

**CAPITAL BUDGET OVERVIEW COMMITTEE**

Legislative Office Building, Room 201

Concord, NH

Tuesday, August 4, 2015

**MEMBERS PRESENT:**

Rep. Gene Chandler, Chair

Rep. John Cloutier, Clerk

Rep. Mark McConkey

Rep. Frank Byron

Rep. Dan Eaton

Sen. David Boutin

Sen. Lou D'Allesandro

Sen. Nancy Stiles

Sen. Gary Daniels

(Convened at 9:31 a.m.)

**(1) Acceptance of Minutes of the May 27, 2015 meeting**

CHAIRMAN CHANDLER: The time being 9:30, we'll open the Capital Budget Overview Committee meeting. Good morning, everybody. The first item on the agenda is acceptance of minutes of the May 27<sup>th</sup> meeting.

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

REP. BYRON: Second.

CHAIRMAN CHANDLER: Moved by Representative Eaton, seconded by Representative Byron. Are there any questions or discussions? All those in favor? All those opposed? Motion carries.

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

**(2) Old Business:**

CHAIRMAN CHANDLER: We have on the table item number 15-026, the Cannon Mountain Fund. Is there a motion to take that item off the table?

\*\* SEN. D'ALLESANDRO: So move.

SEN. STILES: Second.

CHAIRMAN CHANDLER: Senator D'Allesandro moved, seconded by Senator Stiles to take it off the table. Any questions? All those in favor? Opposed? The motion carries.

\*\*\* {MOTION ADOPTED}

CHAIRMAN CHANDLER: Item 15-026 is now before us. Any questions? Motion to approve.

\*\* SEN. D'ALLESANDRO: Move ought to pass.

CHAIRMAN CHANDLER: Senator D'Allesandro moves we approve 15-026.

REP. EATON: Second.

CHAIRMAN CHANDLER: Seconded by Representative Eaton. Are there any questions or discussions? If not, all those in favor say aye? Any opposed? Motion carries.

\*\*\* {MOTION ADOPTED}

(3) New Business:

CHAIRMAN CHANDLER: Next item 15 -- thank you. Okay. I didn't mean to preclude you from saying something if you want to. I'd advise you maybe you don't want to but that's up to you. You did come.

PHIL BRYCE, Director, Division of Parks, Department of Resources and Economic Development: Only many thanks.

CHAIRMAN CHANDLER: See you later. Item 15-038, Pease Development Authority. Approval to spend not more than 50,000 from the Harbor Dredging and Pier Maintenance Fund which has been in existence for some time as we all know.

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\*\* REP. STILES: Move ought to pass.

SEN. D'ALLESANDRO: Second.

CHAIRMAN CHANDLER: Senator Stiles moves ought to pass, seconded by Senator D'Allesandro. Any questions or discussions? If not, all those in favor aye? Opposed? Motion carries.

\*\*\* {MOTION ADOPTED}

CHAIRMAN CHANDLER: Item number 15-033.

\*\* MR. BYRON: Move ought to pass.

CHAIRMAN CHANDLER: Department of Administrative Services. We have a motion of ought to pass. Is there a second?

SEN. D'ALLESANDRO: Second.

CHAIRMAN CHANDLER: Seconded. Any questions or discussions? I do have one, just if I could. I'm sorry. We put money in the Capital Budget for planning of a new building up there.

MICHAEL CONNOR, Deputy Commissioner, Department of Administrative Services: Correct.

CHAIRMAN CHANDLER: So somehow is that going to be coordinated with what's going on here?

MR. CONNOR: Absolutely. The money in the Capital Budget is for an addition. We're going to make sure that whatever we do will be tied into that, yes.

CHAIRMAN CHANDLER: Okay.

MR. CONNOR: Thank you.

CHAIRMAN CHANDLER: Any other questions or comments? If not, all those in favor say aye? Any opposed? The motion carries.

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\*\*\* {MOTION ADOPTED}

CHAIRMAN CHANDLER: Item 15-041, request approval for Department's Equipment Acquisition Plan for Fiscal Year 2016. And, Chris, could you just explain the situation we're in?

