

**CAPITAL BUDGET OVERVIEW COMMITTEE**

Legislative Office Building, Room 201

Concord, NH

Tuesday, May 14, 2013

**MEMBERS PRESENT:**

Rep. David Campbell (Chair)  
Rep. John Cloutier  
Rep. John Graham  
Rep. Bernard Benn  
Rep. John Cebrowski (Alternate)  
Sen. David Boutin  
Sen. Jim Rausch  
Sen. Nancy Stiles  
Sen. Sylvia Larsen

(Convened at 2:49 p.m.)

**(1) Acceptance of Minutes of the March 5, 2013 meeting.**

CHAIRMAN CAMPBELL: Call the Capital Budget Overview Committee to order. We welcome Representative Cebrowski from Bedford who's taking Representative Weyler's place today.

REP. CEBROWSKI: Thank you, Mr. Chairman.

CHAIRMAN CAMPBELL: The first item is --

**\*\*** REP. GRAHAM: Move the acceptance of the minutes of March 5<sup>th</sup>.

SEN. BOUTIN: Second.

CHAIRMAN CAMPBELL: Representative Graham moves and Boutin seconds the acceptance of minutes for March 5<sup>th</sup>, 2013. Any corrections? All those in favor say aye? Opposed?

**\*\*\*** {MOTION ADOPTED}

(2) Old Business:

CHAIRMAN CAMPBELL: We'll go to Old Business.  
Representative Graham.

\*\* REP. GRAHAM: Thank you, Mr. Chairman. I move that we remove item 13-017 from the table.

SEN. BOUTIN: Second.

CHAIRMAN CAMPBELL: All those in favor say aye? Opposed?  
Item's removed.

\*\*\* {MOTION ADOPTED to remove item from the table.}

CHAIRMAN CAMPBELL: Representative Graham.

REP. GRAHAM: I move that -- I want to say kill -- turn down item 13-017 and I'd like to talk to it if there is a second.

Rep. CLOUTIER: I'll second that motion.

CHAIRMAN CAMPBELL: Representative Graham moves that we do not approve item 13-017. He'll speak briefly to his motion.

REP. GRAHAM: Very quickly. First of all, we don't have any legal authority to do what they're asking of this Committee is the real reason. Second, we did take care of this request within House Bill 25, which is still making its way through both the House and the Senate; but we fixed it in the House and I know that the Senate hasn't changed it. And whatever end up doing with House Bill 25, we'll take care of this problem that the Adjutant General has pointed out to us.

CHAIRMAN CAMPBELL: Thank you. Any further discussion? All those in favor of the motion say aye? Is there a motion? Do we have a motion on it?

**CAPITAL BUDGET OVERVIEW COMMITTEE**

**May 14, 2013**

REP. GRAHAM: Yeah.

CHAIRMAN CAMPBELL: All in favor say aye? Opposed?  
Seeing none. The item is adopted.

MICHAEL KANE, Deputy Legislative Budget Assistant, Office  
of Legislative Budget Assistant: Rejected.

CHAIRMAN CAMPBELL: Rejected. The motion to reject is  
adopted.

MR. KANE: Yes, sir.

REP. BENN: To not approve.

CHAIRMAN CAMPBELL: Yes. To not approve.

REP. GRAHAM: There are so few of them.

\*\*\* {MOTION ADOPTED to not approve Item 13-017.}

(3) **New Business**:

CHAIRMAN CAMPBELL: Under New Business, we have item 024,  
New Hampshire Hospital. Anybody here to present that item? How  
do you do.

JIM DALL, Chief Financial Officer, New Hampshire Hospital,  
Department of Health and Human Services: Good afternoon.

CHAIRMAN CAMPBELL: Good to see you.

