



The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

April 3, 2014

Her Excellency Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Environmental Services to approve Amendment No. 2 to the Supplemental Loan Agreement with the City of Nashua (Vender No. 177441) for the design and construction of the Wet Weather Treatment Facility to increase the total funding by \$12,000,000, from \$14,700,000 to \$26,700,000 under the provisions of RSA 486:14 and N.H. Code of Administrative Rules Env-Wq 500, effective upon Governor & Council approval. 83.33% Clean Water State Revolving Fund, 16.67% Capital (General) funds.

Funding is available in account as follows:

03-44-44-441018-2003-301-500832	\$10,000,000
Dept. Environmental Services, CWSRF Loans, Loans	
03-44-44-441030-0955-034-500161	\$2,000,000
Dept. Environmental Services, 07,264:1-VII Wastewater SRF Match, Capital Loans	

EXPLANATION

The purpose of this Amendment to the Supplemental Loan Agreement with the City of Nashua is to increase the principal loan amount available to the City for the Wet Weather Treatment Facility Project. The principal loan amount will increase by \$12,000,000, from \$14,700,000 to \$26,700,000. The original Supplemental Loan Agreement was approved by Governor and Council on November 17, 2010 as Item #128, and amended on September 18, 2013.

Under the terms of the Agreement, the City of Nashua will pay back the principal sum with interest, payable in annual installments as provided in this Agreement, over a 20-year period. This Agreement is being issued under the State Revolving Fund Program for the purpose of financing wastewater infrastructure improvements. This project constructed a new wet weather treatment facility to treat the City's combined sewer overflows during wet weather events in order to aid in compliance with standards. This project improves the quality of the effluent discharged and the Merrimack River. Attached are the Amendment, the G&C Approval of the Supplemental Loan Agreement, and a copy of Amendment No. 1 to the Supplemental Loan Agreement.

Also attached is a tabulation of the CWSRF Accounts showing the effect of this loan on the funds available.

We respectfully request your approval.

Thomas S. Burack
Thomas S. Burack, Commissioner

Her Excellency Governor Margaret Wood Hassan
and the Honorable Council

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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:

	<u>CWSRF Cap Grant</u>	<u>CWSRF Repayment</u>
Repayment Funds as of April 2, 2014		\$175,245,635
Federal Funds *	\$356,952,895	\$0
Plus 20% State Match*	<u>\$63,877,990</u>	<u>\$0</u>
Total Funds Available	\$420,830,885	\$175,245,635
Less Loans Previously Approved	<u>\$407,305,195</u>	<u>\$0</u>
Funds Available for Loans	\$13,525,690	\$175,245,635
Loan Agreement(s) This Request:		
City of Nashua		
Amendment No. 2	\$12,000,000	\$0
Other Requested Action(s)		
None	<u>\$0</u>	<u>\$0</u>
Net Change [†]	\$12,000,000	\$0
Balance Available after G & C Approval	\$1,525,690	\$175,245,635

