



The State of New Hampshire
Department of Environmental Services



Robert R. Scott, Commissioner

76 - 6/3/26

May 6, 2026

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

REQUESTED ACTION

Authorize the New Hampshire Department of Environmental Services (NHDES) to amend an Aquatic Resource Mitigation (ARM) Fund grant (PO # 1094771) to the Town of Hillsborough, NH (Vendor Code #177407-B002) by increasing the grant amount by \$150,000 to \$408,285 from \$258,285 to restore and protect aquatic resource areas and functions on the 2.6 acre former Woods Woolen Mills Site in Hillsborough, and extending the completion date to December 31, 2031 from December 31, 2029, effective upon Governor & Council approval. The original agreement was approved by Governor and Council on August 23, 2023, item #124. 100% ARM Funds. Fishing is a permissible use on the land. Hunting is not a permissible use on the property due to its proximity to residential areas, roads, and recreational trails.

Funding is available in the following account:

03-44-44-442010-38710000-073-500580

Dept. Environmental Services, In-Lieu Wetland Mitigation, Grants Non-Federal

FY 2026

\$150,000

EXPLANATION

NHDES is requesting approval of an amendment to the ARM grant agreement to provide the Town of Hillsborough (Town) additional funds through the ARM Fund Program to complete the agreed upon scope of services for the Woods Woolen Mill Project in Hillsborough NH. Upon receipt of the ARM grant in 2023, the Town conducted design and permitting for the project. Project planning and bidding revealed the budget for the restoration project scope was insufficient mostly due to increased costs for materials and construction contractors. The additional funding will ensure completion of the restoration scope and required monitoring. The extension to the completion date from December 31, 2029 to December 31, 2031 will accommodate the five (5) year post-construction monitoring period required to document success of the project and fully meet the ARM Fund program goals. To date, \$51,542.59 of the original \$258,825 grant has been spent.

RSA 482-A:3 and Federal law require a wetland permit for any proposed project that involves dredging or filling of a wetland. Before a wetland permit is issued, applicants must show that the proposed project will avoid adverse impacts to wetlands and will minimize and provide compensation for those wetland impacts which are unavoidable. The ARM Fund authorizes the collection of mitigation funds in lieu of other forms of wetland mitigation as part of a Wetlands Permit Application and is responsible for ensuring the successful completion of compensatory mitigation projects to meet the State's obligations to the U.S. Army Corps of Engineers. Supplemental funding to complete this compensatory mitigation project is necessary to successfully accomplish the project objectives and outcome. To ensure the sustainability of the restored aquatic resources, conservation restrictions will be placed on the restoration areas to prevent future degradation and destruction. The site protection instrument will include provisions for designated

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public access points for passive recreational uses including but not limited to fishing, wildlife viewing, and hiking. Hunting is not permissible on the property due to the proximity to residential areas. Motorized recreational vehicles are not allowed on the property due to degradation to restoration areas and the potential for water quality degradation.

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

We respectfully request your approval.

A handwritten signature in black ink, appearing to read "Robert R. Scott", written over a horizontal line.

Robert R. Scott, Commissioner

Agreement for Services with Town of Hillsboro
Amendment No. 1

This Agreement (hereinafter called the "Amendment") dated this _____ day of _____, 2026, is by and between the State of New Hampshire, acting by and through its Department of Environmental Services (hereinafter referred to as the "State") and Town of Hillsboro (hereinafter referred to as the "Grantee").

WHEREAS, pursuant to an Agreement (hereinafter called the "Agreement") approved by the Governor and Executive Council on August 23, 2023, the Grantee agreed to perform certain services upon the terms and conditions specified in the Agreement and in consideration of payment by the State of certain sums as specified therein; and

WHEREAS, The Grantee and the State have agreed to amend the Agreement in certain respects;

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions contained in the Agreement, and set forth herein, the parties hereto do hereby agree as follows:

