

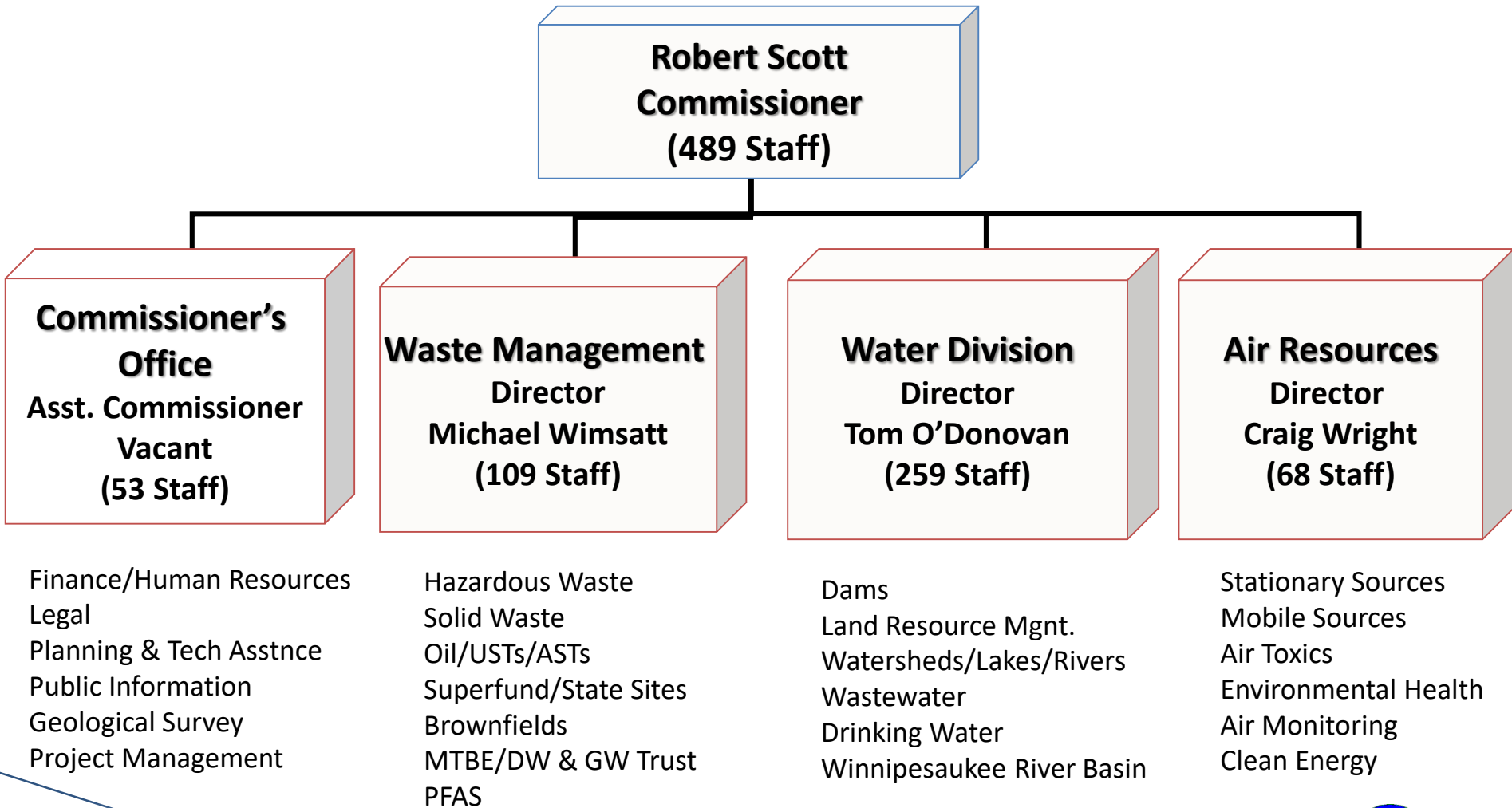
# **New Hampshire Department of Environmental Services**

