



The State of New Hampshire
Department of Environmental Services



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Robert R. Scott, Commissioner

February 20, 2024

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 ACTION

Pursuant to RSA 14:30-a, VI, authorize the Department of Environmental Services (NHDES) to accept and expend \$3,500,000 in federal funds from the American Rescue Plan Act of 2021 (ARPA) to fund the remediation of Mohawk Tannery hazardous waste site in the City of Nashua, effective upon Fiscal Committee and Governor & Council approval through June 30, 2025. Funding is 100% Federal Funds. This is an allowable use of ARP FRF funds under Section 602 (c)(1)(C) for the provision of government services to the extent of the reduction in revenue.

NHDES is requesting funding to be budgeted as follows:

ARPA DES MOHAWK PROJECT ¹
03-44-44-440010-XXXX
Fiscal Year 2024

Class	Budget Category	Current Budget	Requested Action	Revised Budget
Income				
000-400338	Federal Funds	\$0	(\$3,500,000)	(\$3,500,000)
Expenditures				
18-500106	Overtime	\$0	5,000	\$5,000
40-500800	Indirect Costs	\$0	4,766	\$4,766
41-500801	Audit Set-Aside	\$0	3,700	\$3,700
42-500620	Additional Fringe Benefits	\$0	1,963	\$1,963

¹ All direct program costs will be accounted for using activity 00FRF602GS4403A, activity 00FRF602GS4403Z 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.

Class Con't	Budget Category	Current Budget	Requested Action	Revised Budget
50-500109	Temporary Personnel	\$0	30,394	\$30,394
60-500601	Benefits	\$0	16,027	\$16,027
72-500574	Grants – Federal	\$0	3,438,150	\$3,438,150
	Total	\$0	\$3,500,000	\$3,500,000

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 resultant 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.

The former Mohawk Tannery, also known as Granite State Leathers, produced tanned hides for leather between 1924 and 1984. The tannery produced sludge and acidic residual waste and disposed of waste in a series of pits and drainage basins in and around the tannery buildings. The sludge and the soils in these areas are contaminated with heavy metals, semi-volatile organic compounds, dioxins and asbestos. The Site was proposed to the Environmental Protection Agency's (EPA's) National Priorities List in 2000 but was never listed. EPA has reached an agreement with a private developer, Blaylock Holdings, LCC., to purchase, remediate and redevelop the Site. The remediation design will address identified contaminants of concern in soils, sludges and contaminated waste in order to reduce the threat posed to human health and the environment. Cleanup work at the site will include excavation of hazardous tannery waste, landfill material and asbestos containing material, disposal of waste in a newly constructed waste containment cell, and general property restoration.

NHDES is requesting to budget these funds as shown below:

- Class 018 To cover the cost for overtime for personnel.
- 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 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

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payroll and benefits of employees managing new grant programs established with FRF is an allowable use, therefore, these funds will be used to replace funding for the following full-time positions, which are currently budgeted:

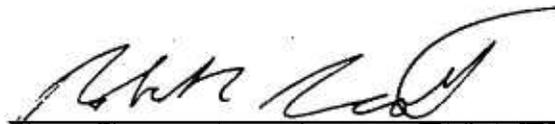
Position #	Title	Account 03-44-44-	Funding Mix	Amount
9T2655	Administrator IV	444010-8893	100% Other	\$3,604
18332	Civil Engineer VI	444010-2590	100% Federal	\$4,248
40492	Hydrogeologist V	444010-8893	100% Federal	\$5,208
18328	Sanitary Engineer III	444010-2590	100% Federal	\$3,966
9T3089	Business Admin II	440010-2476	100% Federal	\$6,385
40048	Internal Auditor III	440010-1002	100% General	\$6,983
			Total	\$30,394

Funding in the amount of \$30,394 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 060 To cover benefits for personnel costs.

Class 072 To cover grants to entities for infrastructure projects.

We respectfully request your approval of this item.



Robert R. Scott, Commissioner
NH Department of Environmental Services