1. Amendment and Modification of Agreement: The Agreement is hereby amended as follows:
 - (A) The Completion Date as set forth in Item 1.6 of the Agreement shall be changed from December 31, 2029, to December 31, 2031.
 - (B) The Grant Limitation as set forth in Item 1.8 of the Agreement shall be changed from \$258,825 to \$408,825.
 - (C) The grant period as set forth in sub-paragraph B of Exhibit B shall be changed from December 31, 2029, to December 31, 2031.
 - (D) The grant award as set forth in sub-paragraph C of Exhibit B shall be changed from \$258,825 to \$408,825.
 - (F) The project scope and project monitoring as set forth in sub-paragraphs F and G in Exhibit A shall be replaced with the attached Amendment 1- Exhibit B, Scope of Services.
 - (G) The Budget Payment Method as set forth in Exhibit C shall be replaced with the attached Amendment 1-Exhibit C, Budget & Payment Method.
2. Effective Date of Amendment: This Amendment shall take effect upon the date of approval of this Amendment by the Governor and Executive Council of the State of New Hampshire.
3. Continuance of Agreement: Except as specifically amended and modified by the terms and conditions of this Amendment, the Agreement, and the obligations of the parties thereunder, shall remain in full force and effect in accordance with the terms and conditions set forth therein.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

Town of Hillsboro

By Laura Buono
Laura Buono, Town Administrator

4-9-26
Date

THE STATE OF NEW HAMPSHIRE
Department of Environmental Services

By Robert R. Scott
Robert R. Scott, Commissioner

5/7/26
Date

Approved by Attorney General this 11th day of May, 2026

OFFICE OF ATTORNEY GENERAL

By Melissa Fyles, Melissa Fyles
Assistant Attorney
General

AMENDMENT NO. 1-EXHIBIT A
SPECIAL TERMS AND CONDITIONS

This section is intentionally left blank.

AMENDMENT NO. 1-EXHIBIT B
SCOPE OF SERVICES

A. Project Title:

Woods Woolen Mill Project

B. Project Period:

Upon Governor & Council Approval through December 31, 2031

C. Grant Amount:

Total funds available for payment of allowable costs incurred under this Grant Agreement shall not exceed \$408,285. The New Hampshire Department of Environmental Services (NHDES) Aquatic Resource Mitigation (ARM) Fund will not reimburse the Town of Hillsborough (GRANTEE) for costs exceeding the amount specified in this paragraph.

D. Effective Date and Commencement of Work:

This Grant Agreement and all obligations of the parties hereunder shall become effective on the date the Governor and Executive Council of the State of New Hampshire approve this Agreement ("Effective Date") and shall end on December 31, 2031. Any work performed by the GRANTEE prior to the Effective Date shall be at the **sole risk** of the GRANTEE. In the event this Grant Agreement does not become effective, NHDES shall be under obligation to pay the GRANTEE for any costs incurred or work performed; however, if this Agreement becomes effective, costs incurred prior to the Effective Date that would otherwise be allowable are eligible for payment under the terms of this Agreement.

E. Objectives:

The GRANTEE will protect and restore high-value aquatic resources and their upland buffers, including up to 325 linear feet of riverbank, reconnect and re-establish floodplain wetlands adjacent to river, create both riverbank and upland habitat, and improve water quality at the former mill site. This project will reconnect two areas of state priority habitat identified on NH Fish & Game's (NHFG) Wildlife Action Plan (WAP). The project is consistent with the goals of the Contoocook and North Branch Rivers Management Plan. The project will protect and restore similar functions and values to what was lost in the Contoocook River watershed by the permitted impacts that generated the funds, including shoreline anchoring, wildlife and aquatic organism habitat, flood storage, sediment and nutrient retention, and water quality. The project will also continue restoration efforts conducted by the Town of Hillsborough, US Environmental Protection Agency Removals Program, and the NHDES Brownfields Program. Upon restoration completion, the restored areas will be permanently protected through a long-term protection mechanism in accordance with 33 C.F.R. § 332.7(a) of the Federal Mitigation Rule. The long-term protection mechanism will include a provision for designated points for public access for passive recreational uses.

Grantee Initials

Date

[Handwritten Signature]
[Handwritten Date: 4-9-26]

F. Scope of Work:

The GRANTEE agrees to complete the following under this grant agreement with NHDES:

Task 1: Site Protection & Long-term Management

Aquatic Resource Mitigation (ARM) funds are contingent upon the GRANTEE fulfilling the requirements of 33 C.F.R. § 332.7 to establish a long-term site protection mechanism and long-term management plan for the aquatic habitats, riparian areas, buffers, and uplands that comprise the overall compensatory mitigation project area.

Task 2: Restoration Design, Bidding, & Permitting

The GRANTEE will work with the NHDES ARM Fund Program to finalize the design, construction timeline, sequence, and obtain Wetlands Bureau and Shoreland permits (if applicable) for the restoration components of the project. All required federal, state, and local permits and approvals shall be obtained prior to any construction.