*Is net of the 4% reduction for CWSRF Program administration

† Negative numbers in this row indicate funds returned to account

See SRF Loan Status Table for breakdown of Grants by year

**NEW HAMPSHIRE DEPARTMENT OF ENVIRONMENTAL SERVICES
CLEAN WATER STATE REVOLVING LOAN PROGRAM**

SRF Funds Available for Loans

1989-2005 Capitalization Grants	\$237,001,604
Plus State Match	\$47,408,321
Less 4% Administration Fee	<u>(\$11,376,397)</u>
Total 1989-2005 Funds Available for Loans	\$273,033,528
2006 Capitalization Grant (08/08/07)	\$8,739,500
Plus State Match	\$1,767,900
Less 4% Admin.	<u>(\$420,296)</u>
Total 2006 Funds Available for Loans	\$10,087,104
2007 Capitalization Grant (09/11/08)	\$10,695,762
Plus State Match	\$2,139,152
Less 4% Admin.	<u>(\$513,397)</u>
Total 2007 Funds Available for Loans	\$12,321,517
2008 Capitalization Grant (02/04/09)	\$6,769,000
Plus State Match	\$1,353,800
Less 4% Admin.	<u>(\$324,912)</u>
Total 2008 Funds Available for Loans	\$7,797,888
2009 Capitalization Grant (07/22/09)	\$6,769,000
Plus State Match	\$1,353,800
2009 Supplemental (ARRA) Capitalization Grant	\$39,163,900
Less 4% Admin.	(\$1,891,468)
Transfer of ARRA Admin. to Loans	<u>\$100,000</u>
Total 2009 Funds Available for Loans	\$45,495,232
2010 Capitalization Grant (08/10/2011)	\$20,361,000
Plus State Match	\$4,072,200
Less 4% Admin.	<u>(\$977,328)</u>
Total 2010 Funds Available for Loans	\$23,455,872
2011 Capitalization Grant (09/21/2011)	\$14,757,000
Plus State Match	\$2,951,400
Less 4% Admin.	<u>(\$708,336)</u>
Total 2011 Funds Available for Loans	\$17,000,064
2012 Capitalization Grant (06/05/2012)	\$14,123,000
Plus State Match	\$2,824,600
Less 4% Admin.	<u>(\$677,904)</u>
Total 2012 Funds Available for Loans	\$16,269,696
2013 Capitalization Grant (08/14/2013)	\$13,342,000
Plus State Match	\$2,668,400
Less 4% Admin.	<u>(\$640,416)</u>
Total 2013 Funds Available for Loans	\$15,369,984
Total Federal Grant \$ Available (including ARRA)	\$356,952,895
Total Federal Grant \$ Available (excluding ARRA)	\$319,255,551
Total State Match Available	<u>\$63,877,990</u>
Total 1989 - 2013 Funds Available for Loans (including ARRA)	\$420,830,885
Total 1989 - 2013 Funds Available for Loans (excluding ARRA)	\$383,133,541

**AMENDMENT #2
TO
STATE OF NEW HAMPSHIRE
WATER POLLUTION CONTROL REVOLVING FUND PROGRAM**

City of Nashua

**SUPPLEMENTAL LOAN AGREEMENT
For Project CS-330158-24**

To increase the amount of the City of Nashua's loan for Project CS-330158-24 by \$12,000,000 from \$14,700,000 to a total of \$26,700,000 for the construction of the Wet Weather Treatment Facility project.

Now therefore, amend the SUPPLEMENTAL LOAN AGREEMENT for Project CS-330158-24, as approved by Governor and Council on November 17, 2010 and as amended on September 18, 2013 in the following manner:

Change Page 1, Line 20 through Line 21 of the SUPPLEMENTAL LOAN AGREEMENT to read:

"... Agreement, the principal sum of **Twenty Six Million, Seven Hundred Thousand Dollars (\$26,700,000)** with interest thereon payable in annual installments as provided in this...

Change Exhibit B, Page 5, Line 11 through Line 15 of the SUPPLEMENTAL LOAN AGREEMENT to read:

"...of the State of New Hampshire the sum of **Twenty Six Million, Seven Hundred Thousand and 00/100 Dollars (\$26,700,000.00)** in installments on November 1 of each year for payments through November 1, 2012 and on August 1 for payments from August 1, 2013 through August 1, 2029, with interest on the entire unpaid balance payable on the first principal payment date and annually, thereafter, computed on the basis of 30-day months and 360-day years as set forth below:"

Change Exhibit B, Page 5, Lines 16 through Page 6, Line 11 of the SUPPLEMENTAL LOAN AGREEMENT by replacing the Repayment Schedule with the following Amended Repayment Schedule:

RECEIVED
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AMENDED REPAYMENT SCHEDULE

