

**CAPITAL BUDGET OVERVIEW COMMITTEE**

Legislative Office Building, Room 201

Concord, NH

Tuesday, February 16, 2016

**MEMBERS PRESENT:**

Rep. Gene Chandler, Chair

Rep. John Cloutier, Clerk

Rep. Frank Byron

Rep. Mark McConkey

Rep. Dan Eaton

Sen. David Boutin

Sen. Lou D'Allesandro

(Meeting convened at 1:05 p.m.)

**(1) Acceptance of Minutes of the November 17, 2015 meeting.**

CHAIRMAN CHANDLER: We'll open the meeting of the Capital Budget Overview Committee. Representative Gionet will be sitting in for Representative Danielson. We have minutes of November 17<sup>th</sup>. Do I hear a motion?

**\*\*** REP. EATON: Move approval.

REP. BYRON: Second.

CHAIRMAN CHANDLER: It's been moved and seconded. Moved by Representative Eaton, seconded Representative Byron.

REP. CLOUTIER: Who seconded?

CHAIRMAN CHANDLER: Representative Byron. Any questions or discussions? If not, all those in favor? All those opposed? Motion carries.

**\*\*\* {MOTION ADOPTED}**

**(2) Old Business:**

(3) **New Business:**

CHAIRMAN CHANDLER: Under New Business we have item number CAP 16-005, University System of New Hampshire. Entertain a motion.

\*\* SEN. D'ALLESANDRO: Move approval.

SEN. BOUTIN: Second.

REP. BYRON: Second.

CHAIRMAN CHANDLER: Senator D'Allesandro moves approval, seconded by Senator Boutin. Any questions or discussions? If not, all those in favor? Any opposed? The motion carries.

\*\*\* {**MOTION ADOPTED**}

REP. CLOUTIER: Mr. Chairman, who made the motion?

CHAIRMAN CHANDLER: Senator D'Allesandro, seconded by Senator Boutin.

REP. CLOUTIER: Okay. Thank you.

SEN. BOUTIN: You can go now. You have a permission slip signed by Representative Chandler.

CHAIRMAN CHANDLER: I was waiting for you to leave before I brought up for reconsideration. No, that's fine.

SEN. D'ALLESANDRO: Okay. Thank you.

CHAIRMAN CHANDLER: We have enough.

SEN. D'ALLESANDRO: Great, we have a quorum.

CHAIRMAN CHANDLER: Item number 15-057, requesting use of Turnpike Toll Credits. Any questions or discussions?

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\*\* REP. EATON: Move approval.

SEN. BOUTIN: Second.

CHAIRMAN CHANDLER: Representative Eaton moves, second by Senator Boutin to approve the item. Are there any questions or discussions of the Department? Seeing none. All those in favor? Any opposed? The motion carries.

\*\*\* {**MOTION ADOPTED**}

CHAIRMAN CHANDLER: I told people this would be 15 minutes. We got to do something.

REP. MCCONKEY: I think I can help you, Mr. Chairman.

CHAIRMAN CHANDLER: Item 15-059.

\*\* SEN. BOUTIN: Move to approve.

CHAIRMAN CHANDLER: Senator Boutin moves to approve.

REP. EATON: Second.

CHAIRMAN CHANDLER: Seconded by Representative Eaton. Questions or discussion? Representative McConkey.

REP. MCCONKEY: Thank you, Mr. Chairman. And perhaps someone could -- I understand the concept of toll credits, but it's perfectly acceptable to be using toll credits to fund CMAQ Projects?

CHAIRMAN CHANDLER: Mr. Waszczuk.

CHRISTOPHER M. WASZCZUK, Deputy Commissioner, Department of Transportation: Good afternoon. For the record, my name is Chris Waszczuk. I am Deputy Commissioner. Yes, Representative, it is perfectly acceptable to use toll credits for CMAQ type of projects. I believe the legislation that requires the Department to come before the Committee for approval for use of toll

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credits other than on road and bridge projects so that's why this item is before the Committee. But as I noted a couple weeks ago before the House Public Works Committee, there's a significant balance or surplus of toll credits for use to match the Federal Program for Federal Projects. And as it stands right now, I think the balance is roughly 283,000 or, excuse me, \$283 million. That was at the end of the Fiscal Year 15.

CHAIRMAN CHANDLER: That's after these two?

MR. WASZCZUK: That was -- no, that was at the end of Fiscal Year 15.

CHAIRMAN CHANDLER: Oh, okay. Further question?

REP. MCCONKEY: Yes, if I could. And thank you, that was my understanding, also. Thank you for confirming that.

So we are going to be using the money to construct a facility. Can we also -- and have we or are we funding some of the replacement of the fleet that would operate there? Are buses eligible for that purpose, also?

MR. WASZCZUK: This request is solely for the -- for this one project.

REP. MCCONKEY: I fully understand that. Just for my education.

MR. WASZCZUK: Toll credits could be used as a match if there's a State Match involved and CMAQ Project typically we would consider using toll credits.

REP. MCCONKEY: Thank you, sir. Thank you, Mr. Chairman.

CHAIRMAN CHANDLER: Any other questions of the Department? Seeing none. Ready? All those in favor of the motion to approve say aye? All opposed nay? The ayes have it.

**\*\*\* {MOTION ADOPTED}**

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(4) Miscellaneous:

(5) Informational:

CHAIRMAN CHANDLER: That's a done deal. There's informational items if anyone has any questions.

