



The State of New Hampshire
Department of Environmental Services



ARC

Robert R. Scott, Commissioner

74

January 28, 2026

MAR 04 2026

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), under the provisions of RSA 486, to award state aid grant funds for wastewater facility projects for the following entities in the aggregate amount of \$5,662,327 as detailed in the table below, effective upon Governor and Council approval. Funding is 100% General Funds.

Applicant	Vendor Code	Grant Amount
Town of Ashland	177354 B001	\$479,266
Town of Epping	177517 B003	\$867,044
City of Manchester	177433 B004	\$4,316,017

Funding is available in the account as follows:

	<u>FY 2026</u>	<u>After FY 2026</u>
03-44-44-442010-1003-073-500580	\$215,064	\$5,447,263
Dept. of Environmental Services, State Aid Grants, Grants-Non Federal		

EXPLANATION

Wastewater state aid grant (SAG) funds provide financial assistance to NH municipalities to offset the eligible costs of planning, engineering, and construction of sewage disposal facilities. Over the term of the debt service the state will reimburse the entity 20% to 30% of the eligible costs incurred during the design and construction of the wastewater facility, plus a proportionate share of interest on borrowing for the project. Project costs for components related to septage and sludge handling and treatment facilities qualify for an additional 10% to 30% reimbursement ("SAG Plus").

Attached is a tabulation of the State Aid Grants showing the effect of this action on appropriated funds. Additional information regarding these projects is shown in Exhibit A.

We respectfully request your approval.


 Robert R. Scott, Commissioner

DEPARTMENT OF ENVIRONMENTAL SERVICES
WATER DIVISION – WASTEWATER ENGINEERING BUREAU

STATE AID GRANTS
(03-44-44-442010-1003-073)

The effect of this request on appropriated funds is shown below:

	<u>FY 2026</u>
FY 2026 Balance Forward	\$13,522,521
FY 2026 Appropriations	\$7,915,700
Less: Scheduled Payments	<u>(\$10,485,517)</u>
Available Balance	\$10,952,704
Less: Prior Requests	(\$815,026)
Less: Current Request	
C-985 Ashland	\$32,286
C-986 Ashland	\$30,666
C-987 Epping	\$66,436
C-988 Manchester	<u>\$85,676</u>
Total	(\$215,064)
Balance Remaining	\$9,922,614

**DEPARTMENT OF ENVIRONMENTAL SERVICES
WASTEWATER STATE AID GRANTS**

EXHIBIT A

Supplemental information to the preceding Governor and Executive Council request for approval of State Aid Grants for sewage disposal facilities under RSA 486.

Municipality: Ashland, NH

State Grant Number: C-985

Project: WWTF Energy Audit Measure Implementation

Description: Replaced 74 diffusers in the primary lagoon, improvements that are expected to reduce energy consumption by approximately 50%, resulting in savings of over 200,000 kWh per year.

Grant Eligible Project Costs: \$161,429

Grant Award: \$32,286 (20% of eligible costs)

Grant Term: 1 year

Municipality: Ashland, NH

State Grant Number: C-986

Project: WWTF Septage Receiving & Headworks Upgrade

Description: Construction of a new headworks building and influent channel, including new mechanical screening, septage receiving, and grit removal.

Grant Eligible Project Costs: \$2,597,752 (\$725,705 eligible for SAG Plus)

Grant Award: \$446,980 (20% of all eligible costs plus additional 10% of eligible SAG Plus costs)

Grant Term: 20 years

Municipality: Epping, NH

State Grant Number: C-987

Project: WWTF Short Term Improvements – Phase 2

Description: Replacement of membranes and ancillary equipment in all three membrane biological reactor trains; upgrades to intermediate pump station pumps.

Grant Eligible Project Costs: \$2,890,146

Grant Award: \$867,044 (30% of eligible costs)

Grant Term: 20 years

Municipality: Manchester, NH

State Grant Number: C-988

Project: WWTF Secondary Clarifier Improvements

Description: Construction of approximately one mile of concrete storm drain, including associated appurtenances, to separate stormwater from sewer.

Grant Eligible Project Costs: \$21,580,081

Grant Award: \$4,316,017 (20% of eligible costs)

Grant Term: 30 years