

REPORT OF THE FINANCE COMMITTEE

MARCH 1, 2005

A meeting of the Finance Committee was held on Tuesday March 1, 2005 at 7:00 p.m. in the Aldermanic Chamber.

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Mayor Bernard A. Streeter presided.

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

Members not in Attendance: Alderman-at-Large David Rootovich, Vice-Chair

Also in Attendance: Richard Reine, Superintendent Solid Waste
 Rick Seymour, Division Director, Public Works
 Carol Anderson, Chief Financial Officer/Comptroller
 June Caron, Superintendent of Recreation
 Jeanne Gamache, Wastewater Project Engineer
 Mario LeClerc, Superintendent of Wastewater
 Karen Smith, Business Manager, Nashua Police Dept.
 Officer Zenus Paulson, Nashua Police Department

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Alderman Tollner

I just wanted to let the committee know that I did speak with Alderman Rootovich today. He wasn't feeling too well tonight. That is why he is not at the meeting.

Mayor Streeter

We hope he feels better. I notice Mrs. Nice isn't here either.

Alderman Tollner

I hope she is feeling better as well.

Mayor Streeter

I hope she is too.

COMMUNICATIONS

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

Re: Sprint PCS Cellular Tower Ground Lease Amendment 1

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND APPROVE THE AMENDMENT TO THE SPRINT PCS CELLULAR TOWER GROUND LEASE

ON THE QUESTION

Alderman Deane

I just had a question on the future of this location with the tower.

Rich Reine

You mean as far as the area what else could possibly go there?

Alderman Deane

Exactly.

Rich Reine

It is the same area where the existing cell tower is. This just expands the footprint by a small square footage as noted.

Alderman Deane

Four hundred square feet?

Rich Reine

Right. It is really just expanding the existing fence line.

Alderman Deane

This still has to go to Planning?

Rich Reine

Right. What we have done is BPW, Finance – if Finance does approve this then we will refer that back to Sprint and let them know the results, and then they will walk it through the other necessary approvals.

Alderman Deane

Thank you.

Mayor Streeter

Are there any further questions?

MOTION CARRIED

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

Re: Request for 2nd Increase to Purchase Order for Road Salt

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND APPROVE THE INCREASE TO PURCHASE ORDER FOR ROAD SALT BY \$72,000. SOURCE OF FUNDING IS ACCT. #953-5329

ON THE QUESTION

Alderman Deane

Thank you Mayor. Rick do we know the balance in that expendable trust fund currently?

Rick Seymour

There is nothing left in that expendable trust fund. This will clean it out.

Alderman Deane

Where do we go from here if we need more?

Rick Seymour

Right now if you looked at the overall budget taking the expendable trust fund into account and all of the accounts within the Street Department, we are probably about \$100,000 in the red. Some of it will come out of existing payroll. Actually about \$174,000 total in the red. About \$75,000 will come out of payroll. About \$100,000 will probably have to come out of different accounts within the Street Department including the paving account.

Alderman Deane

Is this the last of our FEMA money and have we applied for any FEMA money yet this year?

Rick Seymour

This is the last of the FEMA money from last year, and this year we did apply for one of the previous storms, I can't remember the date of it, one of the larger storms. The State is not getting any FEMA money from the federal government for that storm. We did apply and we are not going to be getting any money unfortunately.

Alderman Deane

We are getting no FEMA money?

Rick Seymour

No FEMA money this year so far.

Alderman Deane

I have a question for Mrs. Anderson. Hello Carol. Scott had sent a document to the Mayor and to the Board of Aldermen pertaining to his snow operations this year and the current financial status that we are in. If we need additional funds – let's be realistic about it if we look at what has been expended to date – what is the overtime around \$400,000 something?

Rick Seymour

Probably through today probably over \$500,000.

Alderman Deane

And we budgeted what \$175,000?

Rick Seymour

Yeah.

Alderman Deane

My question is if we go and we take funds from other line items what aren't we going to be doing and what isn't going to be getting attention?

Rick Seymour

One of the things that happened last year is that we didn't use a lot of the additional money that we had in the snow trust fund or whatever you want to call it expendable trust fund. We applied that to paving programs for this year. We ended up with a little bit more paving than we thought we might for this present fiscal year. Obviously there is no carryover into next year. There will be a little less paving that will occur even though we were hoping to get \$700,000 through the CIP process that the Mayor has placed in the CIP budget. We are going to use what we have left in the paving line item, the asphalt line item, within the Street Department. It will be a smaller program obviously.

Alderman Deane

So the list of street paving that you submitted to us through the form of an e-mail – what percentage of reduction do you think we are going to see out of that? I know this winter still isn't over yet, but ...

