

CAPITAL BUDGET OVERVIEW COMMITTEE

Legislative Office Building, Room 201

Concord, NH

Tuesday, November 18, 2014

MEMBERS PRESENT:

Rep. David Campbell, Chair

Rep. John Cloutier, Clerk

Rep. John Graham

Rep. Bernard Benn

Rep. Dan Eaton

Rep. Ken Weyler

Sen. David Boutin

Sen. James Rausch

Sen. Nancy Stiles

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

(1) Acceptance of Minutes of the minutes of the September 16, 2014 meeting.

CHAIRMAN CAMPBELL: We'll call the Capital Budget Overview Committee to order for this date. First order of business is acceptance of the minutes.

****** REP. GRAHAM: Move acceptance.

REP. EATON: Second.

CHAIRMAN CAMPBELL: Moved by Representative Graham and seconded by Representative Eaton that we accept the minutes of September 16, 2014. Any discussion? All those in favor? Opposed?

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

(2) Old Business:

CHAIRMAN CAMPBELL: We have no Old Business.

(3) New Business:

CHAIRMAN CAMPBELL: New Business. We have CAP 14-057, Department of Transportation. Welcome, Deputy Commissioner McKenna.

PATRICK MCKENNA, Deputy Commissioner, Department of Transportation: Good morning, Mr. Chairman, Members of the Committee. We have before the Committee today this request, which is to amend the Equipment Acquisition Plan for the Department of Transportation for the current biennium. And what we have here is an item that has been before the Fiscal Committee as well. The item is to increase by \$1,142,000 the Equipment Acquisition Plan for the heavy fleet in order to purchase nine new trucks and seven new material spreaders. We have details of those costs in the plan itself, in order to prepare for the widening of I-93 and to be planning for some of the additional lane miles that we're maintaining and serving primarily in the winter months. That's the gist of the request itself.

We did just recently go to the Fiscal Committee for a request to draw those funds from the Highway Fund Surplus and that was approved just recently. Be happy to answer any questions.

CHAIRMAN CAMPBELL: Representative Benn.

REP. BENN: Thank you, Mr. Chairman. Good morning, Patrick.

MR. MCKENNA: Good morning. How are you, Representative?

REP. BENN: Back to the same issue. It was Monday that we were all -- a number of us were at the Fiscal Committee.

MR. MCKENNA: Yes.

REP. BENN: There's one big difference from what you told us there and what's in this request. And that is here it says that

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the lanes will open in 2015. We just had a long discussion because you had said that the lanes were going to open in 2014, and the equipment wouldn't be available until 2015.

MR. MCKENNA: We -- we -- we do have a lead time. So this is the ability to amend the acquisition plan and to proceed with the purchasing process. We have -- we have lanes that are opening currently that are not enormous lane miles, but they -- they actually change the dimension of how we have to service the roadway itself. So we have really around Exit 3 and from Exit 3 South, we have some barrels that are opening right now. We're essentially scrambling a bit to be able to maintain that -- those segments of road now. This Equipment Acquisition Plan will enable us to go through the RFP process and to bid on and secure the activity so that we can purchase. It will take us nearly a year to complete this transaction, as well as also having the equipment and then doing the build. So these will be available -- these pieces of equipment will be available for next winter, not this winter.

CHAIRMAN CAMPBELL: Follow-up.

REP. BENN: I think as far as the equipment that was the understanding. But I think we all left Fiscal Committee thinking that the highway was going to be open this fall and we had this problem for this -- not just a small section of it, but we had a problem this fall.

MR. MCKENNA: We do have a bit of a problem this fall with some of the lane miles that we're opening presently with the -- we are changing around the barrels and shifting. We're essentially kind of robbing Peter to pay Paul in terms of other sheds and shifting equipment around, but this will give us a jump on as we continue forward, and certainly as SB 367 has made additional funding available and really put an emphasis to the Department on the fact that we need to put equipment in place to be able to be ready for the further expansion as we go forward.

CHAIRMAN CAMPBELL: Representative Eaton.

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REP. EATON: Patrick, for what it's worth, I think this is the same explanation you gave to Fiscal verbatim, and at least I had the same understanding that you said there that's in here. My question is help me understand why this is duplicative. I thought once you went through Fiscal it was a done deal, and why do we have to come back through here?