MR. DALL: My name is Jim Dall. I'm the Chief Financial  
Officer at New Hampshire Hospital. We are currently having a  
capital project doing some fire sprinkler work on our patient  
care units. That has been going very well, below budget, and

**CAPITAL BUDGET OVERVIEW COMMITTEE**

**May 14, 2013**

ahead of schedule. And we had to put a \$50,000 allowance for unseen costs into that contract, and we've only spent \$8,000 of that and it's not anticipated at this point that we are going to be spending anymore. In the meantime, when we had a tour of the State Fire Marshal, he realized that we did not have sprinklers in our greenhouse, attached greenhouse/horticultural center on the acute psychiatric services building. And it was determined that back in 1989 that it was treated as a separate area that did not need sprinklers at the time. So due to the changes in regulations, it's recommended that we put fire sprinklers in there. So the recommendation was made to up to \$42,000 which would be the leftover allowance that we be allowed to install a sprinkler system in the horticultural center.

CHAIRMAN CAMPBELL: So the motion -- what's before us is to request approval to use unused funds appropriated for Chapter 253:1 for fire protection sprinklers to be used for additional fire protection purposes, the sum not to exceed \$42,000 to install fire protection sprinklers at NHH. What's the other H?

MR. DALL: Yes. New Hampshire Hospital.

CHAIRMAN CAMPBELL: New Hampshire Hospital Greenhouse attached to the acute psychiatric services building per recommendation of the State Fire Marshal as specified in the request dated May 6, 2013. What's the Committee --

SEN. BOUTIN: Could you read that one more time?

REP. GRAHAM: What are we talking about?

CHAIRMAN CAMPBELL: For the record.

\*\* SEN. BOUTIN: So moved.

**CAPITAL BUDGET OVERVIEW COMMITTEE**

**May 14, 2013**

CHAIRMAN CAMPBELL: Moved by Senator Boutin.

REP. BENN: Second.

CHAIRMAN CAMPBELL: Seconded by Representative Benn. Any discussion? Representative Graham.

REP. GRAHAM: A couple things, Mr. Chairman, if I might. Not having gone back through and looked at, we did extend that appropriation in House Bill 25, did we not?

MR. DALL: Yes, you did.

REP. GRAHAM: Okay. If I may, Mr. Chairman?

CHAIRMAN CAMPBELL: Yes.

REP. GRAHAM: You talk about putting in a -- the fire suppression sprinkler system for \$42,000 or less or whatever you have left. Is that going to be enough? And have you checked those prices with Public Works or somebody else?

MR. DALL: We had received the initial quote of just over \$25,000 to do the whole job.

CHAIRMAN CAMPBELL: Public Works is here. You want to come forward just to answer questions?

MARK NOGUEIRA, Administrator, Bureau of Public Works, Department of Administrative Services: Mr. Chairman, Mark Nogueira, Administrator from Bureau of Public Works. We have reviewed it. The issue is that the Capital Budget item was to replace and upgrade the sprinklers that had deteriorated over the time. So the additional small portion in the greenhouse was questionable as to whether it falls within the purpose of the appropriation which is really the purpose of the visit here. We have gotten prices from our contractor. We have checked them.

**CAPITAL BUDGET OVERVIEW COMMITTEE**

**May 14, 2013**

They're -- we are getting fantastic pricing for the project so we are very comfortable.

CHAIRMAN CAMPBELL: Thank you. Any questions? Are you ready for the question? All those in favor say aye? Opposed? Item is adopted. Thank you both.

**\*\*\* {MOTION ADOPTED}**

CHAIRMAN CAMPBELL: We up to item 13-029, Department of Transportation. Welcome, Mr. Sanborn.

MARK SANBORN, Administrator, Division of Policy and Administration, Department of Transportation: Good afternoon, Mr. Chairman and Committee. For the record, my name is Mark Sanborn. I'm the federal liaison at the New Hampshire Department of Transportation. The item you have before you is a request to approve the use of up to 80,000 in toll credits to support the use of \$160,000 in Federal funds to support a transit, a bus transit service by -- to be operated by the Manchester Transit Authority to serve between the cities of Concord and the City of Manchester, including service to the Manchester-Boston Regional Airport.

In the package we provided, you'll see letters from the Commissioner and the Senators Larsen and Boutin in support, along with the Airport and the Manchester Chamber.

