ARC

The State of New Hampshire
Department of Environmental Services

Robert R. Scott, Commissioner

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DEC 17 2025

November 24, 2025

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Environmental Services (NHDES) to **RETROACTIVELY** amend an agreement (POs #7003660 & 1097388) with Michels Construction, Inc., Brownsville, WI (VC# 479659- B001) by extending the end date from October 31, 2025, to June 30, 2026, to address unforeseen issues related to a defective discharge gate at the Goose Pond Dam Rehabiliation Project in Canaan, effective **retroactive** to November 1, 2025, upon Governor and Council approval. The original agreement was approved by Governor & Council on January 10, 2024, Item #56. This is a no cost time extension. Funding is 92.3% American Rescue Plan Act (ARPA) Funds and 7.7% Capital (General) Funds. This is an allowable use of ARP FRF funds under Section 602 (c)(1)(D) to make necessary investments in general government services.

EXPLANATION

This request is **RETROACTIVE** due to unforeseen complications encountered during final testing of the newly installed gates at the state-owned high-hazard Goose Pond Dam in Canaan. In mid-September 2025, discharge gate testing was conducted under near-full reservoir conditions to evaluate gate performance with the expectation that this was the final task necessary to close out the contract by October 31, 2025. However, during the final gate test, one of the seals on a lower-level discharge gate became dislodged from its frame, resulting in significant leakage when the gate was closed.

Initial efforts to resolve the issue during the month of October involved the installation of a downstream bulkhead to allow divers to reinsert the seal underwater. While this approach initially appeared successful, a subsequent test revealed that the seal had again failed. After consultation with Michels Construction and the gate manufacturer, it was determined that the only viable solution would require lowering Goose Pond to allow for dry access and proper repair of the gate and seal assembly. The lowering of Goose Pond has commensed and it is anticipated that it will take several weeks for the pond to drain to a point in which the repair can take place.

Following the repair, initial testing will be conducted. However, due to the lowered water level, final testing under full reservoir conditions will need to be deferred until spring 2026 when it is expected that Goose Pond will be once again full. Based on average inflow data, it is expected that the pond will refill in time for the summer recreational season, assuming the gate is closed promptly after repairs are completed. Should the spring testing reveal further issues, NHDES will pursue alternative solutions that

do not require another drawdown, in order to maintain summer water levels and minimize disruption to the community.

This time extension is necessary to ensure the gate system functions reliably and safely, and to allow for proper testing and commissioning under appropriate conditions. Michels Construction, Inc. has agreed to continue work under the original contract terms. To date, $5,450,064.04 has been expended from the original $6,493,190.00 contract.

This amendment has been approved by the Department of Justice as to form, substance and execution.

We respectfully request your approval.

Robert R. Scott, Commissioner

AMENDMENT #1
TO
AGREEMENT
BETWEEN THE
NEW HAMPSHIRE DEPARTMENT OF ENVIRONMENTAL SERVICES
AND
MICHELS CONSTRUCTION, INC.

CONSTRUCTION SERVICES - GOOSE POND DAM, CANAAN, NH

WHEREAS the State of New Hampshire Department of Environmental Services ("NHDES") has entered into an Agreement with Michels Construction, Inc. in the amount of $6,493,190 for construction services for the rehabilitation of Goose Pond Dam in Canaan, NH, through October 31, 2025, which was approved by Governor and Council on January 10, 2024, as Item #56.

WHEREAS there are some elements of the construction project, including surveying and information gathering for as-built documents, calibration of instrumentation and repair and testing of one of the gates, that will not be complete prior to the end date of the current contract.

WHEREAS the project is near completion and, as such, the construction can be most efficiently and cost-effectively completed by Michels Construction, Inc., under the Agreement.

WHEREAS NHDES wishes to execute an Amendment to the Agreement to provide a no-cost extension of the completion date of the Agreement to June 30, 2026 from October 31, 2025, upon Governor & Council approval to allow for completion of construction.

WHEREAS Michels Construction, Inc., has agreed to extend the current Agreement.