## ***FY 22/23 Operating Budget Presentation for House Finance Committee***

**March 4, 2021**



# NH Department of Environmental Services



# NHDES Mission Statement

**... to help sustain a high quality of life for all citizens by protecting and restoring the environment and public health in New Hampshire.**

**... Recognizing that a strong economy and a healthy environment go hand in hand!**



# NHDES Core Functions

- **Ensure high levels of water quality for water supplies, ecological balance, and recreational benefits**
- **Manage water resources for future generations**
- **Regulate the emissions of air pollutants and ensure air pollution levels are below federal standards**
- **Foster the proper use and management of materials & waste**
- **Remediate and reuse contaminated sites**
- **Emergency Preparedness and Response**

# Significant Department-Wide Activities

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- ▶ Water/Air/Soil contamination
  - PFAS, Arsenic, etc
- ▶ Infrastructure
  - DWGTF, DWSRF, CWSRF
- ▶ Wetlands and land management improvements
- ▶ Improving data and management systems
- ▶ Addressing Emerging Contaminants

DWGTF – Drinking Water/Groundwater Trust Fund

DWSRF – Drinking Water State Revolving Fund

CWSRF – Clean Water State Revolving Fund



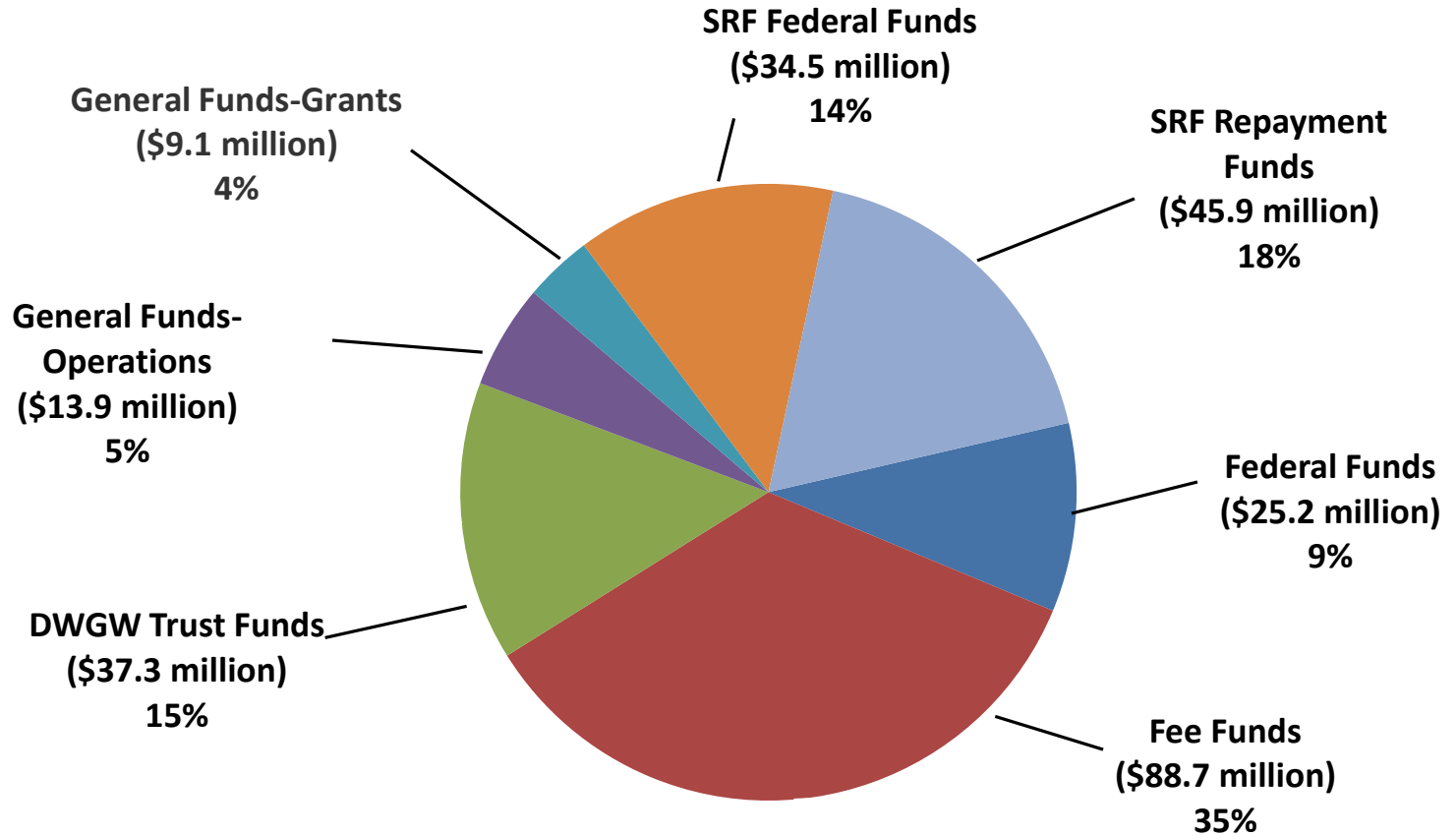
# NHDES Budget Highlights

- ▶ FY 2022 Operating Budget = \$254.7 million
- ▶ 489 authorized positions
- ▶ Annually take 21,000 permit actions, conduct 16,500 inspections
- ▶ Administer 93 types of permits/approvals
- ▶ Implement 35+ state laws
- ▶ Manage over 115 federal grants
- ▶ Manage over 40 Dedicated Fund programs



# FY 2022 -- Sources of Funds

**DES TOTAL BUDGET = \$254.7 Million**



(SRF = State Revolving Fund)

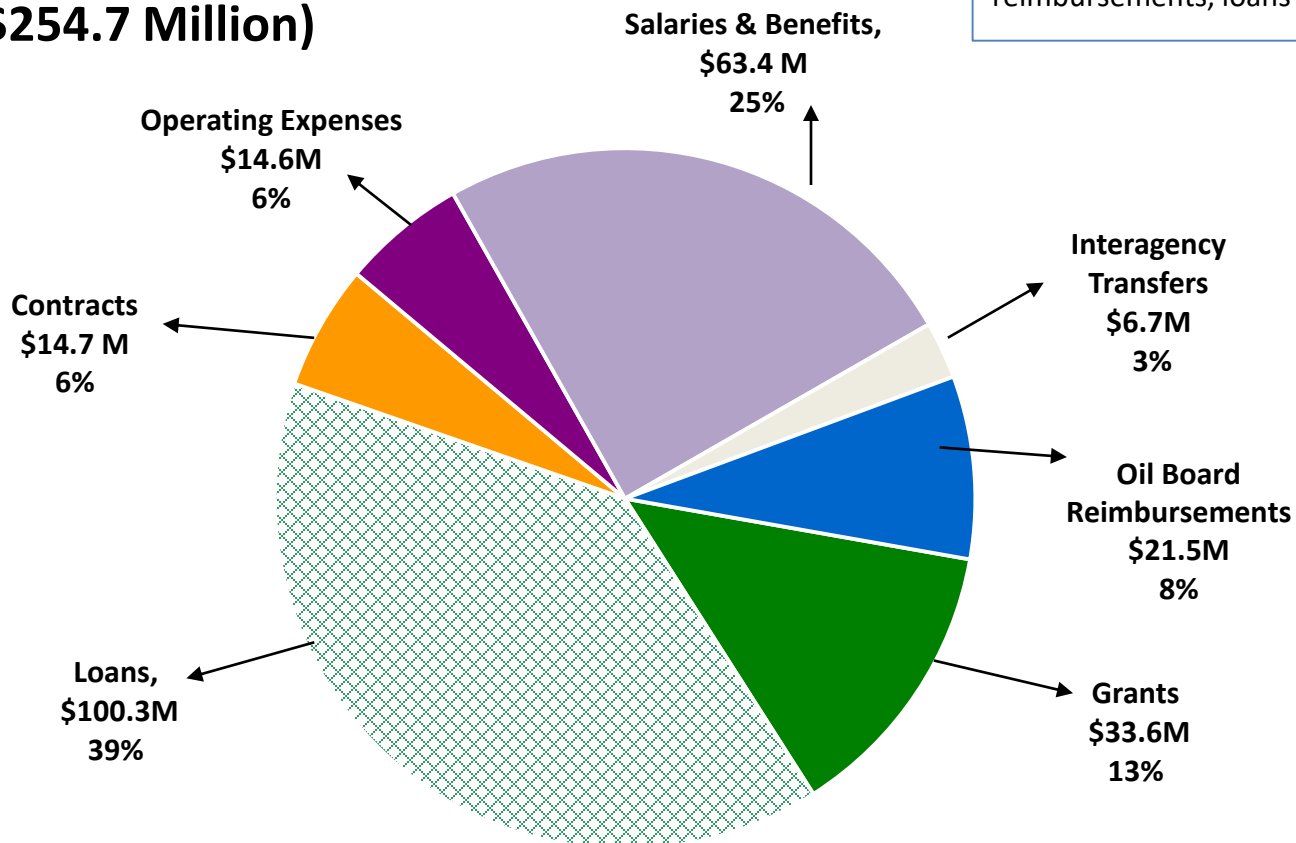
(DWGW = Drinking Water/Ground Water)



