



The State of New Hampshire
Department of Environmental Services

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Robert R. Scott, Commissioner

May 21, 2017

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. # 9005371), with the Town of Littleton (VC #177427 B001) to increase funding by \$340,000, from \$2,000,000 to \$2,340,000, 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 2, 2017 as Item No. 29. Funding is 100% CWSRF Repayment Account Funds.

Funding is available in the account as follows:

	<u>FY 2018</u>
03-44-44-441018-2001-301-500832	\$340,000
Dept. Environmental Services, CWSRF Loan Repayments, Loans	

EXPLANATION

The purpose of this Amendment is to increase the Town of Littleton's existing CWSRF Loan by \$340,000 to fund replacement of sewers in poor condition in the area of Mill Street, adjacent to the current sewer replacement project. The increase will allow Littleton to upgrade the subsurface utilities prior to completion of work planned on the streets and sidewalks in this area.

The final loan amount will be based on the total CWSRF funds disbursed, and may be less than \$2,340,000. Under federal capitalization grant requirements this loan includes principal forgiveness in the amount of up to \$292,500. The loan interest rate is 2.000%.

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

We respectfully request your approval.

for 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 May 10, 2018	\$82,810,918
Loan Agreement(s) This Request:	
Town of Littleton	\$340,000
Other Requested Action(s)	
Town of Salem	\$8,290,000
Net Change	\$8,630,000
Balance Available after G & C Approval	\$74,180,918

AMENDMENT No. 1

TO
STATE OF NEW HAMPSHIRE
WATER POLLUTION CONTROL REVOLVING FUND PROGRAM

TOWN OF LITTLETON, NEW HAMPSHIRE

ORIGINAL LOAN AGREEMENT

For Project CS-330129-05

To increase the Town of Littleton's loan amount for the Subarea #5 Wastewater Improvements Project, CWSRF Loan Number CS-330129-05 from \$2,000,000 to \$2,340,000.

Now therefore, amend the ORIGINAL LOAN AGREEMENT, as approved by Governor and Council on August 2, 2017 as Item No. 29 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 **Two Million, Three Hundred Forty Thousand and 00/100 Dollars (\$2,340,000)** (Principal Sum) or such lesser amount as shall equal the aggregate ..."

And, change only Page 1, lines 21 through 22 of the ORIGINAL LOAN AGREEMENT to read as follows:

"...portion of the principal sum, not to exceed **Two Hundred Ninety-Two Thousand, Five Hundred and 00/100 Dollars (\$292,500)** or up to 12.5% of the total of Disbursements, whichever is less. An additional Thirty..."

Accepted by
Town of Littleton, New Hampshire



Town Manager

5/16/2018
Date

Accepted by
State of New Hampshire



For Robert R. Scott, Commissioner
Department of Environmental Services

5/22/18
Date



Select Board Chairman

5/17/18
Date



The State of New Hampshire
Department of Environmental Services



Robert R. Scott, Commissioner

July 10, 2017

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

APPROVED G & C
DATE 8/2/17
ITEM # 29

REQUESTED ACTION

Authorize the Department of Environmental Services to approve a Clean Water State Revolving Fund (CWSRF) loan agreement with the Town of Littleton (VC #177427 B001) in an amount not to exceed \$2,000,000 to finance the Subarea #5 Wastewater Improvements 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 FY 2018
Dept. Environmental Services, CWSRF Loan Repayments, Loans \$2,000,000

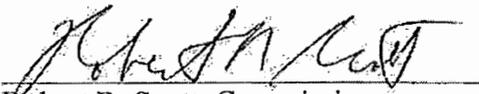
EXPLANATION

The purpose of the Original Loan Agreement is to authorize the Town of Littleton to borrow up to \$2,000,000 from the CWSRF to finance the Subarea #5 Wastewater Improvements Project. The project includes the rehabilitation and replacement of portions of the wastewater collection system, pumping stations and stormwater service hubs in an area including Cross, Union, Chiswick and Pine Streets. The upgrade will reduce/eliminate excess infiltration and inflow (I/I) identified in this area in previous studies. The project will result in less treatment volume at the wastewater treatment facility because of eliminating the excessive I/I.

The Supplemental (final) loan amount will be based upon the total CWSRF funds disbursed, and may be less than \$2,000,000. Under federal capitalization grant requirements, this loan includes principal forgiveness of up to \$250,000. The interest rate for this Original Loan Agreement is 2.0%.

