

CAPITAL BUDGET OVERVIEW COMMITTEE

Legislative Office Building, Room 201

Concord, NH

Tuesday, November 14, 2017

MEMBERS PRESENT:

Rep. Gene Chandler, Chair

Rep. John Cloutier

Rep. Mark McConkey

Rep. David Danielson

Rep. Frank Byron

Rep. Dan Eaton

Sen. Gary Daniels

Sen. Lou D'Allesandro

Sen. Regina Birdsell

(The Committee meeting convened at 10:00 a.m.)

(1) Acceptance of Minutes of the September 19, 2017 Meeting

GENE CHANDLER, State Representative, Carroll County, District #01 and Chairman: The time being 10 o'clock, we will open the Capital Budget Overview Committee meeting. Our first item is acceptance of the minutes --

**** DANIEL EATON, State Representative, Cheshire County, District #03:** Move approval.

REGINA BIRDSELL, State Senator Senate, District #19:
Second.

CHAIRMAN CHANDLER: -- of September 19th meeting.
Representative Eaton moves to approve the minutes. Is there a second?

GARY DANIELS, State Senator, Senate District #11: Second.

SEN. BIRDSELL: If I could yield to Senator Daniels.

CHAIRMAN CHANDLER: Second by Senator Daniels.

JOHN CLOUTIER, State Representative, Sullivan County, District #10: According to the minutes you were second.

SEN. BIRDSELL: Okay.

CHAIRMAN CHANDLER: Is there any -- no, Senator Daniels second on that. Any discussion? If not, all those in favor to approve the minutes say aye? Any opposed? The motion carries.

*** {MOTION ADOPTED}

(2) Old Business:

(3) New Business:

CHAIRMAN CHANDLER: New Business. Item number 17-027, Pease Development Authority. Mr. Marconi is here. Shouldn't be any questions. Would you like to listen to a presentation? Are you ready to vote?

REP. EATON: Two seven or three four?

CHAIRMAN CHANDLER: Pardon?

REP. EATON: Two-seven or three four?

FRANK BYRON, State Representative, Hillsborough County, District #20: Three four.

REP. EATON: Three four. You said two seven. I think it's three four.

CHAIRMAN CHANDLER: Well, I was just reading off the agenda.

DAVID DANIELSON, State Representative, Hillsborough County, District #07: That's true.

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REP. EATON: That will get you in trouble every time.

CHAIRMAN CHANDLER: Well, we should probably clarify that just for purposes. On the agenda I have that it's 17-027 stamped on the piece.

MICHAEL HOFFMAN, Senior Budget Officer, Office of Legislative Budget Assistant: You might be looking at the minutes of the agenda. It's three four.

CHAIRMAN CHANDLER: Three four. My apologies.

REP. BYRON: I have three four, Mr. Chairman.

CHAIRMAN CHANDLER: Item number --

** REP. BYRON: I'll make a motion to approve 17-034.

CHAIRMAN CHANDLER: Representative Byron moves we approve.

REP. EATON: Second.

CHAIRMAN CHANDLER: And seconded by Representative Eaton. Any questions of Mr. Marconi? Okay. All those in favor say aye? Opposed?

*** **{MOTION ADOPTED}**

CHAIRMAN CHANDLER: While we have Mr. Marconi here, I noticed at the last meeting you weren't here because you were maybe in Canada.

GENO MARCONI, Director, Division of Ports and Harbors, Pease Development Authority: Yes, sir.

CHAIRMAN CHANDLER: Maybe you can briefly let us know if you had any success of gaining any trade.

MR. MARCONI: Well, I got up there, Representative, and I made it back so I guess that's a success.

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CHAIRMAN CHANDLER: Didn't bring anything with you for the future.

MR. MARCONI: The purpose of the trip is, as you know, the construction of the Sarah Mildred Long Bridge is winding down.

CHAIRMAN CHANDLER: Right.

MR. MARCONI: And we're moving into starting the design and permitting for the functional replacement for what we lost due to the relocation of the bridge.

CHAIRMAN CHANDLER: Right.

MR. MARCONI: And so we're looking at possibly up to a year. What's going to lengthen it out is the environmental permitting part of it. But we're looking at a year for design, engineering, and permitting, and then possibly ten months to 12 months of construction. So we wanted -- we wanted to reach out to our counterparts up in the ports in Nova Scotia, Halifax and Yarmouth, and it had been a few years since we'd been up there and met with them to see what was going on on their end. And we met with some business -- business folks up there, trucking companies, ferry boat operators, the Port of Halifax, the Port of Yarmouth, see what their plans were.