MR. MCKENNA: Two separate items, actually, because we needed to secure the funding through Fiscal we had to have a separate Fiscal item. This is actually because of the footnote in the budget that we have an Equipment Acquisition Plan. So any modification or increase to that acquisition plan requires this Committee's approval. So that's why we're here today is to amend the acquisition plan. We certainly wouldn't be here if Fiscal had denied the funding request. And then, further, we'll have to bring both the Equipment Acquisition Plan and the Fiscal item to Governor and Council.

** REP. EATON: G & C. Thank you very much. Move approval.

SEN. RAUSCH: Second.

CHAIRMAN CAMPBELL: Been moved by Representative Eaton, seconded by Senator Rausch that we approve the item. Any further discussion? Seeing none. All those in favor say aye? Opposed? Motion adopted.

*** {MOTION ADOPTED}

(4) Miscellaneous:

(5) Informational:

CHAIRMAN CAMPBELL: That's it for New Business. The rest of it is informational. We'll go through them. Couple we want to talk to.

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The first one is Administrative Services Monthly Report. Any questions on that? Next we have Monthly Acquisition Plan from DOT. Any questions on that? Again, CAP 14-052 is also acquisition plan. Director, CAP 14-053 is Maintenance Projects Monthly Report. The next one we do want to have a discussion, if we could, CAP 14-054, Department of Corrections. Who's going to go over what we were sent?

CHAIRMAN CAMPBELL: Good morning.

MICHAEL CONNOR, Deputy Commissioner, Department of Administrative Services: Good morning, Mr. Chair, Members of Committee. For the record, Mike Connor from Administrative Services where I serve as a Deputy Commissioner of Administrative Services. With me today is Helen Hanks, the Assistant Commissioner of the Department of Corrections. We gave a pretty extensive report the last time we were here. You asked for an update since that time so I'll be glad to do that. You have a copy of the report and be glad to answer any questions, either Helen or I.

Basically, the site work began on August 18th. We are approximately two-thirds of the way through. Earth removal, blasting, drainage, permanent road and the building pad are going well. The glacial till has been a great material to work with. So that's been really well -- really well-received. In order to save money for remobilization, we authorized the contractor to crush all the on-site material while they are there so we don't have to pay our remobilization cost in the next phase. So we are thinking we'll save a couple hundred thousand dollars there. The completion date for sight work is mid-December.

Construction documents are well under way. We are still working together to identify ways that we can reduce costs.

As far as the future time lines are concerned, we expect 90% construction documents to be ready by 12/19, bidding to actually start on January 6th. We have a second public meeting

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scheduled with the Planning Board here in the City of Concord in January which we'll get into a little more details. The major bids are due by mid-February of 2015 with a guaranteed maximum price for the building and the site due by March 2nd. So those dates are, hopefully, in line with the Capital Budget process and you will have some good numbers to be based on.

We are working with SMRT and Gilbane to bid the project in two phases so that we can begin construction in the spring. So we don't want to lose that time frame. We are going to do what work we can with the budget we have. What we don't want to do is have to pave, remove or to come back and do it again so we'll be working on the site work and those things that we expect to have done by September. Obviously, we are coming with additional appropriation request in the second Capital Budget which will probably be available for us by end of August, early September. So we want to get the work done, up from March basically until September. And then the additional funding continue on so we don't have to pay them to come back and do site work and those kind of things. We'll be doing the groundwork, the site work, stubbing up the electrical and the plumbing things so that we can continue the project and finish it relatively on schedule. So that's our plan. We'll be glad to answer your questions that you may have.

CHAIRMAN CAMPBELL: Any questions? Representative Weyler.

REP. WEYLER: Thank you, Mr. Chairman. Commissioner Connor, I thought we'd done extensive borings and surprised that we find that this large boulder pile, five-foot layer of unsuitable soil and debris. Did we know about that from all these borings we did?

MR. CONNOR: We do a lot of borings; but, obviously, it's not 100%. And so we did hit a small area that we had a problem. But, in general, we expected actually worse. We didn't have as much ledge as what we had hoped. Not hoped, what we anticipated. So it's actually been a positive experience for us. It's been some really good fill that we're able to reuse right from the existing site.

