



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES

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May 26, 2021

The Honorable Ken Weyler, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

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

REQUESTED ACTION

1. Pursuant to RSA 14:30-a, VI, authorize the Department of Administrative Services (DAS), to accept and expend \$24,807,100 of American Rescue Plan (ARP) State and Local Fiscal Recovery Funds (FRF), for the purpose of COVID-19 related Deferred Maintenance - HVAC Replacement and Repairs, effective upon Fiscal Committee and Governor and Council approval for the period July 1, 2021 through June 30, 2023. **Funding Source: 100% Federal Funds**
2. Pursuant to the provision of RSA 124:15, Positions Restricted, and subject to approval of item 1 above, authorize DAS to establish three, full time temporary positions using ARP FRF effective upon Fiscal Committee and Governor and Council approval for the period July 1, 2021 through June 30, 2023. **100% Federal Funds.**

Funds are to be budgeted in state fiscal year 2022 and 2023 with the authority to adjust between state fiscal years through the Budget Office if needed and justified.
Funds are to be budgeted in FY2022 and FY2023 in the following new accounting units:

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01-14-14-14XX10-24XX0000 ARP FRF SUPREME COURT HVAC REPLACE AND REPAIR

Class	Description	FY22	FY23	TOTAL
040-501587	INDIRECT COSTS	130,000	0	\$130,000
041-500801	AUDIT FUND SET ASIDE	13,000	0	\$13,000
048-500226	Contract Repairs;Bldg. Grounds	1,300,000	0	\$1,300,000
	TOTAL EXPENSES	\$1,443,000	\$0	\$1,443,000
000-400338	Federal Fund	\$1,443,000	\$0	\$1,443,000
	TOTAL REVENUE	\$1,443,000	\$0	\$1,443,000

01-14-14-14XX10-24XX0000 ARP FRF SPAULDING HVAC REPLACE AND CONTROLS

Class	Description	FY22	FY23	TOTAL
040-501587	INDIRECT COSTS	102,000	0	\$102,000
041-500801	AUDIT FUND SET ASIDE	10,200	0	\$10,200
048-500226	Contract Repairs;Bldg. Grounds	1,020,000	0	\$1,020,000
	TOTAL EXPENSES	\$1,132,200	\$0	\$1,132,200
				\$0
000-400338	Federal Funds	\$1,132,200	\$0	\$1,132,200
	TOTAL REVENUE	\$1,132,200	\$0	\$1,132,200

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01-14-14-14XX10-24XX0000 ARP FRF DEFERRED MAINTENANCE HVAC COVID-19

Class	Description	FY22	FY23	TOTAL
020-500200	CURRENT EXPENSES	3,000	3,000	6,000
027-582703	TRANSFERS TO DOIT	5,000	5,000	10,000
028-582814	Transfers to Plant & Property for rent	15,000	15,000	30,000
030-500301	EQUIPMENT NEW REPLACEMENT	500,000	-	500,000
037-500177	TECHNOLOGY - HARDWARE	4,695	-	4,695
038-500173	TECHNOLOGY - SOFTWARE	696	696	1,392
039-500188	TELECOMMUNICATIONS	3,948	2,448	6,396
040-501587	INDIRECT COSTS	1,000,000	1,000,000	2,000,000
041-500801	AUDIT FUND SET ASIDE	100,000	100,000	200,000
042-500620	Post-Retirement Benefits	15,603	16,297	31,900
047-500240	Own Forces Maintenance (Bldg-Grnds)	250,000	250,000	500,000
048-500226	Contract Repairs;Bldg. Grounds	8,542,432	9,035,924	17,578,356
059-500117	Salary Temporary Employees	176,495	184,350	360,845
060-500612	BENEFITS	97,734	102,582	200,316
070-500704	IN STATE TRAVEL REIMBURSEM	1,000	1,000	2,000
103-502507	Program Contracts	400,000	400,000	800,000
	TOTAL EXPENSES	\$11,115,603	\$11,116,297	\$ 22,231,900
000-400338	Federal Funds	11,115,603	11,116,297	22,231,900
	TOTAL REVENUE	\$11,115,603	\$11,116,297	\$22,231,900

ARP FRF SUPREME COURT HVAC REPLACE AND REPAIR	\$1,443,000
ARP FRF SPAULDING HVAC REPLACE AND CONTROLS	\$1,132,200
ARP FRF DEFERRED MAINTENANCE HVAC COVID-19	22,231,900
TOTAL	\$24,807,100