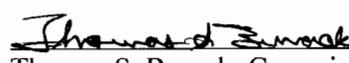
<u>Due Date</u>	<u>Rate (%)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
November 1, 2010	2.9520	\$735,000.00	\$454,360.67	\$1,189,360.67
November 1, 2011	2.9520	\$735,000.00	\$412,246.80	\$1,147,246.80
November 1, 2012	2.9520	\$735,000.00	\$390,549.60	\$1,125,549.60
August 1, 2013	2.9520	\$827,213.10	\$276,639.30	\$1,103,852.40
August 1, 2014	2.5840	\$1,479,236.68	\$384,183.61	\$1,863,420.29
August 1, 2015	2.5840	\$1,479,236.68	\$573,352.14	\$2,052,588.82
August 1, 2016	2.5840	\$1,479,236.68	\$535,128.66	\$2,014,365.34
August 1, 2017	2.5840	\$1,479,236.68	\$496,905.19	\$1,976,141.87
August 1, 2018	2.5840	\$1,479,236.68	\$458,681.71	\$1,937,918.39
August 1, 2019	2.5840	\$1,479,236.68	\$420,458.23	\$1,899,694.92
August 1, 2020	2.5840	\$1,479,236.68	\$382,234.76	\$1,861,471.44
August 1, 2021	2.5840	\$1,479,236.68	\$344,011.28	\$1,823,247.96
August 1, 2022	2.5840	\$1,479,236.68	\$305,787.81	\$1,785,024.49
August 1, 2023	2.5840	\$1,479,236.68	\$267,564.33	\$1,746,801.01
August 1, 2024	2.5840	\$1,479,236.68	\$229,340.86	\$1,708,577.54
August 1, 2025	2.5840	\$1,479,236.68	\$191,117.38	\$1,670,354.06
August 1, 2026	2.5840	\$1,479,236.68	\$152,893.90	\$1,632,130.58
August 1, 2027	2.5840	\$1,479,236.68	\$114,670.43	\$1,593,907.11
August 1, 2028	2.5840	\$1,479,236.68	\$76,446.95	\$1,555,683.63
August 1, 2029	2.5840	\$1,479,236.68	\$38,223.48	\$1,517,460.16

Accepted by
City of Nashua

 Date: April 2, 2014
Donmalee Lozeau
Mayor

 Date: 4/1/14
David Fredette
Treasurer

Accepted by
State of New Hampshire

 Date: 4/1/2014
Thomas S. Burack, Commissioner
Department of Environmental Services



The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

October 20, 2010

His Excellency Governor John H. Lynch
and the Honorable Council
State House
Concord, New Hampshire 03301

APPROVED G & C

DATE 11/17/10
ITEM # 128

REQUESTED ACTION

Authorize the Department of Environmental Services to finalize a Supplemental Loan Agreement with the City of Nashua (Vender No. 177441) in the amount of \$14,700,000 used for the construction of a wet weather treatment facility to treat the City's combined sewer overflows during wet weather events under the provisions of RSA 486:14 and N.H. Code of Administrative Rules Env-Wq 500, effective upon Governor & Council approval. 100% Clean Water SRF Repayment Account.

EXPLANATION

The purpose of this Supplemental Loan Agreement (Agreement) is to finalize the Original Loan Agreement with the City of Nashua. This Agreement finalizes the principal loan amount, interest rate, and repayment schedule. The principal loan amount remains the same as the amount approved by Governor and Council on August 19, 2009 as Item #91.

Under the terms of the Agreement, the City of Nashua will pay back the principal sum with interest, payable in annual installments as provided in this Agreement, over a 20-year period. This Agreement is being issued under the State Revolving Fund Program for the purpose of financing wastewater infrastructure improvements. This project constructed a new wet weather treatment facility to treat the City's combined sewer overflows during wet weather events in order to aid in compliance with standards. This project will improve the quality of the effluent discharge and the Merrimack River. Attached are the Agreement and the debt service schedule for this loan.

The Repayment Account has an uncommitted balance of \$30,938,168 as of September 29, 2010 that has accumulated from repayment of loans to municipalities. New loans are made with these funds. Attached is a tabulation of the Repayment Account showing the effect of this loan on the funds available.

We respectfully request your approval.

