

DNCR Capital Budget Presentation

Sarah Stewart, Commissioner

March 6, 2023

Good afternoon. It is an honor to be before you today to present the Department of Natural and Cultural Resources Capital Budget request for the 2024-2026 biennium.

The Department of Natural and Cultural Resources is comprised of five divisions: NH Division of Parks and Recreation, the Division of Forests and Lands, the Division of Historical Resources, the NH State Library, and the NH State Council on the Arts.

These five divisions share a mission to protect, preserve, promote, and manage the State's natural and cultural resources, supporting New Hampshire's high quality of life and strengthening the experiences of our residents and guests.

We strive every day to fulfill our mission, along with specific management obligations spelled out in various RSAs and over the years this committee has been instrumental in supporting our strategic priorities to best serve the public.

We are very enthusiastic about the \$6,000,000 dollars allocated to DNCR in the Governor's Capital Budget.

After we walk through the projects listed in the Governor's Capital Budget, there is an additional category of projects I would like to draw your attention to.

Throughout New Hampshire's portfolio of lands managed for public access there are many, many hundreds of miles of roads and parking lots that are in a state of disrepair. A paved parking lot at a busy, revenue generating State Park, provides a double efficiency for us – more striped spots allow for an estimated 15% increase in available parking spots and frees up precious staff time from parking lot duty.

In the case of the Connecticut Lakes Headwaters this agency has an obligation to complete a Road Management Plan as prescribed by the property easement. We have included an informational handout which we would like to discuss today to illustrate our current situation.

Simply put, we need an updated Road Management Plan and Road Agreement to help direct and prioritize capital funds and put this valuable road system that supports public access to 229 square miles of pristine property in our northernmost corner of the state on a scheduled maintenance program.

For the category of Roads and Parking lots we are requesting \$1.75 million.

DNCR Capital Budget Request for 2024-2025
HOUSE CAPITAL BUDGET HEARING
March 6, 2023
Revised Draft of March 3, 2023

The governor's capital budget request includes four line items for the Department of Natural and Cultural Resources (DNCR) totaling \$6,000,000.

1. ROOFING AND REPAIRS \$1,200,000

This request is our highest priority. It covers roofing, repairs, and deferred maintenance projects that are required to keep the state parks and other DNCR facilities operating and providing services to the public. It provides a source of funding with enough flexibility to allow the Department to respond to critical facilities failures such as water and sewer pump failures, electrical outages, and storm damage.

The "repairs" project list (which is provided in our capital budget request document) is representative of the types of projects to be addressed with this funding, however, in order to be able to respond to emergency situations as they arise, it is intended that the list will be revised with additions and substitutions over the course of the biennium.

The "roofing" component of the project would re-roof some 80 buildings identified through the maintenance schedule in our "Fixed Asset Resource Management System (FARMS) data base. Maintaining sound roofs on our building inventory is the single most effective step we can take to protect the structures and extend their usable lifetimes.

2. FORESTS AND LANDS FACILITIES \$2,800,000

This request addresses deferred maintenance, facility upgrades, and fire safety improvements at five Division of Forests and Lands facilities around the state:

- State Forest Nursery in Boscawen
 - A new 4,000 sf seedling storage cooler
 - Fire safety upgrades and interior renovations to the main barn
- Fox Forest in Hillsborough
 - New accessible toilet rooms in the Baldwin Center
 - Parking lot extension and paving
 - Fire rated enclosure of the main stairwell in the Administration Building
 - Boiler replacement for the Administration Building
 - Timber frame structural repairs for the garage
- Urban Forestry Center in Portsmouth
 - Main Office: fire rated stair enclosure and new accessible entrance
 - Learning Center: Egress improvements and interior renovations
 - Parking lot modification to provide accessible parking spaces, site lighting, and re-paving.
- North Country Resource Center (NCRC) in Lancaster
 - Fire rated enclosure of the basement boiler room
 - Siding replacement on two pole barns
 - Insulation for the heated workshop in one pole barn bay.