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REP. WEYLER: What was the unsuitable soil?

CHAIRMAN CAMPBELL: Glacial till.

MR. CONNOR: With your permission, if I could have Theodore Kupper come up and he's our Administrator of Public Works. He can get into more detail. You want to pull up a chair?

THEODORE KUPPER, Administrator, Bureau of Public Works, Department of Administrative Services: Theodore Kupper, Administrator for Public Works. The nature of that material was glacial till. It's difficult material to work when it's wet. When it's dry it's good material to use and replace and that's essentially what we've done there.

REP. WEYLER: Thank you. Thank you, Mr. Chairman.

CHAIRMAN CAMPBELL: Better than ledge, right?

MR. KUPPER: It is better than ledge.

CHAIRMAN CAMPBELL: Any other questions? Representative Benn.

REP. BENN: I just have a question. You know, in terms of the Capital Budget process, in terms of it climbing, will you be putting in an additional amount for the Capital Budget before March when you have the final numbers?

MR. CONNOR: Yes.

REP. BENN: Do you know how much you're going to be asking for as a general thing now?

MR. CONNOR: Yes. We are going through the process now. As you know, the Governor had the hearings. By December 1st, Public Works reviews all those Capital Budget projects and then revises the numbers, not just our project but all of them. So that will

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be presented to the Governor December 1st. That will have a revision based on the last estimates that we've had and they're still, unfortunately, holding firm. About 49.5 was the last estimate from our architect. And so we are hoping it's going to be better than that and the actual bids come in, but right now the estimate is still there. So the delta will be in that request.

REP. BENN: Seventeen million?

MR. CONNOR: That be up to the Governor to decide what she decides. But yes, we'll have that information available.

CHAIRMAN CAMPBELL: Representative Eaton.

REP. EATON: Going to ask you a question. I sat on the Governor's Budget hearings and asked the Department, but I'll ask you since you're more right there. Do we have tentative move-in date?

MR. CONNOR: Tentative move-in date? The completion date that we have is October of 2016. That was in our plan and that has not changed. We're not sure if that's still going to continue to be. Because of the two-phased approach that we are going to have, it may cause a delay on the other end; but right now we are still set at October 2016.

REP. EATON: Thank you.

CHAIRMAN CAMPBELL: Excuse me, two-phased project, you mean 'cause the second round of funding?

MR. CONNOR: Yes. Because what's happening is the vendor's coming in with a guaranteed maximum price to do the whole job but in a phased approach. But what that does is that he can't -- when he gives out his contracts to his subs, he can give them work that we have which is all we have authority for, which is the 38 million. But the other work is pending, any funding that we get from the Legislature. So they have to carry

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some overhead costs in there because it's not going to start exactly in March. It's going to start probably in September.

CHAIRMAN CAMPBELL: Okay. But you'll know about the funding by June.

MR. CONNOR: We'll know about the funding. But they're going to be issuing their contracts. They're going to be getting bids in March. So prior to March, they're going to be getting bids in February. March they're going to give us a guaranteed maximum price. Because in an ideal situation, we'd be doing the whole project, contract done for everything. But we only have authority to approve what we have for money.

CHAIRMAN CAMPBELL: No, I understand that.

MR. CONNOR: We are going to approve this, prices for this. But this part won't start until September.

CHAIRMAN CAMPBELL: But in terms of mobilization, they're already mobilized.

MR. CONNOR: We'll be mobilizing to do the site work and all the other preliminary things but not to finish the ball field, not to do the road, not to install the fence. Those things that need to be done later in the project we don't have authority to --

CHAIRMAN CAMPBELL: No, I know you don't have authority, but you see that as a necessary delay or added costs because of that?

MR. CONNOR: There's a potential cost there. Because if I'm putting together a bid in February and you're asking me that I might not start work until September. So now I've got to guess at what price increases are going to go up between February and September. So I've got to hedge. So I'm going to have to -- I'm going to have to put a little bit of money there because those materials, I don't know how much they're going to go up, if

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they're going to go up. So yes, there is some inherent cost – how much, I don't know – in having a two-phased approach.

CHAIRMAN CAMPBELL: Any other questions? All right. Well, thank you for the update.

MR. CONNOR: Thank you.