Service -- bus service between Concord and Manchester, our largest and third largest cities, have been something discussed for a long time. There was -- there's been increasing interest that has been passed along to the Senators and State Representatives in those areas. So a request was brought forward to use toll credits to leverage -- the Federal funds are actually with the Manchester Transit Authority. They're not State funds. So this is unusual for the Department to be supporting the use of toll credits for a service that someone else will be

**CAPITAL BUDGET OVERVIEW COMMITTEE**

**May 14, 2013**

operating. But given the large amount of interest, the regional impact this would have, the connection to the Airport, which we all have seen ridership decrease and want to do everything we can as a state to support that financial and economic -- one of the economic backbones of the state, we determined that this has a lot of transportation value, a lot of transit value, a lot of mobility value, and a lot of potential economic development value. And, also, we want to note that this is being done -- there is a one-year limit on this service, and this is being done in conjunction with a long-term solution, which is a feasibility study in the area, which is similar to the feasibility study that was done between Portsmouth and Manchester. That will have an Advisory Committee that's going to be made up of stakeholders in the region. And out of that feasibility study, we will learn what are the transit needs, what -- how much are costs, what are the options that would potentially lead to a service that was more State run, similar to the east/west bus service that will be coming on-line soon. So while this is a little unusual, it's in the heart of the state, it helps serve a huge economic driver for the state, and there's a ton of mobility and transportation value associated with it, and there's a time limit to it. So for all those reasons, the Department in connection with either the State Senators and State Representatives from the area felt comfortable. And while we are very cautious with these toll credits, the 80,000 is a relatively modest amount compared to other requests we bring before you and all that made the Department feel comfortable bringing this forward.

And just if we could, Mike Whitten, the Executive Director, is just going to go over a little bit of the specifics of the service and then we'll be ready for questions.

MICHAEL WHITTEN, Executive Director, Manchester Transit Authority: In the interest of brevity, I won't read through the whole packet of information that was presented to the Committee.

**CAPITAL BUDGET OVERVIEW COMMITTEE**

**May 14, 2013**

But the short highlights are that it's a significant expansion on our current service between the cities of Manchester and Concord. We currently operate two trips per day, Monday through Friday. That would be expanded to 12 with the toll credits leveraging additional Federal funds for those 10 expanded trips.

We have worked very closely with the Manchester-Boston Regional Airport to ensure that our arrival and departure times of our bus service matches the arrival and departure times of their flights so that this is easily used by air travelers utilizing the Airport. We have also arranged the schedule in such a manner that passengers will no longer have to transfer buses in Manchester, which they currently have to do if they're using today's service. They'll stay right on the bus. It will stop in Downtown Manchester, but they won't have to get off the bus or change. That same bus will take them right out to the Airport. And it's timed in such a manner that even residents of the City of Nashua can take our express bus up to Manchester. They would have to switch buses, but it arrives at the same time. They could connect with the Airport as well. So it really gets that third city involved in the same process. And as Mark has said, it's for a finite period. Just one Fiscal Year while that corridor study is completed to get a long-term solution in place.

CHAIRMAN CAMPBELL: Questions. Representative Benn.

REP. BENN: Thank you, Mr. Chairman. While I support, I think it be a great thing to have a bus service, my concern and the question has to do with why you requested only for one year. And I know one year for a study and follow-up never seems like enough time. And what would the timeline be? Would we be doing this for a year and then all of a sudden is going to take another two or three years to actually get a permanent service in? Would we have discontinuity once we've gotten it started, saying that it shows that it's a good idea, the study shows.

