

REPORT OF THE FINANCE COMMITTEE

January 18, 2005

A meeting of the Finance Committee was held on Tuesday January 18, 2005 at 7:02 p.m. in the Aldermanic Chamber.

Mayor Bernard A. Streeter presided.

Members of the Committee present: Alderman-at-Large David W. Deane, Vice-Chair
Alderman Kathryn D. Vitale
Alderman-at-Large David Rootovich
Alderman Robert A. Dion
Alderman-at-Large James R. Tollner
Alderman Robert Shaw

Members not in Attendance:

Also in Attendance: Carol Anderson, Chief Financial Officer/Comptroller
David Fredette, Treasurer/Tax Collector
Maureen Lemieux, Div. Dir., Administrative Services
Katherine E. Hersh, Div. Dir., Community Devel. Div.
Janice Tremblay, Purchasing Manager
Mario Leclerc, Superintendent of Wastewater
Scott Pollock, Superintendent of Streets
Jeanne Gamache, Wastewater Project Engineer
Jim Walker, JJW Consulting
Tom Mazado, Army Corps of Engineer

COMMUNICATIONS

MOTION BY ALDERMAN TOLLNER TO TAKE OUT OF ORDER THE COMMUNICATION FROM JANICE TREMBLAY REGARDING THE CONTRACT EXTENSION FOR OUTSOURCING LARGE PRINTING/MAILINGS BY TAX COLLECTOR'S OFFICE

ON THE QUESTION

Alderman Tollner

I think this is a pretty simple and very quick discussion that will allow him to get to a meeting. I do understand that Maureen Lemieux has another meeting as well.

Mayor Streeter

Can you guarantee that the discussion will be limited?

Alderman Tollner

I think that is the way it will go.

Mayor Streeter

We will take you at your word.

MOTION CARRIED

From: Janice Tremblay, Purchasing Manager

Re: Contract Extension for Outsourcing Large Printing/Mailings by Tax Collector's Office

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND EXTEND THE CONTRACT WITH GEMFORMS AT AN ANTICIPATED ANNUAL COST OF \$18,600. FUNDS ARE AVAILABLE IN ACCTS. # 512-59182-6371 (\$8,200) AND 802-59220-8551-8500 (\$10,400)

ON THE QUESTION

Alderman Deane

I have a question on the numbers. It states that there is approximately 28,000 billings for property tax bills and only 18,000 billings for wastewater bills. I don't know if Treasurer Fredette could answer this, but are there 10,000 properties in the City of Nashua that are not connected to the wastewater system?

David Fredette

I am sorry I didn't get the whole question.

Mayor Streeter

Would you like to repeat your question Alderman Deane?

Alderman Deane

Yes thank you. My question Dave is you have 28,000 taxable properties in the city that go out twice a year and the wastewater bills, which go out quarterly there are only 18,000. Are there 10,000 properties that are not on the city's wastewater system?

David Fredette

No. I don't believe so. No. There is nothing near that amount no.

Alderman Deane

Why don't those numbers – are some of them yearly? I am just wondering why those two numbers – I know there are a percentage of homes in the city that are still on septic.

Mayor Streeter

Mrs. Lemieux can you help out our City Treasurer?

Maureen Lemieux

What I believe it is is that a lot of the wastewater bills may go to the condominium associations where the tax bills at least for the units themselves go to the owners of the unit and the land portion of the tax bill is what goes to the condominium association. All of the unit owners get a tax bill whereas I don't believe that they receive wastewater bills.

Alderman Deane

If there is a common water meter per building then the waste is figured in that fashion?

Maureen Lemieux

Yes I believe so.

David Fredette

Like Ledgewood Hills I believe they get 376 separate tax bills, but they only get one wastewater bill. That is probably the main reason for that.

Mayor Streeter

Are there any further questions Alderman Deane?

Alderman Deane

Is there an additional cost for inserting other information that goes out with the tax bills Dave?

David Fredette

Yes although we haven't used that since we went to these forms, but I remember there was an additional cost if we wanted to do that. I don't remember if they have it listed here, but there was an additional cost for that.

Alderman Deane

Thank you.

Alderman Rootovich

I would suggest that Mr. Fredette may want to consider writing these envelopes himself rather than using the service. I assume that Alderman Fredette can write about 4 envelopes a minute you should be able to accomplish that task in about 100 hours. Either way it would be much cheaper than spending the \$18,000.

Mayor Streeter

Are there any further comments?

MOTION CARRIED

MOTION BY ALDERMAN TOLLNER TO RETURN TO THE REGULAR ORDER OF BUSINESS

MOTION CARRIED

From: Janice Tremblay, Purchasing Manager

Re: Contract Award for Telephone/Network Services for the City

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD A THREE-YEAR SERVICE CONTRACT TO PAETEC COMMUNICATIONS AT AN ESTIMATED ANNUAL COST OF \$64,000. SOURCE OF FUNDING IS ACCOUNT #506-31005

ON THE QUESTION

Alderman Deane

On page 1 of the Service Agreement, about half way down the page in the start of the third paragraph it says "The quality of service provided hereunder shall be consistent with common carrier industry standards." Can you explain to me what that means?

Maureen Lemieux

I will certainly let our consultant do it, but just for the record I have with me Jim Walker who is from JJW Consulting. You probably saw in the memo Jim prepared the RFP for us. The city has used him a number of times in the past.

Jim Walker

Common Carrier Service Level Agreements are basically 5 9s reliability, which is 99.999% availability of service is what that is talking about.

Alderman Deane

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Availability of service – the phones will work?

Jim Walker

You will have dial tone.

Alderman Deane

Then it states right after that, that it makes no other warranties about the service provided hereunder so it kind of contradicts that doesn't it to an extent?

Jim Walker

A little bit.

Alderman Deane

These additional terms that were put in here – I wanted to go to B “Notwithstanding anything in the Agreement to the contrary, Customer shall be entitled to terminate up to two (2) circuits prior to expiration of the Agreement Term, and Customer shall not be charged any fees for canceling circuits at such location. In the event Customer terminates more than two (2) circuits prior to the end of the Term, Customer shall be liable for (i) a termination fee of an amount equal to the Minimum Monthly Fee times the remaining number of months left in the Term” now this is a twelve (12) month agreement correct?

Maureen Lemieux

It is actually a three-year agreement Alderman Deane.

Alderman Deane

If we were to terminate some of these lines we would end up paying for them throughout the 36-

month contract?

Maureen Lemieux

Actually this contract does not have any lines perse associated with it. This is our service contract. What they had proposed to us and what is typical of any telephone service provider is that if we were to terminate any of the service we would have to pay the full value of the contract. When I spoke with them when we looked at the fiber project, if the fiber project were to go forward at any point in the next 3 years the only two items in this contract that would be eliminated would be the two point-to-point circuits so that is why I had that added as an addendum so that if we are successful at any point in the next three years in getting fiber installed we would be able to terminate those two circuits. Otherwise there aren't any other pieces of this contract that we would be looking to terminate.

Alderman Deane

On page 2 of 7 on the monthly reoccurring telephone telecom fees – can you give us an overview of those – the PR1 – what does that stand for – the T1EUCL, dedicated trunk overflow, additional directory listing, 20 block of DID's?

Jim Walker

PRI stands for Primary Rate Interface – it is the T1 or the transport median that comes from Paetec's central office into City Hall to terminate all of your voice services as well as the one that goes into the Police Department. The T1 EUCL Eucal End User Common Line charge that is a federal mandated that everybody pays on every single line or circuit on your phone bill. Dedicated Trunk Overflow is a service that they provide in case the PRI service should fail, something should happen – your traffic would overflow onto standard Verizon type lines, Centrex lines that we have in place in the city so that you wouldn't lose service. The Additional Directory Listings are basically that additional telephone directory listings that you pay outside of Nashua to have services in. 20 Block of DIDs those are direct inward dials. You get 20 blocks of direct inward dial numbers. Those are the seven digit telephone numbers that everybody has to their desktop within the city so you can reach Maureen or the Mayor or whatever by dialing the seven digits. Those come in over the PRI services.

Alderman Deane

Doesn't the City Hall operate with just a four digit?

Jim Walker

Yes, but you have the 4 digit internal to the City Hall or to anybody internal, but 7 digits – the last four digits of your phone number if you put a 589 in front of that you get them directly from outside. That is what the DID service gives you.

Alderman Deane

While you are on the same page, I wanted to – the usage fees – this international plan what do they mean by noble – switch to dedicated it says noble?

Jim Walker

I am not sure what noble stands for – basically your international plan there is – international calls are based on whatever country you happen to be calling. I am not sure the noble is, but basically they have rates for international and we didn't request any international because the city really doesn't do any international calling.

Alderman Deane

When you consider international phone calls that is outside of this country?