We met with a couple of shipping companies. One shipping company that we really wanted to talk to that has interest down in the Caribbean and they're sailing right by our front door cancelled their meeting with us because it was right after the hurricane, and they told me that they we're trying to get their operations back up and running up there. But -- and we met with the transportation minister of the province and some of the other folks in the other ministries up there that are involved in transportation. So we just to see what their interest was, what their needs were.

And stepping back now, what we're looking at and starting to investigate is what's the potential for cargo going in the other direction. I mean, we know what's going on up there.

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There's a lot of freight that's moving down here. So we're looking at what freight opportunities may go the other direction. Because in this business, one of the things is what's the largest cargo that's moved in a container and it's air, because there are more empty containers moving around the world on ships than there is actually cargo. So that's -- we opened the doors, we started the conversation, and we are going to continue to try to develop some business opportunities.

CHAIRMAN CHANDLER: Thank you. Any questions? Yes, Representative Danielson.

REP. DANIELSON: Relative to Boston. Did they bypass us to Boston? Do we have advantages over Boston? Will we have advantages over Boston that would cause them to come here?

MR. MARCONI: Yes and no. To try to compare Portsmouth with Boston it's apples and oranges. Uh -- you know, Boston has infrastructure there that we don't have the capabilities of even putting in because we just don't have the property. And Boston has an established ocean freight connections, you know, making direct calls to Europe and the Far East. You know, Medline, Costco and those companies there they've got long-term relationships with Boston. What we're looking at is, you know, more of coast-wise or short-sea shipping opportunities. You know, we are investigating and we have been for a number of years the possibility of moving freight from New York to the New England area. In fact, the Maritime Administration has been throwing some grant money around to different entities to do studies. I mean, they gave money to McAllister Tug and Barge Company to come up with a design of an integrated tug and barge unit, you know, to handle the open ocean. But when the estimates came back there was \$70 million to build a tug and barge and it scared everybody away. There are freight opportunities going into Nova Scotia because of the businesses that are there that depend on coming down here with their merchandise. But, also, you've got to remember that Halifax is on the Great Circle Route going to Europe and to the Med which there was just completed an expansion of the Suez Canal. So we're watching the traffic coming out of the Suez Canal. It would go to Halifax, possibly

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discharge their cargo there that needs to be distributed down into the New England area or even inland.

REP. DANIELSON: Thank you. Thank you, Chairman.

CHAIRMAN CHANDLER: Thank you. Anything else? Thank you very much.

MR. MARCONI: Thank you, sir.

CHAIRMAN CHANDLER: Next item 17-032. Department of Transportation Turnpike Toll Credits. Any questions? Motion?

** LOU D'ALLESANDRO, State Senator, Senate District #20: Move it.

CHAIRMAN CHANDLER: Senator D'Allesandro moves we adopt the item.

REP. EATON: Second.

CHAIRMAN CHANDLER: Seconded by Representative Eaton. Any questions or discussions? All those in favor say aye? Any opposed no? The motion carries.

*** {MOTION ADOPTED}

(4) Miscellaneous:

(5) Informational:

CHAIRMAN CHANDLER: You have some informational items in front of you? Next meeting will be, I guess, at the call of the Chair probably. Probably not till January unless some emergency comes up, I guess, right? Nothing else?

MR. HOFFMAN: We don't have anything now.

CHAIRMAN CHANDLER: You have nothing in the pipeline?

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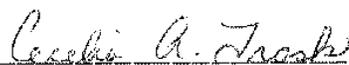
MR. HOFFMAN: Nothing we're aware of.

CHAIRMAN CHANDLER: Okay. Then we'll stand adjourned. Recess till the call of the Chair. Thank you.

(The meeting recessed to the call of the Chair at 10:08 a.m.)

CERTIFICATION

I, Cecelia A. Trask, a Licensed Court Reporter-Shorthand, do hereby certify that the foregoing transcript is a true and accurate transcript from my shorthand notes taken on said date to the best of my ability, skill, knowledge and judgment.



Cecelia A. Trask, LSR, RMR, CRR
State of New Hampshire
License No. 47