CHRISTOPHER SHEA, Budget Officer, Budget Division, Office of Legislative Budget Assistant: You should have a replacement item. And in the replacement item the Department is asking for approval of the \$1.4 million that they're allowed to spend in Fiscal 16 as a result of the Continuing Resolution. Many of you are probably aware at Fiscal Committee last week there was an item denied. That was a request to bump that number 1.4 million to 2 million. So they're asking for an additional \$600,000. The original item you had anticipated Fiscal passing that. So the replacement item is only for the 1.4 million that the Continuing Resolution would allow for. The reason that they come before your Committee is that within the Operating Budget there's a class line budget note that says prior to spending any money from their Class 30, they need to let this Committee know what they want to spend it on. So they need your approval in order to make any expenditures.

CHAIRMAN CHANDLER: We still approve the same number here.

MR. SHEA: It's \$1.4 million.

CHAIRMAN CHANDLER: No, I mean the same item number.

MR. SHEA: Yes, yes, it's a replacement item. So should say --

CHAIRMAN CHANDLER: Actually, we're discussing the replacement item.

SEN. D'ALLESANDRO: Right.

\*\* SEN. STILES: I'll move ought to pass.

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PATRICK MCKENNA, Deputy Commissioner, Department of Transportation: Just so the Committee's aware, this also has the \$5 million component on it as well. So the only thing that changed was the 1.4.

CHAIRMAN CHANDLER: Five million you don't need any approval. It's in the Capital Budget.

MR. MCKENNA: It's in the Capital Budget, but we still need the Equipment Acquisition Plan which is attached here, both the \$5 million Acquisition Plan as well as the 1.4 attached to this item.

MR. SHEA: I'm not sure you do. I think there's a different -- well, approve for the 5 million as well if you'd like, but I think you only need to do the 1.4 million because Capital Budget has given them --

CHAIRMAN CHANDLER: Capital Budget expense is separate.

MR. SHEA: Right, it's run separately.

MR. MCKENNA: We included it in the item just for transparency.

MR. SHEA: Prepared for them to see as well as the whole fleet acquisition.

SEN. D'ALLESANDRO: I second the item.

CHAIRMAN CHANDLER: I forgot who moved. Senator Stiles moved, seconded by Senator D'Allesandro. Are there any questions of the Department? Yes, Senator Daniels.

SEN. DANIELS: Have a question for the Department. What is the --

CHAIRMAN CHANDLER: Mr. McKenna, yes.

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SEN. DANIELS: What is the criteria that you use in determining that a vehicle should be swapped out, particularly passenger vehicles?

MR. MCKENNA: Thank you for the question. Patrick McKenna, Deputy Commissioner of DOT. We have several criteria, both utilization as well as age of the vehicle so depending on the number of miles driven and the age of the vehicle and the condition of the vehicle. This request before you doesn't have any passenger vehicles in it. Those were -- those were the ones that were removed from the original item. So those are the ones that we were not able to execute in this plan until the budget is resolved and then we'll bring another item forward to you for the remainder of the Fiscal Year once -- or if the budget gets resolved.

SEN. DANIELS: Can I have a follow-up?

CHAIRMAN CHANDLER: Further question.

SEN. DANIELS: Though it may not pertain to this request, it looks as though you're using 100,000 miles as a metric for determining. I guess my question is have you ever considered keeping some cars, just changing the engine that may be four or five thousand dollars and not buying a whole new vehicle?

MR. MCKENNA: Good question. Thank you. The fact of the matter is we do that on a regular basis. We haven't had the budget authority to actually replace on schedule. So most of our -- we have and we've reported out, we have approximately \$40 million of equipment that is beyond its service life. We do take measures, such as working with the mechanics to extend the life to the extent that we can. We have been doing that across virtually all equipment categories.

SEN. DANIELS: Thank you.

CHAIRMAN CHANDLER: Representative Eaton.

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REP. EATON: Patrick, you went around in a circle. Laid out as should be laid out that the 100,000 metric has no legitimate meaning. You're actually running vehicles until they're deemed unfit for the road due to budget constraints; is that correct?

MR. MCKENNA: That's correct. A lot of our vehicles when we finally replace them it's because they don't pass inspection.

REP. EATON: Thank you.

CHAIRMAN CHANDLER: Any other questions? If not, all those in favor of the item? Any opposed? Thank you. Motion carries.

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

MR. MCKENNA: Thank you.

**(4) Miscellaneous:**

CHAIRMAN CHANDLER: Pease Development Authority has requested to provide us an update regarding Hampton/Seabrook. Does anyone have any questions?

\*\* SEN. BOUTIN: I'll move to approve.

CHAIRMAN CHANDLER: Well, it's just informational. They're here if you had a question.