Jim Walker

Yes not counting Canada so it would be anywhere outside of the country – Mexico or overseas, Europe of whatever.

Alderman Deane

The directory assistance charged are at \$.65 per usage?

Jim Walker

On the dedicated service it is \$.65. The dedicated service are the PRI services. That means anybody that is served that makes a call to directory assistance from within City Hall or from within the Police Department all of the outlying locations when they dial it they are dialing out over a Verizon line and sending that call so that would be under the switch services for those other people – it is \$.85 there.

Alderman Deane

Maureen I wanted to ask about the possibility of what this contract means to fiber if we were to take some of these T1 lines out. Can you give me an overview on that – if we did go to fiber within the limits of this contract of three years – what we would stand to have to continue or pay off if anything? I know you used the word blind perse. I didn't understand in your last remarks. You said blind perse. I don't know what that meant. When we were talking about item B about the circuits if we terminates circuits.

Maureen Lemieux

I might have said lines perse. There are no lines in this contract so what we would terminate if

we were to implement fiber throughout the city are the two point-to-points that are covered under this contract. Whatever the price is on the point-to-points...

Alderman Deane

That is under Public Works into the Park Dept is that what it is Parks and Landfill? Those are T1 lines right?

Maureen Lemieux

Yes.

Alderman Deane

Those are the two lines?

Jim Walker

Those are the two circuits yes.

Alderman Deane

We would have to take those \$724 times whatever months are left in the contract and we would have to pay off?

Maureen Lemieux

No that is what I had written into the addendum is that we would not have to pay that off. Those are the only two items that we would cancel under this contract if we were to implement the fiber project. The addendum that is what that paragraph B means is that we could cancel those two point-to-points and not bear any termination charges. Most of the savings that we would see as a result of the fiber project are actually with Verizon and not Paetec.

Alderman Deane

That is a lot of money ha? Thank you.

Alderman Tollner

I want to go back and make sure I understand – if someone works at City Hall or any of the city buildings and they dial directory assistance each time they do it the city is charged \$.65 or possibly \$.85?

Jim Walker

If they are not within the City Hall building or the Police Department where the PRI circuits come in, any of the buildings outside of there they would pay \$.85 every time they dialed 411.

Alderman Tollner

So say like the Library or the Hunt Building or any of the schools..

Jim Walker

Some of the schools. Some of the schools also have PRI service on their own contracts.

Alderman Tollner

If not then they would be paying \$.65?

Jim Walker

Correct.

Alderman Tollner

Do we have a mechanism in place where it would prevent staff from dialing out for directory assistance and do we know how much we pay for that every year because that seems...

Mayor Streeter

I think that Mrs. Lemieux can answer that question because she is constantly reminding city employees that they should use the telephone book rather than 411. I think when you did your analysis it really wasn't that much anyway.

Maureen Lemieux

Actually it was certainly more money than I expected to have seen. Alderman Tollner that is one of my hot buttons. We bring it up occasionally at the Mayor's staff meetings when we have the expanded staff. It is local directory assistance is the one that really gets me because they are calling somewhere in Nashua. There are enough telephone books around that we really keep after people. We have not disabled it on anyone's phones because I don't necessarily think that is the way to do it. What we have tried to do is make employees very conscious of this. Actually the first time we looked at this, which was probably a year ago we were spending anywhere between \$75 and \$100 a month on local directory assistance, which I thought was outrageous that we had that many phone calls being made. I don't know how successful we have been in curbing that, but it is something that we talk about all the time with people.

Alderman Tollner

That is \$75 a month for the entire city or is that \$75 a month...

Maureen Lemieux

It is for certain buildings. You could assume that other buildings are also doing the same thing. It has really been an effort in trying to change a mentality that you don't just call information when you are looking for something that you either look it up as the Mayor said in a phone book or we have given out a couple of different web site addresses that you can go to and find phone numbers. We certainly have been on top of that.

Alderman Tollner

I don't want to belabor it, but we send out communications every other month or every quarter? When was the last time we communicated with the city employees?

Maureen Lemieux

I don't know when the last time we wrote it, but certainly at the last expanded staff meeting.

Mayor Streeter

It was at the last expanded staff meeting, which was a couple of months ago.

Alderman Tollner

I know you spoke briefly about the fiber optic. If we had approved the fiber optic 5-9 months ago when it first came to the Board, what part of this particular arrangement would we not have to deal with?

Maureen Lemieux

The only part is the two point-to-point circuits.

Alderman Tollner

If we had voted on that 9-10 months ago and it was in place and up and running the only difference would be those two items?

Maureen Lemieux

Right. That is a total of about \$9,000 a year on this contract. Most of the savings is with Verizon.

Alderman Tollner

Underneath this arrangement this does cover all of the city facilities where this service would apply correct? You are not going to come back with another contract for fire, school, library, public works or anybody like that right? This pretty much covers everybody?

Maureen Lemieux

What we do have is because it is a utility you don't see it here at Finance – the actual infrastructure costs itself are covered under as I keep saying most of the savings are with Verizon, that is where the infrastructure costs are is with Verizon so we clearly have that. We have other items that hit the 506 budget. This is not the only item that hits the 506 budget, but they are all the maintenance agreements that we have on the telephone equipment. We won't be coming back to you anytime soon with another telephone service contract, but there are clearly other items that make up that account.

Alderman Tollner

JJW Consulting – how many other municipalities do you work with other than the City of Nashua?

Jim Walker

I work with the Town of Merrimack, City of Haverhill, MA, Lawrence public schools. I work with the Nashua School District. I have worked with Salem – quite a few.

Alderman Tollner

Thank you very much.

Alderman Shaw

I heard mentioned on the PRIs that two main ones; one being City Hall and one being Police, but there is a quantity of three listed here.

Jim Walker

There are two at City Hall and one at police.

Alderman Shaw

On the non-recurring fees, if you want installation there is a quantity of three listed. I know there was some mention in the cover letter about maybe installing one additional T1 line so I am not clear on is this just to try to allow for it if we would have multiple T1 lines installed over the course of the three years or is there something else that is to do with this line item?

Jim Walker

I am not sure I understand the question?

Alderman Shaw

It says T1 installation under non-recurring fees. Quantity of 3, rate \$600 – it says waived, but I guess I am still not clear that where the T1 lines fit in.

Maureen Lemieux

I think that was the actual installation. Because we went with Paetec four years ago Paetec has been our provider for the past 4 years. If we had switched providers we would have born installation costs. We don't have installation costs with this contract because we already have the equipment here.

Alderman Shaw

Thank you.

Mayor Streeter

Are there any further questions? Thank you Maureen and Mr. Walker.

MOTION CARRIED

From: Janice Tremblay, Purchasing Manager

Re: Bid Summary and Contract Award for Renovations at the Hunt Memorial Building

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO TURNSTONE CORPORATION IN THE AMOUNT OF \$11,802. SOURCE OF FUNDING IS ACCTS. #320-59100-8607-6005 (\$10,000) AND #320-59100-8607-6003 (\$1,802)

MOTION CARRIED

Mayor Streeter

Again I want to thank you Alderman Deane for the good work you are doing at the Hunt Memorial Building. You continue to bring expertise to a board that needs it. We appreciate it.

Alderman Deane

Thank you.

From: Janice Tremblay, Purchasing Manager

Re: Contract Award for Brownfields Coordinator requested by Community Development

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO DEB CHISHOLM IN AN AMOUNT NOT TO EXCEED \$50,000.

FUNDS ARE AVAILABLE IN ACCT. #373-53025-7203-7021

ON THE QUESTION

Alderman Deane

I read through this and noticed that Deb Chisholm is the Chairman of the Mohawk Tannery Advisory Committee, but I didn't see any resume of the credentials that she holds other than that. It did state that the selected candidate has an excellent working relationship with the regulatory agencies. I just wanted to know what her background was other than the Mohawk Tannery Advisory Committee, and what makes her, in your mind, the correct choice for this position.

Katherine Hersh

Thank you very much for the question. I have a copy of her resume. It wasn't included in everybody's packet, but I do have it, and it reads the experience summary reads – Ms. Chisholm has over 13 years of professional experience in environmental site remediation and site assessment. Her experience ranges from performing preliminary assessments and evaluating hazardous waste facilities for possible inclusion on the National Priorities List using EPA Hazardous Ranking System to analysis the data for presentation and material at meetings and in technical reports to management of \$2.5 million of projects for government clients. Ms. Chisholm is also responsible for researching, evaluating, recommending, and implementing technical and administrative solutions using GIS. She conducts, coordinates, and supervises GIS and GPS activities primarily using As Read Trimble and Microsoft Access software and supports and directs personnel in their use of these products. She is currently working for TetraTech who is an environmental consulting engineering and remediation construction services company.

Alderman Deane

Is she an employee there or a contractor?

