

March 13, 2021

Representative John Graham, Chairman
Public Works and Highways LOB: Rm 201
33 North State St.
Concord, New Hampshire, 03301

Subject: Capital Request for Portsmouth Harbor & Piscataqua River Navigation
Improvement Project, New Hampshire and Maine: Uppermost Turning Basin
Expansion

The Pease Development Authority (“PDA”) Division of Ports and Harbors (the “Division”) is requesting a capital appropriation in the amount of \$1,500,000 for the cost share, with the U.S. Army Corps of Engineers (ACOE) for the expansion of the Uppermost Turning Basin in the Piscataqua River be added to the FY 2022-2023 capital budget

In accordance with RSA 12-G: 45, the Division is responsible for managing harbor and channel dredging activities within state tidal waters. In accordance with RSA 12-G:43, I (c), the Division shall cooperate with any agency or department of the federal government in planning the maintenance, development, and use of the state ports and state tidal waters. Furthermore, RSA 12-G: 42 XVI, authorizes the PDA, acting through the Division, to enter into project partnership agreements (“PPA”) with the ACOE. Consistent therewith, the ACOE seeks to enter into a PPA with the Division in connection with the Portsmouth Harbor & Piscataqua River Navigation Improvement Project, New Hampshire and Maine (the “Project”), a project of vital importance to the State of New Hampshire.

The ACOE has received federal funding and is preparing the Project for the start of the “Dredge Window” of November 2021. The ACOE requires that the Division enter into a PPA in which the ACOE agrees to widen the existing 800-foot wide turning basin to give an improved width of 1200 feet at the existing 35-foot depth, plus mitigation for impacts to eelgrass resources in the dredged area, and the Division agrees to be the Non-Federal Sponsor, as required by statute, responsible for a specific portion of the project estimated costs as follows:

TOTAL PROJECT COST:	25,264,143.00
STATE CONSTRUCTION SHARE:	6,033,143.00
STATE MITIGATION SHARE:	78,750.00
STATE O&M SHARE:	2,537,300.00
<u>TOTAL STATE SHARE:</u>	<u>8,649,193.00</u>

The two (2) primary funding sources for the State share are Capital Appropriations:

- HB 25-FN-A, Chapter 220 (2015), \$5,355,500 (\$285,550 in Bonds is to be paid back to the General Fund by the Division)
- HB 25-FN-A, Chapter 228 (2017), \$2,138,000

Of the \$7,493,800.00 appropriated for the project, \$7,241,550 remains (\$252,250 previously paid for engineering share).

Based on the most recent project estimate presented by the ACOE, there is a \$1,407,643 delta between available funds and the estimated project share of \$8,649,193.

Therefore the Pease Development Authority Division of Port and Harbors requests an appropriation of \$1,500,000 (\$1,407,193 with 6.6% contingency) for the Portsmouth Harbor & Piscataqua River Navigation Improvement Project, New Hampshire and Maine: Uppermost Turning Basin Expansion.

Sincerely,



Captain Geno J. Marconi
Division Director