Rick Seymour

Right now we will try to keep to that list. We did have some contingency money and there was a fair amount of conservative estimations on the road projects. Hopefully we will be able to keep to 90-95% of the list. If we do get the CIP money in the first of July through the budget process then we could possibly apply a little bit of that to finish up a couple of the streets that we have on this list for this year.

Alderman Deane

Do we have any money left in the street paving trust fund or is that depleted as well?

Rick Seymour

That would be depleted too.

Alderman Deane

Has it been depleted or is there money in there now?

Rick Seymour

We are applying that as part of this year's project so there is no money left in there.

Alderman Deane

To get to the final question – you feel confident that there is enough money available in the Street Department budget to continue to purchase salt above and beyond the \$72,000 and to continue to pay overtime?

Rick Seymour

What is happening now is that we have expended the money that we put aside from last year for snow, the FEMA money that we had last year, we have expended the line items within the budget, we have over-expended the overtime budget by roughly about \$100,000 if you look at the whole straight time and overtime. We're overall the budget right now is still in the black because we are in the middle of the fiscal year, but as things progress through the end of June we will probably be somewhere close to \$100,000 that we will have to take out of one of the line items, and paving is the easiest one to take it out of because we either pave less or we pave more based on that account.

Alderman Deane

We have never paved enough to begin with.

Rick Seymour

With the paving condition index we should be paving at a much higher rate.

Alderman Deane

My question to you Carol, through the Mayor, is would it not make sense to put some funds in this expendable trust fund for this upcoming year? Shouldn't we have some contingency money set aside? Rick said we are not going to get any FEMA money so that is out. I haven't received the Street Department budget, but I am sure there wasn't alarming increases in the overtime or the snow removal – it has probably remained pretty flat. Since there is no cushion of funds to fall back on for next winter what is the plan?

Carol Anderson

Actually we have done that in the past in previous years as you remember when this first got established it was established with some excess monies that were left at the end of the year. I would recommend as we go through the process this year and start looking at escrows and unexpended appropriations that you probably would want to put some money into that because there would not be another source other than to go to general contingency or to use any potential excess revenues next year, but there wouldn't be another source for it. I take that back you could always make a supplemental appropriation out of fund balance.

Alderman Deane

I think Rick just gone done telling us that by the time they go through the various line items to cover the overages now there will be little or nothing left to begin with so we are not really going to have a balance to escrow into this account.

Carol Anderson

What I meant is citywide. What we did in the past is I think this was established after a particularly hard winter, and what we did is looked at the budget overall and where there were funds remaining in some areas some of that money was put in to establish that expendable trust. It did not come from the Street Department. In fact, the year it was established I believe even Park & Rec. was significantly over-expended because of the snow that year.

Alderman Deane

Well Mayor what do you think? I think we should plan for the future because I don't think it is going to stop snowing. If we look at what we have budgeted for and what is being expended and the increasing cost of fuels and salt and sand and labor. They have nothing to fall back on now so I think year-end I think the Board and the Mayor should really look into doing something with this trust fund. With no money to fall back on something will end up getting pinched. We have put street paving off long enough. I kind of hate to take away from that. I would ask that when we go through year-end Carol that we look at funding this – pushing some money over into this expendable trust fund so that the Street Department has money to fall back on because obviously we're not budgeting enough to begin with. The costs in most cases are out of control – the fuels and salt and sand are out of control – it is more of a commodity item and they rule the roost especially the salt – supply and demand – you need it, they have it. Thank you Mayor.

Mayor Streeter

Thank you Alderman Deane. We will be working on that.

Alderman Shaw

Rick I am wondering where we might end up in terms of best case/worst case scenarios. Do we envision a best case scenario that we wouldn't actually need to purchase any of this \$72,000 and the worst case that we will purchase all of it, use it all up if we have 6-8 more storms or are we still – I don't know if that is even the right numbers, but just to throw something out – is it possible if we are still dealing with something by the middle of April that we will not have enough even with these allocated funds? I know you don't have a crystal ball, but...at least what kind of range might we expect?

Rick Seymour

If the last long-range weather prediction that we looked at because of the way the jet stream is right now there is unpredictable weather for the next three weeks and fairly cook weather with a

lot of artic cold air. We possibly could be using a lot of salt in the next few weeks. The kind of storms like we had today and the smaller storms we have eat up a lot of salt because we really don't get a lot of precipitation we just get a lot of cold freezing and then we have to go out and at least apply on the main streets. Luckily we didn't have school this week so it gave us some time to work on the problem that we had today. If I were going to bet on how much was left I would say it is going to come close.

Alderman Shaw

Thank you.

Mayor Streeter

Are there any further questions?