Katherine Hersh

I am not sure of her exact arrangement there.

Alderman Deane

She lives in Nashua?

Katherine Hersh

Yes she does.

Alderman Deane

The other question I have is I noticed that in the first paragraph the sites that you included and Bennett Street I am familiar with, the Senior Center obviously I am familiar with, Mohawk Tannery I am familiar with – the Bridge Street property, Rotary Common, and Dow Chemical – those three – the Rotary Common is there potential hazardous waste on that piece of property?

Katherine Hersh

Yes. It was formerly the site of the IPBM Manufacturing Company. Any site that had previous manufacturing on it in some way or another especially in the days when there weren't environmental laws that really put a lot of emphasis on proper disposal has the good possibility of having some environmental issues.

Alderman Deane

So we are not sure. Has it been identified as ...

Katherine Hersh

DOT is in the process of doing that right now for that site – doing a Phase I Site Assessment.

Alderman Deane

The Bridge Street property –

Katherine Hersh

This property is the property that is owned by the City of Nashua that is at the crossover to the Merrimack and the Nashua Rivers and it is right next to the skateboard park. The city has some plans to possibly put a CSO underground facility there as part of the CSO program, and this site has come up a number of times with regard to future potential uses of the site. As we go forward if there is any interest or discussion about that site that would be one of the sites that I would certainly want her to be keyed into. Actually that list of sites that is in the cover letter is really just a list of examples of sites. DES has on their website 1,177 sites of interest in Nashua. Now many of these sites have got permits for underground storage type for example –

gasoline stations and things like that, but there certainly are a lot of environmental issues that we want to be able to address when they come up.

Alderman Deane

I guess if you are going to try to re-use some of these pieces of property it seems like the thing to be doing. When you go on the second page of the contract under equipments and materials it says "Contractor will be provided office space and materials when at 229 Main Street, including the use of a computer, phone and fax equipment necessary for the services described above." Is there office space available for her here?

Katherine Hersh

There is an office where we have our plotter and it has two desks both of which are equipped with computers and there is one phone in there. I do not anticipate that she will be – I anticipate that she is probably going to be in maybe one day a week because there will be a significant amount of her time that will be spent in the field or at DES and that type of thing. That is sufficient for her needs for office space. It will be shared with other people. It is already existing. I am not providing another computer in my space.

Alderman Deane

The \$50,000 includes \$30 per hour plus travel, phone, and copying expenses not to exceed \$50,000 for the total contract. If she wants a cellular telephone she has to get her own and she can use that money out of the \$50,000 to fund that is that what I am hearing?

Katherine Hersh

No. What that means is that she is paid \$30 an hour for her time. Then we would cover her travel – for example I expect that she will be making trips up to Concord to DES and whatever, and then if there are long distance phone calls that those are the costs we would cover, and if there were copying expenses. I don't expect there to be substantial amounts of them certainly because she has the use of the office to be able to make copies if she needs to and the use of the phone.

Alderman Deane

Those three items; the travel, the phone, and the copying expenses are above and beyond the \$50,000 amount?

Katherine Hersh

No they are included in the \$50,000.

Alderman Deane

The other question I had is how much money is available in this Brownsfields Environmental Revolving Fund Account for consulting services other than the \$50,000 that you have identified?

Katherine Hersh

Right now there is a total of about \$59,000 in there.

Alderman Deane

Where do you feel – when this coordinator is put into place what do you think the timeframe is in order to identify and capture all of the data that we need to look at some of these properties? How much work do you think we are going to get for the \$50,000 on some of the properties that you have identified?

Katherine Hersh

We will be paying her on a per hour basis so it is not like a lump sum for a certain number of sites. Quite honestly it depends on the site and it depends on the issues. For example, Hampshire Chemical right now is closing their site and they have weekly meetings that where they talk about the next steps with regard to the demolition because once the demolition starts to go underground that is when there are issues that we really need to make sure that we are familiar with and on top of. That ½ hour to 45 minute meeting every week is something that she will be responsible to attend. The Dow Chemical site might require more or less time for example than the Bennett Street site. Right now the Bennett Street site is all set we know exactly what is on there and it is just the way it is, but if a developer comes along and is interesting in exploring the Bennett Street site for future development that will require additional time from this person. It is really having the availability of that technical resource and knowledge when we need it as redevelopment comes in. We have also applied for an additional \$200,000 for another Brownsfield round, which we will know probably in another couple of months. That would be another responsibility of this consultant.

Alderman Deane

That money would be available to replenish this account if in fact ...

Katherine Hersh

Probably \$30,000 or \$35,000 of that would be available to add to this account assuming we got it.

Alderman Deane

If this is approved is there a possibility that myself anyway I would like to be kept updated on the progress of Deb Chisholm – what we are getting for the dollars and how far she is getting on projects and ...

Katherine Hersh

I require a monthly – basically a short summary of these are all of the activities and things I worked on over the month. If you like I can have that expanded a little bit so that it is a short paragraph on each one of the specific projects or parcels that she worked on and the status of it. I would be happy to do that. I think that would actually be beneficial for everybody.

Alderman Deane

I think probably even quarterly would be fine.

Katherine Hersh

Okay.

Alderman Deane

Those are all of my questions Mr. Mayor. Thank you.

Alderman Rootovich

Thank you Mr. Chairman. Mrs. Hersh who is currently doing this work now in your department?

Katherine Hersh

Me.

Alderman Rootovich

How many hours do you anticipate Mrs. Chisholm will be working on this?

Katherine Hersh

My understanding from our discussions is she is going to start out probably about 10 hours a week and then she will increase those hours as she comes up to speed and as we go forward. There is sufficient money there the way I figured out the amount of money there is sufficient money there for an average of 20 hours a week for the first half of the year and an average of 40 hours a week for the second half of the year.

Alderman Rootovich

About 35 hours for the remaining of the year per week. Do you anticipate this going beyond 2005?

Katherine Hersh

If I can find the funding and we found that this is beneficial to the city and we continue to have Brownsfields sites, which I don't think we will run out of I will continue to look for sources of funding to continue to fund this independent contractor.

Alderman Rootovich

In any of these sites is there anything currently planned in either the Master Plan or the East Hollis Street Master Plan with respect to these properties now or in the future?

Katherine Hersh

For example the Bridge Street property we had quite a lot of discussion about that because it has such a key location being at the compliments of two rivers in the city and so we have had a lot of discussions about it as part of the East Hollis Street Master Plan. Because the city owns it it gives us really a great opportunity if we are interested in redeveloping it, however, there as with many sites there are hazardous – we suspect it is on that site. There has been some interest there are people that have come in and said we are thinking about this or that – what do you think and how would this work. Certainly Mr. Barnett owns the property next to it, and he had some interest in being part of any redevelopment of the whole are. Manthel site is another site that we own right there. Ultimately yeah there were a lot of good ideas that were brought forth with regard to that site in the East Hollis Street Master Plan, but nothing that we are specifically pursuing for that site.

Alderman Rootovich

If the funds were to not be available come 2006 is it your intention to turn this into a full time position or a part time position within your department come 2006?

Katherine Hersh

It is not my intention to make this into a position, but quite honestly if we do run out of money I might come back and ask you to fund the independent contractor. I am not even intending to look for this...

Mayor Streeter

Are there any further questions Alderman Rootovich?

Alderman Rootovich

No. Thank you.

Alderman Vitale

Will she be looking at sites in the order that we deem most important first so we have a list of the Brownsfield sites in an order of importance to the city?

Katherine Hersh

Yes.

Alderman Vitale

Is that list somewhere?

Katherine Hersh

It is really in order of the sites that are right on the front of our plates right now. For example the Hampshire Chemical site and Rotary Common are the two that are really in the forefront on our plates right now. There have been a couple of developers who have shown some interest in the Bennett Street site. If I get a call and asked for a meeting to be set up for next week to talk about the Bennett Street site assuming this contract gets passed she will be pulled into the Bennett Street site so it is really what is in front of us at this moment. Quite honestly I want her first to get a handle on what is in front of us because there is enough environmental issues in front of us that there is just no way that we can handle it by ourselves right now. Once she does that then what I would like her to do is be able to organize things in a fashion such that we have the information at our fingertips – that we are not always depending on her – maybe she will write short summaries to keep up so that we as lay people can go and get that information and be able to keep up on those sites.

Alderman Vitale

For the properties that aren't city owned such as Down Chemical, Hampshire Chemical, do we interface our findings with what Dow Chemical is telling us – what they are suggesting they will sell to somebody for apartments? Are we going to interface our information with the information they are giving us then?

Katherine Hersh

Yes. This position is a technical position. The policies with regard to where we are going with that site those are negotiated by myself or any of the other managers and the final policy

decisions lay with this Board. She will be our representative with regard to technical issues.

