

BUDGET NARRATIVE

CPRG Implementation Grants Competition New Hampshire Department of Environmental Services

This budget narrative uses the following budget categories to break out costs associated with implementation of the proposed measures:

- **Personnel:** Direct costs for salaries and wages.
- **Fringe Benefits:** Allowances and services provided by the employer to personnel in addition to regular salaries and wages. These may include the cost of leave, employee insurance, pensions and unemployment, cell phone allowances, holiday bonuses, and similar benefits.
- **Travel:** Costs for transportation services, lodging, per diem, and similar personal expenses allowed under applicable travel policies for trips necessary to implement the proposal.
- **Equipment:** Costs for tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit used by personnel implementing the proposal. Equipment purchased by project participants is classified in the "Other" budget category as participant support costs.
- **Supplies:** Costs for tangible personal property other than equipment with a per item acquisition cost of less than \$5,000 that are necessary to implement the proposal.
- **Contractual:** Costs associated with contracts to acquire property (including intellectual property) and services needed to carry out the proposal.
- **Other:** Direct costs that do not fit in any of the other budget categories, including participant support costs and subawards.
- **Indirect:** Costs incurred for a common or joint purpose that benefit more than the proposed project that is not readily divisible among cost objectives without efforts disproportionate to the results achieved. Examples include space costs, utilities, accounting services, human resources, etc.

An explanation of costs associated for each measure is presented below. A detailed breakdown of costs for each budget category for each measure is provided in the CPRG Implementation Grants Budget Table included with this proposal in the Microsoft Excel file titled "Budgetcalcs_NHDES".

Personnel (All measures except for measure 4)

NHDES is requesting funding for three, full-time NHDES staff to implement most measures during the five-year period of performance of the CPRG grant. NHDES expects to post the availability of these positions from August to September 2024, and hire staff for the positions from October 2024 to January 2025 (see Table 1 of NHDES's Workplan). Except for Measure 4 – Improving Energy Efficiency at Wastewater and Drinking Water Systems, NHDES allocated funding for the positions to each measure based on the ratio of the budget of each relevant measure (i.e., measures 1, 2, 3, 5, and 6) to the sum of total budget of those measures. For example, Measure 1 would fund 0.375 full-time equivalents (FTEs) of each full-time position (i.e. total budget of Measure 1/ total budget of measures 1,2, 3, 5, and 6 = \$15,000,00/\$40,000,000 = 0.375). Measure 4 does not budget for the NHDES positions because NHDES determined that additional NHDES staff are not needed to implement Measure 4. The sum of all funding of the personnel and fringe benefits for measures 1, 2, 3, 5, and 6 equals three full FTEs to provide for a

Program Manager, Program Coordinator, and Program Accountant. In addition, NHDES proposes to allocate a small amount of funding, 0.05 FTEs each, to support the work of the Administrator of NHDES's Technical Services Bureau and the Assistant Director of the NHDES Air Resources Division to oversee and direct the work of the Program Manager, Program Coordinator and Program Accountant.

