The State of New Hampshire
NHDES Department of Environmental Services

Robert R. Scott, Commissioner

115

April 16, 2024

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Environmental Services to amend a Clean Water State Revolving Fund (CWSRF) loan agreement (P.O. #9005879) with the Town of Exeter (VC #177386 B001) to increase funding by $213,300, from $3,255,000 to $3,468,300, under the provisions of RSA 486:14 and N.H. Code of Admin. Rules Env-Wq 500 et seq., effective upon Governor & Council approval. The original loan agreement was approved by Governor & Council on November 22, 2022, as Item No. 146. Funding is 100% CWSRF Repayment Funds.

Funding is available in the account as follows:

	FY 2024
03-44-44-441018-2001-301-500832 Dept. Environmental Services, CWSRF Loan Repayments, Loans	$213,300

EXPLANATION

The purpose of this Amendment is to increase the Town of Exeter's existing CWSRF Loan by $213,300 for the Webster Avenue Pump Station Rehabilitation project to fund an increase in construction costs since the original loan application in June 2022. The Town was unable to secure a sewer easement from a property owner for the proposed force main route which resulted in a route revision that required additional linear feet of force main, engineering, permitting and survey costs. To date $101,143 has been disbursed on this loan.

The final loan amount will be based on the total CWSRF funds disbursed and may be less than $3,468,300. Under federal capitalization grant requirements this loan includes principal forgiveness in the amount of up to $346,830. The loan interest rate may be adjusted downward if the CWSRF loan rate in effect upon project completion is less than 2.5360%. Currently, there is $59,534,973 available to loan after this request.

We respectfully request your approval.

Robert R. Scott, Commissioner

www.des.nh.gov
29 Hazen Drive • PO Box 95 • Concord, NH 03302-0095
(603) 271-3503 • Fax: 271-2867 TDD Access: Relay NH 1-800-735-2964

AMENDMENT No. 1

TO
STATE OF NEW HAMPSHIRE
WATER POLLUTION CONTROL REVOLVING FUND PROGRAM
TOWN OF EXETER, NEW HAMPSHIRE

ORIGINAL LOAN AGREEMENT
For Project CS-334130-19

To increase the Town of Exeter's loan amount for the **Webster Avenue Pump Station Rehabilitation** project, CWSRF Loan Number CS-334130-19, by $213,300, from $3,255,000 to $3,468,300.

Now therefore, amend the ORIGINAL LOAN AGREEMENT, as approved by Governor and Council on November 22, 2022, as Item No. 146 in the following manner:

Change only Page 1 lines 16 through 17 of the ORIGINAL LOAN AGREEMENT to read as follows:

"…State, in accordance with the terms of this Agreement, the principal sum of **Three Million, Four Hundred Sixty-Eight Thousand, Three Hundred and 00/100 Dollars ($3,468,300)** (Principal Sum) or such lesser …";

And, change only Page 1, lines 21 through 22 of the ORIGINAL LOAN AGREEMENT to read as follows:

"…the initial repayment as follows: A portion of the principal sum, not to exceed **Three Hundred Forty-Six Thousand, Eight Hundred Thirty and 00/100 Dollars ($346,830) or 10%** of the total of …";

And, change only Page 3, line 5 of the ORIGINAL LOAN AGREEMENT to read as follows:

"…date is hereby determined to be **June 2, 2026;** however, should the project experience an excusable…".

Accepted by
Town of Exeter, New Hampshire

Town Manager — Date: 4-10-24

Accepted by
State of New Hampshire

Robert R. Scott, Commissioner — Date: 4/16/24
Department of Environmental Services

The State of New Hampshire
Department of Environmental Services

Robert R. Scott, Commissioner

October 24, 2022

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

APPROVED G & C
DATE 22 November 2022
ITEM # 146

REQUESTED ACTIONS

1. Authorize the Department of Environmental Services to award a grant to the Town of Exeter (VC# 177386 B001) in the amount not to exceed $1,395,000 for the Webster Avenue Pump Station Rehabilitation project, effective upon Governor & Council approval through November 30, 2025. 100% Federal Funds.

   Funding is available in the following account:

	FY 2023
03-44-44-440010-2476-072-500574 Dept Environmental Services, ARPA DES Loans, Grants Federal Activity code: 00FRF602WB4401F	$1,395,000

2. Authorize the Department of Environmental Services to approve a loan agreement with the Town of Exeter (VC# 177386 B001) in an amount not to exceed $3,255,000 to finance the Webster Avenue Pump Station Rehabilitation project under the provisions of RSA 486:14 and N.H. Code of Admin. Rules Env-Wq 500 et seq., effective upon Governor & Council approval. Funding is 100% CWSRF Repayment Funds.

   Funding is available in the following account:

	FY 2023
03-44-44-441018-2001-301-500832 Dept. Environmental Services, CWSRF Loan Repayments, Loans	$3,255,000

EXPLANATION

NHDES selected awardees for the Clean Water Infrastructure projects from pre-applicants who submitted proposed projects to the Clean Water State Revolving Fund (CWSRF) loan program in 2021. Pre-applicants were offered funding for their project utilizing CWSRF ranking criteria, the 2021 CWSRF Project Priority List, and information obtained from a project update solicitation in November 2021.

The Town of Exeter requested a total of $4,650,000 in funding from NHDES for needed improvements to the wastewater collection system. NHDES, through the American Rescue Plan Act funds (ARPA) and the Clean Water State Revolving Loan Fund (CWSRF) has offered the Town $4,650,000 in a combination of grant and loan funds.

The town will use the grant and loan funding to replace aged and failing infrastructure including construction of a new wet well housing three submersible pumps and a new valve vault, and electrical building, approximately 2000-feet of 12-inch force main and a new generator in a stand-alone enclosure.

ARPA of 2021 is a $1.9 trillion economic stimulus bill passed by the 117th United States Congress and signed into law by President Biden on March 11, 2021, to speed up the United States' recovery from the economic health effects of the COVID-19 pandemic and the resultant recession. The Act defines eligible uses of the state and local funding, including responding to public health emergencies, responding to workers performing essential work during the COVID-19 emergency, providing revenue relief to states and making investments in water, sewer, and broadband infrastructure. This is an allowable use of ARP FRF funds under Section 602 (c)(1)(D) to make necessary investments in water, sewer, or broadband infrastructure.

In accordance with the final rule from the US Treasury Department for water and wastewater infrastructure investments, project eligibility is aligned with the Environmental Protection Agency's Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF). This project is an eligible CWSRF infrastructure project.

The Supplemental (final) loan amount will be based upon the total CWSRF funds disbursed and may be less than $3,255,000. Under federal capitalization grant requirements, this loan includes principal forgiveness of up to $325,500. Currently, there is $95,147,225 available to loan after this request.

In the event funds become no longer available, general funds will not be requested to support this program. This grant agreement has been approved by the Attorney General's Office as to form, substance and execution.

We respectfully request your approval of this item.

Robert R. Scott
Commissioner