Alderman Vitale

Thank you.

Alderman Tollner

I don't know whether it was Alderman Rootovich or Alderman Deane that asked as far as the time period for this particular contract are you expecting it to be a year, 9 months – I guess the one thing with a contract like this we targeted \$50,000 – how long do you think that will last?

Katherine Hersh

This contract is a year contract.

Alderman Tollner

The \$50,000.

Katherine Hersh

I came up with that number based on her working an average of 20 hours a week for the first 6 months and an average of 40 hours a week for the second 6 months of the contract so I guess you could say that is an average of 30 hours a week over the lifetime of the contract. I am not sure that she will be working that number of hours. I tried to make sure that I didn't end up after 11 months right at my limit.

Alderman Tollner

Roughly about a year.

Katherine Hersh

This contract is for a year. If I don't spend all that money in a year I need to come back to the Board to renew the contract anyway.

Alderman Tollner

While you are projecting it will be a year you think the \$50,000 will last a year as well?

Katherine Hersh

Oh yeah – I think it is more than enough to last a year.

Alderman Tollner

Who wrote this contract? Did she write this or did the city write this contract?

Katherine Hersh

The city wrote the contract.

Alderman Tollner

We wrote this and we gave it to her?

Katherine Hersh

Yes.

Alderman Tollner

How will she handle in the case of where on the second page under supervision it says "The Contractor shall have the ultimate authority to determine the hours of work, the length of workdays, the means and methods of performance of the work, and City shall not interfere in this regard, except when necessary to carry out the efficient and effective work of the Community Development Division." Have you had discussion with her? What do you do when you are targeting say 10-20 hours a week and three weeks in a row it is nice out and she decides I will only pop in 5 and I will make it up later?

Katherine Hersh

There is an ability to terminate the contract within I think it is "The City can terminate this agreement at any time and pay Contractor for all services performed up to that date."

Alderman Tollner

The only other question I have since a lot of the questions have been asked already – where it says invoices where it says "Contract agrees to provide City with written invoices for all work performed on a monthly basis." Would you be adverse to add and receipts for expenses?

Katherine Hersh

That is a good idea. Thank you.

Alderman Tollner

I think that there are going to be some expenses incurred whether it be travel – there may be an invoice, but I think that the city should have backup as far as any expenses that you would incur that would be incorporated onto that invoice.

I do have one last question – how was this position communicated to the general public, and how many other candidates did you interview? How was that process done?

Katherine Hersh

Based on the city's ordinances for professional services, I don't need to go out and solicit bids and proposals. I did not in this particular case because I had a person who ... **tape flipped** ... aside from the technical capabilities and the other qualification that was really important to me was the person's ability to interface with the public and professionalism with regard to interfacing with agencies. I could have gone out to bid and I would have ended up with companies most likely bidding and companies are not going to bid on this kind of a salary.

Alderman Tollner

How familiar are you with her work other than her work on the Mohawk Tannery. How long have you known this individual or been familiar with her work?

Katherine Hersh

I haven't worked with her on a professional basis or known her on a professional basis for probably 8-10 years. I have not worked with her in a capacity except on the Mohawk Tannery with regard to her technical capabilities, but I have talked to EPA and DES on numerous occasions with regard to the Mohawk Tannery and the respect is clearly there for her work and her capabilities. One of the other things that I really value is people that follow through on what they say that are going to do in a timely fashion and that is one of the other qualities that she has always shown.

Alderman Tollner

Did you ask for and receive references on this individual prior to making this decision?

Katherine Hersh

I did not. I could have done that. I actually know enough people that like I said EPA and DES that I had already spoken to them so I didn't ask her specifically for a different list.

Alderman Tollner

Thank you.

Alderman Shaw

Most of the stuff I think has already been touched on, but I am assuming you would be supervising is that correct?

Katherine Hersh

Actually I have asked Rick Sawyer to be the supervisor of this position in the Planning Department.

Alderman Shaw

There was a question earlier regarding basically what projects to work on first and I guess I would like to ask it slightly different in terms of what will ultimately determine the priority of the work that is addressed especially beyond I think the obvious right now is what you said that the things that are right in front of us, but as soon as we get beyond let's say the Dow Chemical and the Rotary Common sites what will determine what would be worked on next?

Katherine Hersh

What I would really like her to do is put together for me a program so that we are evaluating which sites are the most important ones to be looked at, and then making sure that we have that information at our fingertips so that when somebody comes in with a proposal on a site whether it be city owned or not that we have that information accessible – that we don't have to send somebody after DES to go dig through the files, that we don't have to find somebody who really understand the technical nuances of things. I would like all of that information compiled, put together in a way that planners can access it, Economic Development for example should be able to access that information. We should be able to provide that information more easily than we currently can.

Alderman Shaw

Would you expect that you might end up calling upon her to come in and basically be at maybe PEDC or Infrastructure even the full Board to relate an update on some of these projects? Is that part of what we ...

Katherine Hersh

Absolutely. If that is something that you are having a discussion about a particular property and that would be helpful that would be great.

Alderman Shaw

Thank you.

Mayor Streeter

Are there any further questions? I just want to comment Kathy that I have known Deb in her work as the volunteer Chair of the Mohawk Tannery Advisory Committee, and she has performed outstanding in that capacity and she has certainly proven her ability to work with groups of a divergent nature. I know you have communicated with members of the Public Works Division and they are thrilled with what she has done for the city in that respect. I commend you.

MOTION CARRIED

From: Janice Tremblay, Purchasing Manager

Re: Purchase of Components to Upgrade Sludge Grinders at Nashua Wastewater Treatment Facility

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AUTHORIZE THE PURCHASE FROM NEW ENGLAND ENVIRONMENTAL, INC. IN THE AMOUNT OF \$20,450. SOURCE OF FUNDING IS ACCT. 802-96004-8500-8900

ON THE QUESTION

Alderman Deane

Mario I know in the recent past we have rebuilt some of these muffin grinders I guess they are referred as. Where do we stand in our rebuilding plan of the 14 units? I believe we did a couple of them about 4-6 months ago – we purchased some of the rebuild assemblies – in fact maybe two new pumps wasn't it.

Mario Leclerc

More recently we purchased 5 replacement grinders for obsolete items that were part of the original upgrade in 1989. Those are operational and their last inspection did not reveal any deficiencies. The ones we are proposing now again are 14 years old and they have exceeded their useful life. Typically you get between 5-7 years out of a grinder.

Alderman Deane

We have 14, we have replaced 5, we are doing 2 more – that is seven. Where do we stand with the other 7?

Mario Leclerc

They are operating satisfactorily. We don't anticipate any premature failures. We have inspected them, and they are operating fine.

Alderman Deane

You know the date of the installation and everything right?

Mario Leclerc

I don't have that with me, but I can get that for you.

Alderman Deane

Would you do that? I am curious to see the – what is the average life expectancy of these? I know it varies depending on the debris that is gone through it.

Mario Leclerc

That is correct. The units that we are purchasing now the actual muffin monster is the trade name for it is the industry standard now – I don't have the name of the items that those replaced – I can get that for you – those are inferior. Those were the beginning of technology to grind up the materials in the waste stream.

Alderman Deane

I remember the old days they used to wake everything out of there.

Mario Leclerc

That was the best available technology at the time.

Alderman Deane

That is it Mayor. Thank you.

Mayor Streeter

Are there any further questions?

MOTION CARRIED

From: Janice Tremblay, Purchasing Manager

Re: Project Cooperation Agreement with the US ACOE for the Combined Sewer Overflow Project

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AUTHORIZE THE CITY TO ENTER INTO THE AGREEMENT WITH THE US ARMY CORPS OF ENGINEERS. FUNDING FOR THE CITY'S REQUIRED MATCH OF \$383,333 IS

AVAILABLE IN ACCT. #792-53075-3793ON THE QUESTIONAlderman Deane

I just want to go back in time with the Army Corps of Engineers. Years back they participated in a project down at Udicky Farms. I don't know if you were – down off of Main Dunstable Road – to make a long story short that project took forever and a day and it was never really completed. It was more or less an athletic field renovation that was being done on it seemed like their time of when they could actually get somebody in there. I know that the CSO project has been turned fairly aggressive with some of the changes, you can attest to that. Quite a few of different contracts that went out for separation and there is a project going on at the gold course now, there is all sorts of design work that is being done.

I would like to have you give us an overview on how you plan on approaching the city with the work ethic and your working in conjunction with the CSO administrators and the wastewater people over at the Public Works Building.

Jeanne Gamache, Engineering Department

With me is Tom Mazado from the Army Corps of Engineers. He will be glad to answer your questions for you.