- **Program Manager:** Responsible for overall implementation of CPRG funding. The Program Manager will exercise day-to-day responsibility for establishing contracts and subawards to implement the measures funded through the CPRG program. The Program Manager will serve as the primary point of contact for communications with EPA, NHDES staff, local governments, community groups, and individual citizens to provide technical assistance to implement measures. The Program Manager will review and approve outreach and guidance documents, which will be developed by the Program Coordinator, to ensure potential beneficiaries of the measure understand the opportunities and requirements of the CPRG program. The Project Manager will also serve as the lead to ensure compliance with CPRG funding requirements, such as Build America, Buy America; Davis-Bacon Related Acts; proper and timely disbursement of grant funds; and semi-annual and annual reporting to EPA. The Program Manager will also ensure that costs of implementation are reasonable by establishing procedures and controls for timely and efficient expenditure of CPRG funding. They will provide direction and establish priorities for the Program Coordinator in carrying out activities under the work plans for each measure. One hundred percent of the Program Manager's time will be devoted to CPRG implementation activities and objectives.
- **Program Coordinator:** Responsible for coordinating the contracts and subawards to implement the measures by ensuring contractors and subrecipients are carrying out activities in accordance with workplans for each measure that will be established via procurement contract and subaward agreements. The Program Coordinator will serve as the secondary point of contact for CPRG communications with EPA, NHDES staff, local governments, community groups, and individual citizens to provide technical assistance to implement measures. The Program Coordinator will develop outreach and guidance documents to ensure potential beneficiaries of the measure understand the opportunities and requirements of the CPRG program. Under the direction of the Program Manager, the Program Coordinator will develop and implement processes to ensure compliance with CPRG funding requirements such as Build America, Buy America; Davis-Bacon Related Acts; eligibility of costs for disbursement of grant funds; and semi-annual and annual reporting to EPA. The Program Coordinator will ensure that grant disbursement requests comply with federal and state requirements before submittal to the Program Accountant. One hundred percent of the Program Coordinator's time will be devoted to CPRG implementation activities and objectives.
- **Program Accountant:** Responsible for overall disbursement of CPRG funding to contractors and subrecipients for eligible costs and overall accounting of CPRG spending. The Program Accountant would be responsible for ensuring that documentation for grant disbursement requests from the Program Coordinator comply with federal and state requirements before initiating disbursement of CPRG funding to contractors, subrecipients, and NHDES. The Program Accountant will implement procedures and controls to ensure timely, efficient, and compliant expenditure of CPRG funding. The Program Account may assist in the development and implementation of processes to ensure compliance with CPRG funding requirements such as Build America, Buy America; Davis-Bacon Related Acts; eligibility of costs for disbursement of grant funds; and semi-annual and annual reporting to EPA. One hundred percent of the Program Accountants's time will be devoted to proper accounting and expenditure of CPRG funding.

- **Administrator, NHDES Air Resources Division, Technical Services Bureau:** Responsible for overseeing and directing the work of the Program Manager, Program Coordinator, and Program Accountant. The Bureau Administrator will serve as the primary point of contact for communications between Program Manager, Program Coordinator, and Program Accountant and NHDES upper management (e.g., Director and Assistant Director of the NHDES Air Resources Division; Commissioner and Assistant Commissioner of NHDES). CPRG funding would only cover 5% of the Bureau Administrator's position.
- **Assistant Director, NHDES Air Resources Division:** Responsible for overall management of CPRG funding. The Assistant Director will exercise responsibility for overseeing and directing the work of the Program Manager, Program Coordinator, Program Accountant, and Technical Services Bureau Administrator. The Assistant Director will also serve as the primary point of contact for communications with the offices of New Hampshire's Governor and Executive Council about implementation of CPRG funding. CPRG funding would only cover 5% of the Assistant Director's position.

Fringe Benefits (All measures except for Measure 4)

Base fringe benefits are calculated at 52.73% of salary for each position funded by the grant. Additional fringe benefits, which includes a "cost of living adjustment", are calculated at 6.46% of salary. Except for Measure 4 – Improving Energy Efficiency at Wastewater and Drinking Water Systems, NHDES budgeted the fringe benefits by allocating funding to each measure based on the ratio of the budget of each relevant measure (i.e., measures 1, 2, 3, 5, and 6) to overall total budget of those measures. This includes all costs for fringe benefits for the Program Manager, Program Coordinator, and Program Accountant, and 5% of costs for fringe benefits for the Bureau Administrator and Assistant Director.

Supplies (All measures except for Measure 4)

Three computers and monitors will be purchased to enable the work of the Program Manager, Program Coordinator, and Program Accountant. Except for Measure 4 – Improving Energy Efficiency at Wastewater and Drinking Water Systems, NHDES budgeted these supplies by allocating funding to each measure based on the ratio of the budget of each measure to overall total budget of those measures. Measure 4 does not budget for NHDES these computers because NHDES determined that additional NHDES staff, and therefore the related computers, are not needed to implement Measure 4.

Other (All Measures)

Each measure budget includes a NHDES standard cost of 0.1% per year of total funding of the measure for costs of an "Audit Fund". This budget item will be used to fund required audits of grant funding.

