Commission may cap grants at $500,000 per project.
6. Public access to land protected with grant money is not required.
7. The land or conservation easement must be obtained only from a willing seller.

Eligibility criteria for <u>applicants</u>

1. Public water systems
2. Municipalities
3. Land trusts and other non-profit conservation organizations.

Match requirements

1. <u>Minimum</u> match required is 50% (1:1 match). Projects that provide more than the minimum 50% match will score better than others (see page 4 and Attachment 3).
2. Eligible project costs to be considered in determining total project value and therefore match amount required will be based on NH Code of Administrative Rules Env-Dw 1002. This includes the value of match properties and a stewardship fee.
3. No restrictions on the source(s) of the match. Could be bargain sale, in kind, federal, state, local, foundation, etc.

Process

1. One grant round per year. Applicants may submit applications at any time; however, the Commission will determine whether off-schedule applications will be considered at its next meeting – such as under unusual or urgent circumstances – or deferred until the next grant round.
2. Workshop for prospective applicants (optional – to be held on April 18, 2018 at NHDES in Concord). To register, visit https://www.eventbrite.com/e/grants-workshop-water-supply-land-protection-projects-tickets-43662343244
3. Eligibility application, due June 15 – This is <u>required -</u> to provide information to determine eligibility of project and applicant. (This will enable the Commission to know the total request for funds and so inform applicants, as well as provide guidance to applicants as to how the application's scoring might be improved.)

4. Program staff determine eligibility according to criteria established by the Commission (outlined in this document), and notify applicants of that determination.
5. Final application, due August 6 – Provides information needed for scoring and funding decision.
6. Program staff compile scores for each application according to the Commission's criteria, in order to convey an objective assessment of each application's strengths to aid the Review Panel.
7. Review Panel – appointed by the Commission, consisting of members of the Commission and/or others – reviews applications and provides award recommendations to the Commission in late September. Review Panel will include expertise in water supply system operation, source water protection, and land conservation.
8. Review and selection of projects by the Commission – first half of October.
9. Program staff ensure that all post-award paperwork is in order and process grants through G&C process.
10. Grantee or a designated third-party conservation interest holder obligated to monitor properties in perpetuity to ensure compliance with easements or restrictions, and to report annually to program staff. The State of NH retains the right to enforce easements, as is currently done under LCHIP, NHDES's Water Supply Land Protection Grant Program, ARM Fund, and other such grant programs.

Scoring criteria for applications – to be compiled by program staff
(Only Eligible Land to be included in scoring.)

Max Points*	**Criterion** (for detailed scoring criteria, see Attachment 3)
5	1. Source water protection in place by any PWS whose source will be protected
8	2. Land conservation plan that identifies the subject parcel(s) as high priority for conservation.
5	3. Asset management – Water system whose source is being protected is implementing an asset management plan that meets guidelines adopted by the Commission.
5	4. Water conservation program being implemented by water system.
3	5. Energy efficiency – PWS whose source is being protected has completed an energy audit within the past 10 years.
19	6. Proximity to the water supply well or intake
10	7. Frontage on rivers, streams, etc. tributary to a surface source
3	8. Type of water system whose source is to be protected (municipal, community, etc.)
4	9. Population served by the water system
2	10. Number of sources to be protected
4	11. Total acreage (Eligible land) of the project (including match properties)
14	12. Value of match (percentage of total project value) in excess of required match.
3	13. Financial need
5	14. Development pressure in the county in which the project is located
6	15. Project readiness
4	16. Stewardship
100	**TOTAL**

*For more detail regarding scoring, please see Attachment 3.

Additional criteria on the application form

The Review Panel and Commission will consider any criteria they feel are appropriate in addition to the scoring information. In order to assist them, the application form invites the applicant to provide the following information.

Criteria
Imminence of threat. How likely is it that the subject parcel(s) will be developed if the requested grant is not awarded?
Soundness of funding plan. Have other sources of funding been secured? Is the plan realistic with respect to funding sources that have not yet been secured? Does the plan include contingencies in case some fundraising efforts are not successful?

Attachments

1. Definition of Substantial Implementation of source water protection.
2. New Hampshire's High-Priority Water Supply Lands
3. Detail of Application Scoring Criteria

Attachment 1

New Hampshire Department of Environmental Services

Definitions of SWP Strategy Implementation for Community Systems
New Hampshire Source Water Protection Program
(Effective October 1, 2016)

"Source water protection strategies in place and being implemented" = A + B
(Source must meet at least one of the conditions listed under A, *and* system must have an Emergency Plan dated after 2000 on file with DES.)

