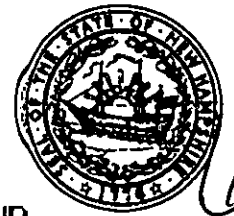




The State of New Hampshire  
**Department of Environmental Services**



*eam*  
*09*

**Robert R. Scott, Commissioner**

JUL01'22 AM 8:20 RCVD

June 27, 2022

The Honorable Karen Umberger, Chairman  
 Fiscal Committee of the General Court  
 State House  
 Concord, NH

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

**REQUESTED ACTION**

Pursuant to the provisions of RSA 14:30-a, VI authorize the Department of Environmental Services (NHDES) to amend Fiscal Item FIS 21-138, approved by the Fiscal Committee on June 8, 2021 and approved by Governor and Council on June 16, 2021, Item #101 as amended by FIS 22-111, approved by Fiscal Committee on March 3, 2022 and approved by Governor and Council on March 23, 2022, Item #83 by transferring funds in the amount of \$4,000,000 between class lines, effective upon Fiscal Committee and Governor & Council approval through June 30, 2023. Funding is 100% Federal Funds.

**ARPA DES LOANS<sup>1</sup>**  
**03-44-44-440010-2476**  
**Fiscal Year 2023**

Class	Budget Category	Current Budget	Requested Action	Revised Budget
<b>Income</b>				
000-400338	Federal Funds	(\$150,098,073)	0	(\$150,098,073)
<b>Expenditures</b>				
18-500106	Overtime	\$33,680	0	\$33,680
20-500200	Current Expense	\$24,080	0	\$24,080
22-500255	Building Rent-Other than State	\$3,700	0	\$3,700
24-500225	Maint Other than Bldg/Grnds	\$3,000	0	\$3,000
27-582703	Transfers to OIT	\$21,992	0	\$21,992
28-582814	Transfers to General Services	\$12,096	0	\$12,096
30-500321	Equipment	\$17,780	0	\$17,780
37-500174	Technology-Hardware	\$4,452	0	\$4,452
38-500175	Technology Software	\$12,013	0	\$12,013
39-500188	Telecommunications	\$15,983	0	\$15,983
40-500800	Indirect Costs	\$141,558	0	\$141,558
41-500801	Audit Set-Aside	\$151,430	0	\$151,430

<sup>1</sup> All direct program costs will be accounted for using activity codes 00FRF602WB4401A, 00FRF602WB4401B, 00FRF602WB4401C, and 00FRF602WB4401N and activity 00FRF602WB4401Z for administrative and indirect costs. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services.

The Honorable Karen Umberger, Chairman  
 Fiscal Committee of the General Court and  
 His Excellency, Governor Christopher T. Sununu  
 and The Honorable Council

Page 2 of 2

Class	Budget Category	Current Budget	Requested Action	Revised Budget
42-500620	Additional Fringe Benefits	\$101,199	0	\$101,199
46-500463	Consultants	\$300,000	0	\$300,000
50-500109	Part Time Personnel	\$570,146	0	\$570,146
59-500117	Full Time Temporary	\$680,932	0	\$680,932
60-500601	Benefits	734,882	0	\$734,882
66-500544	Employee Training	\$749	0	\$749
70-500705	In-State Travel	\$9,454	0	\$9,454
72-500574	Grants – Federal	\$142,699,239	(4,000,000)	\$138,699,239
80-500710	Out of State Travel	\$3,500	0	\$3,500
85-588591	Inter Agcy Xfr Out of Fed Funds	\$2,856,208	0	\$2,856,208
102-500731	Contracts for Program Services	\$1,700,000	4,000,000	\$5,700,000
301-504059	Loans	\$0	0	\$0
	Total	\$150,098,073	0	\$150,098,073

**EXPLANATION**

The American Rescue Plan Act (ARPA) of 2021, is a \$1.9 trillion economic stimulus bill passed by the 117th United States Congress and signed into law by President Biden on March 11, 2021, to expedite the United States' recovery from the economic and health effects of the COVID-19 pandemic. The Act defines eligible uses of state and local funding, including responding to public health emergency, responding to workers performing essential work during the COVID-19 emergency, providing revenue relief to states and making investments in water, sewer and broadband infrastructure. This is an allowable use of ARP FRF funds under Section 602 (c)(1)(D) to make necessary investments in water, sewer, or broadband infrastructure.