Other (All measures except for Measure 4)

Except for Measure 4 – Improving Energy Efficiency at Wastewater and Drinking Water Systems, each measure includes the following, standard costs that are calculated based on costs budgeted for personnel and fringe benefits or the number of computers. Costs are based on the ratio of the budget of each relevant measure (i.e., measures 1, 2, 3, 5, and 6) to overall total budget of those measures:

- Direct Administrative Services charge of 6% of salary all budgeted costs for personnel salaries and fringe benefits. This budget item supports the costs of the New Hampshire Department of Administrative Services for their work (e.g., job creation, job postings, administrative work) to

support the Program Manager Program Coordinator, and Program Accountant, and 5% of the Bureau Administrator and Assistant Director.

- For each of the three computers for the Program Manager, Program Coordinator, and Program Accountant, \$300 per year for software licenses (e.g., MS Office suite; Adobe).
- For each of the three computers for the Program Manager, Program Coordinator, and Program Accountant, \$6,083 per year for each computer (i.e., a total of \$18,249 per year) to cover costs for the New Hampshire Office of Information Technology to support networking, databases, etc. related to the computers.
- For each new full-time staff person, \$4,221 per year for the Program Manager, Program Coordinator, and Program Accountant (i.e., a total of \$12,633 per year) to cover costs associated with renting a portion of the building where those staff will work.
- For each new full-time staff person, \$32 per year for the Program Manager, Program Coordinator, and Program Accountant (i.e., a total of \$96 per year) to cover costs for the New Hampshire Employee Assistance Program, which is designed to offer assistance to all State employees and their family members.
- A \$500 per year cost for consumables (e.g., paper, printer cartridges, pens, etc.).
- A \$1,500 per year cost for telecommunications, such as telephone networks.

Indirect Costs (All measures except for Measure 4)

Except for Measure 4 – Improving Energy Efficiency at Wastewater and Drinking Water Systems, each measure includes the indirect costs that are calculated based on 3.85% of the costs budgeted for personnel and fringe benefits for each measure.

Measure 1: Pre-Weatherization and Weatherization

See “Measure 1 PreW & Weather Budget” tab of the budget table saved as *Budgetcalcs_NHDES*, which is included with this proposal for itemized costs associated with each budget category.

Personnel and Fringe

See “Personnel and Fringe (All measures except for measure 4)” above.

Travel

CPRG program staff will travel approximately 500 miles per year to the following locations to facilitate implementation of the measure:

- Residential buildings where the measure is implemented to provide technical assistance and support for compliance with requirements of CPRG funding.
- Venues to attend or host workshops and conferences to engage residents, contractors, and laborers to help facilitate implementation of the measure.
- Offices of contractors and subrecipients to refine procedures and controls to ensure timely, efficient, and compliant expenditure of CPRG funding.

Equipment

No anticipated equipment costs for NHDES to implement this measure.

Supplies

See “Supplies (All measures except for Measure 4)” above.

Contractual

The highest percentage of CPRG funding for this measure will be allocated to experienced contractors to implement incentives for the pre-weatherization and weatherization measure. Contractors will be

selected via a competitive procurement process in accordance with applicable federal and state requirements. NHDES plans to issue a Request for Information and Request for Qualifications between July and August 2024 to solicit comments from contractors and others to determine how to design a Request for Proposals (RFP) and contracts that would best achieve the goals of the CPRG program, result in timely and efficient expenditure of CPRG funding, and comply with CPRG funding requirements. Between September and October 2024, NHDES will issue an RFP to solicit proposals to implement the measure, and NHDES plans to execute contracts between January and February 2025. Selected contractors will provide incentives to low-income property owners to pre-weatherize and weatherize residential buildings. NHDES expects that contractual costs will be disbursed at the following percentages by year: 10% in Year 1; 25% in Year 2; 25% in Year 3; 25% in Year 4; and 15% in Year 5.

Other

NHDES will make subawards to non-profit entities to facilitate timely and efficient expenditure of CPRG funding, direct the benefits of the funding to LIDACs, and implement incentives for the pre-weatherization and weatherization measure. These program partners will participate in the design and performance of the measure and will help ensure that the measure effectively achieves the goals of the CPRG program. Some subrecipients that already have experience implementing weatherization and pre-weatherization programs (e.g., New Hampshire's five community action agencies) will directly implement the measure. In addition, subrecipients will help mitigate risks related to workforce availability and other potential barriers to implementation by connecting NHDES and contractors with resources to overcome those barriers. NHDES expects that subaward costs will be disbursed at the following percentages by year: 10% in Year 1; 25% in Year 2; 25% in Year 3; 25% in Year 4; and 15% in Year 5.