EXPLANATION

Pursuant to US Treasury 31 CFR Part 35, RIN 1505-AC77, the Coronavirus State Fiscal Recovery Fund established under the American Rescue Plan Act authorizes use of funding to address the public health emergency that includes ventilation improvements in congregate settings and other key locations. Therefore, use for HVAC Deferred Maintenance is related and authorized to as an eligible use to respond to COVID-19. Many state buildings lack sufficient ventilation in accordance with American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) recommendations to help with the mitigation of COVID-19. In order to provide safe and adequate work space for state employees as well as safe public facilities, an investment will be made in ventilation systems to provide the appropriate levels of outdoor (fresh) air to help prevent the spread of COVID-19. The work will include improving the State's existing systems as well as installing systems where they do not already exist.

DAS will use these funds to complete the abovementioned deferred maintenance and installation projects. Costs to complete this work will include, but not be limited to, contracted services with vendors, funding three temporary positions, and expenses related to these positions including equipment costs. Staff will provide both grant oversight and project management services.

Funds are budgeted as follows:

Class 020 – Current Expenses – office supplies for new staff

Class 027 – Transfers to DOIT – DOIT support for new staff

Class 028 – Transfers to Plant & Property – Rent to Plant & Property for use of State maintained space

Class 030 – Equipment – May include, but not limited to, the purchase of portable HVAC and filtration equipment for COVID mitigation purposes and HVAC equipment to be installed by department staff and office furniture for the three new staff

Class 037 – Technology, Hardware – laptops, monitors and docking stations for new staff

Class 038 – Technology, Software – standard computer software required for new staff

Class 039 – Telecommunications – phones and phone lines for new staff

Class 040 – Indirect Expenses – at a rate of 10%

Class 041 – Audit Fund Set Aside – at a rate of .01%

Class 042 – Post Retirement Benefits – at a rate of 8.84%

Class 047 – Own Forces Maintenance (Bldg – Grnds) – Includes building maintenance, repairs, and installation performed by the Department's own staff. May include, but are not limited to, the cleaning and maintenance of HVAC equipment, related ductwork, distribution systems, and controls. May also include the installation of new HVAC equipment if performed by in-house staff.

Class 048 – Contract Repairs: Bldg. Grounds - Includes design, maintenance, repair, and installation of deferred maintenance projects by contracted vendors. Services provided may include, but are not limited to, ductwork cleaning and filter changes, HVAC equipment and distribution system installation, HVAC controls installation and service, air balancing, HVAC repair work, and other services associated with these projects.

Class 059 – Salary Temporary Employees– for the three new temporary positions

Class 060 – Benefits – for the three new temporary positions

Class 070 – In State Travel Reimbursement – mileage incurred for travel to various state owned buildings where work is taking place.

Class 103 – Program Contracts – will include, but not be limited to design, maintenance, repair, and installation contractual needs and other service contracts associated with these projects.

The following information is provided in accordance with the Comptroller's instructional memorandum dated September 21, 1981:

1) *List of Personnel involved:*

One full-time temporary Administrator II	Position # 9TXXXX
One full-time temporary Administrator II	Position # 9TXXXX
One full-time temporary Administrator I	Position # 9TXXXX

2) *Nature, need and duration:*

The period of performance runs until December 31, 2026.

3) *Relationship to existing agency programs:*

The Division of Plant and Property currently utilizes bureau administrators, bureau staff, and one designated part-time project manager (Administrator II) to oversee capital and deferred maintenance projects. The Administrator II positions filled as part of this grant will perform similar duties and will interact with the current staff regarding using existing state contracts and services, obtaining new contracts, utilizing the services of the Division of Public Works, and all other state policies, procedures, and practices.

4) *Has similar program been requested of the Legislature and denied?* Much of the work funded by this grant opportunity has been requested previously as part of the agency's biennial capital budget requests. Previous requests did not include staffing, but with the volume of simultaneous work, additional staff will be required.

5) Why wasn't funding included in the agency's budget request?

These funds were only recently awarded. It was not known that these funds would be available at the time the agency established its FY22/FY23 biennial budget.

6) *Can portions of the grant funds be utilized for other purposes?*
These funds can only be used for the purpose of the grant award.

7) *Estimate the funds required to continue these positions:*
As the period of performance will run for three and half years after the current biennium, it is difficult to project this far out.

8) *Geographic Area Served:*
Statewide

9) *Sources of Funds:*
US Treasury Federal American Rescue Plan Act Funds

In the even that Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Charles M. Arlinghaus
Commissioner