Tom Mazado

Thank you for inviting me. I appreciate the opportunity. Let me first say that I am not sure when this last project occurred that you were talking about, but I can say that things have changed considerably in the Army Corps of Engineers. We are now employing a process we call the Project Management Business Process. Essentially everything we do now are partnerships. This project here is a partnership between the federal government represented by the Corps of Engineers and the City of Nashua. That is how we treat things. I have a similar project to this in Lebanon, NH where I am the Project Manager. In Lebanon, we work very tightly with the DPW Department in Lebanon. We have had great success over the last two years. I ask you to please call them if you know anybody in Lebanon. I think we work very well with them.

This project is kind of a unique project. You guys are doing things a little bit differently than Lebanon. Lebanon are actually separating CSOs into separate stormwater drains and separate sewer pipes. You guys are taking an aggressive approach and I applaud you for it. I think it is an excellent plan. There are a lot of benefits to the environment in the long run. It is being done for a heck of a lot less money, which makes a lot of sense. This agreement we are talking what is called a Project Cooperation Agreement – we have called it PCA – in the government we are famous for acronyms. This PCA is essentially an agreement between the Corps of Engineers and the City of Nashua to undertake this project. It is an involved agreement. It lists many

things that we can do, which it lists on the handout you have in front of you. The second paragraph there talks about the role of the Corps of Engineers – it lists 5 different things there. Those 5 different things we do as requested by you. We do not take the lead in this project. We work together. We can't issue a contract until you give us authorization to do so. You get a chance to review plans and specs. We do nothing until you provide us with a letter stating that. Any Change Orders we make to a contract you approve them. Everything is done in conjunction with the city we don't just come in there and take over, which I think is the perception many people do have.

If you look at those 5 different things - Provide Project Management Oversight – essentially that is me. You are paying for me to provide you with a monthly budget report and to attend meetings and make sure everything goes smoothly. One of the major tasks that needs to be done if federal dollars will be involved and the city decides to sign this agreement before any federal dollars can be involved for construction we have to do an environmental assessment. We have to fulfill the requirements of the National Environmental Policy Act. We have to do an environmental assessment, which is probably going to cost I think somewhere between \$30,000 and \$40,000 we are estimating. That has to be done. That is item #2. Item #3 – you guys have hired an AE to design your wet weather bypass treatment units. That company that is doing the work – if we are going to issue contracts on your behalf we have to review those plans and specs and make sure they are in our format and issue a contract. If you guys ask us to do that we will do that. Everything here is if you ask. Nothing is set in stone. The fourth item there – perform engineering design services – when Congress authorized this project they told the Corps of Engineers that we cannot do any design work on this project. Any design work that is going to be done on this project has to be done by an AE firm. That is in the rules and regulations that Congress brought us. We can't do any design work for you folks it has to be done by an AE firm. If you want us to do design we have to go out and hire an AE to do that design.

Alderman Deane

Mayor I am just looking at our match. This is a 25% match, \$383,000, I would imagine if this is being brought forth to be approved, and I would imagine that you would want the Army Corps to implement the different tasks as presented below here am I correct to assume that?

Jeanne Gamache

I am not sure I understand your question.

Alderman Deane

The role of the Corps of Engineers would be to on the second paragraph down – these projects will be implemented correct as part of our match?

Jeanne Gamache

These projects – the projects that are listed in the first paragraph there are projects that we have not begun as of yet and we want to get the Army Corps involved to get them moving forward. I don't think I answered your question, but I am still not sure what ...

Alderman Deane

He said he wouldn't do anything unless he was asked. My question is you are going to ask right?

Jeanne Gamache

Right. We need to get the – yes, yes.

Alderman Deane

To go back Tom on your remark on the CSO mandate that we are under with the separation and the environmental aspect of the change as well as the plans that the city is putting forth. I believe you said we are aggressive – and the cost savings associated with it. We have to look back – my point of view anyway is the fact that when we were under the original mandate to do the separation work we were going to tear up the streets and when that was going to happen a lot of street paving was put on the back burner – why pave and then go rip the roads up 2-3 years later so currently having kept that line of thinking there was a lot of road paving that wasn't done, which is now – we have a tremendous amount of roadway that is in sort of rough shape – I think Scott Pollock can attest to that. The other thing with this separation work – we also have paving to deal with now so we saved money on this plus we had the environmental aspect of it. We also came in after the mandate was done and we reduced the wastewater user fee. We didn't reduce it to what the administration wanted to reduce it to. Myself and a number of Aldermen put forth some legislation and we kept the wastewater user fee a little higher. I had spoken with Rick Seymour the other day of where we stood with retained earnings in respect to these projects and whether we could reduce the waste water user fee even lower, and he said to me that it was a good thing that we had kept it where it was when it was lowered initially when the Board of Aldermen lowered it because he feels as though we are not going to have to borrow any money to do any of this work, that the retained earnings and the monies that are brought in are going to be more than enough to cover the project, which is more good news that we are not paying interest in dollars to do this work. I would just like to thank you for your explanation.

Tom Mazado

If I could just continue with a few more things –

Mayor Streeter

In this group you quit while you are ahead. Please feel free....Let me just say that I appreciate and I am sure all of us appreciate the corps' involvement. What happened 20-25 years ago with

the corps in many communities is a lot different than what is happening today. The corps does perform a valuable service for communities. We appreciate the fact that you will be kicking in \$20 million to our community.

Tom Mazado

That was my next subject the \$20 million. I think it is important that we have to recognize that \$20 million was authorized by Congress for this project. To date they have only appropriated \$1,150,000.

Mayor Streeter

We understand that, but each time each Congressional appropriation with help from our Congressional Delegation and so forth we get the allocations. We understand. Just because it says \$20 million doesn't mean we will get it. It is subject to the federal appropriation process.

Tom Mazado

My last point was this was the first time I have seen this handout and it looks like you are ...

Mayor Streeter

The federal government is saying that Nashua's plan is a good one/

Tom Mazado

I agree 100%. This is the first time I have seen this memo.

Mayor Streeter

I hope you weren't referring to the federal handout.

Tom Mazado

In this memo, it sounds to me like you are going to authorize \$380,000 some odd tonight. Is that my understanding?

Alderman Deane

Yes it is.

Tom Mazado

Let me just say that – I probably shouldn't say this, but that really isn't necessary at this point. Let me tell you why.

Alderman Deane

It is necessary or unnecessary?

Tom Mazado

Unnecessary at this point. First off ..

Alderman Tollner

Keep talking.

Tom Mazado

Let me first off say that until we execute this project Cooperation Agreement, which I don't envision happening until probably the June/July timeframe number 1 I can't accept any money from the city, number 2 the way the financing flow works for these type projects is we have a fiscal year that goes from October 1st to September 30th – prior to October 1st of each fiscal year, I need to obtain from the city what we project to be your share for that fiscal year. If we are going to finance an agreement in July say the only money I need in July when we sign this agreement is what it will cost to do this project for the months of July, August, and September. October 1st I will require an additional payment for the following year. Next October etc., etc. That is how it works. I need very little money quite honestly from the city this fiscal year. Does your year go from July 1st to ...

Alderman Deane

You are bringing us \$20 million and you don't need much money.

Tom Mazado

I can't accept it quite honestly.

Mayor Streeter

I am sure that working with our CFO we can accommodate your every wish. You understand Carol what Tom is saying relative to the grant?

Carol Anderson

I guess the only question I would have is that when we enter into this agreement though it appears that it is an agreement based on all of those items in the first paragraph so wouldn't we

want to at least commit those funds so that we're holding them or – I guess I am at a loss.

Mayor Streeter

I think the answer is yes to that.

Alderman Deane

My question through you Mayor to Carol is what is the balance in the retained earnings somewhere around \$22 million?

Carol Anderson

Right.

Alderman Deane

Unless this project goes on an absolute spending bender if you can go through \$21 million by the time he needs his \$383,000 a) you have missed the ship because the work is probably done or b) something else is terribly wrong. I don't – is the money making interest for us?

Carol Anderson

Yes.

Alderman Deane

Why would we want to take it out if it wasn't needed at this ...

Mayor Streeter

Remember what I said Tom when I said quit while you are ahead?

Tom Mazado

I was trying to help.

Carol Anderson

The point I am trying to make is that first of all you wouldn't take the money out of retained earnings it wouldn't come out until – as it is expended then it would come out of that amount of money, but if you are going to split this up then would you be splitting up also the tasks that are in paragraph 1 – if you are going to obligate this in sections or by the fiscal year then I would imagine you would be doing that for the first paragraph that states what those tasks are.

Alderman Deane

But we don't have a timeline on the tasks yet correct?

Tom Mazado

We do. In talking with Rick Seymour and Steve from Engineering we do have a projected plan to expend money. There is a supporting document to this Project Cooperation Agreement called a Letter Report. You probably have not seen that. DPW has the copy of that. That outlines exactly what contracts we are proposing to do each year and puts the dollar amount with it.