**CAPITAL BUDGET OVERVIEW COMMITTEE**

**May 14, 2013**

MR. SANBORN: Extremely valid question, sir. We are working with the Southern New Hampshire Regional Planning Commission and Central Regional Planning Commission is working in cooperation with New Hampshire DOT on the study. While nothing is 100% absolute, I can commit to you that the schedule we have is an extremely aggressive schedule on the study. We feel very confident that we will have an answer in nine months. We've already begun the work on the corridor study, and it will all be done concurrently with this and that will give us three months to evaluate the options, which isn't a ton of time; but if this service is successful, which we feel confident given the fare rate that's being proposed by MTA, and the population density that's being served, we would evaluate. If there's a successful service, we will not have a discontinuance of service. And as I said, given the time frame, the feasibility study, the corridor feasibility study and the focused aspect of it, it's just looking at transit in this corridor. We feel comfortable saying that we will have the answers in nine months, which will be enough time to evaluate long-term funding options so we don't run into that problem.

CHAIRMAN CAMPBELL: Without a loss of continuity.

MR. SANBORN: Without the loss of continuity.

REP. BENN: That's the important thing.

MR. SANBORN: Yes. And the one thing that Mike and I should have mentioned, the Airport is stepping up to the plate and doing the marketing piece of this, which is not part of MTA's budget because they know the need for more ground service, transportation connect and connectivity to the Airport. So it really is a partnership among a lot of different folks, and we've worked out the Concord piece will be served out of the Stickney Avenue and we have been working with Concord Coach to make sure that this doesn't interfere with any of their operations of the

**CAPITAL BUDGET OVERVIEW COMMITTEE**

**May 14, 2013**

existing service. So all three locations are -- there's a great partnership to make this work.

CHAIRMAN CAMPBELL: Representative Cebrowski.

REP. CEBROWSKI: Thank you, Mr. Chairman. The idea struck me as a good idea. But in reading the budget detail, I think maybe you touched on it here a little bit, I was very concerned that there was only \$326 in there for other. And I'm thinking to myself, in order to make this really effective and to get the word out, I didn't see anything in here for promotion, for advertising, for signage, that's going to really let the public know that we -- you know, really got this service in place. And without it, I'm thinking you're going to maybe fall short on expectations and not get, you know, real true data.

MR. WHITTEN: Right. That's one of the reasons that we are leveraging the marketing expertise of the Manchester Airport. The funding, the Federal side funding comes from our Section 5307 FTA funding, and there are certain limitations on just how much non-service based funding we can use for things like advertising. It's one of the challenges many public transit providers face. So we are tapping into the Airport's expertise and their available marketing budget to kind of have them take the lead on that piece of it marketing it in Manchester, in Concord, and in Nashua. They'll do advertising through social media, through Facebook and our website. We'll also take ads out in paper and then these vehicles will be quite distinguishable out on the highway. They're going to have MTA branded website and phone number and what the service is. There will be schedules available throughout the corridor, as well as at the Airport. So we are confident we have a rollout campaign in place so that come July 1<sup>st</sup>, if this is approved today, we should be ready to see passengers on the bus day one.

REP. CEBROWSKI: Follow-up.

**CAPITAL BUDGET OVERVIEW COMMITTEE**

**May 14, 2013**

CHAIRMAN CAMPBELL: Yes.

REP. CEBROWSKI: You are comfortable you're going to have the level of promotion that you need?

MR. WHITTEN: Absolutely.

MR. SANBORN: And Mark Brewer, the Executive Director of the Airport, has committed the Airport's resources and combined this with their overall marketing to ensure the success and the ridership needed to support a successful service.

REP. CEBROWSKI: Thank you.

CHAIRMAN CAMPBELL: Representative Graham.

REP. GRAHAM: Thank you, Mr. Chairman. Just real quickly. You mentioned the East/West system. We did put toll credits into that last year. How's that working out?

MR. SANBORN: Service begins this summer. So I -- I -- having --

REP. GRAHAM: That's all we need to know.

MR. SANBORN: It starts this summer.

CHAIRMAN CAMPBELL: It's in progress.

\*\* SEN. LARSEN: Could I make a motion to accept this item and approve it?

SEN. BOUTIN: Second.

SEN. LARSEN: Just to get the ball rolling. If I could speak to that motion.