MOTION CARRIED

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

Re: Contract Award for the Annual 4th of July Fireworks Display

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO TELSTAR DISPLAY FIREWORKS, INC. IN THE AMOUNT OF \$19,000. FUNDS ARE AVAILABLE IN FY06 ACCT. #552-59040-6912

ON THE QUESTION

Alderman Deane

We used to get a scope of what we were getting. Mrs. Caron used to come up and explain every display that would be set off, and we don't ...

Mayor Streeter

That might be a rather lengthy process.

Alderman Deane

I used to enjoy it though. I used to sit in my front yard with my checklist and make sure that we got our money worth.

Mayor Streeter

I bet you would too.

Alderman Deane

I did. I still do.

Mayor Streeter

June do you want to give us a synopsis of what we can expect?

June Caron

Certainly. I do have that list by the way, and if you would like a copy Alderman Deane I will gladly give it to you. We always try to do a really good opening because that really gets everyone's attention and then to shoot off – we try to get them to shoot off every 3-5 seconds. Then the grand finale we like to last at least five minutes. Anything over 30 minutes in time is just too long. We try to condense it as much as we can. They always come up with some new types of fireworks displays every year so we will be in for some surprises. I do have a whole list of the numbers and the sizes. We have gone down from 12" fireworks to like 6" now because of state law because we are so close to residents and what have you.

Mayor Streeter

They will go off at what time?

June Caron

Oh absolutely 9:00 p.m. Mayor always.

Mayor Streeter

There were several 4th where they did not go off.

June Caron

Circumstances beyond our control Mayor. We have a master switch now so that we can make sure the lights are off.

Alderman Tollner

Thank you. Through the Chair, June last year what was the cost of the fireworks? Do you remember?

June Caron

It was actually \$18,000 so we increased it. This is the first time it has been increased in about five years.

Alderman Tollner

Thank you.

Alderman Shaw

This might also be for Janice Tremblay, but I know last year we were given a heads up because we are basically in this cycle of where having allocated in the FY '06 budget and so we are always kind of behind. I am assuming that FY '06 once again will probably only have the \$19,000, and we are not getting caught up yet. Okay Mrs. Tremblay is shaking her head in agreement so. I guess it still would be nice I think to try to get this on track so that we are not actually trying to approve this and have to wait for the actual acceptance of the budget and as it happened last year we technically didn't even approve that until well after the July 4th display had been done. I know once again this year we will be faced with even an extra \$20,000 is not something necessarily anybody will want to deal with, but it seems like it really would be better for us to try to get on track.

Mayor Streeter

As the times get better Alderman Shaw we will put the money in so we can catch up, but as of this point it is pretty tight. Are there any further questions?

MOTION CARRIED

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

Re: Contract Award for Study of Infiltration and Inflow in the Sewer System
as Requested by DPW Engineering

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO DUFRESNE-HENRY IN THE AMOUNT OF \$279,610. FUNDS ARE AVAILABLE IN ACCT. #792-53030-3792

ON THE QUESTION

Alderman Deane

Thank you to whoever is representing the wastewater treatment facility. She is back Mayor the lady who gets contracts for nothing.

Mayor Streeter

She is back. You didn't scare her off the first time.

Alderman Deane

We try not to. My question is the amount of cameraing that has been done is that information going to be forwarded to DuFresne-Henry?

Jeanne Gamache

Yes that information is going to be forwarded to them. They have already requested it as part of their information gathering to prepare the proposal that is before you.

Alderman Deane

Jeanne what percentage of the system do you feel has been cameraed to date?

Mario LeClerc

I don't have that number, but I can get it for you. I can't even venture a guess.

Alderman Deane

Where aware of infiltration issues throughout the system. We have some rather large infiltration issues I believe up at Northwest Boulevard – they are pulling in a quarter of a million gallons of groundwater a day and it flows into the system through that interceptor up there.

Jeanne Gamache

The areas that we have asked them to look at under this proposal were based on historic data such as what you are talking about. We researched all of our files and found various reports where these things have been brought up previously. We had been looking at doing a study I believe in 1999 with CDM and that was not done. This is a requirement of our current Administrative Order and part of the Consent Decree that is coming.

Alderman Deane

My question on the I & I is the interceptor up at Northwest Boulevard that we know is taking in around a ¼ of a million gallons of groundwater a day out of our water supply is something going to be done to stop that? Are there any plans in place or are you going to come forward with a plan to fund that and fix that?

Mario LeClerc

Absolutely. Some of the technology that is available is called sliplining – the actual interceptor versus excavating and replacing lines. Hopefully the information that will be gathered through this study will assist us in prioritizing which lines will be done first and work our way down from there. As you know the City of Nashua's collection system is a combined system. There is

expensive work that still needs to be done.

Alderman Deane

My other question is the price. What did you figure the price was going to be and how close were you for the \$279,610? You must have had assumed prior to putting this out you must have had some sort of estimated cost.