SEN. D'ALLESANDRO: Any questions, Senator Stiles?

SEN. STILES: No, I have no questions.

**(5) Informational:**

REP. CHANDLER: Okay. And then you find a number of informational items after that. I don't know if you have any questions on them or not. Department of Transportation is still here. Administrative Services is here. Corrections isn't, but.

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HELEN HANKS, Assistant Commissioner, Department of Corrections: We're here.

CHAIRMAN CHANDLER: I'm sorry. There you are. Any questions?

MS. HANKS: Good morning.

CHAIRMAN CHANDLER: Any questions on the Women's Prison Quarterly Report? How we doing?

SEN. D'ALLESANDRO: Yeah. How we doing? How are we doing?

MS. HANKS: Good morning. We're still on target with the schedule that we submitted the Committee. We are working closely with Gilbane and SMRT on the redesign to stay within budget and to staff as minimal staff as we can using technology. So things are headed in the right direction again, and thank you all for your support in funding the build.

SEN. D'ALLESANDRO: Further question.

CHAIRMAN CHANDLER: Further questions, yes.

SEN. D'ALLESANDRO: What is the completion date now? What's the scheduled completion date?

MS. HANKS: The scheduled estimated completion date is Fall of 2017.

CHAIRMAN CHANDLER: Representative Eaton.

REP. EATON: Purely functional. Just for the benefit of the stenographer, can you state your name and Department.

MS. HANKS: Yes. Helen Hanks, I'm the Assistant Commissioner for the Department of Corrections. Thank you, Representative Eaton.

REP. CLOUTIER: Mr. Chairman.

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CHAIRMAN CHANDLER: Representative Cloutier.

REP. CLOUTIER: You figure now that the money that we gave you in the last Capital Budget and this year's Capital Budget will be enough to complete the project? Can you say that?

MS. HANKS: Yes, yes. We are being aggressive with our partners and firm with our partners and that is where we are going to end.

REP. CLOUTIER: Okay. Follow-up, Mr. Chairman.

CHAIRMAN CHANDLER: Follow-up.

REP. CLOUTIER: By trying to keep the costs down, keep them within budget.

MS. HANKS: Yes, absolutely.

REP. CLOUTIER: All right. Thank you.

CHAIRMAN CHANDLER: Any other questions or comments? Okay. Thank you very much.

MS. HANKS: Thank you.

CHAIRMAN CHANDLER: Any other questions on any of those other informational items? Any comments anyone? Okay.

REP. CLOUTIER: Excuse me, Mr. Chairman. As clerk I'm doing a new system here. One of the items, 15-033, I'm sorry, can anybody remember who moved and seconded that item about the Department of Administrative Services about the Secretary of State?

REP. BYRON: I moved.

REP. CLOUTIER: Okay. Thank you. And who made the second? I just need for the record to help our note taker.

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SEN. D'ALLESANDRO: I seconded.

REP. CLOUTIER: Thank you. I'm sorry, I didn't catch that. Thank you, gentlemen.

CHAIRMAN CHANDLER: Should this -- do we know that that's the case? Should --

THE COURT REPORTER: It's not up to me, it's up to you.

CHAIRMAN CHANDLER: Who did you have seconding?

THE COURT REPORTER: I'll have to look. If you'll give me a minute.

REP. CLOUTIER: I'm just prepared to help the note taker. I'm trying to keep track of these things better. Thank you.

SEN. D'ALLESANDRO: You're doing a great job, Representative Cloutier.

REP. CLOUTIER: Thank you very much, Senator.

CHAIRMAN CHANDLER: Okay. We will recess -- I'm sorry, Senator Boutin.

SEN. BOUTIN: Thank you, Mr. Chairman. Mr. Chairman, I first want to apologize for being a few minutes late.

CHAIRMAN CHANDLER: No problem.

SEN. BOUTIN: But I -- so I missed the vote. But what I'm more concerned about is the record will show that I came to the meeting.

CHAIRMAN CHANDLER: Yeah, you'll be recorded as attending, I'm sure, right?

SEN. BOUTIN: Thank you.

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CHAIRMAN CHANDLER: Plus Representative Cloutier keeps copious notes.

REP. CLOUTIER: Well, I do the best I can.

**(6) Date of Next Meeting and Adjournment**

CHAIRMAN CHANDLER: Okay. We will, I guess, recess till the call of the Chair.

(Recessed till the call of the Chair at 9:42 a.m.)

## 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.

Cecelia A. Trask  
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