



The State of New Hampshire  
Department of Environmental Services



Robert R. Scott, Commissioner

May 14, 2026

79 - 6/17/26

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

**REQUESTED ACTION**

Authorize the Department of Environmental Services to amend a loan agreement with the Town of Newmarket, NH (VC#177449-B003) by increasing the loan amount by \$160,000 from \$300,000 to \$460,000 to finance water system improvements under the provisions of RSA 486:14 and N.H. Code of Administrative Rules Env-Dw 1100 et seq. effective upon Governor & Council (G&C) approval. The original loan agreement was approved by G&C on June 26, 2024, Item # 146. 100% Federal Funds.

Funding is available in the following account:

03-44-44-441018-5563-301-500833  
Dept Environmental Services, DWSRF BIL Loans, Loans

FY 2026  
\$160,000


**EXPLANATION**

The purpose of this amendment is to authorize the Town of Newmarket to modify their original Drinking Water State Revolving Fund (DWSRF) loan agreement, which was originally approved by Governor & Council on June 26, 2024, Item #146. The amendment will add an additional \$160,000 DWSRF loan to the project bringing the total to \$460,000.

The original loan agreement was to be used for the inventory and replacement of lead service lines within the Town's distribution system. The additional funds will cover lead service line replacements included as alternates that are within a different area in Town. NHDES has sufficient funds to meet the Town's request through the DWSRF program. To date, \$51,932 of the original \$300,000 DWSRF loan has been spent.

The final loan amount will be based upon the total DWSRF funds disbursed and may be less than \$460,000. This loan will be paid back over a period of 20 years at an interest rate of 2.8% upon project completion. The loan interest rate may be adjusted downward if the DWSRF loan rate in effect upon project completion is less than the current rate. Under federal capitalization grant requirements, this loan includes principal forgiveness of up to \$319,600 under the DWSRF Intended Use Plans. NHDES may adjust the percentage or amount of additional subsidy allocated to any project to meet capitalization grant requirements. Currently, there is a balance of \$35,013,112 in the DWSRF available for new loans.

We respectfully request your approval of this item.

  
Robert R. Scott  
Commissioner

**AMENDMENT #1**  
TO  
STATE OF NEW HAMPSHIRE  
DRINKING WATER STATE REVOLVING FUND PROGRAM

Town of Newmarket  
**ORIGINAL LOAN AGREEMENT**  
For Project # 1731010-04

Whereas the Town of Newmarket wishes to increase the amount of their loan for Project #1731010-04 from **\$300,000 to \$460,000**, an increase of **\$160,000**, in order to finance the Lead Service Line Replacement Project.

Now Therefore, amend the ORIGINAL LOAN AGREEMENT for Project #1731010-04 as approved by Governor and Council on June 26, 2024 as Item #146, in the following manner:

Change Page 1, Line 14 through Page 2, Line 2 of the ORIGINAL LOAN AGREEMENT to read:

“II. The State agrees to loan to the Loan Recipient, and the Loan Recipient agrees to repay to the State, in accordance with the terms of this Agreement, the principal sum of **Four Hundred Sixty Thousand and 00/100 Dollars (\$460,000)** (Principal Sum) or such lesser amount as shall equal the aggregate of Disbursements made hereunder by the State to the Loan Recipient. In addition to the principal sum, the Loan Recipient agrees to pay the applicable interest accrued as described in Paragraphs IV, VI, and VIII. Federal financial assistance provided through the Drinking Water State Revolving Loan Fund Program (CFDA #66.468) may comprise all or a portion of the Principal Sum. Any Disbursement or other payment from the State to the Loan Recipient is contingent upon the availability of funds.

III. The Loan Recipient is eligible for principal forgiveness as outlined in the 2022 and 2023 State of New Hampshire Drinking Water State Revolving Fund Intended Use Plans. The amount of principal forgiveness will be determined when the aggregate principal loan amount is established and the project is complete and will be applied to the loan upon the initial repayment.”

Change Page 6, Line 5 through Line 9 of the ORIGINAL LOAN AGREEMENT to read:

“The **Town of Newmarket** has applied for a Loan for Drinking Water State Revolving Fund Lead Service Line eligible service line inventory activities and replacement of lead services, lead connectors, galvanized services requiring replacement, and associated appurtenances within the Town’s water distribution system. As a requirement of this funding, all lead service line replacements must be full replacements, or must complete a full replacement, unless partial replacement of a service line is necessary due to customer refusal of replacement on the customer-owned portion of the service line. Documentation of customer refusal must be completed in accordance with the USEPA Lead and Copper Rule Improvements (LCRI).

Change Page 10, Line 10 through Line 14 of the ORIGINAL LOAN AGREEMENT to read:

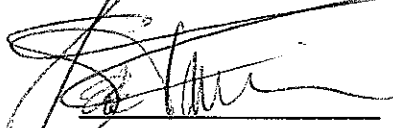
**"SIGNAGE REQUIREMENT:** The Loan Recipient must communicate to the public that EPA funds are contributing to the project by constructing a sign in accordance with the EPA's Guidelines for Enhancing Public Awareness of SRF Assistance Agreements. The type and location of the sign shall be mutually agreed upon between the Loan Recipient and NHDES. The Loan Recipient shall maintain the sign throughout the duration of the project."

Change Page 14, Line 13 through Line 18 of the ORIGINAL LOAN AGREEMENT to read:

**"SUPER CROSS-CUTTERS:**

- Title VI of the Civil Rights Act
- Section 13 of the Federal Water Pollution Control Act Amendments of 1972
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Section 306 of the Clean Air Act
- Section 508 of the Clean Water Act
- Uniform Relocation and Real Property Acquisition Policies Act"

Accepted By:  
Town of Newmarket



Steve Fournier  
Town Manager

5/4/26  
Date

Accepted By:  
State of New Hampshire



Robert R. Scott, Commissioner  
NH Department of Environmental Services

5/14/26  
Date