The State of New Hampshire

DEPARTMENT OF ENVIRONMENTAL SERVICES

Robert R. Scott, Commissioner

Hampshire Hospitality Holdings, LLC
C/O Procaccianti Companies
Mr. Ron Hadar
1140 Reservoir Ave
Cranston, RI 02920

June 26, 2026

Letter of Deficiency
DSP 26-001

RE: Lake Waukewan Dam D155001, Meredith

NEW STATUTORY PENALTY PROVISIONS
PLEASE READ CAREFULLY

Dear Mr. Hadar:

The New Hampshire Department of Environmental Services, Dam Bureau (NHDES) is responsible for ensuring the safety of dams in New Hampshire through its dam safety program. One of the many tools that help us to reach this goal is our dam inspection program.

In accordance with RSA 482:12 and Env-Wr 302.02, an inspection of the subject dam was conducted on June 11, 2026. This inspection occurred to evaluate reports of accelerated deterioration of the surge tank by the dam operator and The Turner Group, the engineering consultant performing the design and permitting work associated with the dam's upcoming rehabilitation. This surge tank is an integral part of this high hazard dam and the only outlet for Lake Waukewan. The following observations were made during this inspection:

1. Significant spalling of the concrete at the following locations:
   a. The left and right ends of the stoplog spillway. Steel beam supports in the outside bays had recently been added as an emergency effort to support the stoplogs.
   b. The downstream right base of the exterior concrete reinforcing section (northeast corner). Corroded exposed steel reinforcement was observed at this location.
   c. A vertical crack from the top of the surge tank to a location just above the large spall with exposed steel reinforcement at the downstream left base of the surge tank. This crack may be growing based on reports from Turner and the owner. There is no structural connection across the top of the stoplog bay slot. Two steel cables had recently been added to "ring" the upper portion of the surge tank as an emergency effort to reduce the potential for structural failure.
   d. The exterior surface of the concrete plug which was reported to have been installed in 1975 was fully saturated with water beading on the surface. Leaks were observed around the circumference of the plug and around the protrusion near the bottom center of the plug. An underwater inspection was performed by M&K Divers on June 12, 2026. This inspection revealed cracks in the interior concrete section, particularly at the base, however no obvious flow was noted. A catastrophic failure of the 6-foot diameter plug would result in a large high velocity flood wave directed at the supports for the enclosed walkway connecting the Mill Falls Marketplace building and the Palmer Inn. Breach flow would then be directed at Guiseppe's Pizzaria & Ristorante, both inside the restaurant and the exterior patio seating.
2. A failure of the tallest downstream section of the surge tank, where the large cracks and significant spalling are located, would likely have similar impacts to that of the failure of the penstock plug.

3. A failure of the upper portion of the surge tank may impact structural building supports adjacent to the tank, Guiseppe's, and other portions of the Mill Falls Marketplace building and the Palmer Inn.
4. No gate exists in the gate house located a short distance upstream of the surge tank. The deteriorated gate was removed in 2022. As such there is currently no means to stop flow through the outlet system if there is a failure of the surge tank or any other component of the system downstream of the canal.
5. Seepage was also observed at the historic location on the west side of the surge tank and at a new location at the southwest corner. The southwest corner location had leakage flow the previous week with higher water levels in the surge tank and was reported to have started flowing again during the dive inspection when stoplogs were placed to minimize flow for the divers.
6. The recently revised and approved Emergency Action Plan (EAP) for the dam is currently being distributed and planned for testing after distribution is complete.

In response to a 2021 Letter of Deficiency (LOD), design for rehabilitation/replacement of the outlet system (canal, penstock, surge tank and flume) is already underway and replacement of the surge tank is currently planned to occur in late 2026 or the spring of 2027.

Based upon the results of the inspection, as well as upon additional investigation or analysis that may have been conducted, the NHDES believes that these issues constitute an emergency in accordance with RSA 482:11 III and is issuing this Letter of Deficiency (LOD) to advise you that it believes the following deficiencies must be remedied in accordance with the deadlines specified.

By July 10, 2026

1. Begin lowering the level of Lake Waukewan to achieve a 6-inch drawdown (as measured from the lake's normal summer recreation level of elevation 540.00). This drawdown should occur as quickly and as safely as possible. At a minimum, formally notify the Town of Meredith, NH Fish and Game, and the Lake Waukewan and Lake Winona Improvement associations about this drawdown. The purpose of the drawdown is to provide additional storage to lessen the potential for lake levels to climb above the normal summer level. This management should extend until the date of the normal annual fall drawdown, at which time the lake shall be lowered additionally to conform to the 2011 lake level decision.

2. Distribute and test the approved Emergency Action Plan (EAP).

3. Separate from the EAP, develop a formal monitoring plan for the surge tank and an emergency response plan for the adjacent buildings, business and public areas in case of impending or actual failure of the surge tank.