The GRANTEE shall implement a competitive selection process to procure a qualified construction contractor(s) to perform construction services related to this restoration scope. This task will include preparing the invitations to bid and advertising, issuing the bid documents and holding pre-bid information meetings with interested contractors as well as conducting site visits and answering any questions that may arise. Addendums will be issued as necessary to provide clarifications and/or additional information. After the recommended bidders are identified, the construction contracts will be awarded and executed and the Notices to Proceed issued by GRANTEE.

Task 3: Restoration Construction Phase Engineering

The GRANTEE and selected contractor(s) will participate in a pre-construction meeting before any site work begins, that will include ARM Fund Program and project partners to review permit conditions and verify the construction timeline. During the pre-construction meeting the GRANTEE will designate a QUALIFIED PROFESSIONAL (as defined in Env-Wt 802.06) with expertise in stream restoration to supervise and monitor construction to ensure that all work is constructed in accordance with the approved design plans.

The designated QUALIFIED PROFESSIONAL will supervise the construction and submit reports to the NHDES Wetlands Bureau staff via email every 2-3 days during active construction and will include 1) activities completed, 2) photos of the work site, and 3) questions, concerns. In the event questions or concerns arise during construction, the QUALIFIED PROFESSIONAL will work with NHDES, project partners, and the contractor(s) to develop and implement adaptive management interventions that may be necessary to optimize restoration conditions to improve floodplain re-engagement/hydrology and aquatic and wildlife habitat connectivity. The designated QUALIFIED PROFESSIONAL will 1) attend the as-built survey to confirm locations of designated monitoring stations and 2) provide photos of monitoring stations/cross sections for the as-built report and 3) review the final as-built submittals.

Within 60 days of Substantial Completion, to ensure the implementation of the design has occurred in accordance with permits, this grant agreement, and contract documents, a post-construction/final site walk with the ARM Fund Program, NHDES Wetlands Bureau permitting staff, project partners and contractors will be convened by the QUALIFIED PROFESSIONAL. If necessary, a list of

Grantee Initials AB
Date 4-9-26

action items and a timeline for completion or correction will be developed by the QUALIFIED PROFESSIONAL.

Within 60 days of construction completion, the GRANTEE will provide the ARM Fund Program with one P.E.-stamped as-built survey of the site to establish baseline conditions, topography, plantings, and locations of designated monitoring stations. The as-built survey will be accompanied by one P.E.-stamped as-built report. The as-built report will include dated/captioned photos of the project and restored areas. The report will include a summary of adaptive management strategies implemented during construction and provide the status of any plantings, completion of action items addressed during the final site walk through, and site stabilization measures.

Task 4: Restoration Construction

The construction contractor(s) hired by GRANTEE will complete restoration work in accordance with any permits required. Prior to starting any work under this task, the GRANTEE will notify the NHDES ARM Fund Program staff of the date on which work under this agreement is expected to start. Work under this task includes site preparation and mobilization, water control measures, sediment excavation and disposal, removal of hardened bank materials and associated foundation remnants and stabilization of up to 325 linear feet of riverbank, regrading and restoration of upland area below the former railroad corridor with topsoil and native plantings, and demobilization. Restoration of areas where temporary impacts occur will be addressed per the NHDES permit conditions.

The GRANTEE agrees to work cooperatively with the ARM Fund Program to implement adaptive management interventions that may be necessary to optimize restoration conditions to improve floodplain re-engagement/hydrology and aquatic and wildlife habitat connectivity. During the construction phase, the QUALIFIED PROFESSIONAL shall convene field meetings as necessary between the Contractor, GRANTEE, ARM Fund Program, and other natural resource agency representatives to adaptively manage the site within the terms of the existing construction plans, approvals and agreements.

Task 5: Performance Monitoring & Adaptive Management

The GRANTEE and NHDES Wetlands Bureau staff will survey the restoration area annually between 2027 and 2031 in accordance with the project's approved monitoring plan. ARM Program staff will prepare draft monitoring reports by December 31 of each year with technical assistance from the QUALIFIED PROFESSIONAL to finalize the reports. The GRANTEE, NHDES, and project partners will collaboratively review the monitoring results on an annual basis, to evaluate whether the site is maintaining target functions and performance standards. The GRANTEE will be responsible for the maintenance of the Restoration Areas and development of adaptive management actions at the site if needed. Adaptive management and remedial actions shall only be enacted and in coordination with agreed upon methodology by NHDES and project partners.