CHAIRMAN CAMPBELL: And good luck. So, among us, what is the delta here we are talking about? Was it 49? They're talking now 49 and half and what did we appropriate?

SEN. BOUTIN: Thirty-seven.

CHAIRMAN CAMPBELL: About 12 and a half. Okay. Next is DOT item 14-055, status update and current balance of available toll credits. Basically, what we wanted to know to put on the record for the next Legislature is what are the toll credit balance. You know, what's been historically the burn rate. I understand you can't look forward prospectively too much. You pretty know what's in the bank and how much you've been spending historically. And we appreciate the letter but if you could go through it for us, we'd appreciate it.

MR. MCKENNA: Thank you, Mr. Chairman, Members of the Committee. Again, in response to the Committee's request to provide an update on the status of Turnpike Toll Credits we've provided a bit of information. The Federal Highway Administration definition and construct of Turnpike Toll Credits is in the letter there with regard to the sections in Title 23 that permits states to utilize these. And essentially what these are, the Turnpike Toll Credits are, are credits that are made available for use on match of federally eligible transportation projects. And they're gained by the capital spending that occurs using State funds on projects that would otherwise be eligible for Federal funds. So our Turnpike System does just that. It is self-funded through the toll collection, provides funding for capital improvements. Sometimes we -- we combine Federal funds

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and Turnpike funds on Turnpike projects, but primarily we gain credit for that capital spending.

There are maintenance of effort requirements in the provisions of law to gain access to credits each year. They're typically a three-year lookback. And that three-year lookback just suggests that the capital spending in the current year in order to receive credit has to be higher than the average of the previous three. And that's where when we had discussions with the Committee before when we get to a point where Turnpike Capital Expansion Programs are winding up and before authorization for additional programs, we could reach periods where we're not meeting the maintenance of effort and, therefore, we could have a multi-year period where we don't receive credits.

CHAIRMAN CAMPBELL: If I could stop you there. Because I think that's an important nuance that a lot of -- it's that maintenance of effort. So if you continue to maintain the Turnpikes without any basically other capital projects, you don't get any toll credits.

MR. MCKENNA: That's correct.

CHAIRMAN CAMPBELL: The way they look at it if you have a three-year period where you have some capital projects that exceed what you did three years before, that's when you get the toll credits.

MR. MCKENNA: That's correct.

CHAIRMAN CAMPBELL: Okay. I think that's important for people to understand that going forward.

MR. MCKENNA: It is. As we track it, you can see we attached a spreadsheet that essentially gives a history when the Department started tracking and applying for these credits with the Federal Highway. We would work with our division office and reconcile. As you can see in there, we have pending requests of approximately \$146 million for two years where we're actually

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able through our Finance Division was able to go back because we did not meet the three-year maintenance of effort in those two years. However, we're able to research and get a special exception two-year rule approved by Federal Highway which has enabled the Department to request this additional 146 million. So we had very substantial bond funded Turnpike Capital expansion in the past couple years. The peak was over \$80 million. And we're now pretty confident that we'll receive credit for those years, and we would have otherwise not received that. So that will put our balance at just over \$300 million when those are approved and that will probably be within the next three to four months that we'll get final approval on those credits.

CHAIRMAN CAMPBELL: The time the next Legislature is in you'll know that for sure.

MR. MCKENNA: We should.

CHAIRMAN CAMPBELL: You can report that to this Committee.

MR. MCKENNA: Yes.

CHAIRMAN CAMPBELL: Your annual burn rate has been approximately?

MR. MCKENNA: Approximately \$30 million. If we consider that our average Federal program dollar is about 150 million, so that's a 20% match on that \$150 millions. So at that -- at that rate, and that varies based on the -- based on the actual project expenditures as we go, but that's a pretty good approximation. So for that reason, we did not budget in the request, we did not put in a hard match dollar of Highway funds, because we believe we are pretty solid with the balance there.

CHAIRMAN CAMPBELL: You're certainly going to have to go through this process, again, with the new Legislature and the new members because you come here off and on. Obviously, you were requesting of the Legislature a few years ago when you put

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in. The toll credits have to be approved by Capital Budget, this Committee.

MR. MCKENNA: Right.