Mario LeClerc

It wasn't far off of our estimates. I had originally estimated somewhere around \$225,000. It wasn't that far off.

Alderman Deane

What were the significant differences between what you had estimated and what the price that DuFresne-Henry gave you of \$279,000?

Jeanne Gamache

The flow monitoring itself was more expensive. Not only do you need to rent the flow monitors, but they also need to maintain them each week as well as collect the data. That was a little bit more than we had anticipated.

Mario LeClerc

I think that the majority of the increases were attributable to the sub-contractor costs for flow monitoring.

Alderman Deane

When is this project going to start?

Jeanne Gamache

Almost immediately upon approval. We want to get the flow monitors in so that we can catch the high flows of the spring thaw and the groundwater is high as well.

Alderman Deane

This is similar to when we were taking the water samples out of the river when we were waiting for the downpours that never happened. Thank you very much.

Alderman Shaw

I had some concern about this contingency statement about BPW at what would have been a February 28th meeting, which I don't believe we had. Where does that put us? Is that next meeting then March 14th, and do we have to wait for that?

Jeanne Gamache

We did a phone poll on the 25th and the 28th and we got – it was approved at that point.

Alderman Deane

You can correct me if I am wrong Mayor, but taking phone polls is a direct violation of the Right-to-Know Law. It is illegal to do.

Mayor Streeter

I believe that is the case Alderman Deane. The Governor's Council takes telephone polls every single week. It is simply a mechanism to get things started earlier. It has to be ratified by the organization, but it gives the division an opportunity to get started earlier or in between meetings. All telephone calls have to be ratified in public at the next meeting.

Alderman Deane

I beg to differ but... that is not the way to do business. We do business as an open government, you take votes in public session, you don't call people on the phone and ask them how they are going to vote on something yes or no, get the general consensus and then come forward and explain that everybody supports doing this although we haven't voted on it. I just think that is inappropriate.

Mayor Streeter

I will be very happy to get a legal opinion for you Alderman Deane, but this is a common occurrence in government when they want to get started. As I say it all has to be voted on in public and ratified. If by chance the governing body says no the contractor operates at his or her own risk. It is simply a means of expediting a project like this where they wanted to get into the ground as soon as possible. I could have called a special meeting of the Board of Public Works, but I felt it wasn't necessary.

Alderman Deane

That is what you should do I think. I sat on this committee for three years, two months, and two days, and I never received a phone call from anybody asking me to vote on something over the phone. We have always called an emergency Finance meeting or we waited until the next

Finance Committee meeting because that is what was deemed appropriate and that is by Corporation Counsel so I find it hard to understand why it would be allowable for approvals over the telephone for other committees.

Mayor Streeter

As I indicated Alderman Deane the contractor is well aware that it was a telephone poll and he or she had to enter these projects at their own risk.

Alderman Deane

Where does it state that in what was presented to us?

Mayor Streeter

That is government Alderman Deane. That is the way things operate.

Alderman Deane

You are telling us – well it is wrong. You are telling us that the contracts.

Mayor Streeter

It is not wrong. It is done quite frequently in other state government. It is done very frequently up there because the fact that there are meetings every two weeks and if something needs to be done immediately it is done. Usually if we had the amount of time we would call a special meeting, but in this particular case the board is due to meet next regular meeting I think it is the 14th of March. We did not want to wait until the 14th. As I said I will be very happy to get you a legal opinion, but this is done in government.

Alderman Deane

The Finance Committee doesn't do it.

Mayor Streeter

I don't believe the Finance Committee has ever been requested to do it. If something is of an emergency nature then I will call a meeting of the Finance Committee.

Alderman Deane

That is the appropriate way to do it.

Mayor Streeter

This was of such an urgent nature that we needed to get it done. We need to get it on the agenda for this meeting.

Alderman Deane

Then call a special Board of Public Works meeting and have them approve it. You don't call them over the phone.

Mayor Streeter

I appreciate your advice Alderman Deane and I will act accordingly.

Alderman Deane

Thank you.

Alderman Tollner

Have we done this before? Is this the first time we have ever done it or has this action been taken before?

Mayor Streeter

I am not aware of whether it has been done..

Alderman Tollner

Maybe Rick or someone can answer that.

Alderman Dion

I have a question as soon as Alderman Tollner gets done.

Rick Seymour

To my knowledge the extent hasn't been – the scope of work hasn't been as extensive as this project.

Alderman Tollner

I have the same concerns that Alderman Deane does. I think that – I understand the urgency. I think that if a decision needs to be made in a quick fashion then a special meeting should be called and we should vote on it. The Mayor said he will get us an opinion from Corporation

Counsel. In the future, I agree – just like at Finance or most of the other meetings where we have an urgent situation. I can remember – the example I will use is Clock Tower Square. When we had a couple of days to vote on refinancing of the federal funding that the city was responsible for we called a meeting, everybody came in the next day, and we voted on it. I think that is probably a similar situation. Thank you.