See "Other (All Measures)" and "Other (All measures except for measure 4)" for additional budget items.

Indirect Costs

See "Indirect Costs (All measures except for Measure 4)" for budget items.

Measure 2: Deploy EVSE for EVs and PHEVs

See "Measure 2 EV Charging EVSE" tab of the budget table saved as *Budgetcalcs_NHDES*, which is included with this proposal for itemized costs associated with each budget category.

Personnel and Fringe

See "Personnel and Fringe (All measures except for measure 4)" above.

Travel

CPRG program staff will travel approximately 500 miles per year to the following locations to facilitate implementation of the measure:

- Locations where the measure is implemented to provide technical assistance and support for compliance with requirements of CPRG funding.
- Venues to attend or host workshops and conferences to engage residents, contractors, and laborers to help facilitate implementation of the measure.
- The office of the contracted third-party administrator to refine procedures and controls to ensure timely, efficient, and compliant expenditure of CPRG funding.

Equipment

No anticipated equipment costs for NHDES to implement this measure.

Supplies

See "Supplies (All measures except for Measure 4)" above.

Contractual

The vast majority of CPRG funding for this measure will be allocated to a third-party administrator to implement the EVSE measure by offering grants and rebates to install EVSE. An administrator will be selected via a competitive procurement process in accordance with applicable federal and state requirements. NHDES plans to issue a Request for Information and Request for Qualifications between July and August 2024 to solicit comments from contractors and others to determine how to design a contract that would best achieve the goals of the CPRG program, result timely and efficient expenditure of CPRG funding, and comply with CPRG funding requirements. Between September and October 2024, NHDES will issue a Request for Proposal to solicit proposals to implement the measure by or before the five-year period of performance of CPRG funding and expects to contract with the third-party administrator in January 2025. NHDES expects that contractual costs will be disbursed at the following percentages by year: 10% in Year 1; 25% in Year 2; 25% in Year 3; 25% in Year 4; and 15% in Year 5.

Other

See “Other (All Measures)” and “Other (All measures except for measure 4)” for additional budget items.

Indirect Costs

See “Indirect Costs (All measures except for Measure 4)” for budget items.

Measure 3: Support and Expand Public Transportation Options

See “Measure 3 Support Public Trans.” tab of the budget table saved as *Budgetcalcs_NHDES*, which is included with this proposal for itemized costs associated with each budget category.

Personnel and Fringe

See “Personnel and Fringe (All measures except for measure 4)” above.

Travel

CPRG program staff will travel approximately 250 miles per year to the following locations to facilitate implementation of the measure:

- Locations where the measure is implemented to provide technical assistance and support for compliance with requirements of CPRG funding.
- Venues to attend or host workshops and conferences to engage residents, contractors, and laborers to help facilitate implementation of the measure.
- The office of subrecipients to refine procedures and controls to ensure timely, efficient, and compliant expenditure of CPRG funding.

Equipment

No anticipated equipment costs for NHDES in order to implement this measure.

Supplies

See “Supplies (All measures except for Measure 4)” above.

Contractual

No anticipated contractual costs for NHDES in order to implement this measure.

Other

The vast majority of CPRG funding for this measure will be allocated to subrecipients via subawards to implement the public transportation measure. Subrecipients will be selected via a competitive procurement process in accordance with applicable federal and state requirements. NHDES plans to issue a Request for Information and Request for Qualifications between August and September 2024 to solicit comments from potential subrecipients and others to determine how to design subawards that

would best achieve the goals of the CPRG program, result timely and efficient expenditure of CPRG funding, and comply with CPRG funding requirements. Between November and December 2024, NHDES will issue a Request for Proposal to solicit proposals from municipalities and other eligible entities to implement the measure by or before the five-year period of performance of CPRG funding. In March 2025, NHDES expects to execute subaward agreements with subrecipients that submit successful proposals. NHDES expects that subaward costs will be disbursed at the following percentages by year: 10% in Year 1; 25% in Year 2; 25% in Year 3; 25% in Year 4; and 15% in Year 5.

See “Other (All Measures)” and “Other (All measures except for measure 4)” for additional budget items.