# FY 2022 -- Uses of Funds

## DES FY 2022 Total Budget (\$254.7 Million)

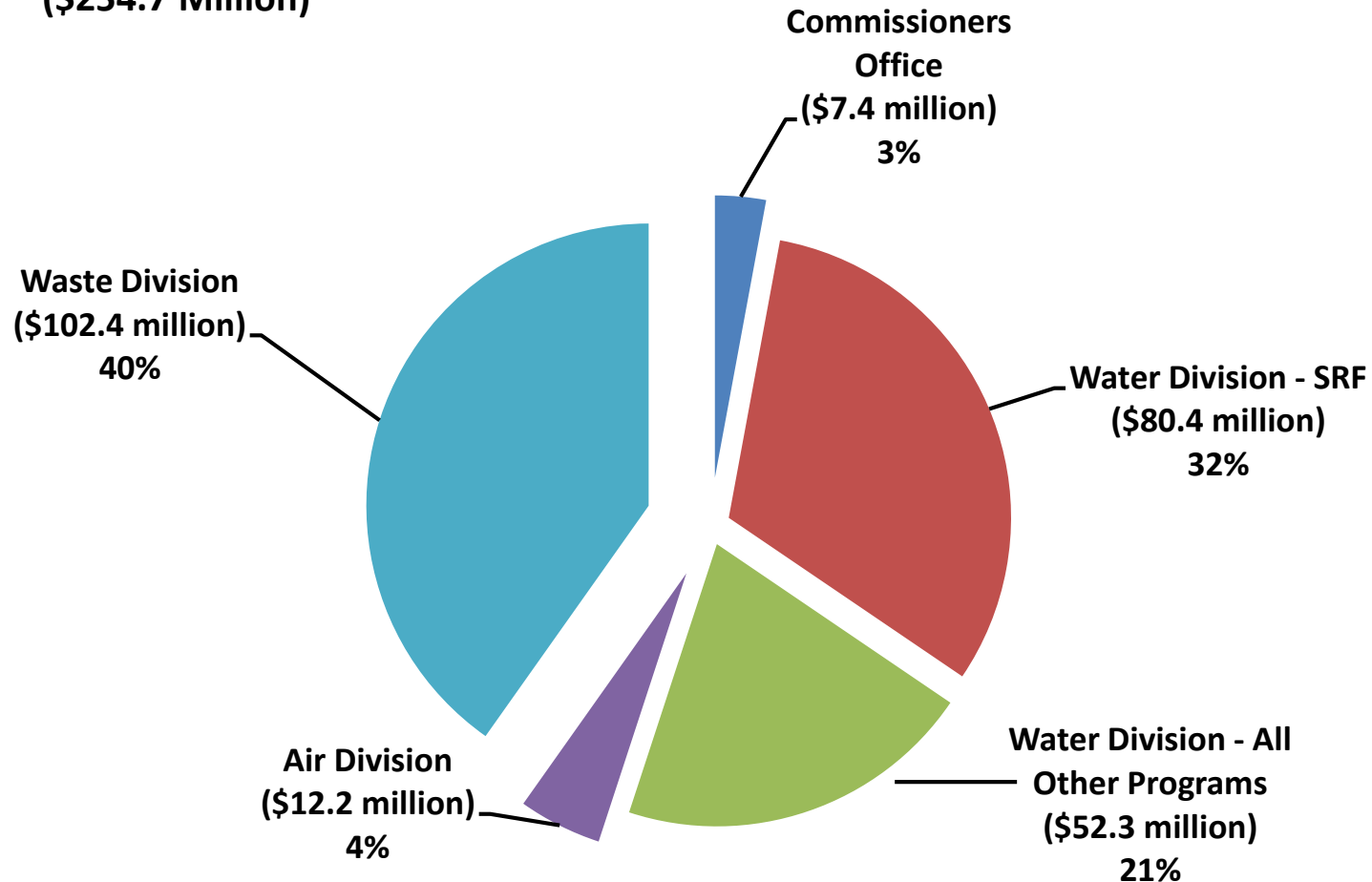
Note: 66% of all Funds are pass through in the form of grants, reimbursements, loans and contracts





# FY 2022 Budget by Division

DES FY 2022 Total Budget  
(\$254.7 Million)



(SRF = State Revolving Fund)



# Budget Analysis by Cost Category

## ANALYSIS OF BUDGET CHANGES BY COST CATEGORIES

(amounts shown in thousands)

	FY 2021	FY 2022	\$ Change	Percent Change	FY 2023	\$ Change	Percent Change
Grants	\$ 30,346	\$ 33,635	\$ 3,289	11%	33,342	(293)	-1%
Loans	86,000	100,300	14,300	17%	101,000	700	1%
Oil Fund Bd Reimbursement:	22,325	21,525	(800)	-4%	21,950	425	2%
Contracts	18,589	14,670	(3,919)	-21%	14,636	(34)	0%
Operating Expenses	14,893	14,631	(262)	-2%	14,105	(526)	-4%
Salaries & Benefits	61,339	63,360	2,021	3%	66,458	3,098	5%
Interagency Transfers	6,537	6,664	127	2%	6,800	136	2%
<b>TOTAL</b>	<b>\$ 240,029</b>	<b>\$ 254,785</b>	<b>\$ 14,756</b>	<b>6%</b>	<b>258,291</b>	<b>3,506</b>	<b>1%</b>

# Budget Analysis by Funding Category

## ANALYSIS OF BUDGET CHANGES BY FUNDING CATEGORIES

(amounts shown in thousands)

