

REPORT OF THE FINANCE COMMITTEE

JUNE 1, 2005

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

Mayor Bernard A. Streeter presided.

Members of the Committee present: Alderman-at-Large David Rootovich, Vice-Chair
Alderman-at-Large James R. Tollner (7:25 p.m.)
Alderman-at-Large David W. Deane
Alderman Kathryn D. Vitale
Alderman Robert A. Dion
Alderman Robert Shaw

Members not in Attendance:

Also in Attendance: Brian Morrissey, Assistant Fire Chief of Operations
Carol Anderson, Chief Financial Officer/Comptroller
Janice Tremblay, C.P.M., Purchasing Manager
Katherine E. Hersh, Div. Dir., Community Development
Wayne Husband, Superintendent of Traffic
Angelo Marino, Interim IT Director

Alderman Rootovich

Mr. Chairman Alderman Tollner called me, and said he was stuck in traffic and will be here as quickly as he can.

COMMUNICATIONS

-
From: Janice Tremblay, C.P.M., Purchasing Manager
Re: Purchase New Diesel Exhaust System for Pine Hill Road Fire Station

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO AIR CLEANING SPECIALISTS, INC. IN THE AMOUNT OF \$18,700. FUNDS ARE AVAILABLE IN ACCT. #532-75023

ON THE QUESTION

Alderman Deane

Thank you. I had sent Assistant Chief Morrissey an e-mail. This is a sole source purchase. This did not go out to bid. My question is why didn't we put it out to bid?

Brian Morrissey

This is a sole source vendor. They cover a regional as a source for this particular product. They cover the New England region. Back when we built the fire station at 177 Lake Street, we had solicited information on a number of different systems. This product was developed to work with the emergency services, emergency vehicles. It has proven to be a reliable and effective method of removing diesel exhaust from stations. We have also installed this at Amherst Street station, at Spit Brook Road fire station, and Conan Road fire station.

Alderman Deane

I am not questioning the product, the components, how well they work. What I am questioning is the fact that somebody was contacted to tell us the cost and if we had put it out to bid perhaps we could have realized some cost savings and got the same product for perhaps less money. That is my concern. I don't think we should be sole sourcing anything. I think we should competitively bid everything. I know others may disagree, but we will never be able to realize the cost savings we may have. I do realize there are other systems in the city, but in my mind it doesn't make it right to sole source.

Janice Tremblay

A couple of points that really weren't brought out in the memo Alderman Deane, but I would like to address them at this point, first when the last contract was awarded, it was about \$5,000 more than this system that we are currently purchasing. Secondly the main reason for standardizing is that any fire vehicle that has to go from one station to another everything is consistent from one station to the next. I think you put yourselves in a serious situation, a dangerous situation if you try to go out for competitive bids and look at something that is entirely different – it is not compatible with what you have in other stations. This has been a procedure that the city installed with great success over at least the last several years that I have been here in that when we have something that is consistent throughout several different locations the idea of maintaining it, the idea of having it be useful and flexible in our applications pays off in big benefits and some lower costs overall.

That is the main reason why. Had it gone out for competitive bid then we would have been back to you and maybe saying we don't want to go with the lower bidder because they are not

compatible with all of the other systems we have. It is much to our benefit to work with the existing supplier, which is a very good competitive price based on what we paid last time, and I think it was a wise decision to handle it this way.

Alderman Deane

Correct me if I am wrong, but we are talking about a gas collection system where we have a retractable hose that fits over an exhaust pipe. As the vehicle starts it collects the carbon monoxide that is being dispensed by the vehicle, it traces the vehicle out of the station, it disconnects by itself and rolls back. The only difference is the diameter of the coupling that comes from the retractable hose that fits on the exhaust pipe. Is that correct to assume? Is there something I am missing?

Brian Morrissey

You have described the system. I believe there are a number of components to it, but...

Alderman Deane

But the thing – the breaking point in this is if the coupling on the end of the retractable hose doesn't fit over the exhaust pipe then we have a problem. Those exhaust systems for those trucks are pretty much standard size correct?

Brian Morrissey

I would agree with that yes.

Alderman Deane

So other manufacturers that make these systems obviously have to make them so they fit the appropriate diameter of the exhaust systems that all of these trucks that would be attached to it correct? It is not rocket science. I would have liked to have seen this go out to bid. I know there is a comfort level in trying to maintain and keep everything the same, which does make sense, but in this instance where we are talking about a retractable hose it is nothing – this is nothing out of the ordinary. It is not a special component. I just think we should not be sole sourcing anything.

Mayor Streeter

I would agree with most of what you said. There does come a time when similarity play into it. I would hope that, Janice, the next time you would call around and see if there are other services available. You can get a general idea of what they might charge.

Janice Tremblay

Certainly.

Alderman Shaw

Are they the sole supplier in New England or at least in this area for this system?