Alderman Dion

I am a little puzzled by the way this contract was engineered. If you look at the fourth paragraph here “The study is eligible for funding through the New Hampshire Department of Environmental Services” and request for proposals were sent to 8 firms pre-qualified by NHDES for an analysis project. Proposals were received from 4 firms and opened on February 1st. The 4 firms were interviewed on February 8th. Then the selection must be based – this is the part I don’t understand – the selection of the firm must be based on qualifications only and a fee negotiated afterwards. I have never heard of such a thing. Then they list four firms that gave proposals, SEA, DuFresne-Henry, Louis Berger Group, and Camp Dresser McGee. We don’t know what they based their price on. In other words what did they bid? I am confused by the way the bidding process was analyzed in this contract.

Jeanne Gamache

According to New Hampshire DES rules, the selection of a consultant for a study such as this is qualifications based. The money cannot come into it. They will not allow you to accept fee proposals from the people that are bidding on the project. It has to be just based on scope. Then you have to negotiate. That is what we were trying to lay out. We never saw a fee proposal from the other three firms. We basically selected DuFresne-Henry based on their qualifications and what they were proposing to do for the study and then we met with them and negotiated a price, which is what is in front of you now.

Alderman Dion

I still don’t understand the process. Could somebody tell me why the four groups weren’t asked to submit a bid? Why is this strictly on qualifications? Why not at least get a price from each firm as to how much they can do the project for?

Jeanne Gamache

In order to be eligible for the DES funding, it is a NH DES rule that you are not allowed to get prices. What was happening evidently in the past is just that you were submitting a separate sealed envelope, but evidently some towns or cities may have been cheating and looking at the prices, and making the decision based on the price as opposed to the qualifications.

Alderman Dion

We go through the bidding process in this city on practically every contract that we issue out. We always get a monetary figure from each firm that submits the bid. In this instance it is qualifications only. I don't understand that. I really don't understand that. Why shouldn't the money come into play?

Jeanne Gamache

It is their rules and in order to be qualified to receive funding from them, for them to participate to pay us back under the grant program, it has to be qualifications based only. They will not allow you to accept a fee, and if you do they will disqualify you from receiving any monies.

Alderman Dion

It is a new one on me. I have never heard of this. Rules are rules I guess – it is the federal government you are dealing with right?

Mayor Streeter

Is there any further discussion?

MOTION CARRIED

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

Re: Contract Award for Professional Services Contract for the Combined Sewer Overflow Monitoring Program

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO SEVERN TRENT SERVICES IN THE AMOUNT OF \$31,702. SOURCE OF FUNDING IS ACCT# 802-53075-8310-8700

ON THE QUESTION

Alderman Deane

Thank you Mayor. I have a couple of questions. There is quite a difference in bid prices that were submitted. Two of them were in the \$80,000 range, one was in the \$198,000 range, and the low bidder was in the \$31,000 range. Were people not clear on what they were asked to provide?

Jeanne Gamache

The firm from Georgia we believe is much more use to providing these services for an entire city

as opposed to just 8 locations. In addition, this contract includes maintenance, which means probably monthly visits. I believe that part of what built up their price was traveling here, getting people here. They don't have a local office.

Alderman Deane

Was the Scope of Work clear on what they were bidding on or is that just what they decided they felt was necessary to make the system that they were going to sell us work?

Jeanne Gamache

That was part of the maintenance was very well defined in the contract that they need to respond – if we see a problem with the monitors or with the data that they need to respond within I believe 4 days to fix the monitor itself. That was stated very clearly in the documents. We also had a pre-bid meeting where we went through these things. After we opened the bids because the bids were so different we met with Severn Trent to go through their scope to make certain that they were going to be providing what we were asking for, and they were very comfortable with their bid price.

Mario LeClerc

If I might add, Severn Trent is located in Manchester, NH, and that is why their costs are so much lower than anybody else's. They can respond within hours versus days.

Alderman Deane

Flow Assessment Services is located in Bedford, which is closer, but their price is \$50,000 more.

Mario LeClerc

Obviously they have either more overhead or higher profit margin.

Alderman Deane

Has their list of references that they provided for equipment that they have sold have they set up this sort of system before for anyone else, and if so what did you hear back from the municipalities or towns that had the same services provided to them?

Mario LeClerc

They have an extensive history of providing these services. Individuals from that firm have worked for the city before. We have never had a problem with them. The equipment they are installing is state-of-the-art. It is not some antiquated stuff they will be getting out of their warehouse. The reporting or collection of data will be web based so we have 24-hour access.