Carol Anderson

I did not see that.

Alderman Deane

Since there is no sense of urgency to pass this wouldn't it be best to get that document, find out what the timeline is, find out what you need for appropriations as listed as they go down and then – I know Carol is probably stating that if you approved it and put a P.O. to it then you would have to separate the expenditures per task correct with your involvement, and then as the tasks came to fruition and you were to undertake it then we would have to give you a percentage of whatever dollars you needed to perform that right?

Tom Mazado

I need the money up front though is the way it works.

Jeanne Gamache

What we were trying to do tonight is to get it so that we had the money and your approval on entering into this Project Cooperation Agreement. What we are trying to do is get the Mayor to write a letter that says we have permission to the Corps to enter into this agreement. We figured we would do the money at the same time because we know we are going to need it for the project. There is funding from the federal government that we need the 25% match. What we are trying to do is enter into the contract with them as well as create the account for the monies that we are going to need to match.

Alderman Deane

As a separate contract with the separate tasks then what you are requesting is \$383,333 is our 25% match then as the funds were needed up front they would be disbursed from the Financial

Services Department as approved by this committee – that is what you want to do?

Jeanne Gamache

Yes.

Alderman Deane

I am looking at our 25% match and what we get in the long run and I understand the amount of time associated with the paperwork – there are a lot of things that have to be gone through. We know the work is going to be done because it is part of the plan that is changed. I don't really have a problem with it.

Mayor Streeter

I think really we are being asked to enter into an agreement and we are also stating that the funding needed is available for the match. Are there any further questions?

Alderman Deane

It also is giving them the money to disburse as needed per task.

Carol Anderson

That is how I see it because this is actually committing our portion is available, but it won't be paid until they are entering into that task and then we need to pay that task. That is how it will be done. We're seeking approval on that whole \$383,333.

Alderman Deane

They would submit a separate invoice per task that you are going to perform correct?

Tom Mazado

At the beginning of each year.

Jeanne Gamache

It will list out the tasks as well as the money that they are anticipating will be spent in that year.

Alderman Deane

Thank you.

Mayor Streeter

Are there any further questions or comments?

MOTION CARRIED

From: Janice Tremblay, Purchasing Manager

Re: Request to Increase Purchase Order for Road Salt

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND APPROVE THE INCREASE TO THE PURCHASE ORDER FOR ROAD SALT BY \$100,000. SOURCE OF FUNDING IS ACCT. #953-5329

ON THE QUESTION

Alderman Deane

I had talked to Scott about the line that was put in here about legislation that may need to be filed, and I talked to him earlier in the day. I ran into Carol downstairs this afternoon. I am trying to remember what the bottom line was that we don't need legislation for this it can be approved by the Mayor and the CFO.

Scott Pollock

I will read the language from the original Resolution – “Funds may be spent from this account only after administrative review by the Chief Financial Officer and the Mayor.”

Alderman Deane

Did you review our pile of salt down there Mayor?

Mayor Streeter

Yes I do that every week Alderman Deane. First thing Monday morning I drive over in the city car and I ..

Alderman Dion

With the seal?

Mayor Streeter

The seal has not been put on yet.

Alderman Deane

That will be forthcoming after 20 days.

Mayor Streeter

At that point I will have my own car. I do visit the garage. In fact the next time I go Alderman Dion I would like you to accompany me.

Alderman Dion

I would be glad to.

Mayor Streeter

Thank you. Are there any further questions?

Alderman Deane

Scott you have looked out somewhat into the weather forecast they are putting out. Do you feel as though this is going to take us through the end depending on some really catastrophic freezing rain situations we might have?

Scott Pollock

I can only look out the next 14 days with our current weather service, and we are looking at a very busy pattern. We are seeing clippers that are going to continue to slide across the country and intensify across the coast. They will be on an every two and a half to three day pattern. I see it staying busy during that time period. Last year I came to the Board and we saw a weather pattern like that – it was almost I think the same week, and I was concerned that I would go over my salt. At the end of the year last year I was under my 250,000, and we did not go over that amount. What I am trying to do is be proactive here. I don't want to have to call an emergency meeting to say oh I need to buy salt. I wouldn't want to come to this Board to say I have gone over my P.O. I want to be prepared, be proactive, and come to you and say this is what I have spent; this is what I have on order. If we have a busy pattern that is prolonged I want to be able to get the salt that keeps our roads safe.

Alderman Deane

Thank you Scott.

Alderman Tollner

I read your memo about the vendor that we use and we were concerned about them not delivering the salt in time. Aren't there any performance measures or guarantees that we have with these different vendors?

Scott Pollock

There is. Our contract is very specific on delivery from when we order. We have had four ice storms in New Hampshire in 11 days. Everybody is like me they are screaming for salt, and he only has so many trucks and so much in the yard. Sometimes you have to scramble a little to get salt.

Alderman Tollner

I am comfortable with what we are doing it is just that these companies are in the business so they should be prepared. If we weren't delivering a product the companies that we work for where we make a contractual agreement that we are going to deliver it – in my business all of a sudden 1,500 people are sick instead of 1,000 people being sick we still have to deliver the services. Is there any financial penalty on their part?

Scott Pollock

Potentially. We could go back towards them to recoup some of our additional expenses. We did that I think it was three years ago for about \$22,000 that they supplied us in free salt to make up for our additional costs. The other thing I have spoken to last year's salt supplier – I was curious of what the demand was in the region for salt. I am hearing a lot about salt shortages, prices gone – I have the lowest price that I have seen in the Northeast at \$49.95, which was a huge jump. Some contracts now are in the high \$50s. I said what is the demand in the Northeast and he said 60% of his customers have already gone over their yearly estimate in salt. That was about January 10th and they had already used their salt that they estimated for the year. Salt demand has been extremely high.

Alderman Tollner

Our projections for the year versus how much we have used so far is what?

Scott Pollock

When I did the memo – our yearly average is 7,900 to 8,000 tons is what we average and I had only used at that time 3,400 tons. I had an additional it's 38,000 whatever that works out to be in tonnage on order. I think today I am at 4,067 tons purchased. That is including that 38,000. I have used approximately 50% of my yearly average.

Alderman Tollner

Here we are in January we have signed a contractual agreement with this vendor, it is January we are half way through and we might be a little bit ahead of what we projected, but not outrageously ahead of what we projected for this time of year. What are the course of actions that you think we should take with this vendor? I think Scott mentioned earlier just to go after them for the difference of what we thought we were contracting and paying for salt and in the end what we will actually end up by using another vendor would have to pay additionally?

Janice Tremblay

As Scott said this is written into the contract that if they default and do not deliver within the timeframe stated within the contract if the city can procure salt from another source and if indeed it costs us more because we are not under contract with that company the our prime vendor is responsible for making up the difference. That letter has already been issued putting them on warning. Another thing Scott and I talked about – it wouldn't apply for this year – we go out for bid and we have a number of companies in the area that are kind of like one big happy family that owns all of these different companies. It seems like historically we have had issues with delivery when we award the contract to one of these or the other. Two years ago Mortin's came forward and really got us out of a bind. Then we awarded them the contract for a second year without going out for bid, and had outstanding service from them. I know Scott shared with me that in reality that year was not one of your primary challenges if you will, but nevertheless they came forward when we needed them, got us out of the bind, and then continued the following year.

I think as a city the only thing is sometimes you really don't win when you go with the low bidder. I think we really need to take a serious look at what we are doing next year. We can go out for bids, but I think we ought to give some serious thought to where is our best bang for the buck as opposed to who is the low bidder because in a commodity such as road salt it is just so critical when you have a year of challenges and freezing rain and things like that it is so critical that you have a source of supply that you can really depend on. No matter what your contract says, if you don't deliver in time you will be in default and we will go someplace else, Scott and I – I don't know how many times we spoke the other day – actually the last time we spoke it was when he called me at home that evening – he was still at the office calling the salt companies working to see where he could get salt from, what arrangements could he make in order to get salt delivered to the city. When we consider our costs and we are going to award a contract we really need to factor in – I know it is a part of his job, but the whole point is that we have to think about the resources that the city itself is spending to try to manage this contract. It may be that our best bet is to go with a company where maybe we will pay a little bit more per ton, but we are not going to have a continuous problem with are we going to be able to get salt tomorrow, are we going to be able to get salt next week – oh dear we have another storm coming and now what do we do, and then we are back to you people for increases or what have you and we are trying to make alternatives, and then we are chasing this vendor who has defaulted to try to recover our costs.

I think next year my suggestion, and Scott and I were going to talk about it once, but I think we

really need to do it is to approach this whole salt contract with a different attitude – to say we are not necessarily going to automatically award to the low bidder. If we don't have enough salt we get into trouble every time we do that.