- Shieling Forest in Peterborough
 - New garage and workshop for maintenance equipment.

3. TRAILS BUREAU EQUIPMENT

\$1,000,000

Funding for this request will go towards replacing the oldest and most worn out of the state's snowmobile grooming fleet. The groomers to be replaced are over 30 years old. The new groomers will help the Trails Bureau respond to the recent surge of interest in snowmobile recreation and provide safe and adequate grooming of the state's network of 7,500 miles of snowmobile trails.

In addition, the funding will allow the Division to purchase equipment for own-forces trail maintenance projects such as drainage ditching, grading, and culvert replacement. Equipment in this category will include excavators, tractors, dump trucks, trailers, and related accessory equipment.

4. MT. WASHINGTON SUMMIT INFRASTRUCTURE AND ECOLOGY STUDY

\$1,000,000

The Mt. Washington Commission has just completed a master planning effort focused on how to assure the sustainable use of the summit of Mt. Washington for a number of purposes including:

- Scenic asset for the state
- Tourist destination
- Alpine ecosystem unique in New England
- Communications site
- Meteorological observatory
- Attraction for hiking and other outdoor recreation
- State Park

The Mt. Washington Commission concluded that sound decision making on issues involving the sometimes divergent interests associated with these uses needed to be based on a thorough analysis of this unique site and factors affecting it.

This project will fund a scientific and engineering assessment of the environmental conditions, infrastructure requirements, and limiting factors at the summit. The assessment will provide a basis for evaluating future development plans, a means to determine the summit carrying capacity, and guidelines for ecosystem conservation at this special site.

**STATE OF NEW HAMPSHIRE
DNCR FACT SHEET**

Budget Summary (In Mil)	DEPARTMENT OPERATING BUDGET						
	ACTUALS	ADJ AUTH	GOV PROPOSED EFFICIENCY	GOV PROPOSED PRIORITIZED NEEDS	GOV PROPOSED EFFICIENCY	GOV PROPOSED PRIORITIZED NEEDS	FY 24 v FY23
	FY 22	FY 23	FY 24		FY 25		
General Funds	\$ 7.9	\$ 8.7	\$ 9.1	\$ 1.2	\$ 9.3	\$ 1.2	\$ 0.4
Federal Funds	\$ 7.0	\$ 8.7	\$ 8.5	\$ 0.1	\$ 8.6	\$ 0.1	\$ (0.2)
Other Funds	\$ 37.4	\$ 40.6	\$ 47.4	\$ -	\$ 48.0	\$ -	\$ 6.8
Total	\$ 52.3	\$ 58.0	\$ 65.0	\$ 1.3	\$ 65.9	\$ 1.3	\$ 7.0

DEPARTMENT POSITION COUNTS FY 24-25						GOV PROPOSED CAPITAL BUDGET	FY 24-25
GOV PROPOSED EFFICIENCY			GOV PROPOSED PRIORITIZED NEEDS				
Division	Classified	Unclassified	Sub-Total	Classified	Total		
Commissioner's Office	32	1	33		33	State Parks Upgrades	\$ 1.2
Forest and Lands	52	1	53		53	F&L Facilities	\$ 2.8
State Parks	75	2	77		77	Trails Bureau Equip	\$ 1.0
State Library	26	1	27		27	Mt Wash	\$ 1.0
Arts Council	6	1	7	1	8		
Historical Resources	11	1	12		12		
Total Full Time Permanent	202	7	209	1	210		\$ 6.0