**CAPITAL BUDGET OVERVIEW COMMITTEE**

**May 14, 2013**

CHAIRMAN CAMPBELL: Representative Larsen moves or Senator Larsen moves and Senator Boutin seconds the approval of item 029. Sure, go ahead.

SEN. LARSEN: I want to commend and thank Senator Boutin and then also the Department. Certainly, the work that's been done to pull this together, I think, has been remarkable and the cooperation. As we heard, it was the Seacoast Connector that started me thinking what an important economic driver the Airport is, and to know that our communities, and including Chairman Campbell's community, had no way to conveniently get to public transportation to the Manchester Airport and made no sense at all. We were promoting it as an economic driver. And I think anyone who's met with the major -- any of the businesses in our state, a number of them cite the Airport convenience as a way -- as what they rely upon for doing business. So not only for the convenience of our general travelling public but for our business and economic development. It's a huge step that we are going to be able to fund this, I hope, with the vote of everyone here for the year. And then we will have data that will provide the feasibility study that will show us the path for continuing that.

So I think it's -- it's -- given the amount of time we had to pull this together, and the huge cooperation from both Manchester MTA and the Department, I really commend everyone for making this a very workable solution. And I hope the year's task will show that there's very much a demand for it and will grow the demand at the Airport. So I urge your vote to support this.

CHAIRMAN CAMPBELL: Further discussion? Senator Boutin, please.

SEN. BOUTIN: Thank you, Mr. Chairman. And I want to echo Senator Larsen's comments and thank the Department and thank the Manchester Transit Authority. And I will just say to the

**CAPITAL BUDGET OVERVIEW COMMITTEE**

**May 14, 2013**

Committee that there was a lot of work with all the stakeholders and we have formed a very credible partnership that includes the, you know, the planning agencies doing the study, the DOT helping out with our future funding, and then we have the Airport doing the marketing. And I'd also like to also point out, secondly, that we do have an additional letter from the City of Concord expressing their support. And while Senator Larsen is the driving force behind this, I also don't want to forget our good friend, Representative Candace Bouchard from Concord, who's also --

CHAIRMAN CAMPBELL: Who's been in and out, yes.

SEN. BOUTIN: Also been a very strong supporter of this and stood with us in working to come to this point. So I want to also acknowledge her efforts as well.

CHAIRMAN CAMPBELL: Thank you.

\*\* SEN. BOUTIN: Move the question, Mr. Chairman.

CHAIRMAN CAMPBELL: Any further discussion? Seeing none. All those in favor of the motion say aye? Opposed? It's unanimous.

\*\*\* {MOTION ADOPTED}

CHAIRMAN CAMPBELL: And thank you, gentlemen.

MR. SANBORN: Thank you.

MR. WHITTEN: Thank you.

CHAIRMAN CAMPBELL: Good luck.

**(4) Miscellaneous:**

**CAPITAL BUDGET OVERVIEW COMMITTEE**

**May 14, 2013**

CHAIRMAN CAMPBELL: We have nothing under Miscellaneous.

**(5) Informational:**

CHAIRMAN CAMPBELL: Any informational items you want to highlight for us, Mr. Kane?

MR. KANE: Not to highlight. They just give you a status of Capital Budget properties.

CHAIRMAN CAMPBELL: Okay. That being said, for next meeting, I think what we'll do, this has been working pretty well to piggy-back these two committees. So we'll wait if no one objects to setting our meeting date at the next Long Range Committee and doing Capital Budget Overview afterwards. And if no one objects to that, I'll take a motion to adjourn.

**\*\*** SEN. BOUTIN: Motion to adjourn.

REP. CLOUTIER: You do expect probably having one last meeting in June before the summer --

CHAIRMAN CAMPBELL: Yes, I do expect that.

REP. CLOUTIER: You don't know the date.

CHAIRMAN CAMPBELL: Senator Boutin moves to adjourn, seconded by Representative Cloutier. All those in favor? Opposed? We are adjourned. Thank you.

(Adjourned at 3:09 p.m.)

**CAPITAL BUDGET OVERVIEW COMMITTEE**

**May 14, 2013**

## 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*

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