As of June 30, 2017, there is a balance of \$57,571,186 in the CWSRF available for new loans. 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

LGTS ✓
CER ✓
DOCTR ✓
ACCSUM ✓
PF ✓

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 June 30, 2017	\$57,571,186
Less Loans Approved in July 19, 2017 G & C Meeting	\$5,007,500
Balance Available	\$52,563,686
Loan Agreement(s) This Request:	
Town of Littleton	\$2,000,000
Other Requested Action(s)	
Town of Hampton	\$60,000
Net Change	\$2,060,000
Balance Available after G & C Approval	\$50,503,686

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STATE OF NEW HAMPSHIRE
WATER POLLUTION CONTROL REVOLVING LOAN FUND PROGRAM
TOWN OF LITTLETON, NEW HAMPSHIRE
(Project No. CS-330129-05)

ORIGINAL LOAN AGREEMENT

I. This Agreement is between the State of New Hampshire Water Pollution Control Revolving Loan Fund Program (State) and the **Town of Littleton, New Hampshire** (Loan Recipient) in accordance with RSA 486:14 and New Hampshire Code of Administrative Rules Env-Wq 500 (Rules) for the purpose of financing, to the extent of the aggregate amount of funds transferred (Disbursements) to the Loan Recipient made hereunder, the **Subarea #5 Wastewater Improvements** (Project) now being undertaken by the Loan Recipient. The Project is described in Exhibit A. The Loan Recipient shall abide by all of the requirements of RSA 486:14 and the Rules.

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 **Two Million and 00/100 Dollars (\$2,000,000)** (Principal Sum) or such lesser amount as shall equal the aggregate of Disbursements made hereunder by the State to the Loan Recipient. Pursuant to federal capitalization grant requirements and/or other allowances, additional financial assistance in the form of principal forgiveness will be applied to the loan upon the initial repayment as follows: A portion of the principal sum, not to exceed **Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000) or up to 12.5%** of the total of Disbursements, whichever is less. In addition to the principal sum, the Loan Recipient agrees to pay the applicable interest accrued as described in Paragraphs III, V, and VII. Federal financial assistance provided through the Water Pollution Control Revolving Loan Fund Program (CFDA #66.458) may comprise all or a portion of the

1 Principal Sum. Any Disbursement or other payment from the State to the Loan Recipient is
2 contingent upon the availability of funds.

3
4 III. Disbursements shall be made on a periodic basis, as requested by the Loan Recipient, but not
5 more frequently than monthly, subject to the approval of the amount of each Disbursement by
6 the State. The State shall approve the amount requested if it determines that the costs covered by
7 the request are eligible under Env-Wq 504.02 through Env-Wq 504.04, as applicable. Interest on
8 each Disbursement shall accrue on the outstanding principal balance from the date of the
9 Disbursement at the rate of 1% per annum computed on the basis of 30-day months and 360-day
10 years until the date of Substantial Completion of the Project or the date of Scheduled
11 Completion, whichever is earlier. At the option of the Loan Recipient, such interest may be paid
12 (1) prior to the commencement of Loan repayment, (2) at the time of the first Loan repayment, or
13 (3) by adding the charges to the to the outstanding principal Loan balance so long as the Loan
14 Recipient's authority to borrow is not exceeded.

15
16 IV. The aggregate of the Disbursements shall be consolidated by a Promissory Note (Note) of
17 the Loan Recipient in a Supplemental Loan Agreement issued under and in accordance with the
18 applicable provisions of this Agreement and the Municipal Finance Act, RSA 33, as amended
19 and supplemented, including the provisions of RSA 486:14. The Note shall be substantially in
20 the form of Exhibit B.

21
22 V. The interest rate applicable to the Note will be 2.0000%, as determined in accordance with
23 RSA 486:14 and Env-Wq 500 et seq.

1 VI. The Loan Recipient hereby authorizes the State to compute the payments of principal and
2 interest on the Note. The principal shall be paid in full within 20 years from the date of the
3 Note. Note payments shall commence within one year of the Substantial Completion date of the
4 Project or the Scheduled Completion date of the project, whichever is earlier. The Scheduled
5 Completion date is hereby determined to be **December 2, 2018**; however, should the project
6 experience an excusable delay, an extension may be granted by the Commissioner of the
7 Department of Environmental Services upon request in writing by the Loan Recipient. In no
8 event shall Note payments commence later than ten years from the effective date of this
9 Agreement.

10
11 VII. The Loan Recipient reserves the right to prepay, at any time and without penalty, all or any
12 part of the outstanding principal or interest of the Note.

13
14 VIII. In the event of a default in the full and timely remittance of any Note payment, any State
15 Aid Grant funds payable to the Loan Recipient under RSA 486:1 may be offset against and
16 applied to the payment of any obligations that are due hereunder. The Loan Recipient agrees to
17 be liable for all costs of collection, legal expenses, and attorney's fees incurred or paid by the
18 State in enforcing this Agreement or in collecting any delinquent payments due hereunder.

19
20 IX. No delay or omission on the part of the State in exercising any right hereunder shall operate
21 as a waiver of such right or of any other right under this Agreement. A waiver on any one
22 occasion shall not be construed as bar to any right and/or remedy on any future occasion.

1 X. The Loan Recipient agrees to comply, and to require all of its contractors to comply, with all
2 applicable state and federal requirements contained in the Rules and applicable state and federal
3 laws, including those specific requirements outlined in Exhibit C.

4
5 XI. The effective date of this Agreement shall be the date of its approval by the Governor and
6 Executive Council. This Agreement may be amended, waived, or discharged only by a written
7 instrument signed by the parties hereto and only after approval of such amendment, waiver, or
8 discharge by the Governor and Executive Council.