NHDES has been soliciting applications for the programs supported by ARPA funding since the fall of 2021 and has offered approximately \$100 million in ARPA funding for drinking water, wastewater and stormwater infrastructure-related projects. Through implementation of the ARPA funding programs, NHDES has determined that additional funding should be allocated to contracts for program services that will support eligible public water and wastewater systems. NHDES is requesting the transfer of \$4,000,000 from Class 72 Grants to Class 102 Contracts for Program Services in order to best use the available appropriation. NHDES intends to commit a significant portion of this funding to create a lead service line inventory database, assist small public water systems with conducting their lead service line inventories and to develop lead service line replacement plans. The development of lead service line inventories and replacement plans are a critical first step for a public water system to be in compliance with the federal Lead and Copper rule. Additionally, this information will enable public water systems to apply for approximately \$110 million in federal grants and low interest loans that has been allocated to New Hampshire through the federal State Revolving Loan Program for federal fiscal years 2022-2026.

We respectfully request your approval of this item.

  
 Robert R. Scott, Commissioner



The State of New Hampshire  
**Department of Environmental Services**



**Robert R. Scott, Commissioner**

May 27, 2021

The Honorable Ken Weyler, Chairman  
 Fiscal Committee of the General Court  
 State House  
 Concord, NH

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

**REQUESTED ACTIONS**

1. Pursuant to RSA 14:30-a, VI, authorize the Department of Environmental Services (NHDES) to accept and expend \$50,000,000 in federal funds from the American Rescue Plan Act of 2021 (ARPA) to fund investments in drinking water, and wastewater infrastructure, effective as of July 1, 2021 through June 30, 2023, upon Fiscal Committee and Governor & Council approval. Funding is 100% Federal Funds. The Budget Table is shown on page 2 of this request.
2. Pursuant to the provisions of RSA 124:15, I, authorize NHDES to establish seven full time temporary positions effective as of July 1, 2021 through June 30, 2023, upon Fiscal Committee and Governor & Council approval. The positions were approved by the Division of Personnel on April 29, 2021. A copy of the approval documentation is attached.

Classification Title	Position #.	Labor Grade	Salary Range
Business Administrator II	9T3089	24	\$48,769 - \$68,952
Accountant II	9T3091	18	\$38,200 - \$52,845
Civil Engineer III	9T3092	24	\$48,769 - \$68,952
Env Program Manager	9T3093	27	\$55,555 - \$79,170
Environmentalist III	9T3094	23	\$46,761 - \$65,949
Environmentalist III	9T3095	23	\$46,761 - \$65,949
Sanitary Engineer III	9T3097	31	\$65,949 - \$94,867

The Honorable Ken Weyler, Chairman  
 Fiscal Committee of the General Court and  
 His Excellency, Governor Christopher T. Sununu  
 and The Honorable Council.

Page 2 of 7

ARPA Program  
 03-44-44-440010-24xx<sup>1</sup>  
 Fiscal Years 2022-2023

Class	Budget Category	Current Budget	Requested Action	Revised Budget
<b>Income</b>				
000-40xxxx	Federal Funds	\$0	(\$50,000,000)	(\$50,000,000)
<b>Expenditures</b>				
18-500106	Overtime	0	40,000	40,000
20-500200	Current Expense	0	24,937	24,937
22-500255	Bldg Rent-Other than State	0	3,700	3,700
24-500225	Maint. Other than Bldg/Grnds	0	3,000	3,000
27-582703	Transfers to DOIT	0	88,740	88,740
28-582814	Transfers to General Services	0	63,396	63,396
30-500321	Equipment	0	28,171	28,171
37-500174	Technology-Hardware	0	19,380	19,380
38-500175	Technology Software	0	12,360	12,360
39-500188	Telecommunications	0	17,549	17,549
40-500800	Indirect Costs	0	149,349	149,349
41-500801	Audit Set-Aside	0	50,000	50,000
42-500620	Additional Fringe Benefits	0	75,555	75,555
46-500463	Consultants	0	300,000	300,000
50-500109	Temporary Personnel	0	591,004	591,004
59-500117	Full Time Temporary	0	814,694	814,694
60-500601	Benefits	0	776,426	776,426
66-500544	Employee Training	0	6,800	6,800
70-500705	In-State Travel	0	9,500	9,500
72-500574	Grants - Federal	0	36,260,000	36,260,000
80-500710	Out of State Travel	0	3,500	3,500
85-588581	Interagency Grants	0	161,939	161,939
102-500731	Contracts - Program Services	0	500,000	500,000
301-5040xx	Loans	0	10,000,000	10,000,000
	<b>Total</b>	<b>\$0</b>	<b>\$50,000,000</b>	<b>50,000,000</b>

<sup>1</sup>All direct program costs will be accounted for using activity 00FRF602WB4401A and all administrative and indirect costs will be accounted for using activity 00FRF602WB4401Z.