The GRANTEE shall allow NHDES unrestricted access to the aquatic habitats, riparian areas, buffers, and uplands that comprise the overall compensatory mitigation project area (PROPERTY). The NHDES ARM Fund Program will monitor the PROPERTY on an annual basis for a period of five (5) years following construction completion to ensure the success of the activities taken and to ensure that no actions are occurring which could be detrimental to the attributes of the project areas. NHDES will refer any deficiencies observed to the GRANTEE to address.

Grantee Initials AB
Date 7-9-26

Task 6: Signage

The GRANTEE agrees to place a sign at a prominent location on or near the PROPERTY. The sign should contain as a minimum the NHDES logo and the following statement: "This project has been completed with assistance from the New Hampshire Aquatic Resource Mitigation Fund." Should the NHDES sign be damaged or destroyed, the GRANTEE agrees to work with NHDES to repair or replace it with identical signage and to share any costs associated with that repair or replacement to the extent reasonably practicable.

G. Deliverable Schedule:

Task	Deliverable	Due Date
1. Site Protection & Long-term Management Plan	Establish long-term protection mechanism and management plan approved by USACE in accordance with 33 C.F.R. § 332.7	December 1, 2027
2. Restoration Design, Bidding, & Permitting	Submit all required state, federal and local permit applications, executed professional services contract, Approved Federal Mitigation Plan	August 1, 2026
3. Restoration Construction Phase Engineering	Pre-construction meeting minutes, construction monitoring reports, adaptive management correspondence and drawings, photos, PE-stamped as-built report, survey and construction drawings, etc.	March 2027
4. Restoration Construction	Successful restoration scope completion, adaptive management strategy approval(s) and implementation (as-needed)	December 31, 2026
5. Performance Monitoring and Adaptive Management	Annual post-construction monitoring reports, including maintenance and adaptive management activities	December 31 of 2027, 2028, 2029, 2030, 2031
6. Signage	Draft and Final Sign Design, Installed Sign	December 1, 2031

Grantee Initials AB
Date 4-9-26

AMENDMENT NO. 1- EXHIBIT C
BUDGET & PAYMENT METHOD

The GRANTEE shall submit requests for payment after completing each task and submitting evidence of the associated deliverable. Upon receipt and approval by NHDES of the invoices, NHDES shall issue payment to the GRANTEE in accordance with the following:

Budgeted amounts by Task are estimated. The Grantee is authorized to move funds between Tasks based on actual expenses incurred by Task with an award amount not to exceed \$408,285.

Tasks	Budget	Payment Method
Task 1: Site Protection & Long-term Management Plan	\$0	GRANTEE Contribution
Task 2: Restoration Design, Bidding, & Permitting	\$ 67,793	Upon completion
Task 3: Restoration Construction Phase Engineering	\$ 43,000	Upon completion
Task 4: Restoration Construction	\$252,036	Upon completion
Task 5 Performance Monitoring & Adaptive Management	\$ 45,456	Upon completion
Task 6: Signage	\$ 0	GRANTEE Contribution
TOTAL NHDES ARM FUNDS	\$408,285	

Total amount to be authorized following approval by the
Governor and Executive Council: **\$408,285**

Payments shall be made by NHDES to the GRANTEE upon approval of stated deliverables and verification of the value of completed work through submittal of invoices for rendered services. NHDES will pay the GRANTEE within 30 days of receiving the invoice.

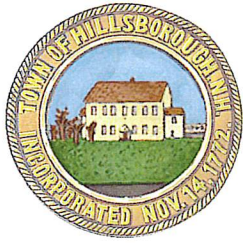
The payments listed above are inclusive of project labor and expenses. Invoices shall be formatted to note completion of services.

The billing address shall be as follows:

NH Department of Environmental Services
29 Hazen Drive, PO Box 95
Concord, NH 03302-0095
ATTN: Emily Nichols, Wetlands Bureau

Invoices shall be approved by the Contract Officer before payment is processed.

Grantee Initials EN
Date 7-9-24



TOWN OF HILLSBOROUGH

27 School Street, P.O. Box 7
Hillsborough, NH 03244
Tel (603)464-3877 Fax (603)464-4270

www.town.hillsborough.nh.us

James C. Bailey III, Chairman
Iris Campbell
Richard Pelletier
Board of Selectmen

Laura Buono
Town Administrator

DELEGATION OF AUTHORITY

To Whom it may concern,

At our legally posted meeting on Wednesday, April 8, 2026, the Board of Selectmen voted in the affirmative to authorize our Town Administrator, Laura Buono, to execute documents related to the implementation of programs administered by the NH Department of Environmental Services (ARM Funding for the Woods Woolen Mill Site).