Alderman Tollner

I would agree with that maybe look at their performance as far as delivery over the course of the year.

Scott Pollock

There are a couple of other alternatives that the State uses. They actually at times issue two contracts; low bidder and alternative bidder – if they receive poor performance from one they have another contract in place at a pre-bid price to get delivery from a second. That is an option. You could purchase from who was giving you the best service at that point if the prices were fairly close. Our low to next bidder this year I think was under a dollar a ton. I think maybe two contracts and we write it so that up front they know that they may happen and it gives us that right in the contract.

The State of New Hampshire also when they build and design storage units design at about 100% use for the year. They like the one near us on Exit 5 they could go the year probably and not take a salt delivery and get through the year. I can only store a couple of storms worth. Long-range a capital project might be to develop somewhere in Nashua approximately a 12,000 ton salt/sand storage facility. You might be able to take advantage of some good pricing during the year too if you did that.

Alderman Tollner

Is there any way that if you get into a bind you borrow from the State – have an agreement that you would reimburse them.

Scott Pollock

I haven't this year. Two or three years ago I was able to get 300 ton out of Concord to get me through a storm.

Alderman Tollner

Thank you.

Alderman Dion

By all means if we use more salt than we thought we had and we want to make sure we have enough – we are only about a month into the winter and we still have at least two months to worry about, but you know when you work for the city you don't get too many thank yous or

attaboys. I want to take this opportunity Mr. Chairman to congratulate Superintendent of Streets Scott Pollock and his crew, his hard working crew who work during the night sometimes 16 hours a day to keep our streets plowed and salted and sanded and have done an outstanding job Scott. On behalf of the citizens and the people in my Ward I want to thank you and your crew for your hard work and the good job you have done in keeping our streets clean this winter so far.

Scott Pollock

I just want to thank you, and the credit really goes to the crews. They are the ones out there doing the work, driving the trucks, loading the salt and sand, running the sidewalk tractors – all of the things that make the program work. Thank you.

Alderman Dion

When my phone doesn't ring Scott that means you guys are doing a good job, and my phone hasn't rung.

Alderman Deane

I would like to echo Alderman Dion's comments. Scott had touched on another storage facility for salt and I remember when we brought that salt shed up around 5 or 6 years ago and wondering whether it was too small and we were reassured that it wasn't that it was plenty big enough and come to find out it is not. The other thing I wanted to comment on is the salt delivery scenario. They are all in cahoots together. They are going to give you the same service. They are doing nothing but driving the price. It is a commodity item that is needed 4 months out of the year and they all stand to make a lot more money and I think a lot of them have an attitude if you don't like our service go pay \$12 a ton more over there and those people are glad to take your money. It just seems like such a game. You know you have dealt with it enough and called around.

Scott Pollock

It can be a struggle to get salt I will tell you I have learned that.

Mayor Streeter

Have we salted out the questions?

MOTION CARRIED

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS – None

Alderman Deane

Mayor I would like to comment on the communication that is being held in committee.

Mayor Streeter

Please.

Alderman Deane

We have a meeting Thursday evening of the Board of Directors for the Senior Activity Center, and we will discuss the lease agreement. I was told by Don Decker who sits on the Board that pretty much assured that they are going to deal with the amendments as proposed, and hopefully the board will pass them on Thursday evening.

My other concern is the Tamulonus property, which is that house that we purchased down right after the Senior Activity Center on the left. We have had to board that up, we have locked the doors, we have nailed the doors shut, and we are still having issues with people getting into that building. There is sort of a sense or urgency to take that building down. Mayor the contract is ready to go. What I would like to know what the committee would want to do. Kathy can reiterate on the fact too we really want to get that building raised as soon as possible before something bad happens because now it is cold and people are going in there. The only thing I can picture is somebody going in there and lighting a fire of some sort. We're really concerned about it.

Mayor Streeter

How close are we for resolution?

Alderman Deane

Well basically we are holding this for the fact that the lease agreement understanding between the Board of Directors and Senior Activity Center – once they look at that and approve it on Thursday, which I am told that is going to happen then this contract is ready to go and then we can get the people in there to get that house taken down. I don't know whether the committee – I don't want to ask you to call a special Finance Committee meeting. I don't know whether to send along a communication to all of the members of the committee that yes in fact the language in the lease agreement has been changed and accepted by the Board of Directors of the Senior Activity Center whether that would be good enough for the committee to move forward so we can get this building raised.

Mayor Streeter

Why don't we wait and see what the action is of the Senior Center board is on Thursday and if they are pleased with the questions that have arisen relative to the services that we will not be providing them at this point we can call a special meeting before next week's Aldermanic meeting. There could be any number of ways to expedite it Alderman Deane. I will be looking to you for guidance on that as well as Mrs. Hersh.

Alderman Deane

I would like to know what the committee would be in favor of doing whether they wanted to call a special meeting prior to the Board of Aldermen's meeting. Next week I think there is the Pennichuck Water Special Committee at 6:00 p.m. and then there is a pictometry thing at 7:00 p.m. and then a full Board meeting at 7:30 p.m.

Mayor Streeter

Why don't you let me worry about that Alderman Deane. I can call a meeting. I will certainly call one bearing in mind the busy schedule that you all have, but if it is the will of the committee to handle this question when it can be handled I would be very happy to expedite it.

Alderman Tollner

To answer your question Alderman Deane I would be comfortable after Thursday if the Board at the Senior Center agrees ... **tape ended** ... only take a second. What you are looking for is approval from the Finance Committee?

Alderman Deane

Right.

Alderman Tollner

I think that is probably the best way.

Alderman Deane

Thank you.

MOTION BY ALDERMAN TOLLNER TO TAKE FROM THE TABLE O-04-45

ON THE QUESTION

Alderman Tollner

This is a piece of legislation from Alderman Plamondon, and what I would like to do is top bring forth this simple amendment and ask the committee – it has been in committee now for close to three months – I would like to make a – this should take two second. Take it from the table.

MOTION CARRIED

O-04-45

Endorser: Alderman Marc W. Plamondon

REQUIRING THE PARKS AND RECREATION DEPARTMENT TO CHARGE A FEE TO NON-RESIDENTS FOR RESERVATION OF CITY-OWNED PARKS AND SPORT FIELDS

Mayor Streeter

This is still being held at the other committees.

Alderman Deane

This is still held at BPW Mayor?

Mayor Streeter

Yes.

Alderman Tollner

Alderman Plamondon spoke to me the other night and the only change he wants to make in the golden rod copy is in section (a).

MOTION BY ALDERMAN TOLLNER TO AMEND O-04-45 TO CHANGE THE LANGUAGE IN SUB-SECTION (A) IN SECTION 15-18 TO READ “A FEE OF FIVE HUNDRED DOLLARS (\$500.00) SHALL BE CHARGED FOR EACH PERMIT FOR GROUPS OF MORE THAN FIFTY (50) INDIVIDUALS”

ON THE QUESTION

Mayor Streeter

There are legal questions about this Alderman Tollner. ... **tape inaudible...**

Alderman Tollner

Alderman Plamondon said that he had spoken with Legal and this was the only amendment after speaking with them that he wanted to make.

Mayor Streeter

You can certainly make the motion. I wonder whether we should take formal action tonight, but that is all right.

Alderman Shaw

It looks like it should be shall be charged for each permit for each field for groups of more than fifty (50)

AMENDED MOTION BY ALDERMAN TOLLNER TO AMEND O-04-45 TO CHANGE THE LANGUAGE IN SUB-SECTION (A) IN SECTION 15-18 TO READ "A FEE OF FIVE HUNDRED DOLLARS (\$500.00) SHALL BE CHARGED FOR EACH PERMIT FOR EACH FIELD USE FOR GROUPS OF MORE THAN FIFTY (50) INDIVIDUALS"

ON THE QUESTION

I guess the intent is this is supposed to go to Personnel, BPW, Budget, Finance, and Park & Rec. I am aware that Park & Rec. was not in favor of the original piece of legislation the way it was written. Alderman Plamondon asked me to make the motion in Finance. That is what I am doing for him tonight. I think the primary committee is Personnel. It is held in Personnel. Then of course it would go along to BPW as well as Budget. I think that was the recommendation of Alderman Deane to send it to those committees.

Mayor Streeter

Do you know whether Alderman Plamondon has talked with the Park & Rec. Department about the fees?

Alderman Tollner

He is going to talk to them after we amend it. Otherwise they have the golden rod copy that we have right now in front of us prior to the amendment. If your concern is that we are pushing this

down the road I am not concerned with that. He wanted to get it out of Finance so it would go to Personnel and we will have a similar discussion in Personnel.

Mayor Streeter

I would think that each committee would want to have their questions answered before pushing things along Alderman Tollner.

Alderman Tollner

One committee has to start the push.