9
10 XII. This Agreement shall be construed in accordance with the laws of the State of New
11 Hampshire and is binding upon and inures to the benefit of the parties and their respective
12 successors. The parties hereto do not intend to benefit any third parties and, consequently, the
13 Agreement shall not be construed to confer any such benefit.

14
15 XIII. The Loan Recipient acknowledges that by accepting the Loan it will be a sub-recipient of
16 federal financial assistance and, as such, subject to requirements of the federal Single Audit Act
17 and subsequent amendments (SAA). The Loan Recipient further acknowledges that, if the Loan
18 Recipient expends more than the required threshold in federal financial assistance from all
19 sources in any fiscal year, it must perform an SAA audit in accordance with the requirements of
20 Office of Management and Budget Circular A-133. In that event, the Loan Recipient shall
21 provide the State with a copy of the SAA audit report within nine months of the end of the audit
22 period.

23
24 XIV. This Agreement, which may be executed in a number of counterparts, each of which shall
25 be deemed an original, constitutes the entire agreement and understanding between the parties

1 and supersedes all prior agreements and understandings relating thereto. Nothing herein shall be
2 construed as a waiver of sovereign immunity, such immunity being hereby specifically reserved.

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STATE OF NEW HAMPSHIRE

TOWN OF LITTLETON,
NEW HAMPSHIRE

By:  7/17/17
Robert R. Scott Date
Commissioner,
Department of Environmental Services

By:  7/15/2017
Town Manager Date
 7-6-17
Select Board Chairman Date

This Agreement was approved by Governor and Executive Council on
AUGUST 2, 2017 as Item No. 29

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EXHIBIT A
STATE OF NEW HAMPSHIRE
WATER POLLUTION CONTROL REVOLVING LOAN FUND PROGRAM
PROJECT DESCRIPTION

The **Town of Littleton** has applied for a Loan to be used for the **Subarea #5 Wastewater Improvements**. The project includes the rehabilitation and replacement wastewater collection system, pumping stations and stormwater service hubs in an area including Cross, Union, Chiswick, and Pine Streets. The upgrade will replace the existing collection system and reduce/eliminate excess infiltration and inflow (I/I) identified in this area identified in previous studies. The project will result in less treatment volume at the wastewater treatment facility as a result of eliminating the excessive I/I.

1 EXHIBIT B

2 STATE OF NEW HAMPSHIRE

3 WATER POLLUTION CONTROL REVOLVING LOAN FUND PROGRAM

4 PROMISSORY NOTE AND REPAYMENT SCHEDULE

5 The Town of Littleton, New Hampshire (Loan Recipient) promises to pay to the
6 Treasurer of the State of New Hampshire the principal sum of Two Million and 00/100 Dollars
7 (\$2,000,000) in installments on December 1 in each year as set forth below, with interest on the
8 entire unpaid balance payable on the first principal payment date and annually, thereafter, at the
9 rate of 2.0000% per annum, computed on the basis of 30-day months and 360-day years, in the
10 respective years set forth below. A total of Two Hundred Fifty Thousand and 00/100 Dollars
11 (\$250,000) of principal will be forgiven and will be granted as reflected in the repayment
12 schedule shown below.

13
14 REPAYMENT SCHEDULE

15	<u>Payment Date</u>	<u>Principal Payment</u>	<u>Principal Forgiveness</u>	<u>Interest Payment</u>	<u>Total Payment</u>
16	2019				
17	2020				
18	2021				
19	2022				
20	2023				
21	2024				
22	2025				
23	2026				
24	2027				

1. 2028

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8. 2035

9. 2036

10. 2037

11. 2038

12. This Promissory Note (Note) is issued under and by virtue of the New Hampshire
13. Municipal Finance Act, an agreement duly entered into by the Loan Recipient and the State of
14. New Hampshire Water Pollution Control Revolving Loan Fund Program, and is issued for the
15. purpose of financing the cost of the **Subarea #5 Wastewater Improvements (Project)** as
16. described in Exhibit A of the Supplemental Loan Agreement (Agreement).

17.
18. The Loan Recipient reserves the right to prepay, at any time and without penalty, all or
19. any part of the outstanding principal or interest on this Note.

20.
21. The terms and provisions of the Agreement are hereby incorporated in and made a part of
22. this Note to the same extent as if said terms and provisions were set forth in full herein.

23.
24. It is hereby certified and recited that all acts, conditions, and things required to be done
25. precedent to and in the issuing of this Note have been done, have happened, and have been

1 performed in regular and due form and, for the payment hereof when due, the full faith and credit
2 of the Loan Recipient are hereby irrevocably pledged.

3

4 IN WITNESS whereof the Loan Recipient has caused this Note to be signed by its
5 _____, on the date(s) below.

6

7 **TOWN OF LITTLETON, NEW HAMPSHIRE** by:

8 Name/Title _____

9 Authorized Representative _____ Date

10 (Town Seal)