Thomas S. Burack
Thomas S. Burack, Commissioner

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

City of Nashua

**SUPPLEMENTAL LOAN AGREEMENT
For Project CS-330158-24**

To refinance the remaining balance of the City of Nashua's loan for Project CS-330158-24 at the currently applicable interest rate of 2.584% in order to reduce the overall ~~debt~~ service for the construction of the Wet Weather Treatment Facility project.

Now Therefore, amend the SUPPLEMENTAL LOAN AGREEMENT for Project CS-330158-24, as approved by Governor and Council on November 17, 2010 in the following manner:

Change Page 2, Line 2 through Line 5 of the SUPPLEMENTAL LOAN AGREEMENT to read:

"...the basis of 30-day months and 360 day years using the interest rate(s) set forth in Exhibit B.

Annual payments of principal and interest by the Loan Recipient shall commence on November 1, 2010 and shall be due on this anniversary date each year for payments through November 1, 2012, and August 1, 2013 and annually thereafter until paid in full, as set forth in Exhibit B."

Change Page 3, Lines 8 through 12 of the SUPPLEMENTAL LOAN AGREEMENT to read:

"The effective date of this agreement shall be the date of approval by the Commissioner of the New Hampshire Department of Environmental Services.

This agreement may be amended, waived, or discharged only by a written instrument signed by the parties hereto."

Change Exhibit B, Page 5, Lines 12 through Page 6, Line 11 of the SUPPLEMENTAL LOAN AGREEMENT to read:

"...00/100 Dollars (\$14,700,000.00) in installments on November 1 of each year for payments through November 1, 2012 and on August 1 for payments from August 1, 2013

through August 1, 2029, with interest on the entire unpaid balance payable on the first principal payment date and annually, thereafter, computed on the basis of 30-day months and 360-day years as set forth below:

REPAYMENT SCHEDULE

<u>Due Date</u>	<u>Rate (%)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
November 1, 2010	2.9520	\$735,000.00	\$454,360.67	\$1,189,360.67
November 1, 2011	2.9520	\$735,000.00	\$412,246.80	\$1,147,246.80
November 1, 2012	2.9520	\$735,000.00	\$390,549.60	\$1,125,549.60
August 1, 2013	2.5840	\$827,213.10	\$276,639.30	\$1,103,852.40
August 1, 2014	2.5840	\$729,236.69	\$301,495.61	\$1,030,732.30
August 1, 2015	2.5840	\$729,236.69	\$282,652.14	\$1,011,888.83
August 1, 2016	2.5840	\$729,236.68	\$263,808.66	\$993,045.34
August 1, 2017	2.5840	\$729,236.68	\$244,965.19	\$974,201.87
August 1, 2018	2.5840	\$729,236.68	\$226,121.71	\$955,358.39
August 1, 2019	2.5840	\$729,236.68	\$207,278.23	\$936,514.91
August 1, 2020	2.5840	\$729,236.68	\$188,434.76	\$917,671.44
August 1, 2021	2.5840	\$729,236.68	\$169,591.28	\$898,827.96
August 1, 2022	2.5840	\$729,236.68	\$150,747.81	\$879,984.49
August 1, 2023	2.5840	\$729,236.68	\$131,904.33	\$861,141.01
August 1, 2024	2.5840	\$729,236.68	\$113,060.85	\$842,297.53
August 1, 2025	2.5840	\$729,236.68	\$94,217.38	\$823,454.06
August 1, 2026	2.5840	\$729,236.68	\$75,373.90	\$804,610.58
August 1, 2027	2.5840	\$729,236.68	\$56,530.43	\$785,767.11
August 1, 2028	2.5840	\$729,236.68	\$37,686.95	\$766,923.63
August 1, 2029	2.5840	\$729,236.68	\$18,843.48	\$748,080.16..."

Accepted by
City of Nashua

Donnalee Lozeau Date: 8/15/13
Donnalee Lozeau
Mayor

David B. Fredette Date: 8/14/13
David Fredette
Treasurer

Accepted by
State of New Hampshire

Thomas S. Burack Date: 9/18/13
for Thomas S. Burack, Commissioner
Department of Environmental Services