Alderman Deane

I am involved with a baseball league, Nashua North Baseball, and we have permitting for three fields, and there are 150-160 kids so are you telling me that this non-profit program has to come up with \$1,500 to use the fields because we have 50 or more people in the program, and now we go to Nashua Northwest, Nashua West, and Nashua East. These non-profits are going to come up with \$10,000 to use these baseball fields?

Alderman Tollner

This is for corporations that want to use the city facilities. I am not saying I am in favor of the legislation...

Alderman Deane

Is the word corporation in there? Yeah it is.

Alderman Tollner

Not reside – any corporation or other entity, which does not pay property taxes in Nashua only upon the following terms” “No reservation shall be effective if any Nashua resident or taxpayer requests a reservation of the field at least two (2) weeks before the date in question.” If you are a taxpayer in the City of Nashua and you wanted to have a family party or picnic or whatever at a facility this wouldn't apply to you. I think Alderman Plamondon's intent was if there were corporations say in Merrimack and wanted to use one of our facilities his intent is to charge a fee of \$500 for groups of more than 50. Little league, soccer leagues I don't think it is the intent that they be charged.

Mayor Streeter

Is there any further discussion on the motion to amend?

Alderman Rootovich

Can somebody explain to me how this is going to be enforced? Who will enforce it and where is the penalty if one does not get a permit?

Alderman Deane

Park enforcement specialist.

Mayor Streeter

Park & Rec. apparently hasn't been consulted relative to this. Alderman Dion ...

-
Alderman Rootovich

Point of Order – I haven't received an answer yet. With all due respect.

Alderman Tollner

I think the answer would be the same people that would respond to a situation – the people that are responsible for the parks. Again the only intent of this is to amend it. This committee can then vote to indefinitely postpone it or approve it. The primary committee is Personnel, and when this is amended this will be forwarded to the Park & Recreation Advisory Committee as amended as well as BPW as amended as well as Budget. I think Alderman Deane did a good job referring it to pretty much every committee except for and the one he probably should have referred it to as well is Infrastructure.

Alderman Dion

Yeah I wish I had that. I feel ...

Mayor Streeter

I don't believe an answer to your question has been given.

Alderman Rootovich

Here is an example – you have 4 basketball courts down by New Searles School – you have in the springtime, summer and fall teenagers that play there – more than half of those do not live in the City of Nashua – they come from Dunstable, they come from Pepperell, and Townsend. We are going to send the park ranger over there to tell those boys to leave because they don't have a permit for the City of Nashua to do what they have been doing for years. There are Nashua boys that also play, but there are some nights that there are well over 50 boys down there using those courts.

Alderman Deane

No more park rangers they have been cut.

Alderman Rootovich

Whatever enforcement method we plan to use. I am just curious is that the intent?

Alderman Tollner

I think it states it is for organized group – corporation – organized group. I am not totally comfortable with the legislation I am just trying to – I am the messenger to move this forward for Aldermen Plamondon. I think that the best way to do this is if you have no objection to the amendment – what I personally would like to do is make the amendment and send it along to Personnel, BPW, and Park & Rec., which should be the three committees that should deal with this. Finance and Budget I don't think it really should be going to those committees, but that was a request by a colleague – maybe it is because of the money, but ...

Alderman Dion

First of all Alderman Rootovich did you get your answer because I don't want to cut into your territory here. Mr. Chairman this ordinance doesn't belong in Finance. This ordinance should be discussed with the Park & Rec. Advisory Board and Personnel. First of all I don't see what it is doing in this committee, and I am not going to support any amendment because I don't believe that this should be even in this committee. I will not support the amendment in plain English.

Alderman Shaw

I would like to clarify since we are talking about the intent of this it does also speak to any natural person who does not reside in Nashua or any corporation or other entity, which does not pay property tax in Nashua so it is more than just corporations it is intended for non-residents. I generally agree that it seems a stretch for this to be in Finance, but if I do look at any justification for it being in Finance it would seem to be from the standpoint of contractual, which in my mind if that is the reason we are looking at it then I feel that perhaps we should be one of the last committees to weigh in on it rather than pass it along when I don't necessarily see that it is not going to end up being further amended, further discussion, and look different than what we move out of here. I am not really in favor of so much passing it or that much even for the amendment. Maybe it doesn't belong here, but we do have it in front of us so I would rather see it actually wait for action in this committee until some point after it has been hashed out in the Personnel/ Administrative Affairs Committee. Thank you.

Alderman Rootovich

The other night at the full Board – since I have been on the full Board and 50 years prior we have had bonding resolutions come before the Finance Committee, which clearly has purview here and we have a piece of legislation that has nothing to do with Finance and we have unlimited discussion on it.

Alderman Tollner

As Chairman of Personnel I have no problem at our next meeting to do one of two things either amend it however there are different members of Personnel so we have had a brief discussion in Personnel over the last few months about this and the comments in Personnel are well I will wait to see what Finance does with it, I will wait to see what Budget does with it, I am going to wait to see what BPW does with it, and I would like to get an opinion from Park & Rec. Quite frankly I think we all have better things to do and I was just trying to move it along and get it out of this committee and hopefully speak to the Chairman of Budget and move it from Budget. We all will have a say on this legislation when it comes to the full Board. I would welcome a motion to approve the amendment, to indefinitely postpone it, to whatever.

MOTION BY ALDERMAN DION TO RECOMMEND INDEFINITE POSTPONEMENT OF O-04-45

MOTION CARRIED

HELD IN COMMITTEE

Communications

From: Janice A. Tremblay, C.P.M., Purchasing Manager

Re: Contract Award for Senior Center Construction Remediation Services

WARRANT

MOTION BY ALDERMAN SHAW TO APPROVE WARRANT #13 IN THE TOTAL AMOUNT OF \$10,269,340.30 OF WHICH \$3,150,347.52 ARE ACCOUNTS PAYABLE, \$4,939,443.00 ARE PAYROLL AMOUNTS, \$577,504.19 ARE PREPAY AMOUNTS AND \$1,602,045.59 ARE WIRE TRANSFERS

ON THE QUESTION

Alderman Deane

First off I would like to thank Carol for rounding up my questions I had associated with some of the checks that were spent out especially the \$6,048.93 to Toys R Us. My question Mayor is I look at these energy bills that we are paying. Has an energy audit been done in this building in the recent past that you know of? We just put new boilers in and everything else. We spent a lot of money on the heating system here and the fuel bills just seem to be skyrocketing. I know the cost of natural gas is up, but have we seen any improvements in efficiencies with the new boiler with the bills that we have?

Carol Anderson

I wouldn't be able to comment on that. I wouldn't be able to say that off the top of my head, but when you are talking about energy efficiency I know that Public Service of New Hampshire has a special program and I know that the library has bought into that, but I also know that City Hall, Mulberry Street, there are others that they will be coming in to talk with us about energy efficiencies in this building and Mulberry Street. I am not sure which other ones, but they are going to be working with us on it.

Mayor Streeter

PSNH has offered that service, and I think Maureen is working with them on that.

Carol Anderson

Right. It is basically like an interest free loan because you can get the work done and then once you start realizing the savings then you can pay them back, but you definitely do save money. It is only in the savings that you end up paying back.

Alderman Deane

The other thing that I wanted to comment on to my colleagues I just I am having trouble dealing with the amount of money that we spend on uniforms. There was an \$8,900 expenditure for uniforms for the police department for 5 officers - \$8,900 that is \$1,780 per person. I think when these contracts come through between that and dry cleaning and everything else we really have to start digging through some of these. I would say citywide we are probably spending close to \$200,000 - \$300,000 a year on uniforms citywide. I think that is an awful lot of money to be spending. Thank you.

Mayor Streeter

You did make reference Alderman Deane to Toys R Us. That was a payment made to the company Toys R Us it wasn't to purchase toys.

Alderman Deane

That was a refund on an overcharge for sewer bill. They must have had the decimal point in the wrong place perhaps.

Alderman Shaw

I was wondering if I could follow up on the comments about PSNH and the energy work – will that just be focused solely on electrical or do they do anything beyond that?

Carol Anderson

I am not sure if they do anything beyond that, but I just know they do an energy audit of your building.

Alderman Deane

They will go through the entire facility. They will make recommendations for light fixture changes and pump sizes and things of that nature to reduce the total hours that are being consumed. You do see significant savings, but there is an investment with the products that are needed to reduce the costs, but over time you do get your money back.

Alderman Shaw

Thank you.

Mayor Streeter

Is there any further discussion?

MOTION CARRIED

Mayor Streeter

Is there any further discussion?

ADJOURNMENT

MOTION BY ALDERMAN DION TO ADJOURN

MOTION CARRIED

The Finance Committee meeting was adjourned at 8:53 p.m.

Alderman Rob Shaw

Committee Clerk