The Honorable Ken Weyler, Chairman  
Fiscal Committee of the General Court and  
His Excellency, Governor Christopher T. Sununu  
and The Honorable Council

Page 3 of 7

3. Subject to approval of Item #1, authorize the Department of Environmental Services to enter into a Memorandum of Agreement with the NH Department Fish and Game (VC# 311244-8001) in an amount of not to exceed \$293,665 to provide funding for one position to assist with timely protected wildlife reviews related to NHDES infrastructure permits, effective as of July 1, 2021 through December 31, 2024, upon Governor & Council approval, predicated on the future extension of funding by the Fiscal Committee and Governor & Council beyond June 30, 2023. 100% Federal Funds.

Funding is available in the account as follows with the authority to adjust encumbrances in each of the State Fiscal Years through the Budget Office, if needed and justified. Funding for FY22-25 is contingent upon continuing appropriation and availability of funds.

	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>
03-44-440010-24xx-085-588575	\$78,506	\$83,433	\$87,109	\$44,617
Dept of Environmental Services, ARPA Program, Interagency Federal Fund Grants				

#### EXPLANATION

The American Rescue Plan Act (ARPA) of 2021, is a \$1.9 trillion economic stimulus bill passed by the 117th United States Congress and signed into law by President Biden on March 11, 2021, to speed up the United States' recovery from the economic and health effects of the COVID-19 pandemic and the ongoing recession.

The Act defines eligible uses of the state and local funding, including responding to public health emergency, responding to workers performing essential work during the COVID -19 emergency, providing revenue relief to states and making investments in water, sewer and broadband infrastructure.

Based on planning between the Department, legislative leadership, and the Governor's Office, a portion of the ARPA funds have been initially allocated to NHDES to invest in the drinking water and wastewater infrastructure of New Hampshire. This initial appropriation will allow NHDES to stand up the program by having the necessary staff in place to manage the infrastructure program and begin to award grant funding to entities. NHDES is developing a detailed use plan for the ARPA funds based on interim guidance from the US Treasury Department.

Some of these funds will be allocated to the Fish & Game Department to enable these agencies to work collaboratively with NHDES to achieve the primary goal of facilitating necessary water and sewer infrastructure improvements by providing support to help ensure timely processing of statutorily required protected threatened and endangered species consultations for associated land resource management permits.

The Honorable Ken Weyler, Chairman  
 Fiscal Committee of the General Court and  
 His Excellency, Governor Christopher T. Sununu  
 and The Honorable Council

Page 4 of 7

Current staffing resources are not sufficient to deal with these new responsibilities given the magnitude of the funds being awarded for major drinking water and wastewater infrastructure projects, as grants, loans, and contracts and extensive financial and compliance monitoring being placed on NHDES to comply with federal transparency requirements.

NHDES is requesting to budget these funds as shown below:

- Class 018 To cover the cost for overtime for personnel.
- Class 020 To cover costs for public outreach, postage, office supplies, field supplies, and vehicle use.
- Class 022 To cover costs for rented office equipment.
- Class 024 To cover repairs of field equipment and other instrumentation.
- Class 027 To cover costs for Department of Information Technology services.
- Class 028 To cover costs for state office building rent and related services.
- Class 030 To cover costs for office and field equipment.
- Class 037 To cover the costs for computers for new staff.
- Class 038 To cover the costs for software for new staff.
- Class 039 To cover the costs of telecommunications.
- Class 040 To cover the program share of statewide indirect costs.
- Class 041 To cover the cost of Audit Set-Aside charges related to the federal program
- Class 042 To cover the program share of additional fringe benefit costs.
- Class 046 To cover the cost of outside engineering firms to assist with major projects
- Class 050 These funds are available in support of expanded or new program activities not previously budgeted. Employee support from existing NHDES programs will be used to conduct activities under this program. FAQ 48 from US Treasury states that payroll and benefits of employees managing new grant programs established with FRF is an allowable use, therefore, these funds will be used to supplant funding for the following positions, which are currently budgeted.