Indirect Costs

See “Indirect Costs (All measures except for Measure 4)” for budget items.

Measure 4: Wastewater and Drinking Water Systems

See “Measure 4 DrinkWasteH2O Energy” tab of the budget table saved as *Budgetcalcs_NHDES*, which is included with this proposal for itemized costs associated with each budget category.

Personnel and Fringe

The NHDES Water Infrastructure Energy Program Manager will oversee the implementation of Measure 4 and will manage the contract with the contracted third-party program administrator. Costs of NHDES’s personnel and fringe benefits will be paid from other NHDES funding sources.

Travel

Agency staff travel will, for the most part, involve travel throughout the New Hampshire to meet with wastewater and drinking water facility owners, operators, and other interested parties. Additional travel to conferences for presentations related to this CPRG work is also anticipated. NHDES’s travel expenses will be paid from other NHDES funding sources.

Equipment

There may be computer software such as Power BI needed to assist with data presentation for this measure, but other equipment needs are not anticipated. Equipment expenses will be paid from other NHDES funding sources.

Supplies

Supplies, beyond those already provided by NHDES, for the implementation of this measure are not anticipated.

Contractual

Due to the additional workload required to implement document implementation of the measure throughout the state, a third-party program administrator is needed to assist existing NHDES staff. NHDES will issue a competitive RFP for the program administrator between July and November 2024, and plans to select the program administrator in January 2025. To expedite implementation of the measure’s projects, the third-party program administrator will have the ability to contract directly with vendors and contractors to complete selected projects, as needed, in accordance with state and federal requirements.

Other

Competitive subawards to municipalities for energy efficiency improvements and renewable energy at drinking water and wastewater facilities.

See “Other (All Measures)” for additional budget items.

Indirect Costs

No budgeted indirect costs for this measure.

Measure 5: Waste and Materials Management Measure

See “Measure 5 Waste Reduction” tab of the budget table saved as *Budgetcalcs_NHDES*, which is included with this proposal for itemized costs associated with each budget category.

Personnel and Fringe

See “Personnel and Fringe (All measures except for measure 4)” above.

Travel

Travel is allocated for in-state travel over the project timeline for staff to conduct direct outreach in communities throughout the entire state of New Hampshire.

Equipment

No anticipated equipment costs for NHDES to implement this measure.

Supplies

See “Supplies (All measures except for Measure 4)” above.

Contractual

No contractual costs for the lead agency to implement this measure.

Other

NHDES will issue competitive subaward RFPs to support the measure. NHDES estimates allocating 30% of the funds in Year 2, 35% of the funds in Year 3, and 35% of the funds in Year 4. Subawards will only be granted to eligible recipients (municipalities, non-profits, etc.) for allowable program costs. Individual minimum and maximum subaward amounts have not yet been determined but will follow applicable EPA and NHDES requirements. NHDES anticipates subawards may be used for costs related to equipment, supplies, infrastructure development, or contractual agreements. NHDES does not anticipate issuing subawards during Year 1 because that time will be spent developing the competitive grant program. NHDES anticipates Year 5 to be used wrapping up subaward projects disbursed during Year 4 and preparing final reports/documentation. NHDES plans to issue subaward RFPs between September and December 2025 and enter into subaward agreements between December 2025 and June 2026.

Participant support costs for this measure: NHDES will follow EPA’s most current requirements and guidance on participant support costs (i.e., [RAIN-2018-G05-R1](#)) for payments to subaward recipients. This may involve disbursing money to subaward recipients as funds are expended on allowable project costs.

See “Other (All Measures)” and “Other (All measures except for measure 4)” for additional budget items.

Indirect Costs

See “Indirect Costs (All measures except for Measure 4)” for budget items.

Measure 6: Workforce Development

See “Measure 6 Workforce Development” tab of the budget table saved as *Budgetcalcs_NHDES*, which is included with this proposal for itemized costs associated with each budget category.

Personnel and Fringe

See “Personnel and Fringe (All measures except for measure 4)” above.

Travel

CPRG program staff will travel approximately 250 miles per year to the following locations to facilitate implementation of the measure:

- Locations where the measure is implemented to provide technical assistance and support for compliance with requirements of CPRG funding.
- Venues to attend or host workshops and conferences to engage residents, contractors, and laborers to help facilitate implementation of the measure.
- The office(s) of subrecipients to refine procedures and controls to ensure timely and efficient expenditure of CPRG funding.

