



STATE OF NEW HAMPSHIRE
DEPARTMENT of NATURAL and CULTURAL RESOURCES
DIVISION of PARKS and RECREATION
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January 23, 2019

The Honorable John Cloutier
and the Public Works and Highways Committee
Legislative Office Building, Room 201
Concord, NH 03301

RE: HB 534 relative to certain major state projects

Dear Chairman Cloutier and Members of the Committee,

Please accept this testimony on behalf of the Department of Natural and Cultural Resources, Division of Parks and Recreation regarding HB 534 relative to certain major state projects. **The Division supports this legislation** for the following reasons.

Since the \$250,000 limit on construction projects that the Division is allowed to administer was set in 1998, there has been significant inflation in construction costs. Using the historical cost indexes from RS Means "Building Construction Costs 2018" we can see that their historical cost index for 1998 was 115.1. If you divide that by their current index (based on Jan.1, 2018) which is 53.3, it gives you an inflation multiplier of 2.159. Use the multiplier to find that a building that cost \$100 in 1998 is likely to cost \$215.90 in 2018. If we apply the multiplier to the \$250,000 project limit set in 1998, it tells us that an equivalent project cost limit in 2018 would be \$539,868. With no change to the scope of responsibilities of project administration that would be entrusted to the Division, the project limit should be doubled just to keep up with the inflation of construction costs.

The most common type of project that the Division has administered is the state park bathhouse or combination bathhouse and visitor center. These are facilities with which we have extensive experience and expertise. We continue to learn from the operation and maintenance of these buildings what works best in our state parks. We have developed a state park brand which is expressed in the design of these buildings. It makes sense to take advantage of our own accumulated experience in the administration of these projects. When the project limit of \$250,000 was set in 1998, those types of buildings could easily be accomplished with a budget under that limit. (See the attached document "Historical Costs New Hampshire State Park Toilet and Bathhouse Buildings: New Construction.") However, since 2001 inflation has increased the construction cost over the limit requiring that administration be taken over by the Division of Public Works. The size and complexity of the projects has not changed; it is only the effect of inflation on construction costs that has made it necessary to bring in DPW.

We support HB 534. Thank you for the opportunity to testify and please let me know if I can answer questions or provide any additional information.

January 23, 2019
John Cloutier, Chairman, House Public Works and Highways
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Sincerely,

A handwritten signature in black ink, appearing to read "P. Bryce", with a long horizontal flourish extending to the right.

Philip A. Bryce, Director

Cc: Sarah L. Stewart, Commissioner

PAB/TM/ttl

HISTORICAL COSTS
New Hampshire State Park Toilet and Bathhouse Buildings: New Construction

<u>Year Built</u>	<u>Location / State Park</u>	<u>Square Footage</u>	<u>Cost per SF</u>	<u>Construction Cost</u>
1992	Ellacoya RV Park	1,292	73.98	95,580.30
1992	Echo Lake	1,246	72.25	90,022.89
1993	Wadleigh	1,248	78.31	97,733.75
1994	Lafayette Campground, No. 2	1,168	106.39	124,250
1994	Bear Brook Campground, No.3	1,258	83.94	105,600
1999	Lake Francis	1,865	131.95	246,079.50
2000	Crawford Dry River Campground	1,264	168.59	213,096.24
2001	Coleman	1,683	187.71	315,919.75
2007	Pawtuckaway Beach	2,872	156.90	450,624
2009	Monadnock, Gilson Pond Campground	1,654	175.15	289,700
2010	Hampton Beach North & South Bathhouse (each)	1858	394	732,052
2012	North Hampton Beach	1,349	429.20	578,987
2015	Jericho Lake	1,663	343.96	572,000
2017	Moose Brook Toilet Building renovation	763	495	378,000

2018	Jeness Bathhouse	1286	623	998,400
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2018	Umbagog Bathhouse	2265	589	1,335,000
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2018	Monadnock Toilet Building addition	1,069	761.61	814,165
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