Seasonal Pos Count Est: Winter - 400+ / Summer - 350+ / Part Time Est: 250+

Full-Time Temp (9T) Position Count FY 22-23: 29

****SELECTED STATISTICAL AND DATA PERFORMANCE MEASURES**

STATE RESERVATIONS DATA - FORESTS & PARKS		DNCR FLEET	
		# vehicles	
Total Reservation and Easement Acreage Stewardship	514,739	Passenger Autos	3
DNCR Reservations (acres)	169,249	Trucks	157
Fish & Game Wildlife Management Areas (acres)	60,020	Vans / Buses	7
Federal Flood Control Areas under Management License (acres)	13,446	Mobile Equipment	48
Reservation Acreage	242,715	Snowmobiles / OHRV	83
Conservation Easements Acreage	272,024	Total	298
Miles of Boundary Line Maintained	1,100	HISTORICAL RESOURCES	
Average Acres Treated Annually	1,573	Historic tax credit proj under review	20
Board Feet Timber Harvested Annually (10yr avg)	5.6 million	Tax credit projects, investment value	\$157,810,495
Tons of Pulp Harvested Annually	22,000 tons	State & Natl Register listed properties	1,305
Tons of Biomass Chips Harvested Annually	35,000 tons	Inventoried property records	11,000+
Campgrounds / Sites	23 / 1,427	Archaeological sites	3,700
Day Use Parks	38	Historic Highway Markers	268
Historic Sites	16	Preservation easement properties	41
Natural Areas / Waysides	8 / 7	Fed & State project reviews	1,500+
State Beaches (Lake & Ocean)	22	Fed & State Agy regulatory partners	70
Ski Areas (Downhill & X-country)	4	Certified Local Govts, local commissions	107
Miles of Snowmobiles / OHRV trails	7,200 / 1,200	STATE LIBRARY	
Seacoast Metered Parking Spaces	1,644	State Library Collection	650,000 vols
Retail Outlets in Parks	37	Blind and Physically Handicapped - Clients served	2,592
DNCR BUILDINGS INFRASTRUCTURE		Inter-library loan prog items delivered	750,000 items
Total Buildings - Various Types	884	Delivery milage	250,000
Total Sq Ft Buildings	870,387 ft	Technology instruction sessions	75
Building Value \$ (Millions)	\$65.06	Database usage	650,000 sessions
Roof Area Sq Ft	973,090 ft	NH State Government Digital Document Depository	70,000 Docs
Other Structures:		STATE COUNCIL ON THE ARTS	
Pit Toilets	110	FY20 Grants to Communities Total	\$834,688
Dams	26	FY20 Number of Grants	142
Bridges	22	FY19 Direct Spending Leveraged	\$47.7m
Wells	91	FY19 Artists employed via grant prgm	4,599
Septic Systems	147	State Art Collection # of objects	650+
Toilet/Bathhouse Buildings	86	Percent for Art Program # of artworks	350+

Notes: Figures are approximated and/or updated as of Fiscal Year Ending 2022. Arts Data represents Pre-COVID Statistics.



Connecticut Lakes Headwaters Working Forest

The Property and It's Managers:

In 2001 the Trust for Public Lands purchased 171,500 acres of commercial forest land, the single largest contiguous private ownership in New Hampshire from International Paper Company. *This area comprises the northern-most tip of the state, about one fortieth of its total area.* Working with other conservation organizations and the State, the Trust for Public Lands developed a long-term conservation strategy for maintaining timber production, natural values, and public use of the property.

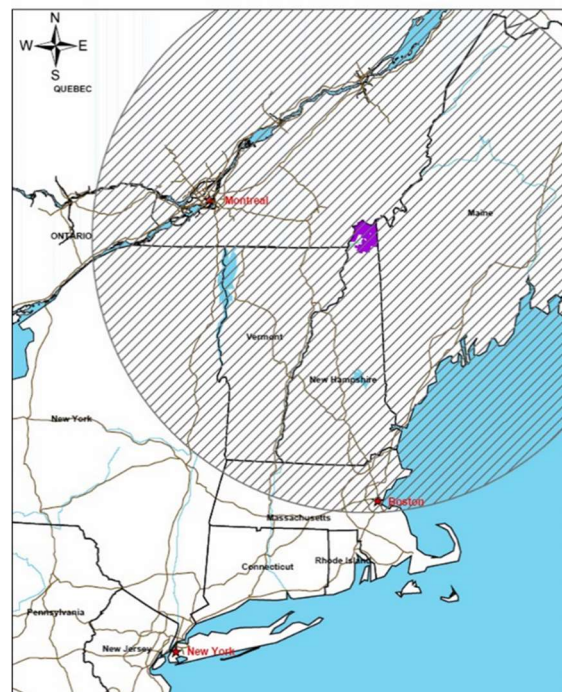
To realize the collective vision for the property, the Trust:

- Sold 146,400 acres (about 229 sq miles) to a private landowner, the Connecticut Lakes Realty Trust, to be managed as a Working Forest with land use restrictions.
- Designated and conveyed to the State of New Hampshire, Department of Natural and Cultural Resources, 269 miles of the 424-mileplus network on the Working Forest to be managed for public access and recreation and forest management activities.
- Conveyed 25,000 acres to the State of New Hampshire, Fish and Game Department to protect highly sensitive Natural Areas.
- Conveyed 100 acres to the State of New Hampshire, Department of Natural and Cultural Resources, through fee simple sale to accommodate future expansion of the Deer Mountain Campground which abuts the Working Forest; and
- Obtained a conservation easement on the Working Forest and fee ownership of the other properties through \$13,500,000 in grants from the Forest Legacy Program and Land and Community Heritage Investment Program (LCHIP) and \$10,000,000 from General Fund appropriations.

The three current management organizations are.

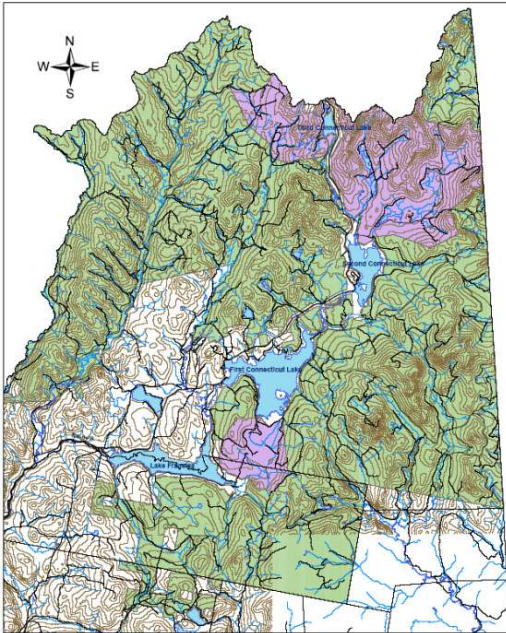
- Department of Natural and Cultural Resources through its Forests and Lands and Parks and Recreation divisions
- Fish and Game Department
- Private landowner, ANEW Climate, LLC.

The management of the property is also guided by the Connecticut Lakes Headwaters Citizen Committee per RSA 12-A:9-b.





Connecticut Lakes Headwaters Working Forest



The *Grant of Conservation Easement* is the primary management document for the Connecticut Lakes Headwaters property consisting of the terms, covenants, restrictions and affirmative rights granted to the Easement Holder and the Fee Owner.

Section 5D.i of the Easement requires the Division to develop in consultation with the Landowner a *Road Management Plan* which is consistent with the Purposes, Stewardship Goals, Road Management Agreement, Stewardship Plan and Public Access and Recreation Use Management Plan and must state how and in what time frame DPCR plans to achieve or progress toward attaining Easement Stewardship goal 2.C.i-xiii.

Budgets, Endowments and Landowner Contribution:

Three endowments were established when the State acquired the easement for the headwater's property; Stewardship, Monitoring and Roads to assist in funding the management responsibilities outlined in the Easement and management plans.