NOW THEREFORE, amend the original Agreement as amended between NHDES and Michels Construction, Inc. as approved by Governor and Council on January 10, 2024, as Item #56 in the following manner:

Change section 1.7 (Completion Date) in the General Provisions of the Agreement to read:
June 30, 2026.

All other conditions outlined in the contract shall remain in effect.

Robert R. Scott, Commissioner Department of Environmental Services	11/18/25 Date	Eric Justman, President Michels Construction, Inc.	10/31/2025 Date

Assistant Attorney General Department of Justice (as to form, substance, and execution)	11/20/25 Date

State of New Hampshire
Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that MICHELS CONSTRUCTION, INC. is a Delaware Profit Corporation registered to transact business in New Hampshire on July 12, 2021. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **876027**

Certificate Number: **0007321436**

IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 30th day of October A.D. 2025.

David M. Scanlan
Secretary of State

CERTIFICATE OF AUTHORITY

The undersigned hereby certifies that he is the Secretary of MICHELS CONSTRUCTION, INC., a Delaware corporation (the "Company") and, as such, is duly authorized to execute and deliver this Certificate on behalf of the Company, and further certifies that:

1. He has access to the original books and records of the Company and is authorized to make and deliver this Certificate;

2. The individual named below has been duly appointed to, and currently holds the office of the Company set forth opposite his name:

OFFICER:	**COMPANY OFFICE:**
Eric Justman	President

3. That Article 4.09 of the Company's By-Laws provides, in relevant part, that the President of the Company holds the following powers with respect to the execution of contracts on behalf of the Company:

> He shall have authority to sign, execute and acknowledge, on behalf of the Corporation, all deeds, mortgages, bonds, stock certificates, contracts, leases, reports and all other documents or instruments necessary or proper to be executed in the course of the Corporation's regular business

4. That, as President of the Company, and in accordance with the above-referenced Article of the Company's By-Laws, the President has full power and authority to execute, enter into, and bind the Company with respect to the contract for the completion of the Goose Pond Dam – NHDES #D036001 Improvements Project for the New Hampshire Department of Environmental Services - Dam Bureau;

5. The representations set forth herein are furnished to the New Hampshire Department of Environmental Services - Dam Bureau, as the owner of the subject project with the knowledge that the owner for the project will rely upon these representations.

IN WITNESS WHEREOF, I hereunder subscribe my name effective as of the 13th day of November 2025.

MICHELS CONSTRUCTION, INC.,

By: _____
Name: Eric Platt
Title: Secretary

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 01/22/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Willis Towers Watson Midwest, Inc.
c/o 26 Century Blvd
P.O. Box 305191
Nashville, TN 372305191 USA

CONTACT NAME: WTW Certificate Center
PHONE (A/C, No, Ext): 1-877-945-7378 FAX (A/C, No): 1-888-467-2378
E-MAIL ADDRESS: certificates@wtwco.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: Greenwich Insurance Company	22322
INSURER B: XL Insurance America Inc	24554
INSURER C: XL Specialty Insurance Company	37885
INSURER D:	
INSURER E:	
INSURER F:	

INSURED
Michels Construction Inc.
817 Main Street
P.O. Box 128
Brownsville, WI 53006

COVERAGES **CERTIFICATE NUMBER:** W37522888 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [X] PRO-JECT [ ] LOC OTHER:			CGD740955308	02/01/2025	02/01/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 5,000,000 $ 2,000,000 $ $ 3,000,000 $ 10,000,000 $ 10,000,000 $
A	AUTOMOBILE LIABILITY [X] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY			CAD740955408	02/01/2025	02/01/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 5,000,000 $ $ $ $
B	[ ] UMBRELLA LIAB [X] OCCUR [X] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $			US00077661LI25A	02/01/2025	02/01/2026	EACH OCCURRENCE AGGREGATE	$ 5,000,000 $ 5,000,000 $
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N No (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		CWD740955108	02/01/2025	02/01/2026	[X] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
C	Workers Compensation - WI and Employers Liability Work Comp: Per Statute			CWR740955208	02/01/2025	02/01/2026	E.L. Each Accident E.L. Disease-Each Emp E.L. Disease-Pol Lmt	$1,000,000 $1,000,000 $1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Project: Goose Pond Dam Improvements, 538 Goose Pond Road, Canaan, NH.

