

## **Town Article 15 – Stormwater Planning Project (CWSRF Loan)**

This article allows \$100,000 to be raised by bond for stormwater planning work relative to management of the municipal storm drain system. The Clean Water State Revolving Fund (CWSRF) (1) is a Federal and State partnership that provides communities with low-cost financing or loans of up to \$100,000 to plan for and manage their municipal storm drain system.

This article will grant the BOS permission to apply for a bond or note and disburse funds for Town stormwater planning or management (or eligible projects as needed) as permitted in NH RSA 33:3. (2) The amount of \$100,000 of funding being requested is via the NH Department of Environmental Services CWSRF loan program. This program typically includes 100% principal forgiveness for stormwater planning or eligible projects, which means the town would not have to pay back the \$100,000 principal amount and would only pay a low rate of interest. However, principal forgiveness cannot be guaranteed until the town submits a final application and enters into a loan agreement with NHDES. (1)(3)(4)

Raymond became a regulated small MS4 (“Municipal Separate Storm Sewer System”) community in 2012. (5) MS4 process and requirements are part of the EPA Clean Water Act. (6) One requirement is education, and the Town includes educational resources on the website (*e.g.*, pet waste, fertilizer and lawn care, yard waste, and septic system maintenance). (7) Also, the Planning Board Subdivision Regulations as amended in 2019 incorporate MS4 stormwater management regulations to be reviewed by the Planning Board as part of the Flood Planning and Mitigation Chapter of the new Master Plan. (8)

The BOS has indicated a possible project they might use the loan for is monitoring, adjusting and correcting higher than acceptable levels of nitrogen in a local lake. (9)

Tax impact for 2025 is unknown at this time as funds would first need to be borrowed or bonded.

**A YES Vote** would permit the BOS to negotiate bond or note terms and spend up to \$100,000 for stormwater planning or eligible projects, and secure funding for the Town to implement activities that are required by the MS4 permit.

**A NO Vote** would not allow the BOS to borrow these funds, or spend funds on stormwater planning or eligible projects.

### **Reasons why some voters might vote yes:**

- To apply for a CWSRF loan, and spend these funds on stormwater planning or eligible projects. The Town may not be required to pay back the loan amount borrowed up to \$100,000, with only a low rate of interest being paid by the Town
- Funding for this project will help the Town comply with the MS4 permit requirements and avoid fines being issued by the Environmental Protection Agency for non-compliance
- To allow the BOS to negotiate a bond or note, and to determine the rate of interest

### **Reasons why some voters might vote no:**

- Uncertainty or unfamiliarity with the NH-DES CWSRF loan funding process
- Unknown interest rates on a potential bond or note
- Unfamiliarity with MS4 permit requirements

- Would prefer that the work be paid for by some other method, such as the operating budget or capital reserves

**References:**

1. NH DES Clean Water State Revolving Fund, <https://tinyurl.com/427v55by>
2. RSA 33:3 Municipal Finance Act, <https://tinyurl.com/rdmrvk9c>
3. MS4 Resources, <https://tinyurl.com/ywzmb7k>
4. NH DES Stormwater, <https://www.des.nh.gov/water/stormwater>
5. NH Small MS4 General Permit, <https://tinyurl.com/3smxsd98>
6. Town Manager's Report in 2022 states, "... the Town of Raymond, in 2021, was issued an Administrative Order from the federal EPA for failing to begin the implementation of Municipal Separate Storm Sewer Systems (MS4) which is, very basically stated, the regulation of stormwater and surface water quality to ensure that water bodies are protected from run-off that contains contaminants (fertilizers, pet waste, brake dust, gas, diesel fuel, and oil leaks on roadways)." See p. 9 of 2022 Town of Raymond Annual Report, <https://tinyurl.com/45msnrtu>
7. Town of Raymond MS4 Information and Resources, <https://tinyurl.com/2j9jz7f9>
8. Town of Raymond Hazard Mitigation Plan, dated 02/28/2022, <https://tinyurl.com/28dtxdw6>
9. BOS Recommendations, 2025 Voter Information Guide, 02/05/2025, <https://tinyurl.com/4cp63hdd>