This whole CSO monitoring is an integral part of our CSO long-term control plan that the EPA is requiring. We need to have accurate data in the event that the CSOs are triggered during heavy rain events. Right now we estimate how many gallons per day are discharged through the 8 CSOs. In the future, those will have to be hard numbers. Without new equipment that is not possible.

Alderman Deane

I understand the purpose. Could you explain to me what other work or products that Severn Trent Services of Manchester, NH has supplied to the city in the last 5 years or 3 years?

Mario LeClerc

I don't have that because I only have a 10-month history here, but I can get that information for you.

Alderman Deane

To be honest with you I have never heard of them. I sat on the Board of Public Works, and the name of that firm doesn't ring a bell. I don't know what else they have done for us.

Jeanne Gamache

Flow Assessments and Severn Trent used to be one company under a different name. I am not certain of that name.

Mario LeClerc

I don't have that information, but I can get it for you.

Jeanne Gamache

Actually I think I do have it. Formerly Utility Pipeline Services of Auburn, NH. What happened is Severn Trent is an offshoot of that. Some of their principles formed this company and some of the people from there also formed Flow Assessments as well.

Alderman Deane

What work did Utility Pipeline Services do for the City of Nashua?

Rick Seymour

Utility Pipeline Services worked for the city for three years and did the same exact, the same

services for the city obviously on a much less technical basis because it wasn't web based. We hired UPS, which then became Severn Trent and broke off into Flow Measurement, but that company in particular did monitor our 8 CSOs from I believe 1999 through actually 2000 through 2003.

Alderman Deane

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Thank you Rick.

Alderman Dion

I want to compare this one with the last contract we spoke about a moment ago. There were four firms that submitted. This time there were bid submitted. I am glad to see that. Like Alderman Deane has mentioned I can't understand the variation in the different bid prices. When we see \$85,000, \$82,000, \$198,000, and then the award was given to Severn Trent \$31,000 – I can't understand the variations in the bid price. That befuddles me somewhat. I am just hoping that we are getting what we intend to get here.

Jeanne Gamache

One of the situations is that what we are asking them to do is install flow monitors and then to maintain them for the duration of one year at this point.

Alderman Dion

Maintenance you mean?

Jeanne Gamache

Maintenance yes. Then what will happen after one year we are going to come back and ask to have a maintenance program for a second year of which we have already been given a price for.

Alderman Dion

This would be another contract an additional one?

Jeanne Gamache

Yes.

Alderman Dion

With the same outfit I presume?

Jeanne Gamache

With the same outfit yes.

Alderman Dion

Did you get a price on that already?

Jeanne Gamache

Yes we did. That is included – that would be the second year would be \$48,191 because they won't have to install new equipment – then we have an option for a third year. We had an option from each of the firms for a second and a third year, and in comparison to those with those numbers Severn Trent was still the lowest. What we believe is that the two firms that bid \$85,000 thought that it might only be a single year contract so they were trying to recoup all of their money where I believe Severn Trent is banking on it being a multi-year contract.

Alderman Dion

I see. All right I follow you. Thank you.

Alderman Tollner

I don't want to belabor this, but I share the concerns of the previous two speakers – there is such a variance in the bids. The devices are flow monitors that Severn Trent are using are they standard monitors, are they expensive – I don't know how long they last are they supposed to last a number of years?

Rick Seymour

When we had UPS, which then became Severn Trent, they used equipment obviously that wasn't as sophisticated as this equipment that we are getting now. It is important that we get decent equipment. In reviewing the program with Mario and Jeanne obviously we want to make sure that we have the best system in place. We are spending probably \$45 million on this CSO program in the next 10 years and it is really imperative that we get very accurate, reliable data from them. I think they were very good in making sure that company will provide that to us. That is key to additional spending in the future on CSO if needed. We want to make sure that the program we put together for the next 10 years is well monitored so that when we come out of the 10-year period we can measure exactly what we have performed as far as CSO abatement.

Alderman Tollner

The monitors that they are using are they standard monitors? Does it work like cell phones if I

leave Verizon and I go over to Singular I have to hand in my phone and purchase another phone? How does that work?

Mario LeClerc

No it doesn't work that way. It is kind of like buying maybe a hard drive for a computer. They make multiple types and they are actually proposing installing an industry standard, an ISCO product, which has a proven track record.

Alderman Tollner

Let's just say they are not charging the right price for argument sake, and a year from now they go out of business. We would still be able to use those monitors if another vendor comes in and not have to purchase monitors and services?

Mario LeClerc

Part of their pricing is leasing the equipment. The changes in this type of technology is similar to computers, typically they are only having a shelf life of 3-5 years, which is actually longer than computers of today. Again an ISCO monitor has a proven track record.