CHAIRMAN CAMPBELL: And people want to know, you know, we are spending it and, you know, is it an exhaustible bucket. To know what the status is will help this Committee in the future.

MR. MCKENNA: And the nuance to that legislation is that it's toll credits that are not being used on -- specifically on road and bridge projects. So those are the ones that we bring forward to the Committee in terms of a request for approval. So when we go to, say, match Federal funds for our regional planning commissions that use State planning and research funds or otherwise, those are the types of requests that we bring forward, or for transit or otherwise.

CHAIRMAN CAMPBELL: So is there a difference in the 310? How does that breakdown, that are highway related and non-highway related?

MR. MCKENNA: I believe since the legislation was passed, we have brought forward approximately \$4 million of usage in total over that period of time. That was non-highway and bridge related credits. So that's over approximately a three-year period.

CHAIRMAN CAMPBELL: Yeah. I think that be good to keep track of that going forward so people understand that. Representative Benn.

REP. BENN: Thank you, Mr. Chairman. Do I understand correctly that if the Federal program stopped --

MR. MCKENNA: Hm-hum.

REP. BENN: -- we would still have enough for ten years? Is that what you were saying?

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MR. MCKENNA: That's true. We don't know each time reauthorization comes up. They may actually eliminate Turnpike Toll Credits as a use of match. That is a possibility. That would be a pretty stunning budgetary issue for the State if that were the case.

REP. BENN: But we still have enough for ten years is what you're saying here.

MR. MCKENNA: Yes. At present -- at present authorization and once we get that \$146 million approved, that does provide approximately a ten-year buffer for the State.

REP. BENN: Who knows what's going to happen with the Feds.

MR. MCKENNA: Right. That's right.

CHAIRMAN CAMPBELL: And we use that for highway projects, anything that's a Federal project.

MR. MCKENNA: That's correct.

CHAIRMAN CAMPBELL: Most of the ten-year plan.

MR. MCKENNA: Yes.

CHAIRMAN CAMPBELL: The matching monies, State monies, for a number of years in 2009 and going forward is all toll credits. It's not State hard money.

MR. MCKENNA: 100%. That's a critical -- critical point and thank you for bringing that up.

CHAIRMAN CAMPBELL: A critical point. And for any reason the Federal Government should change that, then all of a sudden we have -- in order to continue those 90% projects, we have to come up with that 10% in cash which --

MR. MCKENNA: Right.

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CHAIRMAN CAMPBELL: -- right now we don't have.

MR. MCKENNA: Right. And it's actually primarily an 80/20 program right now. There's only very small remaining appropriations at the Federal level that are 90/10.

CHAIRMAN CAMPBELL: All right. Are there any other questions on this? No questions. No. Thanks for that briefing. I think that's going to be helpful. Good to have it on the record.

MR. MCKENNA: Thank you. And, Mr. Chairman, if I might say, I just on behalf of the Department of Transportation, Representative Benn, Representative Graham, yourself, Senator Rausch, we'd just like to express our appreciation for your service and for your guidance through the years with this Committee and others. We really appreciate it.

CHAIRMAN CAMPBELL: Thank you.

REP. BENN: Thank you.

SEN. RAUSCH: Thank you.

CHAIRMAN CAMPBELL: All right. Toll credits. Last is and not least Information Technology. I see we have the Director of Web Services here with us. Basically, it's an update on Business One-Stop. And progress is being made. I guess we'd just like to have you go over your letter briefly.

THERESA PARE CURTIS, Director, Division of Web Services, Department of Information Technology: Sure.

CHAIRMAN CAMPBELL: Answer any questions the Committee may have. Good morning.

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MS. PARE CURTIS: Good morning. Theresa Pare Curtis. I'm the Director of the Web Support Division of DoIT. Speak to you about Business One-Stop once again.

As I put in this letter, Business One-Stop has also -- the Governor Hassan embraced part of this by issuing an Executive Order for forms that all possible forms that can be submitted by business entities must have that done by September of 2015. So in addition to working with pilot agencies on the acquisition of the software to do this, we're also ramped up to train approximately staff in 15 agencies, ultimately, about a thousand different people on how to actually use this product to create their forms, allow businesses to submit that way, and allow them to process those forms and bring them back into back-end legacy systems, if necessary.