A. Current waiver or source approval or reclassification or implementation of local program calling for PCS inventory and education every three years in entire SWPA
OR
At least 80% of WHPA is covered by inventory and education done by another system
OR
Local groundwater protection zoning restricting uses in at least 50% of WHPA
OR
25% of WHPA in conservation land
OR
For surface source,

- watershed protection rule in Env-Ws 386
- OR 25% of watershed land protected

AND

B. Must have current Emergency Plan (EPA requires this as part of the definition)

"SWP strategies substantially implemented" = A + B + C + D
(Source must meet the "being implemented" definition *and* meet the sanitary survey condition under C *and* meet at least one of the conditions under D.)

C. No SWP-related sanitary survey deficiencies that persist beyond the due date for correction established by Engineering and Survey Section ***other than*** *(exclude) those coded SPA* (which is used for grandfathered situations where there is something that can't be readily moved such as a building or leach field in the SPA). All post-1992 C systems should own/control all of SPR.

AND

D. Wellhead protection area protected by GAA classification or restrictive zoning (100% of WHPA)
OR
50% of WHPA in conservation land
OR
Local PCS inspection program
OR
No PCSs to inspect in WHPA
OR
For surface sources,

- a filtration waiver
- OR watershed management/protection plan or program being implemented
- OR 50% of watershed land protected

Attachment 2

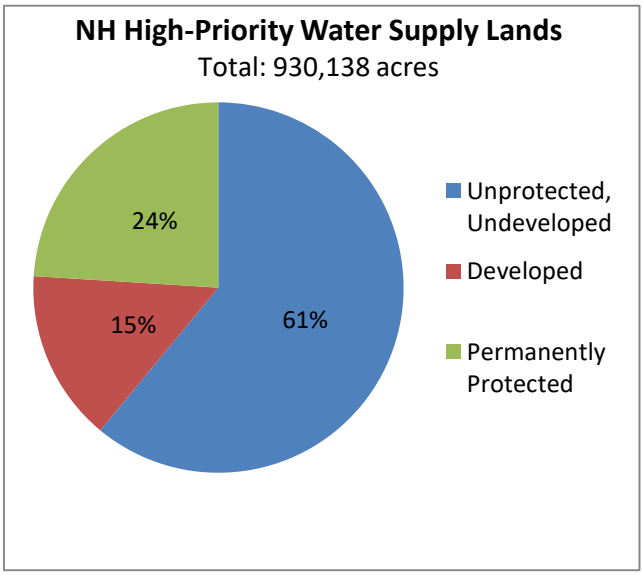
New Hampshire's High-Priority Water Supply Lands

Only 24% Are Protected

Land protection is part of a multi-stage approach to ensuring safe drinking water. Advocated by the water supply industry and NH Department of Environmental Services, the approach includes choosing clean sources, preventing contamination, treating the water, and ongoing monitoring.

New Hampshire's water supply lands are not sufficiently protected and are vulnerable to deteriorating water quality as a result of declining forest cover and inappropriate development.

- The conversion of undeveloped land to rooftops and pavement harms water quality and *increases water treatment costs*.
- Only 24 percent of high-priority water supply lands in New Hampshire are permanently protected (see pie chart).
- Three New Hampshire watersheds rank in the top four watersheds *nationwide* that could experience the largest changes in water quality as a result of increases in housing density on private forest land.
- *New Hampshire ranks at the bottom* among the New England states in per capita state spending for land conservation, at $1.46 per person annually.



NH Department of Environmental Services convened a group representing public water systems, land conservation organizations, and municipal planners to guide the development of a Drinking Water Land Protection Plan for the state. The group identified three categories of high-priority water supply lands (see table) – the lands that are most important to protect in order to prevent the deterioration of water supplies – and determined the following:

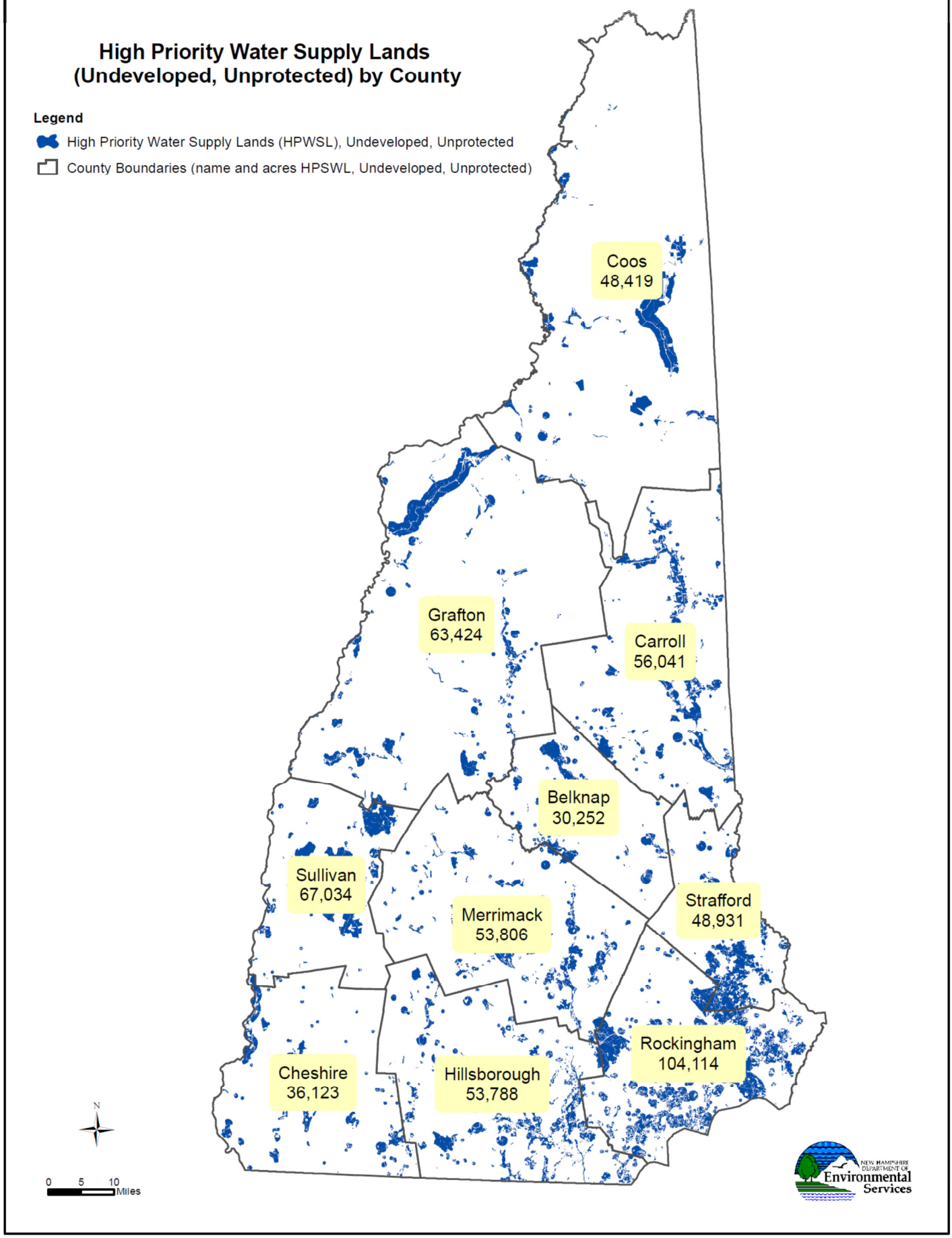
- Sixteen (16) percent of the state (930,138 acres) consists of high-priority water supply lands.
- *Roughly three-quarters of those lands are unprotected and 15 percent are already developed* (see pie chart).
- Unprotected, undeveloped high-priority water supply lands make up 9.5 percent of the state, or 561,930 acres (see table).

Category	Unprotected, Undeveloped High-Priority Water Supply Lands	
	Acres	% of State
Wellhead Protection Areas	266,496	4.5
Water Supply Watershed Areas	241,014	4.1
High-Yield Aquifers	102,434	1.7
TOTAL*	**561,930**	**9.5**

*Categories do not add up to total due to overlap.

The distribution of Unprotected, Undeveloped High-Priority Water Supply Lands by county is shown on the reverse side.