	FY 2021	FY 2022	\$ Change	Percent Change		FY 2023	\$ Change	Percent Change
General Funds	\$ 26,095	\$ 23,023	\$ (3,072)	-12%		\$ 22,956	\$ (67)	0%
Federal Funds - SRF	34,724	34,567	(157)	0%		34,743	176	1%
Federal Funds - All Other	25,019	25,244	225	1%		26,752	1,508	6%
Other Funds - SRF	44,982	45,897	915	2%		46,043	146	0%
Other Funds - DWGW Trust	32,598	37,315	4,717	14%		37,265	(50)	0%
Other Funds - All Other	76,611	88,739	12,128	16%		90,532	1,793	2%
<b>TOTAL</b>	<b>\$ 240,029</b>	<b>\$ 254,785</b>	<b>\$ 14,756</b>	<b>6%</b>		<b>\$ 258,291</b>	<b>\$ 3,506</b>	<b>1%</b>

# Committee Questions:

## 1. What New Full Time Positions Have Been Added to Budget?

Acct / Pg #	Division	Program	Position Title	Position Cost Yr1	Position Cost Yr2	Source of Funds
1002/712	Com Office	Public Information Unit	Program Assistant II	\$ 61,193	\$ 65,533	53% General, 47% Other Funds
3853/719	Com Office	Project Management & Innovation Unit	Business Systems Analyst II	\$102,652	\$105,399	100% General Funds
4788/840	Water	CWSRF Loan Management	Civil Engineer III	\$79,396	\$85,329	100% Fees
2010/749	Water	Safe Water PPG	Environmentalist IV	\$87,687	\$94,191	100% Federal
5392/825	Waste	Data Systems Support	Business System Analyst I	\$90,617	\$97,372	100% Fees

## 2. What new part time positions have been added to Budget? None

# New Positions

## ▶ Program Assistant II –

- Represents a need to expand file review services in the digital age by the NHDES Public Information Center.
- Duties will include management of a new electronic library for all agency documents, leading specialized projects like scanning paper records into searchable databases, limited supervision of a subordinate, and more efficient and timely processing of file review requests that currently extend beyond the statutory timeframe required by RSA 91-A (the "NH Right-to-Know Act").
- This position will also assist a paralegal position in the NHDES Legal Unit to increase the efficiency and linkage between the Legal Unit and the Public Information and Permitting Unit when providing responsive records to clients.
- Level of responsibility associated with managing Right-to-Know requests and administration of the GovQA system exceeds what should be expected from a part-time clerk.

# New Positions

## ▶ Business System Analyst II

- With the recent issues found with OneStop, it has become evident that more oversight is needed. This additional position would directly support OneStop in its current form, and work towards developing a new OneStop.
- Responsibilities would include time training users, making adjustments to configuration (new document templates/forms etc), developing internal documentation, prioritizing stories for new development, and logging and testing bug fixes.
- Once new Onestop is developed, this person along with other PMIU resources, would continue to maintain the OneStop database, migrate additional program data and to prevent future outages, ensure connection to NHDES GIS base maps to ensure transparency, promote informed decision-making by the regulated community and streamline the internal work of NHDES.

# New Positions

## ▶ Civil Engineer III

- Position will reside in Design Review Section in the Wastewater Engineering Bureau (WWEB) but will provide technical support for the 12 upper level Engineers within the WWEB.
- Specifically, assist two senior Design Review staff who are tasked with reviewing all wastewater infrastructure projects in NH.
- Also assist two Senior Construction Management staff who are tasked with oversight of the construction of all CWSRF and SAG eligible wastewater infrastructure projects in NH.
- First and only lower level engineering position in bureau will allow for growth and training opportunity within bureau.
- This position will float within bureau to perform lower level engineering tasks; as well as address increased workloads due to emerging contaminants.

# New Positions

## ➤ Environmentalist IV

The position is needed to ensure there is a dedicated effort to identify and eliminate exposure to contaminants in drinking water obtained from residential wells which approximately 50% of our state's population relies upon.

