



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES

25 Capitol Street – Room 100
Concord, New Hampshire 03301
(603) 271-3201 | Office@das.nh.gov

FIS 23 082

MLE

Charles M. Arlinghaus
Commissioner

Catherine A. Keane
Deputy
Commissioner

Sheri L. Rockburn
Assistant
Commissioner

February 22, 2023

The Honorable Ken Weyler, Chairman
Fiscal Committee of the General Court
State House
Concord, NH 03301

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

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI, authorize the Department of Administrative Services (DAS) to amend Fiscal Committee item #FIS 22 267 approved on July 22, 2022 and G&C item #125 approved on July 27, 2022 for Deferred Maintenance at State Facilities, by reallocating \$2,750,000 for better utilization of funds, effective upon Fiscal Committee and Governor and Council approval through June 30, 2023. **100% Federal Funds**

01-14-14-141510-26640000 ARP DEFERRED MAINT AT STATE FACILITIES

		CURRENT MODIFIED BUDGET	TRANSFER REQUEST	ADJUSTED BALANCE
Class Account	Class Description			
000	400338-16 FEDERAL FUNDS	20,000,000		20,000,000
	TOTAL REVENUE	20,000,000	-	20,000,000

		CURRENT MODIFIED BUDGET	TRANSFER REQUEST	ADJUSTED BALANCE
Class	Account	Class Description		
020	500200	CURRENT EXPENSES	3,000	3,000
030	500301	EQUIPMENT NEW REPLACEMENT	500,000	(500,000)
040	500800	INDIRECT COSTS	2,000,000	(2,000,000)
041	500801	AUDIT FUND SET ASIDE	200,000	200,000
047	500240	OWN FORCES MAINT BUILD-GRN	250,000	(250,000)
048	500226	CONTRACTUAL MAINT BUILD-GRN	17,047,000	2,750,000
TOTAL APPROPRIATION			20,000,000	-
				20,000,000

EXPLANATION

Pursuant to US Treasury 31 CFR Part 35, RIN 1505-AC77, the Coronavirus State Fiscal Recovery Fund, established under the American Rescue Plan (ARP) Act, authorizes the use of funding to address the public health emergency, which includes ventilation improvements in congregate settings and other key locations. This transfer of funding from the originally approved item, is requested to better maximize the ARP resources for much needed Deferred Maintenance.

The condition of many state facilities is deteriorating due to lack of funding and resources to perform deferred maintenance and repairs. In order to improve the condition of state facilities and provide a quality work environment for state employees as well as for the public to conduct state business, DAS is investing in making much needed improvements to many of its facilities. The deferred maintenance work will include repairs to building envelope, paving, life/safety system improvements, piping repairs, and improvements to interior spaces.

Since the approval of the original request in FY 2022, DAS has determined the best use of the remaining funds will be done with contracted vendors to complete the above-mentioned deferred maintenance projects.

I respectfully recommend approval of this item.

Respectfully submitted,



Charles M. Arlinghaus,
Commissioner
Department of Administrative Services



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES

25 Capitol Street – Room 120
Concord, New Hampshire 03301
Office@das.nh.gov

FIS 22 267

MLC

Charles M. Arlinghaus
Commissioner
(603) 271-3201

Catherine A. Keane
Deputy Commissioner
(603) 271-2059

Sheri L. Rockburn
Assistant Commissioner
(603) 271-7710

July 11, 2022

The Honorable Karen Umberger, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

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

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI, authorize the Department of Administrative Services (DAS) to accept and expend \$20,000,000 of American Rescue Plan (ARP) State and Local Recovery Funds (FRF) for Deferred Maintenance at State Facilities, effective upon approval by the Fiscal Committee and the Governor and Executive Council through June 30, 2023. This is an allowable use of ARP FRF funds under Section 602 (c)(1)(A) to respond to the public health emergency or its negative economic impacts as well as under Section 602 (c)(1)(C) for provision of government services to the extent of the reduction in revenue. 100% Federal Funds.

Funds for Deferred Maintenance at State Facilities are to be budgeted in FY 2023 in a new accounting unit 01-14-14-141510-26XX0000¹ Department of Administrative Services, Deferred Maintenance in State Buildings, as follows:

¹ All direct program costs will be accounted for using activity 00FRF602GS1401A and all administrative and indirect costs will be accounted for using activity 00FRF602GS1401Z. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services.

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Fiscal Committee of the General Court
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CLASS/ OBJECT	DESCRIPTION	FY 2023 REQUESTED
000-400338	Federal Funds	\$20,000,000
	TOTAL REVENUE	\$20,000,000
020-500200	Current Expenses	\$3,000
030-500301	Equipment New, Replacement	\$500,000
040-500800	Indirect Costs	\$2,000,000
041-500801	Audit Fund Set Aside	\$200,000
047-500240	Own Forces Maint. – Bldgs, Grounds	\$250,000
048-500226	Contract Repairs – Buildings & Grounds	\$17,047,000
	TOTAL EXPENSES	\$20,000,000

EXPLANATION

Pursuant to U.S. Treasury 31 CFR Part 35, RIN 1501-AC77, the Coronavirus State Fiscal Recovery Fund established under the American Rescue Plan Act authorizes use of funding to address the public health emergency or its negative economic impacts.

DAS, Division of Plant & Property, manages 91 facilities throughout the state of New Hampshire. The majority of the facilities are over 50 years old and require continuous reinvestment in the form of maintenance and repairs to keep them operating and in satisfactory condition. Historically deferred maintenance has been underfunded creating a backlog of deferred maintenance that has yet to be completed.

With this request, DAS is looking to complete projects from its deferred maintenance list, which exceeds \$280,000,000. These funds will allow DAS to address the most pressing and critical maintenance needs, which includes a variety of projects that could include air quality and HVAC improvements that aid in the mitigation of COVID-19 and other airborne viruses and contaminants. Many projects were stalled or cancelled during the Coronavirus pandemic, putting DAS even further behind on clearing its deferred maintenance backlog.

In 2021, DAS was awarded \$24,807,100 in ARP funds to address deferred maintenance in its heating, ventilation, and air conditioning (HVAC) systems. With this appropriation, DAS was able to hire two Project Administrators who will also be able to manage the maintenance projects funded with the current appropriation. This new appropriation will not require the hiring of new staff and can be solely focused on funding the project implementation.

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Funds are budgeted as follows:

Class 020 – Current expenses – used to purchase additional supplies needed for staff to complete these new projects

Class 030 – Equipment – may included, but not limited to, the purchase of equipment such as automatic door openers and HVAC components if self-installed by agency staff

Class 040 – Indirect Expenses – at a rate of 10%

Class 041 – Audit Fund Set Aside – at a rate of 1%

Class 047 – Own Forces Maintenance (Buildings & Grounds) – includes the supplies and materials needed for building maintenance, repairs, and installation performed by the Department's own staff. Projects may include, but are not limited to, installation of automatic door openers, painting, demolition work, and site preparation if performed by in-house staff

Class 048 – Contract Repairs, Buildings & Grounds – includes design, maintenance, repair, and installation of deferred maintenance projects by contracted vendors. Services provided may include, but are not limited to, roofing, paving, flooring installation, window installation, elevator work, renovations, and hazardous material abatement

In the event that Federal Funds are no longer available, General Funds will not be requested to support this program. The Department of Administrative Services requests approval of this request.

Respectfully submitted,



Charles M. Arlinghaus
Commissioner