



The State of New Hampshire  
**Department of Environmental Services**

**Robert R. Scott, Commissioner**



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March 29, 2019

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 (P.O.# 9005428) with the City of Lebanon (VC #177422 B002) to increase funding by \$1,000,000, from \$13,689,606 to \$14,689,606, 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 May 16, 2018 as Item No. 43. Funding is 100% CWSRF Repayment Funds.

Funding is available in the account as follows:

03-44-44-441018-2001-301-500832	<u>FY 2019</u>
Dept. Environmental Services, CWSRF Loan Repayments, Loans	\$1,000,000

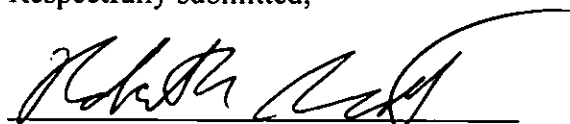
**EXPLANATION**

The purpose of this amendment is to increase the City of Lebanon's existing CWSRF loan by \$1,000,000 to fund replacement of an adjacent sewer interceptor that is creating a barrier to increasing the capacity of the lines on the CSO #11 Phase 2 Project. To date \$2,035,313.41 of this loan has been disbursed.

The final loan amount will be based on the total CWSRF funds disbursed, and may be less than \$14,689,606. Under federal capitalization grant requirements, this loan includes principal forgiveness in the amount of up to \$1,468,960.60. The loan interest rate may be adjusted downward if the CWSRF loan rate in effect upon project completion is less than 2.4240%.

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

Respectfully submitted,

  
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:

	<b>CWSRF Repayment</b>
<b>Repayment Funds as of March 27, 2019</b>	<b>\$68,659,319</b>
<b>Loan Agreement(s) This Request:</b>	
City of Lebanon	<b>\$1,000,000</b>
<b>Other Requested Action(s)</b>	
City of Portsmouth	<b>\$2,100,000</b>
Town of Durham	<b>\$999,999</b>
<b>Net Change †</b>	<b>\$4,099,999</b>
<b>Balance Available after G &amp; C Approval</b>	<b>\$64,559,320</b>

† Negative numbers in this row indicate funds returned to account

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AMENDMENT No. 1  
 TO  
 STATE OF NEW HAMPSHIRE  
 WATER POLLUTION CONTROL REVOLVING FUND PROGRAM

CITY OF LEBANON, NEW HAMPSHIRE

**ORIGINAL LOAN AGREEMENT**  
 For Project CS-330092-11

To increase the City of Lebanon's loan amount for the CSO No. 11 Phase 2 Project from \$13,689,606 to \$14,689,606.

Now therefore, amend the ORIGINAL LOAN AGREEMENT, as approved by Governor and Council on May 16, 2018 as Item No. 43 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 **Fourteen Million Six Hundred Eighty-Nine Thousand Six Hundred Six and 00/100 Dollars (\$14,689,606.00)**...";

And, change only Page 1, lines 22 through 23 of the ORIGINAL LOAN AGREEMENT to read as follows:

"...principal sum, not to exceed **One Million Four Hundred Sixty-Eight Thousand Nine Hundred Sixty and 60/100 Dollars (\$1,468,960.60)** or up to 10% of the total of..."

Accepted by  
 City of Lebanon, New Hampshire

[Signature]      3/25/19  
 City Manager      Date

Accepted by  
 State of New Hampshire

[Signature]      4-1-19  
 Robert R. Scott, Commissioner      Date  
 Department of Environmental Services

*Acting* [Signature]      3/25/19  
 Finance Director      Date



The State of New Hampshire  
**Department of Environmental Services**

Robert R. Scott, Commissioner



April 17, 2018

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

APPROVED G & C

DATE 5/16/18  
ITEM # 43

**REQUESTED ACTIONS**

1. Authorize the Department of Environmental Services to amend a Clean Water State Revolving Fund (CWSRF) loan agreement with the City of Lebanon (VC # 177422 B002) to decrease the loan amount by \$8,804,128, from \$10,624,835 to \$1,820,707 for the CSO #11 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. The original loan agreement was approved by Governor & Council on July 16, 2014 as Item No. 64, Amendment No. 1 on September 21, 2016 as Item No. 49, and Amendment No. 2 on July 19, 2017 as Item No. 98. Funding is 100% CWSRF Repayment Funds.
2. Authorize the Department of Environmental Services to approve a Clean Water State Revolving Fund (CWSRF) loan agreement with the City of Lebanon (VC # 177422 B002) in an amount not to exceed \$13,689,606 to finance the CSO #11 Phase 2 Construction 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 100% CWSRF Repayment Funds.

Funding is available in the account as follows:

03-44-44-441018-2001-301-500832  
Dept. Environmental Services, CWSRF Loan Repayments, Loans

FY 2018  
\$13,689,606

**EXPLANATION**

The purpose of the amendment is to decrease the City of Lebanon's existing CWSRF loan by \$8,804,128 in order to transfer this amount to a new loan (Requested Action 2, above) for completion of Phase 2 of the project. The City of Lebanon encountered unanticipated delays and cost increases during project implementation, and opted to issue a second construction contract for the Phase 2 work described in the following paragraph. This action will allow the city to begin repayments on the Phase 1 at the completion of the work.

The purpose of the Original Loan Agreement is to authorize the City of Lebanon to borrow up to \$13,689,606 from the CWSRF to finance the CSO #11 Phase 2 Construction Project. The project will include the separation of approximately 6,350 feet of additional combined sanitary and storm sewers in the West, Granite and Mechanic Street area. The removal of the combined sewer overflow will result in improved water quality in the Connecticut River.

LGTS ✓  
CDR ✓  
Track ✓  
Next Sum ✓  
FFATA NA ✓  
91342,940

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council

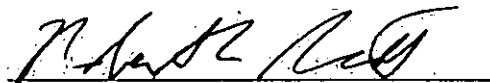
April 17, 2018

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The Supplemental (final) loan amount may be less than \$13,689,606. Under federal capitalization grant requirements, this loan includes principal forgiveness of up to \$1,368,960.

Attached is a tabulation of the CWSRF showing the effect of these actions on the funds available for loans.

We respectfully request your approval.



Robert R. Scott, Commissioner