



The State of New Hampshire
Department of Environmental Services

Robert R. Scott, Commissioner

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March 20, 2020

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 with the Town of Merrimack (VC #177436 B002) to increase funding by \$11,500,000, from \$1,600,000 to \$13,100,000, 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 August 28, 2019 as Item No. 82. Funding is 100% CWSRF Repayment Funds.

Funding is available in the account as follows:

	<u>FY 2020</u>
03-44-44-441018-2001-301-500832	\$11,500,000
Dept. Environmental Services, CWSRF Loan Repayments, Loans	

EXPLANATION

The purpose of this Amendment is to increase the Town of Merrimack's existing CWSRF Loan by \$11,500,000 to fund construction of the Wastewater Treatment Facility Phase III and Pump Station Upgrades project. The loan amendment will primarily fund the construction of a new screenings facility and an upgrade of two main wastewater pumping stations.

The final loan amount will be based on the total CWSRF funds disbursed, and may be less than \$13,100,000. Under federal capitalization grant requirements this loan includes principal forgiveness in the amount of up to \$906,250. The loan interest rate may be adjusted downward if the CWSRF loan rate in effect upon project completion is less than 2.3760%. To date, the Town has spent \$173,126 of the original loan amount.

Attached is a tabulation of the CWSRF showing the effect of this action on the funds available for loans.

We respectfully request your approval.

Robert R. Scott, Commissioner

DEPARTMENT OF ENVIRONMENTAL SERVICES
WATER DIVISION
CLEAN WATER STATE REVOLVING FUND

Supplemental information to Governor and Council request for loan agreements under RSA 486:14 and N.H. Admin. Rules Env-Wq 500 for the municipality listed below

This request will change the balance available for loans as follows:

	CWSRF Repayment
Repayment Funds as of March 11, 2020	\$64,489,630
Loan Agreement(s) This Request:	
Town of Merrimack	\$11,500,000
Other Requested Action(s)	
City of Rochester	\$500,000
Net Change [†]	\$12,000,000
Balance Available after G & C Approval	\$52,489,630

*Is net of the 4% reduction for CWSRF Program administration
See SRF Loan Status Table for breakdown of Grants by year

AMENDMENT No. 1

TO
STATE OF NEW HAMPSHIRE
WATER POLLUTION CONTROL REVOLVING FUND PROGRAM

TOWN OF MERRIMACK, NEW HAMPSHIRE

ORIGINAL LOAN AGREEMENT
For Project CS-330215-11

To increase the Town of Merrimack's loan amount for the WWTF Upgrade Project, CWSRF Loan Number CS-330215-11, from \$1,600,000 to \$13,100,000.

Now therefore, amend the ORIGINAL LOAN AGREEMENT, as approved by Governor and Council on August 28, 2019 as Item No. 82 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 **Thirteen Million, One Hundred Thousand and 00/100 Dollars (\$13,100,000)** (Principal Sum) or such lesser amount as...";


And, change only Page 2, lines 5 through 6 of the ORIGINAL LOAN AGREEMENT to read as follows:

"...principal forgiveness applied to the loan will not exceed **Nine Hundred Six Thousand, Two Hundred Fifty and 00/100 Dollars (\$906,250)**. In addition to the principal ...";

And, change only Page 3, line 13 of the ORIGINAL LOAN AGREEMENT to read as follows:

"...Completion date is hereby determined to be **October 2, 2022**; however, should the project ...".

Accepted by
Town of Merrimack, New Hampshire


Town Manager 2/27/20
Date

Accepted by
State of New Hampshire


Robert R. Scott, Commissioner 3-20-20
Date
Department of Environmental Services



The State of New Hampshire
Department of Environmental Services

Robert R. Scott, Commissioner

August 8, 2019

Kathy Brown

APPROVED G & C
DATE 28 Aug 19
ITEM # 82

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 approve a Clean Water State Revolving Fund (CWSRF) loan agreement with the Town of Merrimack (VC #177436 B002) in an amount not to exceed \$1,600,000 to finance the Wastewater Treatment Facility Phase III and Pump Station Upgrades 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 83% Federal Funds, 17% Capital (Other) Funds.

Funds to support this request are anticipated to be available in the following account in FY 2020 upon the availability and continued appropriation of funds in the future operating budget.

Funding is available in the account as follows:

	<u>FY 2020</u>
03-44-44-441018-2003-301-500832 Dept. Environmental Services, CWSRF Loans, Loans	\$1,466,667
03-44-44-441030-1546-034-500162 Dept. Environmental Services, 17, 228:1-VIII:C CWSRF Loan Program, Capital Project	\$133,333

EXPLANATION

The purpose of the requested action is to authorize the Town of Merrimack to borrow up to \$1,600,000 from the CWSRF to finance the Wastewater Treatment Facility Phase III and Pump Station Upgrades. The project includes technical services for final design including topographic, wetlands, geotechnical, and asbestos/lead surveys, a radio path cell feasibility study, and value engineering.

The Supplemental (final) loan amount will be based upon the total CWSRF funds disbursed, and may be less than \$1,600,000. Under federal capitalization grant requirements, this loan includes principal forgiveness of up to \$331,250.

Attached is a tabulation of the CWSRF showing the effect of this action on the funds available for loans.

We respectfully request your approval.

Robert R. Scott, Commissioner