Position #	Title	Account 03-44-44-	Funding Mix	Amount
9T2909	Aministrator III	444010-7428	100% Other	\$ 31,346
9T2912	Env Technician III	444010-7428	100% Other	26,155
9T2913	Sanitary Engineer III	444010-7428	100% Other	42,570

The Honorable Ken Weyler, Chairman  
 Fiscal Committee of the General Court and  
 His Excellency, Governor Christopher T. Sununu  
 and The Honorable Council

Page 5 of 7

9T2983	Administrator III	444010-8873	100% Other	25,448
9T2985	Environmentalist IV	444010-8873	100% Other	65,016
40492	Hydrogeologist IV	444010-8893	100% Other	32,018
9T2655	Administrator IV	444010-8893	100% Other	35,588
9T2669	Civil Engineer VI	444010-8893	100% Other	34,174
41225	Administrator III	441018-4718	100% Federal	40,341
19124	Administrator IV	441018-4790	100% Other	43,108
19868	Env. Program Manager	441018-4790	100% Other	32,437
18324	Administrator III	441018-2002	100% Federal	50,954
12051	Civil Engineer VI	441018-4788	100% Other	34,180
12130	Sanitary Engineer III	441018-4788	100% Other	32,766
12114	Environmentalist IV	442010-7602	100% Federal	45,014
30001	Env Program Manager	442010-3642	100% Federal	19,889
			TOTAL	\$ 591,004

Funding in the amount of \$591,004 which is budgeted for the current positions, will either be lapsed or closed to control resulting in a net zero increase in budgeted funds.

- Class 059 To cover the costs for the seven full-time temporary positions for coordination and execution of NHDES's management of investments in drinking and clean water infrastructure projects.
- Class 060 To cover benefits for full-time and part-time personnel.
- Class 066 To cover costs for employee training.
- Class 070 To cover instate travel to project sites and outreach/public meetings.
- Class 072 To cover grants to entities for infrastructure projects.
- Class 080 To cover out-of-state technical training travel costs for staff.
- Class 085 To cover costs associated with F&G assistance being provided to the department with permitting of projects.
- Class 102 To cover costs for cybersecurity assessments and analysis.
- Class 301 To cover the cost of loans for drinking & clean water infrastructure projects.

The following is intended to address the seven questions required by the Fiscal Committee with respect to the acceptance of federal and other funds in which new positions are established or extended:

1. **List All Personnel by Classification, Labor Grade, and Salary:** Seven fulltime, temporary positions as listed below:
  - **Business Administrator II (LG 24, \$48,769 - \$68,952)** to oversee all accounting and reporting activities of the American Rescue Plan Act (ARPA) program. This position will also research and ensure

**The Honorable Ken Weyler, Chairman  
Fiscal Committee of the General Court and  
His Excellency, Governor Christopher T. Sununu  
and The Honorable Council**

**Page 6 of 7**

compliance with all federal ARPA requirements, set up budgets, complete cash flows, fiscal and/or G&C requests as well as oversee the staff processing and reviewing transactions. This position will also review amortization schedules and final loan/grant documents to ensure correctness.

- **Accountant II (LG 18, \$38,200 - \$52,845)** to process transactions related to the ARPA program and prepare supporting financial reports, calculate income drawdowns, and maintain detailed financial records for this program. This includes but is not limited to reconciliation of subsystems to NHFIRST, calculate and prepare draws for expenditure reimbursement; analyze, audit and ensure accurate grant records and proper authorizations; prepares, processes and maintains all contract payments, disbursement requests, deposits and transfers of expenditures as necessary.
- **Civil Engineer III (LG 24, \$48,769 - \$68,952)** to review wastewater infrastructure engineering plans and perform oversight of the permitting and construction of wastewater infrastructure. This position would also be responsible for ensuring wastewater infrastructure projects are designed and constructed in accordance with applicable state statutes and rules. This position will provide support to the senior staff in the Design Review and Construction Management sections of the Wastewater Engineering Bureau.
- **Environmental Program Manager (LG 27, \$55,555 - \$79,150)** to provide project management and administration of the funds provided to communities for the planning, design and construction of wastewater infrastructure projects, in conjunction with loans funded under the Clean Water State Revolving Fund (CWSRF) program. Responsibilities to include, but not limited to, soliciting and processing project applications, funding agreements, and disbursements. This position will work closely with CWSRF staff of the Wastewater Engineering Bureau.
- **Environmentalist III (LG 23, \$46,761 - \$65,949)** to provide reviews of grant and loan programs associated with ARPA to ensure compliance with state and federal laws, rules and policies, relative to stormwater and hazard resilience projects. Responsibilities include performing review of funding applications and analyzing their scope of work, budget and project content to determine completeness and eligibility, and recommending appropriate action. This position would also be responsible for providing technical assistance to federal and state agencies, funding recipients, municipalities, community groups and individuals.
- **Environmentalist III (LG 23, \$46,761 - \$65,949)** to provide reviews of grant and loan programs associated with ARPA to ensure compliance with state and federal laws, rules and policies. Responsibilities include performing review of funding applications and analyzing their scope of work, budget and project content to determine completeness and eligibility, and recommending appropriate action. This position would also be responsible for providing technical assistance to federal and state agencies, funding recipients, public water systems and municipal groups and individuals.