- Supervises residential well drinking water quality initiatives
- Provide outreach and assistance to owners of residential wells & local officials to address naturally occurring or manmade contaminants in drinking water
- Contaminated drinking water risk communication to well owners, general public and elected officials



# New Positions

- ▶ **Business System Analyst I (Waste Management)**
  - This position will:
    - Strengthen data management throughout the WMD
    - Improve regulated entities' ability to submit applications, reports and data electronically
    - Improve the public's electronic access to WMD information
    - Streamline payments from the Petroleum Reimbursement Fund, the MtBE Remediation Fund, the Drinking Water and Groundwater Trust Fund, and the PFAS Loan Fund
  - Responsibilities include:
    - Planning database improvements and developing new data management systems based on analysis of the Division's business needs
    - Coordinating staff and contractors to create and improve data systems
    - Troubleshooting operational problems with the Division's existing databases as they arise

### 3. What Positions had to be eliminated to meet the governor's budget requirement?

- ▶ Financial Analyst position within the NPDES Program was unfunded
  - Assist communities with MS4 permit requirements.
  - Assist communities with evaluating and developing stormwater utilities.
  - Provide consultation and recommendations to municipalities, consultants, and other interested parties concerning planning, financial and operational considerations, including revenue forecasts relative to NPDES permit requirements and associated proposed projects.
  - Provides assistance on the setting of proper rates to ensure the long-term sustainability of the permittees water pollution abatement infrastructure, and to plan for future infrastructure upgrades required by future NPDES permits.

## 4. & 5. Is your agency adequately staff to complete all work assigned to your agency in state law?

- ▶ Yes, the department has adequate number of positions, with the addition of the five new positions requested, to meet our statutory obligations, however, filling those positions are dependent on outside funding sources. These funding sources are dependent on economic conditions for fee accounts and sufficient federal funding for federal programs.

## **6. What things are you doing (found in state law) that could be eliminated and why?**

- ▶ None at this time. NHDES continues to look for ways to streamline existing regulations.

## 7. What Priorities did you have that were not funded? Cost? Description? Impact of not funding?

Budget Pg #	Title	FY 2022	FY 2023
770	Wetlands Administration - IT consultant contract	\$50,000	\$50,000
822	CERCLA Maintenance - Monitoring contracts	\$89,000	-0-
822	CERCLA Maintenance - Vehicle replacement	-0-	\$35,000

# 7. PRIORITIZED NEEDS DESCRIPTION

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- A. Wetlands IT Consultants – To establish an e-portal for application sign-off by local governments and committees and to develop a system for tracking wetland losses. These IT tools are critical for e-permitting and addressing performance audit findings.
  
- B. CERCLA Maintenance Contracts – \$89,000 needed in FY 22 to fulfill the State’s commitment for ongoing maintenance and monitoring at Superfund hazardous waste sites. Under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the State is required to hold contracts for, and pay for 10% of remediation costs and 100% of ongoing environmental maintenance and monitoring costs for Superfund sites.
  
- C. CERCLA Maintenance Equipment– \$35,000 needed in FY 23 to replace the 10-year-old vehicle used for DES transportation to Superfund sites. 4WD vehicle needed to reach areas of the sites that are difficult to access due to hills and rough terrain.

# State Aid Grants

- ▶ DES Operating Budget funds existing obligations
- ▶ HB412 & SB127 provides new funds for Drinking Water System grants (\$500,000 per year)
- ▶ HB398 & SB127 provides additional funding for Wastewater System grants

	FY 22	FY 23
<b>Maintenance Budget</b>	\$8,096,438	\$7,480,501
HB 398		
<b>Prioritized Need #11</b>	\$2,051,248	\$1,524,115
<b>SAG Hopeful*</b>	\$3,672,000	\$5,395,000
<b>HB 398 TOTAL:</b>	\$5,735,248	\$6,919,115
<b>Combined Totals</b>	\$13,831,686	\$14,399,616

# 8. HB 2 Sections

- ▶ Section 59 – extends the end date of funding for PFAS investigation
- ▶ Section 60 – continues the moratorium on new state aid grants
- ▶ Section 191 – establishes the Department of Energy



# Contact Information

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