



State of New Hampshire  
DEPARTMENT OF NATURAL & CULTURAL RESOURCES  
OFFICE OF THE COMMISSIONER

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February 5, 2025

The Honorable Howard Pearl, Chairman  
and the Senate Executive Departments and Administration Committee  
State House, Room 103  
Concord, NH 03301

**RE: SB 196-FN relative to the exemption from competitive bidding requirements for certain state agency projects.**

Dear Chairman Pearl and Members of the Committee,

Please accept this testimony on behalf of the Department of Natural and Cultural Resources (“DNCR”) regarding SB 196 relative to the exemption from competitive bidding requirements for certain state agency projects.

The DNCR recognizes the efforts of the Department of Military Affairs and Veterans Services (“DMAVS”) to increase the current Division of Public Works and Construction (“DPW”) exemption threshold from \$500,000 to \$1,000,000 for certain agency projects. This change would streamline the procurement process for smaller-scale projects, allowing agencies greater flexibility and efficiency in project execution.

This bill highlights a recognition of the need for modernizing procurement processes while maintaining necessary checks and balances through highly skilled staffing. This is based on the following factors:

1. With rising costs due to inflation, many projects that were previously manageable within the \$500,000 limit may now require additional funding to meet current market rates for materials and labor. By increasing the exemption threshold to allow for the current financial situation, agencies can more effectively manage their budgets and project timelines.
2. The ability to exempt larger projects will streamline procurement processes, allowing agencies to expedite project initiation and completion. This is particularly important in sectors where timely execution is crucial, such as infrastructure development or emergency response initiatives.
3. Currently, the DPW faces significant administrative work and staffing shortages when engaging in competitive bidding processes and project management. By increasing the exemption threshold, agencies can abate these burdens on DPW and efficiently allocate agency resources towards project management and execution.

To illustrate the rising cost construction over the years, DNCR managed three toilet building projects using the same in-house design. The DPW granted DNCR with waivers to administer the 2021 and 2024 projects.

- 2017 – Moose Brook Toilet Building: \$378,000
- 2021 – Pawtuckaway Toilet Building #4: \$540,578
- 2024 – White Lake Area 1 Toilet Building: \$1,034,314

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This bill reflects a recognition of the changing economic landscape influenced by inflation and aims to enhance operational efficiency while promoting local economic and tourism development. Thank you for the opportunity to provide testimony on SB 196. Please let me know if I can provide any additional information.

Sincerely,

A handwritten signature in black ink that reads "Sarah Stewart". The signature is written in a cursive style and is positioned above a horizontal line.

Sarah L. Stewart  
Commissioner

C: Brian J. Wilson, Director - Division of Parks and Recreation

SLS/BJW/ttl-020425