Alderman Tollner

I want to just make sure you have done reference checks on this particular firm and you have gone through the contract with a fine toothcomb. Maybe the other firms have to get different actuaries to do their pricing. Thank you.

Alderman Vitale

I noticed that we are supposed to be getting a \$10,000 credit does that \$41,000 include that \$10,000 credit or are we going to receive that back at a separate time?

Jeanne Gamache

We are not going to use that. We have made the determination that the American Sigma equipment that we currently own that is currently in use in the CSOs is going to be utilized elsewhere by the city. We are not going to get that credit.

Alderman Vitale

Okay thank you.

Mayor Streeter

Are there any further questions? Are you all set Alderman Deane?

Alderman Deane

Yes sir.

MOTION CARRIED

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

Re: Contract Award for Bomb Unit Vehicle Internal/External Fabrication Requested by Nashua Police Department

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO NORTHEAST KUSTOM KREATIONS, LLC IN THE AMOUNT OF \$41,100. FUNDS ARE AVAILABLE IN ACCTS. #331-64192-6613-6214 (\$30,000); #931-5337 (\$7,200); #331-64192-6613-6210 (\$1,078.90); AND, #531-64192-6613 (\$2,821.20)

ON THE QUESTION

Alderman Deane

Thank you. This is the truck that the former Chief purchased right with the bomb unit that had no fit up in the back that was done?

Karen Smith

Yes that is correct.

Alderman Deane

The one question I had was the last sentence, which said "The proposal include a five year support package including training and support to our Police Department when new members are added or removed from the Bomb Unit." I have seen the truck; I have seen the unit come in and out on a ramp when they first got the truck. What are we getting for support and what part of the contract is that?

Zenus Paulson

Alderman Deane the training and five year support there is a lot of technical things; heating system, the box type heating system in the back – there will be a rear backup monitor, camera display, video camera mounted to the back, video display in the front. Should any member of the Bomb Squad retire and not be able to impart their knowledge on an incoming person

Northeast Kustom Kreations is willing to continue to provide the service of training any new members who may come on the squad.

Alderman Deane

Basically we got one bid because the other two just didn't meet the qualifications?

Karen Smith

That is correct. We had a viewing, and one vendor chose not to even come to the viewing. That is the \$23,000. He is not even in the ballpark. A door was going to be put where there is currently storage...

Alderman Deane

I read all of that. The Tri-Star Fire Apparatus was not selected for several reasons; the firm's location is roughly 76 miles away one way from Nashua and presents issues of wasted resources resulting from any required travel, but if we paid for product to be installed and maintained through an agreement then travel distance was added on to their bottom line because their price is even less – were we getting less of a product from them than we were from Northeast?

Zenus Paulson

In the Tri-Star Fire Apparatus bid, there was no mention of any kind of warranty or any kind of training and support. There were a couple of minor variations from the RFP. We felt, in speaking to several vendors, that there are at times during the fabrication of a project of this scope, certain times when different questions may arise that you would need to either handle something over the phone or more appropriately handle something in person. A three hour round trip to Rhode Island wouldn't be as feasible as a forty minute round trip to Manchester. Given Northeast Kustom Kreations' track record with prior city vehicle awards, state awards they have a proven track record.

Alderman Deane

You have also stated that their proposal contained numerous spelling and grammatical mistakes possibly indicative of the lack of attention to detail?

Zenus Paulson

I have the proposal if you would like to read it sir?

Alderman Deane

All of these funding sources I guess Cindy signed off on all of these? Thank you.

Karen Smith

Alderman Deane if I could also add on the funding source; this is through the McClean Grant, which is through the Telegraph. The city money is a very minuet amount.

Alderman Deane

Thank you.

Mayor Streeter

Are there any further questions?

MOTION CARRIED

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

Re: Change Order #2 Request – Nashua Public Library Front Doors Renovation Contract

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND APPROVE CHANGE ORDER #2 IN THE AMOUNT OF \$5,194. SOURCE OF FUNDING IS ACCT. #675-07-9994

ON THE QUESTION

Alderman Deane

Mayor I don't have any questions I just have a concern. I talked with Mrs. Tremblay today. I had a meeting with the Fire Marshall's Office today at the Hunt Building. The contractor submitted plans to the City that were approved. The contractor went through the process of doing the installation and getting the doors in place, and come to find out that the Fire Marshall's Office didn't like the way the doors were going to swing. I think we are fortunate that the contractor is a nice guy to work with and I guess he could make the necessary changes to the swing of the doors while the frames he bought and the glass and hardware and everything else, but I think that in the future to avoid scenarios like this occurring that maybe we should be sending things to the Fire Marshall's Office or the Planning Department should be sending things to the Fire Marshall's Office to make sure that when they sign off on them that the contractor doesn't get lefty holding the bag with the change in scope of work. That very well could happen in this case. On top of that, I would like to get this project done. It is the dead of winter and if you have been to the library like I have it is a real inconvenience to walk down in and around. They have done a good job to date. That is all I have to say. Thank you.