From *Drinking Water Land Protection Plan for New Hampshire, Progress Report* (contact: paul.susca@des.nh.gov)
Prepared by Drinking Water and Groundwater Bureau, NH Department of Environmental Services 11/14/2017


High Priority Water Supply Lands
(Undeveloped, Unprotected) by County
Legend
High Priority Water Supply Lands (HPWSL), Undeveloped, Unprotected
County Boundaries (name and acres HPSWL, Undeveloped, Unprotected)
Coos
48,419
Grafton
63,424
Carroll
56,041
Belknap
30,252
Sullivan
67,034
Merrimack
53,806
Strafford
48,931
Rockingham
104,114
Cheshire
36,123
Hillsborough
53,788
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NEW HAMPSHIRE DEPARTMENT OF
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Attachment 3

Detail of Application Scoring Criteria

☑	Points	**Criterion** (see footnote[1] regarding calculation of points)
		1. Source water protection in place by any PWS whose source will be protected
	2	"Initial implementation" according to NHDES definition
	3	"Substantial implementation"[2]
	8	2. Land conservation plan: PWS, municipality, or other organization has completed a water supply land conservation plan at the scale of the water system or greater, which identifies the subject parcel(s) as high priority for conservation. (NHDES would be directed to develop criteria for acceptable plans.)
	5	3. Asset management –PWS whose source is being protected is implementing an asset management plan that meets NHDES guidelines.
	5	4. Water conservation: Does the system (a) have a water conservation plan in place that has been approved by NHDES Water Conservation Program and is being implemented or (b) conduct yearly water audits in accordance with AWWA's M36 Water Audits and Loss Control Programs and have a proactive leak detection program in place?
	3	5. Energy efficiency – PWS whose source is being protected has completed an energy audit within the past 10 years.
		6. Proximity to the water supply well or intake
	5	Eligible land to be protected includes at least 25% of a Sanitary Protective Area for a Community Water System (CWS) well or at least 25% of the land within 400 feet of a CWS surface water intake
	5	Eligible land to be protected includes at least 25% of the land within 600 feet of a Community PWS well or within 1,000 feet of a CWS intake
	5	Eligible land to be protected includes at least 25% of the land within 1,000 feet of a Community PWS well, or within 4,000 feet of a CWS intake
	4	More than 50% of Eligible land to be protected is in a Wellhead Protection Area for a Community PWS well
		7. Frontage on rivers, streams, etc. tributary to a surface source
	5	Contains 1,000 or more feet of frontage within 5 miles of intake
	5	Contains 2,000 or more feet of frontage within 5 miles of intake
		8. Type of water system whose source is to be protected
	2	Municipal
	1	Community
		9. Population served by the water system
	1	Over 5,000
	1	Over 2,500
	1	Over 500
	1	Over100
		10. Number of sources to be protected
	1	More than one
	1	More than two
		11. Total acreage (Eligible land) of the project (including match properties)
	1	10 acres or more

[1] Some applications will earn points on more than one line under each criterion. I.e., the points are additive. For example, an application may earn up to 5 points under criterion 1, up to 10 points under criterion 7, etc.

[2] NHDES has had objective criteria to determine what constitutes "substantial implementation" since 2008. Currently 75% of Community Water Systems have substantial implementation. Please see attachment.

	1	40 acres or more
	1	100 acres or more
	1	250 acres or more
		12. Value of match (percentage of total project value) in excess of required match.
	6	Project provides at least 10%[3] more than the required 50% match
	8	Project provides at least 25% more than the required match
	3	13. Financial need (points awarded if average per capita income and equalized taxable valuation of customers served are below state average)
	5	14. Development pressure in the county in which the project is located, based on criteria for population change, population density, and land conversion used by USDA NRCS's Agricultural Conservation Easement Program. (see below)*
		15. Project readiness
	3	Signed Purchase and Sale agreement between applicant and all property owners
	3	90 percent or more of match funds already committed
		16. Stewardship
	2	Stewardship will be provided by an organization with Land Trust Alliance (LTA) accreditation or one that participates in the Terrafirma risk retention group, or an appropriate state, local, or federal agency.
	2	Stewardship will be provided by an organization that goes beyond what is required to be eligible (has adopted and implements LTA Standards & Practices), and demonstrates substantial commitment to stewardship according to LCHIPs assessment tool.
	100	**TOTAL**

*"Development Pressure" criteria used by USDA NRCS's Agricultural Conservation Easement Program

Population Change, 2010 (U.S. Census) - 2014 (U.S. Census) - NH average =0.8% SCALE: Population change is county based
1 point for each 0.1% over the state average.
(Maximum of 10 points)

Population Density (Persons per Square Mile, 2010 (U.S. Census)).NH average = 147.0 persons/sq. mile **SCALE:** Population Density is county based. 0.50 point for each person/sq. mile over the state average.
(Maximum of 10 points)

Note: Points would be adjusted to total a maximum of 5 points; see criterion 18.

[3] As a percentage of the total project value/cost.