The Honorable Ken Weyler, Chairman  
Fiscal Committee of the General Court and  
His Excellency, Governor Christopher T. Sununu  
and The Honorable Council

Page 7 of 7

- Sanitary Engineer III (LG 31, \$63,999-\$88,101) to review water supply infrastructure engineering plans and oversight of the permitting and construction of water supply infrastructure funded by ARPA. This position would also be responsible for reviewing applications for grants and loans and management of awarded grants and loans related to the work funded by ARPA.
2. ***Explain the Nature, Need, and Duration of the Program:*** The American Rescue Plan Act of 2021 is providing funds to states through the Coronavirus State Fiscal Recovery Fund to assist states with the economic impacts of the pandemic. To this end, this portion of those funds is earmarked for water and sewer infrastructure improvement investments. The program runs through December 31, 2024.
  3. ***What is the Relationship to Existing Programs?***  
The ARPA funds will complement the existing Clean Water and Drinking Water State Revolving Fund programs as well as the Drinking Water/Ground Water Trust Fund in providing grants/loans for water and sewer infrastructure improvements.
  4. ***Has a Substantially Similar Program been Requested of the Legislature and Denied? No.***
  5. ***Why was this Program and Its Funding Not Included in the Operating Budget?*** The federal grant funds were not available at the time the department created its FY22/23 Operating budget request. Management of the overall ARPA funds is being coordinated through GOEFFR.
  6. ***Can any Portion of the Funds Be Utilized if Either, None, or Only Part of the Positions are Authorized?*** No, the contracts, loans and grant portions of the requested funding could not be effectively awarded without approval of the positions. Current staff resources would preclude timely review and processing of work scope authorizations, reports, engineering plans and loan/grant applications. Current staffing is not sufficient to allow timely execution of the work required under the federal requirements.
  7. ***What is the Estimate of the Amount of Funding Required to Continue the Positions in Future Years?*** It is anticipated that the positions are likely to continue until the ARPA funding expires on December 31, 2024. The estimated cost of these positions in FY 24/25 is \$910,541.

We respectfully request your approval of these items.

  
Robert R. Scott, Commissioner  
NH Department of Environmental Services



The State of New Hampshire  
**Department of Environmental Services**



**Robert R. Scott, Commissioner**

October 14, 2021

The Honorable Karen Umberger, Chairman  
Fiscal Committee of the General Court  
State House  
Concord, NH

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

**REQUESTED ACTIONS**

1. Pursuant to RSA 14:30-a, VI, authorize the Department of Environmental Services (NHDES) to accept and expend \$100,000,000 in federal funds from the American Rescue Plan Act of 2021 (ARPA) to fund investments in drinking water and wastewater infrastructure, effective upon Fiscal Committee and Governor & Council approval through June 30, 2023. This is an allowable use of ARPA FRF funds under Section 602 (c)(1)(D) for water and sewer infrastructure as well as Section 602 (c)(1)(C) for provision of government services to the extent of the reduction in revenue. Funding is 100% Federal Funds.

2. Pursuant to the provisions of RSA 124:15, I, authorize NHDES to establish one full time temporary position effective upon Fiscal Committee and Governor & Council approval through June 30, 2023. The position was approved by the Division of Personnel on April 29, 2021. A copy of the approval documentation is attached.