Equipment

No anticipated equipment costs for NHDES to implement this measure.

Supplies

See "Supplies (All measures except for Measure 4)" above.

Contractual

No anticipated contractual costs for NHDES to implement this measure.

Other

There will be competitive subawards to eligible entities to implement the measure. During July and August 2025, NHDES will issue a Request for Information and Request for Qualifications to obtain information about how to best design a Request for Proposal (RFP) for competitive subawards to implement the measure. NHDES expects to enter into subaward agreements with schools and training centers between November and December 2024, and begin disbursing subaward funds between January and June 2025.

See "Other (All Measures)" and "Other (All measures except for measure 4)" for additional budget items.

Indirect Costs

See "Indirect Costs (All measures except for Measure 4)" for budget items.

Consolidated Budget by Year

| BUDGET BY YEAR | | | | | | | |
|----------------|-----------------------|-------------|--------------|--------------|--------------|-------------|--------------|
| COST-TYPE | CATEGORY | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 | TOTAL |
| Direct Costs | TOTAL PERSONNEL | \$199,505 | \$208,044 | \$216,871 | \$226,040 | \$236,118 | \$1,086,578 |
| | TOTAL FRINGE BENEFITS | \$118,087 | \$123,141 | \$128,366 | \$133,793 | \$139,758 | \$643,145 |
| | TOTAL TRAVEL | \$4,358 | \$4,358 | \$4,358 | \$4,358 | \$3,085 | \$20,517 |
| | TOTAL EQUIPMENT | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | TOTAL SUPPLIES | \$26,362 | \$20,362 | \$20,362 | \$20,362 | \$20,362 | \$107,808 |
| | TOTAL CONTRACTUAL | \$1,956,772 | \$4,791,931 | \$4,791,931 | \$4,791,931 | \$2,985,159 | \$19,317,724 |
| | TOTAL OTHER | \$2,165,293 | \$6,942,907 | \$7,679,211 | \$8,180,085 | \$3,790,136 | \$28,757,633 |
| | TOTAL DIRECT | \$4,470,376 | \$12,090,744 | \$12,841,098 | \$13,356,569 | \$7,174,618 | \$49,933,405 |
| | | | | | | | |
| | TOTAL INDIRECT | \$12,227 | \$12,751 | \$13,292 | \$13,854 | \$14,471 | \$66,594 |
| | | | | | | | |
| TOTAL FUNDING | | \$4,482,603 | \$12,103,495 | \$12,854,389 | \$13,370,423 | \$7,189,089 | \$49,999,999 |

Consolidated Budget by Project

| BUDGET BY PROJECT | | | |
|-------------------|---|--------------|------------|
| Project Number | Project Name | Total Cost | % of Total |
| 1 | Pre-Weatherization/Weatherization of Residential Buildings | \$15,000,000 | 30% |
| 2 | Deploy Electric Charging Infrastructure for Electric Vehicles | \$10,000,000 | 20% |
| 3 | Support and Expand Public Transportation Options | \$5,000,000 | 10% |
| 4 | Install Renewables and Improve Energy Efficiency at Wastewater and Drinking Water Systems | \$9,999,999 | 20% |
| 5 | Expand Programs for Waste Reduction, Diversion and | \$5,000,000 | 10% |
| 6 | Workforce Development to Support Measures | \$5,000,000 | 10% |
| | | | |
| Total | | \$49,999,999 | 100% |

Expenditure of Awarded Funds

NHDES will expend and account for awarded funds in accordance with state laws and procedures for expending and accounting for the state's own funds. The financial management system for NHDES complies with the requirements of 2 CFR 200.302(b).

NHDES is an agency of the State of New Hampshire with expertise in administering grants since NHDES's inception in 1986. NHDES regularly administers over \$100 million of grant and loan funds each year. NHDES staff who would facilitate deployment of grant funds for this proposal have over 30 years of combined experience deploying grant and loan funds, including experience with energy efficiency projects and ensuring compliance with requirements associated with those funds.

The semi-annual reports and final report will include a breakdown of expenditures associated with implementation of this proposal.