CERTIFICATE HOLDER

NH Department of Environmental Services
29 Hazen Drive
PO Box 95
Concord, NH 03302

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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ENDORSEMENT #

This endorsement, effective 12:01 a.m., February 1, 2025, forms a part of Policy No. CAD740955408 issued to M10, INC. by Greenwich Insurance Company.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANCELLATION NOTIFICATION TO OTHERS ENDORSEMENT

In the event coverage is cancelled for any statutorily permitted reason, other than nonpayment of premium, advanced written notice will be mailed or delivered to person(s) or entity(ies) according to the notification schedule shown below:

Name of Person(s) or Entity(ies)	Mailing Address:	Number of Days Advanced Notice of Cancellation:
As per schedule on file with company		30

All other terms and conditions of the Policy remain unchanged.

IXI 405 0910

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ENDORSEMENT #

This endorsement, effective 12:01 a.m., February 1, 2025 , forms a part of Policy No. CGD740955308

issued to M10, INC. by Greenwich Insurance Company.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANCELLATION NOTIFICATION TO OTHERS ENDORSEMENT

In the event coverage is cancelled for any statutorily permitted reason, other than nonpayment of premium, advanced written notice will be mailed or delivered to person(s) or entity(ies) according to the notification schedule shown below:

Name of Person(s) or Entity(ies)	Mailing Address:	Number of Days Advanced Notice of Cancellation:
As per schedule on file with company		30

All other terms and conditions of the Policy remain unchanged.

IXI 405 0910

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ENDORSEMENT #

This endorsement, effective 12:01 a.m., February 1, 2025 forms a part of Policy No. CWR740955208

issued to M10, INC. by XL Specialty Insurance Company.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANCELLATION NOTIFICATION TO OTHERS ENDORSEMENT

This endorsement modifies insurance provided under the following:

WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE POLICY

In the event coverage is cancelled for any statutorily permitted reason, other than nonpayment of premium, advanced written notice will be mailed or delivered to person(s) or entity(ies) according to the notification schedule shown below:

Name of Person(s) or Entity(ies)	Mailing Address:	Number of Days Advanced Notice of Cancellation:
As per schedule on file with company		30

All other terms and conditions of the Policy remain unchanged.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective February 1, 2025 Policy No. CWR740955208 Endorsement No.

Insured M10, INC. Premium

Insurance Company
XL Specialty Insurance Company

Countersigned by _____

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ENDORSEMENT #

This endorsement, effective 12:01 a.m., February 1, 2025 forms a part of Policy No. CWD740955108

issued to M10,INC. by XL Specialty Insurance Company.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANCELLATION NOTIFICATION TO OTHERS ENDORSEMENT

This endorsement modifies insurance provided under the following:

WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE POLICY

In the event coverage is cancelled for any statutorily permitted reason, other than nonpayment of premium, advanced written notice will be mailed or delivered to person(s) or entity(ies) according to the notification schedule shown below:

Name of Person(s) or Entity(ies)	Mailing Address:	Number of Days Advanced Notice of Cancellation:
As per schedule on file with company		30

All other terms and conditions of the Policy remain unchanged.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective February 1, 2025 Policy No. CWD740955108 Endorsement No.