Classification Title	Position #	Labor Grade	Salary Range
Environmentalist IV	9T3096	27	\$56,218 - \$80,106

Funding is to be appropriated as follows:

ARPA DES LOANS<sup>1</sup>  
 03-44-44-440010-2476  
 Fiscal Years 2022-2023

Class	Budget Category	Current Budget	Requested Action	Revised Budget
Income				
000-400338	Federal Funds	(\$50,000,000)	(\$100,000,000)	(\$150,000,000)
Expenditures				
18-500106	Overtime	\$40,000	0	\$40,000
20-500200	Current Expense	\$24,937	0	\$24,937
22-500255	Building Rent-Other than State	\$3,700	0	\$3,700
24-500225	Maint Other than Bldg/Grms	\$3,000	0	\$3,000
27-582703	Transfers to OIT	\$88,740	0	\$88,740
28-582814	Transfers to General Services	\$63,396	0	\$63,396
30-500321	Equipment	\$28,171	0	\$28,171
37-500174	Technology-Hardware	\$19,380	0	\$19,380
38-500175	Technology Software	\$12,360	0	\$12,360
39-500188	Telecommunications	\$17,549	0	\$17,549
40-500800	Indirect Costs	\$149,349	\$6,521	\$155,870
41-500801	Audit Set-Aside	\$50,000	\$100,000	\$150,000
42-500620	Additional Fringe Benefits	\$75,555	\$8,960	\$84,515
46-500463	Consultants	\$300,000	0	\$300,000
49-588575	Transfer to Other State Agencies	0	\$1,000,000	\$1,000,000
50-500109	Part Time Personnel	\$591,004	0	\$591,004
59-500117	Full Time Temporary	\$814,694	\$101,359	\$916,053
60-500601	Benefits	\$776,426	\$52,706	\$829,132
66-500544	Employee Training	\$6,800	0	\$6,800
70-500705	In-State Travel	\$9,500	0	\$9,500
72-500574	Grants – Federal	\$36,260,000	\$98,230,454	\$134,490,454
80-500710	Out of State Travel	\$3,500	0	\$3,500
85-5885xx	Inter Agcy Xfr Out of Federal Funds	\$161,939	0	\$161,939
102-500731	Contracts for Program Services	\$500,000	\$500,000	\$1,000,000
301-504059	Loans	\$10,000,000	0	\$10,000,000
	Total	\$50,000,000	\$100,000,000	\$150,000,000

<sup>1</sup> All direct program costs will be accounted for using activity 00FRF602WB4401B and 00FRF602WB4401C for PFAS and activity 00FRF602WB4401Z for administrative and indirect costs. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services.

The Honorable Karen Umberger, Chairman  
Fiscal Committee of the General Court and  
His Excellency, Governor Christopher T. Sununu  
and The Honorable Council

Page 8 of 5

### **EXPLANATION**

The American Rescue Plan Act (ARPA) of 2021, is a \$1.9 trillion economic stimulus bill passed by the 117th United States Congress and signed into law by President Biden on March 11, 2021, to speed up the United States' recovery from the economic and health effects of the COVID-19 pandemic and the ongoing recession.

The Act defines eligible uses of the state and local funding, including responding to public health emergency, responding to workers performing essential work during the COVID -19 emergency, providing revenue relief to states and making investments in water, sewer and broadband infrastructure.

Based on planning between the Department, legislative leadership, and the Governor's Office, a portion of the ARPA funds was initially allocated to NHDES to invest in the drinking water and wastewater infrastructure of New Hampshire. The initial \$50 million appropriation was approved by the Fiscal Committee on June 8, 2021, Item #21-138 and by Governor & Council on June 16, 2021, Item #101, allowing NHDES to stand up the program by having the necessary initial staff in place to begin managing the infrastructure program and begin to award grant funding to entities. It was anticipated at the time that as additional ARPA funds were allocated to NHDES additional full time temporary positions would be established to meet the new, increased responsibilities. Given the magnitude of the funds being awarded for major drinking water and wastewater infrastructure projects, these responsibilities are significant, and include administering these funds as grants, with extensive financial and compliance monitoring being placed on NHDES to comply with federal transparency requirements.

Based on further planning between the Department, legislative leadership, and the Governor's Office NHDES is continuing to develop a detailed use plan for the additional ARPA funds based on interim guidance from the US Treasury Department.