By July 24, 2026

4. As discussed during a June 23rd meeting at NHDES, at which your engineering consultant and legal representative were present:

    a. Install a steel plate/barrier on the interior of the surge tank to block the area of the concrete plug covering the former penstock exit.

b. Install a water control system in the existing gatehouse located just upstream of the surge tank. This system should provide a reliable means to perform the water control needs of Lake Waukewan and act to limit the role of the surge tank in lake level management. This system should also limit the feed rate of the penstock should the surge tank collapse.
c. Install a means of monitoring further movement of the surge tank such as survey monuments or instrumentation and develop a monitoring program that allows for that program to be initiated immediately after installation and continue until the surge tank is permanently dewatered.

By December 1, 2026

5. Modify the current outlet system to eliminate the threat posed by the existing surge tank. This should include bypassing the surge tank entirely or result in a modification that will not allow it to impound water at any time.
    a. To support the current rehabilitation schedule, this bypass will need to be in place for over a year until the new outlet system can be constructed and placed online. The bypass system chosen should be robust, reliable and readily operable to adjust flowrates. Further, it should be installed in such a way or location that minimizes the need to move or reconfigure it until it can be abandoned.
    b. Ideally, the bypass system will not reduce the current capacity of the existing outlet system, but it is understood that this could be a challenge. Any reductions in flow should be evaluated in terms of the potential need to lower the operating level of Lake Waukewan during its use so that maximum lake levels are not likely to exceed elevations prescribed in NHDES's 2011 Notice of Decision – Final Operating Level. The recently approved hydrological and hydraulic assessments should be used to evaluate rainfall events likely to occur during the duration of the use of the bypass system and to support any proposed operating plan.
    c. Provide a detailed observation, operation and maintenance plan for the bypass system. This plan should include such things as lake level thresholds or other events which trigger operational decisions aimed at limiting lake rise or require additional actions to minimize potential threats to infrastructure in Meredith.

Ongoing

6. As opportunities and schedules allow, accelerate the design, permitting and reconstruction of the outlet system. The revised (shortened) schedule presented at the June 16, 2026 meeting in Meredith is an aggressive one, but should be adhered to.

Our intent in issuing this LOD is to make you aware of items that require rapid attention and to provide formal notice of an emergency situation in accordance with RSA 482:11 III. It is our hope that, through the return of the attached form and correction of the identified deficiencies, you will develop and maintain a commitment to keeping a safe and well-maintained dam.

Please note that effective January 1, 2009, significant changes to the penalty provisions of New Hampshire's dam safety statute (RSA 482) became effective. These changes require the NHDES to commence proceedings to levy fines of up to $2,000 per violation per day against a dam owner who does not respond within 45 days of receipt of a written order, directive, or any notice of needed

maintenance, repair, or reconstruction issued by the NHDES. To avoid proceedings under this provision, you **must respond** to this LOD. We believe the easiest way to respond is to sign and return the attached "Intent to Complete Repairs" form, either agreeing to correct the identified deficiencies by the dates indicated OR by proposing amendments to the listed work items and dates, which you may do by writing directly on the form. The NHDES will evaluate and respond to any reasonable requests for proposed amendments in a timely manner. We have enclosed a self-addressed stamped envelope for you to return this form. You may also scan and e-mail the completed form to damsafety@des.nh.gov or fax it to (603) 271-6120. **If you fail to return this form within 45 days or fail to otherwise respond in writing within 45 days indicating your intent to remedy the identified deficiencies, you will not have the benefit of the compliance deadlines indicated on the form and the NHDES will commence a proceeding under RSA 482:89 to seek administrative fines for the identified deficiencies.** Please note that responding as required does not preclude the NHDES from pursuing other appropriate action for the identified deficiencies, in accordance with the NHDES Compliance Assurance Response Policy, available on-line at http://des.nh.gov/organization/commissioner/legal/carp/index.htm.

If you have any questions or comments regarding this LOD or would like to be present at future inspections, please contact Jim Weber, P.E. at 603-271-8699 or me at 603-271-3406 or write to me at the address for the Water Division listed on the bottom of the cover page.

Sincerely,

Steve N. Doyon, P.E.
Chief Dam Safety Engineer
Dam Safety and Inspection Section

NHDES would greatly appreciate your feedback and wants to hear from you. Please take a moment to fill out our short (5-question) NHDES Customer Service Satisfaction Survey which can be found by scanning this code.

ec: DES Legal Unit
cc: Mr. Paul Becht, P.E., Mr. John Lavigne, P.E. - The Turner Group
Town of Meredith
Ari Pollack – Gallagher, Callahan & Gartrell PC

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