



The State of New Hampshire
Department of Environmental Services

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Robert R. Scott, Commissioner

August 30, 2019

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

REQUESTED ACTION

Authorize the Department of Environmental Services to budget and expend prior year carry forward funds in the amount of \$83,825 to cover operating costs associated with the Winnepesaukee River Basis Program (WRBP), effective upon Governor & Council approval through September 30, 2019. **100% WRBP Funds.**

**Winnepesaukee River Basin
 03-44-44-442010-1300
 FY2020**

Class	Title	Current FY20 CR Budget	Requested Action	Revised Budget
	Revenue			
005-403204	Private Local Funds	(\$1,525,525)	(\$83,825)	(\$1,609,350)
	Expenditures			
10-500100	Personnel Services-Permanent	\$353,096		\$353,096
18-500106	Overtime	\$15,000	\$20,000	\$35,000
20-500200	Current Expenses	\$53,317	\$8,500	\$61,817
22-500257	Rents and leases	\$3,925		\$3,925
23-500291	Heat, Electricity, and Water	\$123,000	\$27,450	\$150,450
24-500228	Maint., Other than Bldg.&Grnds	\$28,750		\$28,750
26-500521	Organizational Dues	\$500		\$500
27-502703	Transfers to OIT	\$22,079		\$22,079
28-502814	Transfers to General Services	\$933		\$933
30-500331	Equipment	\$97,124		\$97,124

Class	Title	Current FY20 CR Budget	Requested Action	Revised Budget
38-500177	Technology-Software	\$12,250	\$27,875	\$40,125
39-500188	Telecommunications	\$9,644		\$9,644
40-500800	Indirect Costs	\$51,550		\$51,550
42-500620	Additional Fringe Benefits	\$36,737		\$36,737
43-500401	Debt Service	\$303,027		\$303,027
46-500416	Consultants	\$50,000		\$50,000
47-500240	Own Forces – Bldgs.&Grnds	\$5,000		\$5,000
48-500226	Contract Maint. –Bldg&Grnds	\$105,300		\$105,300
49-500246	Trans. to Other State Agencies	\$787		\$787
50-500107	Personnel Svcs. - Temporary	\$3,808		\$3,808
60-500601	Benefits	\$220,861		\$220,861
66-500543	Employee Training	\$1,862		\$1,862
70-500702	In-State Travel	\$100		\$100
80-500714	Out-of-State Travel	\$625		\$625
102-500731	Contracts for Program Services	\$25,000		\$25,000
103-500741	Contracts for Ops Services	\$1,250		\$1,250
	Total Appropriations	\$1,525,525	\$83,825	\$1,609,350

EXPLANATION

DES needs additional funds in the expenditure classes noted above to pay for expenses incurred to operate the Winnepesaukee River Basin Program (WRBP) regional wastewater collection and treatment system. The WRBP is owned and operated by DES on behalf of the communities who rely upon the regional system. All of the WRBP's operating expenses are paid by the users of the system; there is no General Fund contribution to the system's operating budget.

As a result of the Continuing Resolution (CR) for FY20, the funds appropriated in Class 18 Overtime, Class 20 Current Expenses, Class 23 Heat, Electricity and Water, and Class 38 Technology Software, are not sufficient to meet the recurring and one-time expenses to be incurred in the first quarter of FY20. These expenditures are required for the compliant operation of these wastewater treatment facilities.

The WRBP's Class 18 overtime expenditures include the SCADA on-call time for staff monitoring operations afterhours as well as necessary responses to any alarms or emergencies. In both FY18 and FY19, the annual overtime expense was over \$80,000; over \$20,000/quarter. In less than one month in FY20 representing two pay periods, the WRBP incurred over \$4,500 in overtime expenses. Based on anticipated funding needs for the first quarter and an emergency response event in early August, an additional \$20,000 is requested for Class 18.

In addition to the various recurring expenses required for compliant wastewater operations, the costs for new compliance lab testing, which includes testing for per- and polyfluoroalkyl substances (PFAS) (\$8,500/quarter), will exceed the FY20 CR budget in Class 20. Based on anticipated funding needs for the first quarter, an additional \$8,500 is requested for Class 20.

The funds in the CR budget for the first quarter of FY20 in Class 23 Heat, Electricity and Water are not sufficient to meet the anticipated, additional expenses for fuel oil and electricity. Electricity costs are anticipated to be more than budgeted due to increased electrical costs to pump and treat wastewater during the peak summer months due to a malfunctioning heat exchanger. Additional fuel oil remains necessary to maintain constant heat in the anaerobic digesters at the Franklin wastewater treatment plant whenever methane biogas cannot be used. The Operations Building boiler must also be operated using fuel oil instead of biogas due to recurring, control system problems. This malfunctioning equipment was scheduled for replacement in the FY20 budget. Based on anticipated funding needs and the recent history of expenditures, an additional \$27,450 is requested for class 23.

The annual software license renewals for the Asset Management platform (estimated at \$40K) is due in September or else it will expire, in which case the WRBP will be unable to use this necessary software. This software is needed for the work order system whereby WRBP staff are deployed to manage WRBP assets and adequately document repair and maintenance work performed or scheduled. We have been in contact with the software vendor and they will not accept partial payments on this license renewal.

Your approval of the request will ensure that the Department meets its obligations to insure continuous and compliant operation of the WRBP.

Respectfully submitted,



Robert R. Scott, Commissioner