NHDES is requesting to budget these additional funds as shown below:

- Class 040 To cover the program share of statewide indirect costs.
- Class 041 To cover the cost of Audit Set-Aside charges related to the federal program.
- Class 042 To cover the program share of additional fringe benefit costs.
- Class 049 To cover transfers to other State Agencies.
- Class 059 To cover the costs for the one full-time temporary position for coordination and execution of NHDES's management of investments in drinking and clean water infrastructure projects.
- Class 060 To cover benefits for full and part-time personnel.

The Honorable Karen Umberger, Chairman  
Fiscal Committee of the General Court and  
His Excellency, Governor Christopher T. Sununu  
and The Honorable Council

Page 4 of 5

**Class 072** To cover grants to entities for infrastructure projects and PFAS projects as authorized by HB 271 in the 2021 legislative session. Of the total \$98Million increase, \$25Million is earmarked for PFAS projects.

**Class 102** To cover costs to outside engineering firms to assist with projects.

The following is intended to address the seven questions required by the Fiscal Committee with respect to the acceptance of federal and other funds in which new positions are established or extended:

1. **List All Personnel by Classification, Labor Grade, and Salary:** One fulltime, temporary position as listed below:
  - **Environmentalist IV (LG 27, \$56,218 - \$80,106)** to supervise environmental program activities associated with public water system sustainability to promote maintenance, improvement and resilience of public water system infrastructure as associated with ARPA projects. Responsibilities include ensuring availability of broad funding options, processing funding actions, supervising review of applications, managing drinking water projects, review of reimbursement requests for payments, and assisting with federal reporting requirements such as Davis Bacon, American Iron and Steel and Minority and Women's Business Enterprise in order to ensure the proper and timely reporting of ARPA funding recipients.
2. **Explain the Nature, Need, and Duration of the Program:** The American Rescue Plan Act of 2021 is providing funds to states through the Coronavirus State Fiscal Recovery Fund to assist states with the economic impacts of the pandemic. To this end, this portion of those funds is earmarked for water and sewer infrastructure improvement investments. The program runs through December 31, 2024 for obligating the funds and through December 31, 2026 for expending the funds.
3. **What is the Relationship to Existing Programs?**  
The ARPA funds will complement the existing Clean Water and Drinking Water State Revolving Fund programs as well as the Drinking Water/Ground Water Trust Fund in providing grants/loans for water and sewer infrastructure improvements.
4. **Has a Substantially Similar Program been Requested of the Legislature and Denied?** No.
5. **Why was this Program and its Funding Not Included in the Operating Budget?** The federal grant funds were not available at the time the department created its FY22/23 Operating budget request. Management of the overall ARPA funds is being coordinated through GOFERR.
6. **Can any Portion of the Funds Be Utilized if Either, None, or Only Part of the Positions are**

The Honorable Karen Umberger, Chairman  
Fiscal Committee of the General Court and  
His Excellency, Governor Christopher T. Sununu  
and The Honorable Council

Page 5 of 5

**Authorized?** No, the contracts, loans and grant portions of the requested funding could not be effectively awarded without approval of the position. Current staff resources would preclude timely review and processing of work scope authorizations, reports, engineering plans and loan/grant applications. Current staffing is not sufficient to allow timely execution of the work required under the federal requirements.

7. **What is the Estimate of the Amount of Funding Required to Continue the Positions in Future Years?**  
It is anticipated that the position is likely to continue until the ARPA funding expires on December 31, 2026. The estimated cost of this position in FY 24/25 is \$177,740 and FY 26/27 is \$137,304.

We respectfully request your approval of these items.



Robert R. Scott, Commissioner  
NH Department of Environmental Services



The State of New Hampshire  
**Department of Environmental Services**



Robert R. Scott, Commissioner

February 24, 2022

The Honorable Karen Umberger, Chairman  
 Fiscal Committee of the General Court  
 State House  
 Concord, NH

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

**APPROVED**  
**FISCAL COMMITTEE**  
 DATE 18 March 2022  
 ITEM # 22-111

**APPROVED G & C**  
 DATE 23 March 2022  
 ITEM # 85

**REQUESTED ACTION**

Pursuant to the provisions of RSA 14:30-a, VI authorize the Department of Environmental Services (NHDES) to amend Fiscal Item FIS 21-138, approved by the Fiscal Committee on June 8, 2021 and Item #101 approved by Governor and Council on June 16, 2021 by transferring funds in the amount of \$10,000,000 between class lines, effective upon Fiscal Committee and Governor & Council approval through June 30, 2023. Funding is 100% Federal Funds.