The motion which was made and passed:

Chairman Campbell moved to grant authority to the Town Administrator to sign and execute any and all documentation necessary to implement activity on behalf of the Town of Hillsborough's business with the NH Department of Environmental Services for the purpose of ARM Funding for the Woods Woolen Mill Site.

Thank you.



Iris Campbell, Chairman

April 8, 2026
Date



CERTIFICATE OF COVERAGE

The New Hampshire Public Risk Management Exchange (Primex³) is organized under the New Hampshire Revised Statutes Annotated, Chapter 5-B, Pooled Risk Management Programs. In accordance with those statutes, its Trust Agreement and bylaws, Primex³ is authorized to provide pooled risk management programs established for the benefit of political subdivisions in the State of New Hampshire.

Each member of Primex³ is entitled to the categories of coverage set forth below. In addition, Primex³ may extend the same coverage to non-members. However, any coverage extended to a non-member is subject to all of the terms, conditions, exclusions, amendments, rules, policies and procedures that are applicable to the members of Primex³, including but not limited to the final and binding resolution of all claims and coverage disputes before the Primex³ Board of Trustees. The Additional Covered Party's per occurrence limit shall be deemed included in the Member's per occurrence limit, and therefore shall reduce the Member's limit of liability as set forth by the Coverage Documents and Declarations. The limit shown may have been reduced by claims paid on behalf of the member. General Liability coverage is limited to Coverage A (Personal Injury Liability) and Coverage B (Property Damage Liability) only, Coverage's C (Public Officials Errors and Omissions), D (Unfair Employment Practices), E (Employee Benefit Liability) and F (Educator's Legal Liability Claims-Made Coverage) are excluded from this provision of coverage.

The below named entity is a member in good standing of the New Hampshire Public Risk Management Exchange. The coverage provided may, however, be revised at any time by the actions of Primex³. As of the date this certificate is issued, the information set out below accurately reflects the categories of coverage established for the current coverage year.

This Certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend, or alter the coverage afforded by the coverage categories listed below.

<i>Participating Member:</i> Town of Hillsborough PO Box 7 Hillsborough, NH 03244	<i>Member Number:</i> 200	<i>Company Affording Coverage:</i> NH Public Risk Management Exchange - Primex ³ PO Box 23 Hooksett, NH 03106-9716
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Type of Coverage		Effective Date (mm/dd/yyyy)	Expiration Date (mm/dd/yyyy)	Limits - NH Statutory Limits May Apply, If Not:	
<input checked="" type="checkbox"/>	General Liability (Occurrence Form) Professional Liability (describe) <input type="checkbox"/> Claims Made <input type="checkbox"/> Occurrence	1/1/2026	1/1/2027	Each Occurrence	\$ 2,000,000
				General Aggregate	\$ 10,000,000
				Fire Damage (Any one fire)	
				Med Exp (Any one person)	
<input checked="" type="checkbox"/>	Automobile Liability Deductible Comp and Coll: \$1,000 <input type="checkbox"/> Any auto	1/1/2026	1/1/2027	Combined Single Limit (Each Accident)	\$ 2,000,000
				Aggregate	\$ 10,000,000
<input checked="" type="checkbox"/>	Workers' Compensation & Employers' Liability	1/1/2026	1/1/2027	<input checked="" type="checkbox"/> Statutory	
				Each Accident	\$2,000,000
				Disease - Each Employee	\$2,000,000
				Disease - Policy Limit	
<input checked="" type="checkbox"/>	Property (Special Risk includes Fire and Theft)	1/1/2026	1/1/2027	Blanket Limit, Replacement Cost (unless otherwise stated)	Deductible \$1000

Description: Proof of Primex Member coverage only. Pollution and hazardous waste related liabilities, expenses and claims are excluded from coverage in the coverage document.

CERTIFICATE HOLDER:	Additional Covered Party	Loss Payee	Primex³ - NH Public Risk Management Exchange By: <i>Mary Beth Purcell</i> Date: 3/30/2026 mpurcell@nhprimex.org Please direct inquires to: Primex³ Claims/Coverage Services 603-225-2841 phone 603-228-3833 fax
State of NH Department of Environmental Services 29 Hazen Drive, P.O. Box 95 Concord, NH 03302-0095			