It is going very well. I think for the first time we have a somewhat complete inventory of all the different types of forms that agencies need to use to interact with the business community in the state. The number does fluctuate which is why these are round numbers. And the reason the number fluctuates is as an agency does a little bit more research they -- so I put round numbers in, but as the agency does more research they suddenly discover that they have three forms where only one of them needed to be done. Their count reduces by a few. They find more forms that they didn't realize, the count is increasing by a few. So it's not a static number. But we are getting a lot of -- a good handle on it.

The agencies have been very receptive to working on this project. And I think we are going to see a big change in how those businesses are able to work more quickly with State Government. State Government comes out of the process of keying in information and actually starts with your subject matter experts working with those businesses much more quickly. And I'd be happy to answer any questions you have.

CHAIRMAN CAMPBELL: I have a question on what the end product is going to look like. Because I'm an attorney in real

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life, and I do incorporations, start-up a business for somebody sometimes, and everything is available on-line right now pretty much, but I got to hunt and look for it. I mean, it should be for a businessman or attorney for a businessman it should say I want to start a PLLC in New Hampshire. So I push that button and up should come this form, this form, this form, this form, this form.

MS. PARE CURTIS: Right now, the Business One-Stop interactive questionnaire does that. But you still then have to follow the links for each one of those to get to that form. And you then have to typically download that form or print that form out, find a typewriter or handwrite it and put it in. This is changing that. So now you'll be able to either through a couple of different types of search engines or that questionnaire be linked directly to the form which can be completed and submitted on-line. If there are attachments that need to be sent in, in addition to that form, that attachment can be added to it. If there are payments that need to be submitted when you submit that form, that form will be tied to a payment process so that you can make the payment on that. So that it will take you out of hunting and pecking and finding things and finding that typewriter or letting your handwriting, which mine is atrocious, will take all of those pieces out of it. So yes, that is the vision of where we are going to end up.

CHAIRMAN CAMPBELL: Yeah, and since this is my last shot at this, let me make the suggestion, too. I mean, even now, you could have an inventory.

MS. PARE CURTIS: We have been adding the inventory. The inventory itself is --

CHAIRMAN CAMPBELL: I mean, inventory for each item. I want to start a PLLC. I want to start an incorporation. You should have an inventory sheet come up saying you're going to need this for this Department, this Department.

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MS. PARE CURTIS: It does. Business One-Stop right now does do that. If I go through it and I ask -- answer all those questions, right now it's -- it walks you through both the Wizard or you can free text key word search it to say I'm looking for, you know, whatever the corporation status. Or you can say I'm going to start a business and it will ask you a number of questions. Everything from does your business have this word in the name, 'cause, therefore, you have to get permission from these other people. And it does come up with a complete list of these are the things you have to do.

CHAIRMAN CAMPBELL: I don't deny that. But somebody that uses it a lot, for instance, just say you know you want to start a corporation, an S Corp.

MS. PARE CURTIS: Hm-hum.

CHAIRMAN CAMPBELL: S Corp. Should tell you everything you need in New Hampshire for an S Corp. without having to go through --

MS. PARE CURTIS: Answering the questions.

CHAIRMAN CAMPBELL: -- a lot of questions.

MS. PARE CURTIS: We can take a look how we can streamline that.

CHAIRMAN CAMPBELL: That's my last shot. Okay.

REP. GRAHAM: Mr. Chair, if I might? When you bring up the first one, I'll use the S Corp. I put the name of it in, does it go to every other form that is needed just cascade down so that I don't have to retype the name every -- on every form?

CHAIRMAN CAMPBELL: Name, address,

MS. PARE CURTIS: You mean when we get to the automation piece of filling it in?

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REP. GRAHAM: Yes.

MS. PARE CURTIS: Yes. You will have all your standard demographic, standard information about your business and it will auto populate that. So when you complete 15 forms, it will take that information that you've entered once.

REP. GRAHAM: And when will that be ready?

MS. PARE CURTIS: That is all part of this particular process right here.

REP. GRAHAM: And a follow on.

MS. PARE CURTIS: And the go-live is a stagger go-live as to what -- which forms are going to be up first, but all of them need to be there by September 30th.

REP. GRAHAM: And you are not going to ask for more money?