Each endowment has a specific purpose. The Endowments are apportioned between DPCR and NHFG by a Memorandum of Agreement. The Division of Parks and Recreation subsidizes the cost of staff that supports the property including, trails and parks bureau staff in addition to administrative support by the division and commissioner's offices.

The Stewardship Endowment purpose is for habitat and public use management of 25,000 acres of natural areas owned by the State, and for the purposes of recreation use, and the conservation easement management of 146,400 acres within the Connecticut Lake Headwaters Tract. In the 2017 plan update, the stewardship endowment was also used to support road maintenance and management as long as the work directly benefitted public access and was not used to support forest management and timber harvesting. This fund is the primary funding source for the property today.

The Road Endowment was established to support road maintenance managed by the state agencies. The roads while providing easy access to recreational sites remains the largest operational responsibility and expense for the Division of Parks and Recreation. This fund is inadequate to fund the dual needs of stewardship, maintenance of existing and the forest management needs.



Connecticut Lakes Headwaters Working Forest

The Monitoring Endowment was established to ensure that the tract will be managed according to the legal agreements embodied within the conservation easement, which is recorded in its entirety in the Coos county registry of deeds. The NHFGD and DNCR use this funding to manage the Connecticut Lakes Natural Areas, monitor timber harvests and other forest management activities and the special management areas.

Landowner Contribution

Section 5.E of the Conservation Easement requires the Fee Owner and the Easement Holder to enter into a Road Management Agreement with respect to the maintenance and management of certain roads on the Property subject to the Conservation Easement. This agreement was last updated in 2014. The Road Agreement is the document that outlines maintenance standards and the landowner's annual contribution to the State's expenses of maintaining the roads by paying a "Base Amount" and a "Usage Fee", a negotiated per cord fee for timber removed from the Property. These fees are deposited into "Dedicated Maintenance" and "Dedicated Capital" accounts as described in the Road Management Agreement between DNCR and the landowner.

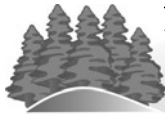
Fiscal Year 2024-2025 Capital Budget Request

DNCR requests funding for Biennium 2024-2025 to address deferred maintenance of the DNCR managed road system and to complete the Road Management Plan (Section 5E) and the specifications Road Management Agreement (Section 5F) as prescribed by the property Easement. One project that requires significant road reconstruction and relocation is Perry Stream and Hall Stream Roads. These roads were built adjacent to the streams and recent storms have eroded the embankments causing unstable roads. This funding will also be used to reestablish the roadside ditches, replace culverts, add gravel and grade the roads.

The Stewardship Endowment funds in the next biennium, rather than being directed to road management, will be used for operational expenses such as to replace trucks and other equipment used to maintain the road network and to hire staff to support the public recreational use, including plowing, litter pickup, sign and gate management, and pit toilet maintenance.