Insured M10, INC. Premium

Insurance Company
XL Specialty Insurance Company

Countersigned by Brett Thier

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The State of New Hampshire

Department of Environmental Services

Robert R. Scott, Commissioner

PO10973B8

December 4, 2023

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

APPROVED G & C
DATE 1/10/24
ITEM # 56

REQUESTED ACTION

Authorize the Department of Environmental Services (NHDES) to (1) enter into an agreement with Michels Construction, Inc., Brownsville, WI (VC# 479659- B001) in the amount of $5,993,190 for construction services for the rehabilitation of Goose Pond Dam in Canaan, NH (NH Dam No. D036001), and (2) further authorize a contingency in the amount of $500,000 for unanticipated construction expenses, bringing the total to $6,493,190, effective upon Governor and Council approval through October 31, 2025. Funding is 92.3% American Rescue Plan Act (ARPA) Funds and 7.7% Capital (General) Funds. This is an allowable use of ARP FRF funds under Section 602 (c)(1)(D) to make necessary investments in general government services.

Funding is available in the accounts as follows:

	FY 2024
03-44-44-440010-2657-102-500731 RD236542	$5,993,190
Dept. of Environmental Services, ARPA DES Loans, Contracts for Program Service	
Activity Code: 00FRF602GS4402~~B~~ A CRF14	
03-44-44-440030-9309-034-500161	$ 500,000
Dept. of Environmental Services, L21, 107:1:V-2, Dam Repairs & Reconstruction, Capital Projects	

EXPLANATION

Approval of this contract will authorize the rehabilitation of the Goose Pond Dam in Canaan, a High Hazard dam with significant documented seepage issues and deterioration of the outlet structure, to meet current dam safety regulations. Planned improvements to the dam include flattening the downstream slope, updating and improving the seepage collection system along the downstream toe of the dam, installing relief wells along the toe of the dam, installing an underdrain system below a new spillway apron, installing a cutoff sheetpile wall, installing a new concrete bridge over the spillway to accommodate vehicular traffic, replacing three non-operational wooden gates with one stainless steel gate, rehabiliating the concrete spillway, repairing existing concrete, and constructing other modifications to improve operating conditions. Failure of the dam would result in extensive flooding through Canaan, Enfield and Lebanon, New Hampshire. There would be a likely loss of life, flooding of potentially 100+ structures

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

959/390

and/or residences, flooding of the access road (Royal Road) to the Mascoma Valley Regional High School, and loss of the Goose Pond impoundment, an important water resource for local towns and the state. The design team for the dam replacement was led by enginnering firm of Gannett Fleming. Gannett Fleming was also contracted by NHDES to provide construction oversight services and assisted NHDES during the bidding process.

A Request for Bids was prepared and advertised on the State of New Hampshire Department of Administrative Services Purchase and Property website and distributed to construction contractors with dam experience throughout the region by email. Gannett Fleming and NHDES requested that interested contractors attend a Pre-Bid Meeting at the Goose Pond Dam site on October 4, 2023, at which time further instruction was provided for the bidding process. Bidders were required to provide a Statement of Qualifications including Corporate Qualifications, a List of Prequalification Projects with References, a List of Proposed Subcontractors and Suppliers, and a Proposed Schedule for Project Completion.

NHDES received two bid packages. Bids were delivered to NHDES by October 25, 2023, and opened publicly that afternoon. Gannett Fleming reviewed the bid packages and deemed the two submitting contractors to be qualified to complete the project, and also confirmed that both firms were represented at the Pre-Bid Meeting. Contractor selection was made based upon low bid and contractors were notified of the decision on November 3, 2023.

Firm Name	Basis of Award
Michels Construction, Inc., Brownsville, WI	$5,993,190
Kingsbury Companies LLC, Middlesex, VT	$7,111,480

As a result of the low bid and due diligence to confirm the qualifications and capabilities of the respondents, we recommend awarding the contract to Michels Construction, Inc. This firm has satisfactorily completed similar dam related projects that include significant water control, concrete work, earthwork stabilization, and gate installation in New England within the last five years, and has the resources necessary to complete the project design accordance with all regulatory permit conditions. An amount of $500,000 was added to provide a Reserve Contingency Fund to be used to fund necessary, but unexpected conditions, through NHDES-approved change orders that may be issued under the terms of this agreement and which add to the scope of work.

This contract has been approved by the Department of Justice as to form, substance and execution.

We respectfully request your approval.

Robert R. Scott, Commissioner