**ARPA DES LOANS<sup>1</sup>**  
**03-44-44-440010-2476**  
**Fiscal Year 2022**

Class	Budget Category	Current Budget	Requested Action	Revised Budget
<b>Income</b>				
000-400338	Federal Funds	(\$150,002,478)	\$0	(\$150,002,478)
<b>Expenditures</b>				
18-500106	Overtime	\$40,000	\$0	\$40,000
20-500200	Current Expense	\$24,937	\$0	\$24,937
22-500255	Building Rent-Other than State	\$3,700	\$0	\$3,700
24-500225	Maint Other than Bldg/Grnds	\$3,000	\$0	\$3,000
27-582703	Transfers to OIT	\$88,740	\$0	\$88,740
28-582814	Transfers to General Services	\$63,396	\$0	\$63,396
30-500321	Equipment	\$28,171	\$0	\$28,171
37-500174	Technology-Hardware	\$19,380	\$0	\$19,380
38-500175	Technology Software	\$12,360	\$0	\$12,360
39-500188	Telecommunications	\$17,549	\$0	\$17,549
40-500800	Indirect Costs	\$155,870	\$0	\$155,870
41-500801	Audit Set-Aside	\$150,000	\$0	\$150,000

<sup>1</sup> All direct program costs will be accounted for using activity 00FRF602WB4401A, 00FRF602WB4401B and 00FRF602WB4401C and activity 00FRF602WB4401Z for administrative and indirect costs. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services.

The Honorable Karen Umberger, Chairman  
 Fiscal Committee of the General Court and  
 His Excellency, Governor Christopher T. Sununu  
 and The Honorable Council

Page 2 of 2

Class	Budget Category	Current Budget	Requested Action	Revised Budget
42-500620	Additional Fringe Benefits	\$84,515	\$0	\$84,515
46-500463	Consultants	\$300,000	\$0	\$300,000
50-500109	Part Time Personnel	\$591,004	\$0	\$591,004
59-500117	Full Time Temporary	\$918,531	\$0	\$918,531
60-500601	Benefits	\$829,132	\$0	\$829,132
66-500544	Employee Training	\$6,800	\$0	\$6,800
70-500705	In-State Travel	\$9,500	\$0	\$9,500
72-500574	Grants – Federal	\$134,490,454	\$8,250,300	\$142,740,754
80-500710	Out of State Travel	\$3,500	\$0	\$3,500
85-588591	Inter Agcy Xfr Out of Fed Funds	\$1,161,939	\$1,049,700	\$2,211,639
102-500731	Contracts for Program Services	\$1,000,000	\$700,000	\$1,700,000
301-504059	Loans	\$10,000,000	(\$10,000,000)	\$0
	<b>Total</b>	<b>\$150,002,478</b>	<b>0</b>	<b>\$150,002,478</b>

**EXPLANATION**

The American Rescue Plan Act (ARPA) of 2021, is a \$1.9 trillion economic stimulus bill passed by the 117th United States Congress and signed into law by President Biden on March 11, 2021, to expedite the United States' recovery from the economic and health effects of the COVID-19 pandemic.

The Act defines eligible uses of state and local funding, including responding to public health emergency, responding to workers performing essential work during the COVID -19 emergency, providing revenue relief to states and making investments in water, sewer and broadband infrastructure.

ARPA funds to NHDES were approved by the Fiscal Committee and Governor and Council in June of 2021 and October of 2021. NHDES has been soliciting applications for the programs supported by the ARPA funding. At the time of the initial appropriation, NHDES believed that a portion of the funds would be directed to loans to eligible entities to support eligible infrastructure projects. Subsequently, after considering evolving federal guidance and the deadlines established for obligating and expending the funds, it became clear that any funds awarded should be done so as grants. In addition, NHDES has determined that additional funding should be allocated to contracts for program services that will support eligible public water and wastewater systems in making the most full and effective use of the awarded funds. The transfer to class 85 is to fund grants to eligible state agencies. NHDES is requesting the transfer of \$10,000,000 from class 301 Loans to Class 72 Grants, Class 85 Inter Agency Transfer out of Federal Funds and Class 102 Contracts for Program Services in order to best use the available appropriation.

We respectfully request your approval of this item.

  
 Robert R. Scott, Commissioner