Mayor Streeter

I have a meeting either tomorrow or the next day with the Fire Marshall's Office, Planning Department, and Public Works. This is not the first time this has happened. The Peddler's

Daughter has gone through this as well. We need to get a better system where everybody is on board from the very beginning and not have one division approve plans and have another one come some time later saying they are not right. I agree with you. Are there any further questions or comments?

MOTION CARRIED

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS - None

WARRANT

MOTION BY ALDERMAN SHAW TO APPROVE WARRANT #16 IN THE TOTAL AMOUNT OF \$9,672,707.05 OF WHICH \$2,476,728.62 ARE ACCOUNTS PAYABLE, \$4,643,460.37 ARE PAYROLL AMOUNTS, \$9,358.95 ARE PREPAY AMOUNTS AND \$2,543,159.11 ARE WIRE TRANSFERS

ON THE QUESTION

Alderman Deane

I had asked Carol about this 731 CPF Police Account where there are expenditures for \$304,000 related to some of their computer items, and I don't understand a lot of this. This was capital money that was put forward for this, and if you read what the monies are being used for; in one instance we are putting carpet in rooms with this money. This was for technology upgrades and updates and they have other outstanding issues where Nashua has not been able to get the task completed on its end yet. It is just – I don't understand why this – the computers that they are throwing out – I don't know if we are looking for other areas of the city that might be able to use them like the Boys Club maybe or anybody. I wouldn't think that the capital improvements for the computer upgrades for the police department included carpeting rooms and things of that nature. I will talk to Karen Smith about this tomorrow.

Mayor Streeter

Janice or Carol would you like to shed any light on that?

Carol Anderson

The only thing I would comment is it is quite possible, and I did not speak with Karen I just requested this information from her, but I know in some areas like it is talking about the carpeting for the training room and it may be that it is similar to when you build a school or any building that all of the equipment that goes into it, the carpeting or the flooring is all included in the cost. We could verify that with Karen, but that is what my take would be on this. Sometimes you look

at these items and they don't appear to be capital, but they can be all rolled into the bond costs.

Alderman Deane

Did they paint the ceilings and the walls too?

Carol Anderson

Actually if it was like a computer room that they were setting up any work you would be doing in that room could come under the bond costs.

Alderman Deane

Thank you.

Mayor Streeter

Are there any further questions?

MOTION CARRIED

DISCUSSION

Alderman Tollner

I think probably 2 or 3 meetings ago when some topics came up at the meeting I think we agreed that it would be a good idea for us to discuss a to-do list. In the minutes of the meeting there are a couple of take aways from tonight's meeting. I think the first one was and Sue or Dawn can put it in the minutes and then forward it to the Chair, but I think the first to-do was that the Mayor is going to ask Corporation Counsel for a memo regarding his opinion on a phone vote versus holding a special Public Works meeting when dealing with contractual issues. I think the second item on the to-do list was to be delivered to the Chair was the reference list of references from the company that we decided to approve services for earlier tonight. Then the third one that I would like to ask is I think Alderman Deane brought up a very good point tonight, and I had some concerns myself when we have different departments or some departments approving a plan and then we have to go back and spend extra tax dollars because the Fire Marshall wasn't comfortable with it, and probably had some very valid reasons. The Mayor had mentioned that it may have happened in some other places. Maybe he could provide the Finance Committee with a memo updating us on how the meeting went and what the result of the meeting was and the take aways as far as how we are going to make sure that this doesn't happen in the future. Those are the three items on the to-do list that the Finance Committee can get back hopefully before our next meeting. Thank you.

Alderman Deane

Thank you Mayor. I wanted to go back to May 24, 2004 in RFP 1050 that was brought back in on the 28th of that month, and this had to do with the professional services for video server proposal for CTAB. What I would like to get if at all possible is I would like to understand where we are in that process with the server, when it will be hooked up, when we will be able to use it, what is going on – when will it be completed and on line? It has been quite a period of time, and I think that we paid \$5,000 for this and it hasn't been ... **tape flipped** ... that is the video server that I believe Tim or maybe one of his counterparts would be using for replays and things of that nature. Thank you Mayor.

Mayor Streeter

I will communicate. Is there any further discussion?

ADJOURNMENT

MOTION BY ALDERMAN DION TO ADJOURN

MOTION CARRIED

The Finance Committee meeting was adjourned at 8:02 p.m.

Alderman Rob Shaw
Committee Clerk