SEN. BOUTIN: I do.

CHAIRMAN CHANDLER: Senator Boutin has a question. This is of the Department?

SEN. BOUTIN: Yes. In referring to in the third paragraph of the letter it says, the sums appropriated in subparagraph H will be used to purchase equipment with a useful life of ten years or greater and shall not be used by the Department, Division of Operations, Mechanical Services Bureau, to purchase passenger cars, half-ton or three-quarter ton pickups. I looked at your list, you're listing half-ton and three-quarter ton pickups. So maybe you could explain that to me.

DAVID M. RODRIGUE, Director of Operations, Department of Transportation: Good afternoon, Mr. Chairman, and Committee Members. My name's David Rodrigue, and I'm the Director of Operations at DOT.

With this monthly report of our Equipment Acquisition Plan, we are reporting two different funding sources. One funding source is Class 30 for Mechanical Services and that balance is \$2 million for Fiscal Year -- the current Fiscal Year. The other funds we are reporting are Capital Budget funds and that is where we have the restriction in the types of vehicles we can fund.

SEN. BOUTIN: Okay. Thank you, Mr. Chairman.

CHAIRMAN CHANDLER: Any other questions? Yes, Representative Byron.

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REP. BYRON: On CAP 15-056, I was looking at actually the third page of this where it talks about construction of a salt shed, and it says that the estimate was 590,000 but the bid amount was 1.02 million.

SEN. BOUTIN: Mr. Chairman.

PAM ELLIS, Administrative Assistant, Office of Legislative Budget Assistant. It's Admin Services.

MR. WASZCZUK: It's actually Administrative Services, Bureau of Public Works.

REP. BYRON: Yes, the Public Works Design and Construction Monthly Summary of Projects Bid.

CHAIRMAN CHANDLER: Mr. Connor, do you have a --

MICHAEL CONNOR, Deputy Commissioner, Department of Administrative Services: Mike Connor from the Department of Administrative Services where I serve as Deputy Commissioner. And with me today is Theodore Kupper, who's the Administrator of Bureau of Public Works. I will try to find the item. I believe it's the October report. Is that what you're looking at, sir?

REP. EATON: On the bottom of Page 1, Mike.

REP. BYRON: It says November 3<sup>rd</sup>, 2015, Project Number 80867-B.

REP. EATON: Derry Salt Shed.

MR. CONNOR: Yes, it did come in significantly over budget. I'm not sure we did a rebid.

THEODORE KUPPER, Administrator, Bureau of Public Works, Department of Administrative Services: We did re-bid that project.

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REP. BYRON: So you're waiting for an additional bid to come in to see whether it come in half?

MR. KUPPER: We had an additional bid come in and it was also over budget. And I believe the Department of Transportation -- I honestly don't remember what the Department of Transportation decided to do with that project, whether or not they came up with more money to fund it or whether they shelved it.

REP. BYRON: Okay. I was looking just to find out.

CHAIRMAN CHANDLER: Oh, no, it's a good question. Obviously, if they couldn't come up with more money, say okay. Do you know what the Department -- do you know what the situation is on that one?

MR. WASZCZUK: Mr. Chair, I do not, unfortunately. I do not. We can get that information. We can get that information back to the Committee.

CHAIRMAN CHANDLER: I would like someone -- would it be appropriate to make a motion that we direct the Department not to proceed until we get some information?

\*\* SEN. BOUTIN: So move.

REP. EATON: Second.

CHAIRMAN CHANDLER: Senator Boutin moves, seconded by Representative Eaton that we request the Department not proceed on that item until we -- till someone supplies us with some information on the status of the bids and the status of the project.

MR. CONNOR: Okay.

REP. BRYON: You mentioned there was a secondary bid. Do you know what that bid was off the top of your head?

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MR. KUPPER: I don't know.

CHAIRMAN CHANDLER: So everyone clear on the motion?

SEN. BOUTIN: Yes.

REP. CLOUTIER: Okay. Just again, repeat it, please, Mr. Chairman. This is Administrative Services we are talking about, not DOT?

CHAIRMAN CHANDLER: We are recommending that DOT not -- I guess either agency not proceed with the project until such time as we've been given the clarification on the status of the bids and I guess the status of the project.

REP. CLOUTIER: Okay.

CHAIRMAN CHANDLER: All those in favor? Any opposed?  
Motion carries.

**\*\*\* {MOTION ADOPTED}**

CHAIRMAN CHANDLER: Any other questions? Any other items?

**\*\*** SEN. BOUTIN: No. Move to adjourn, Mr. Chairman.

CHAIRMAN CHANDLER: We all set? Recess -- we'll recess till the call of the Chair. And I -- I was remiss. I need to backtrack. Representative Gionet is an alternate for Long Range Capital Budget. So he's not a replacement on this one. You're welcome to sit here. We have enough anyway. So I -- sorry about that. Okay. We'll recess till the call of the Chair. Thank you very much.

(The Chair recessed to the call of the Chair at 1:14 p.m.)

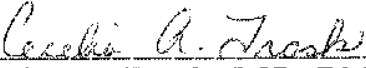
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## CERTIFICATION

I, Cecelia A. Trask, a Licensed Court Reporter-Shorthand, do hereby certify that the foregoing transcript is a true and accurate transcript from my shorthand notes taken on said date to the best of my ability, skill, knowledge and judgment.

  
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Cecelia A. Trask, LSR, RMR, CRR  
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