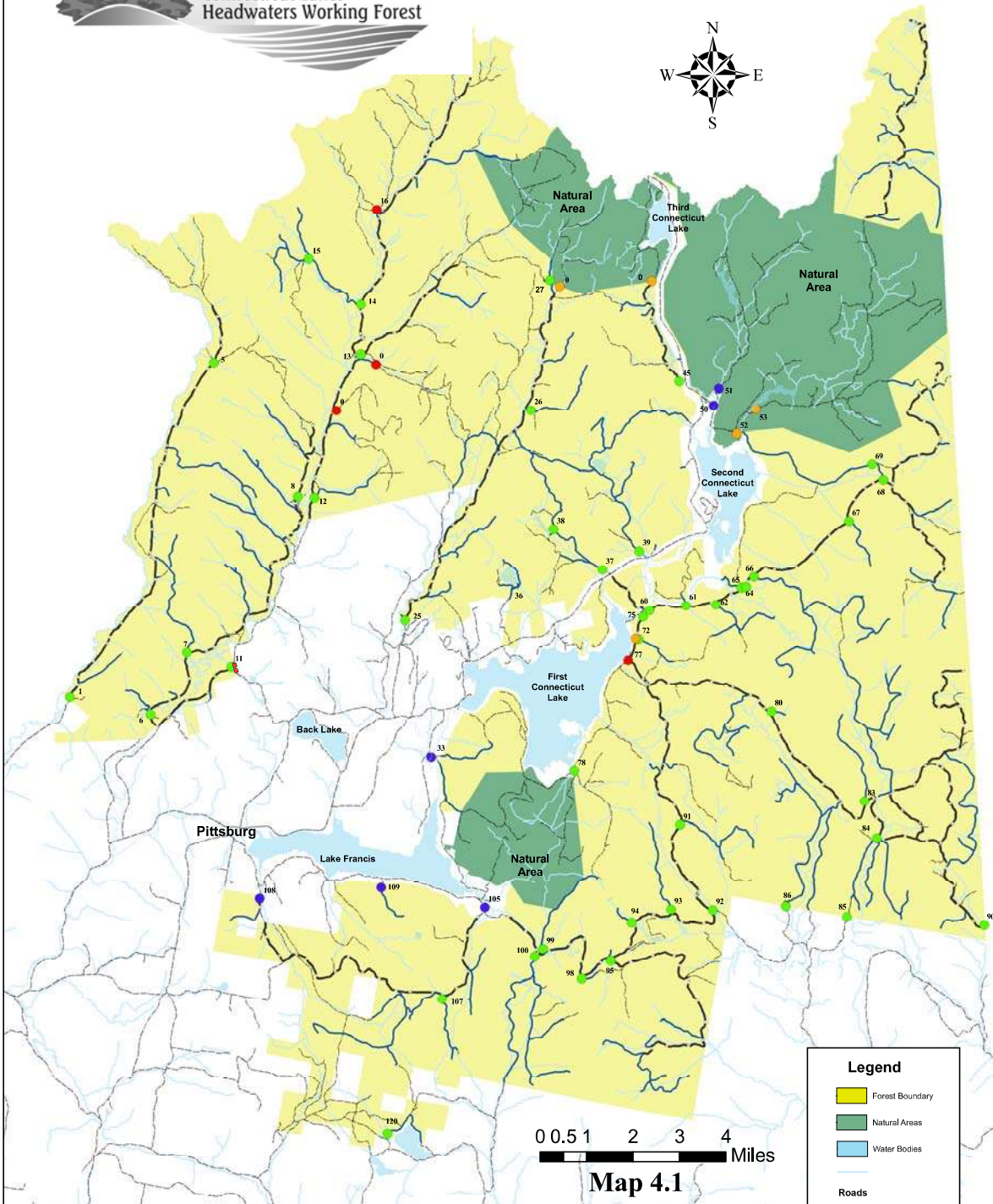
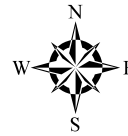
In Conclusion

After 20 years of management with inadequate funding, the road system on the Connecticut Lakes Headwaters is in need of capital investment to address deferred maintenance. Property management and road maintenance has been heavily subsidized by the Division of Parks and Recreation, a self-funded agency that collects no fees to manage the property. The updating of the Road Management Plan and Road Agreement will assist in directing capital funds to the most needed projects to put the road system on a scheduled maintenance program.



Public Access and Recreation / Road Management Plan

Connecticut Lakes
Headwaters Working Forest



Thomas Koks Associates




Data Source: NH Granit, TPL, CLTC
File Ver. 06/16/07

Designated Roads




Designated Roads Are Those Categorized As
Main Haul and Gravel In Legend

 .2 Mile ATV Trail





Legend

-  Forest Boundary
-  Natural Areas
-  Water Bodies

Roads

-  Main Haul
-  Gravel
-  Other

Gate / Jurisdiction

-  CLTC
-  DRED
-  NH F&G
-  Other