MS. PARE CURTIS: We are not asking for more money in the next Capital Budget.

REP. GRAHAM: That's what I thought I heard.

REP. BENN: Terrific.

CHAIRMAN CAMPBELL: Any questions? Thanks for coming in.

MS. PARE CURTIS: Thank you very much.

CHAIRMAN CAMPBELL: Senator Rausch.

SEN. RAUSCH: Thank you, Mr. Chair. I guess my last comment to this Committee. For those returning, I did have the opportunity to sit in on the Fiscal Committee. And we were presented an audit and I was more than a little surprised at the communication inoperability. The audit, in my opinion, was rather scathing on the lack of progress to what I thought was

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the key component, and that is to get all the different agencies communicating together. I think Safety has made improvements, but they testified that they are going to be millions, and millions, and millions short of what the goal was, which I think having been on Capital Budget for some time, knowing we've spent money, but I think money has come from other sources, I guess from the operating; but I just think it's something for any members returning that that really needs to have legislative oversight to make sure that they do advance that so it is truly interoperability for all the different agencies.

REP. EATON: As a follow-up to Senator Rausch. I think the Commissioner missed an opportunity to state the progress done on that issue to date. And I sit on U.S. Homeland Security, National Interoperability, and State Homeland Security on State Interoperability. One month ago we just had an in-depth seminar on updating the whole statewide plan, and it involved the Feds for utilizing their communications as well and have submitted that to the Feds to go along with FirstNet which is a national operability. And we made great strides and have begun the review process with that and should be on-line within the next two months laying out exactly where our holes are and where we need to improve.

I think what was presented to us might have been a little more dire than what the actual reality is.

SEN. RAUSCH: I'm just going by what the audit report said. So thank you.

CHAIRMAN CAMPBELL: Representative Benn.

REP. BENN: And if I might add to that, also, is that it was serious discussion. And I had suggested that they, the Department, bring something to the Capital Budget, the Governor's review right now to put a number down there so that there'll be something in the Capital Budget or at least suggest to the Capital Budget that we cover the needed expense, since it sounds like it's going to be a significant number. And it may

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take a couple years till it gets incorporated into the Capital Budget but to at least start right now to do it.

REP. WEYLER: And question for Dan. In my reading of it, I don't think it got into local police and county.

REP. EATON: In the meeting we had, it encompassed local police, local fire, county, the state regional -- regional dispatch centers. It is a group that encompasses every aspect and even expands out to Public Utilities. So that there will be interoperability amongst all emergency services with Public Utilities which are an integral part of any emergency situation. And the largest part is going to be linkage between our system and the Federal system. Our system is communications-based. The Federal system is going to be data-based to start with and then expand out which is on the B block that everybody's heard about for the Broadband aspect. Where inside of, hopefully, five years, if you take the example in Greenland, there will be cameras in the car that will live stream right into dispatch headquarters. They'll see a shootout and just start rolling everything. There'll be cameras in a fire truck. When a fire truck arrives on scene, dispatch center will live stream it and automatically send stuff. An ambulance will be able to live stream right into an emergency room so that all the groundwork has been laid and the progress is being made. It's going to be money for the equipment and the equipment is being beta tested right now on a national basis to be military grades. You can have a laptop the fire truck can drive over and you can still work it.

SEN. RAUSCH: Okay. Good.

CHAIRMAN CAMPBELL: I could use one of those. Anything else? Yes, Representative.

REP. EATON: Mr. Chair, I just echo Patrick. I just want to say thank you to all the members that are not returning for all the hard work, the wealth of institutional memory and knowledge that is going to be next to impossible to replace,

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which we always say. But it's, I think, very real in this Committee. And I want to make a special thanks to the Chair for his depth of knowledge, hard work, and fairness and in making this Committee shine as it hasn't for the last -- I mean, for the last two years it's been stellar and impressive, and I'm very grateful for your leadership and for what you've done for the State of New Hampshire. And for all the agencies in the State of New Hampshire I want to thank you for that.

CHAIRMAN CAMPBELL: Thank you.

(Applause.) (Standing ovation).

CHAIRMAN CAMPBELL: On that we will adjourn. All those in favor say aye? Opposed? Thanks.

(Adjourned at 11:38 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.

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