Janice Tremblay

-
Yes, they are.

Alderman Shaw

-
As long as we actually wanted to maintain this same system, there is no other vendor to pursue?

Janice Tremblay

-
That is correct.

MOTION CARRIED

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

Re: Contract Renewal for Grant Writer Requested by Community Development

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND EXTEND THE CONTRACT WITH GAIL COFFEY IN AN AMOUNT NOT TO EXCEED \$27,085. SOURCE OF FUNDING IS ACCTS. #374-07215-7225-7106 (\$21,220); 371-53025-7221-7026 (\$3,780); AND 374-07215-7225-7105 (\$2,085)

ON THE QUESTION

-
Alderman Deane

-
Can Mrs. Hersh give us an update please?

Kathy Hersh

-
Sure. The most recent grant that Ms. Coffey was successful in getting awarded to the city is the EPA Brownfields Grant. That was \$473,000. One of the questions that the finance committee has asked me in the past is to what extent Ms. Coffey wrote the grant as opposed to myself or another member of the staff. This particular grant is a good story to point out the value of having

Ms. Coffey in this position. She had come to me and said that the opportunity was available for us to apply for this funding. I had a couple of ideas that I wanted to use the funding for. Rather than just writing up the grant proposal and doing the paperwork and processing it, she called EPA and she talked to them about the ideas that I had. She came back to me and we talked again and she went back and called again. She came back to me and said that my ideas are not the type of ideas that they are funding at this time. I told her to write up what she thought they were funding, and she did. There were three awards other than the State of New Hampshire for EPA Brownfields money this year. They were Durham, Nashua, and the Southwest Regional City Commission. That's the type of work that she does. She really understands the city and what we are looking for. She's a real go-getter. Other awards that she's received for us are \$2,250 from NH Livable Walkable Communities for the tree streets neighborhood. We were awarded recently \$2500 from PSNH as contribution towards the road front promenade charette. We were awarded \$10,000 in technical assistance from the Rivers and Trails Program of the Nashua Park Service. The Plan of New Hampshire Charette is worth between \$25,000 - \$30,000 but I'm sure it will take place this fall.

MOTION CARRIED

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

Re: Purchase $\frac{3}{4}$ Ton Pick-Up Truck with Plow for Traffic Department

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO RON CURRIER'S HILLTOP CHEVROLET IN THE AMOUNT OF \$24,429 PENDING PASSAGE OF RESOLUTION R-05-227. FUNDS ARE AVAILABLE IN ACCTS. #599-68070-9865 (\$9,223) 308-83064 (\$6,647) AND 555-68070 (\$8,559)

Alderman Deane

-
The budget committee did unanimously support that piece of legislation last evening.

Alderman Dion

-
First of all, I would like to thank Alderman Deane for his work on this. I think it was worth delaying this for a meeting in order to go from a regular pick-up truck to a $\frac{3}{4}$ four-wheel drive truck. That was the right thing to do, and I want to thank him for that. Is this the same truck that we purchased for the garages?

Wayne Husband

-
Yes, it is.

Alderman Dion

-
Is this the same price that we paid for that other truck?

Janice Tremblay

This is the additional \$420 million that I made you aware of at the last meeting. The price was going up. We went back to them and they agreed they would stay with it if we did something within the next month. It's the same truck and it is at the held price.

Alderman Shaw

-
We won't know if this resolution has final passage until the June 14th full Board meeting. That won't be a problem as far as with the vendor?

Janice Tremblay

-
They are aware of that, and they are working with us. They will honor the contract at that time.

MOTION CARRIED

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS

-
R-05-224

Endorsers: Mayor Bernard A. Streeter

**APPROVING THE “SECOND AMENDMENT TO CONCESSION AGREEMENT”
BETWEEN THE CITY OF NASHUA AND BKK NASHUA, LLC**

MOTION BY ALDERMAN DEANE TO RECOMMEND INDEFINITE POSTPONEMENT

ON THE QUESTION

-
Alderman Deane

-
I got my old notes out from the last time we amended the concession agreement. I have the 2004 Nashua Pride marketing strategy. I look at today, and I also look at the numbers that I had put in pertaining to attendance of the average turn-style per game. I'm really struggling with the fact that they want to remove all that seating over in that left field corner and take those bleachers out. I was also rather concerned and rather confused as well that when the new investors of the team came in and stated that they weren't here to change anything and they didn't want to do anything with the concession agreement, when in fact the legislation was sitting there on the table. Something is telling me that we have a communication glitch going on. The other thing that really kind of bothered me is when I attended the board of public works meeting and two people out of five; there were three in attendance, voted to remove the bleachers out of the stadium. I don't think that's right. I support the Pride; it's a beautiful evening tonight and there's nobody there. I really think we have to get our hands around what they plan on doing for

marketing. I think just shooting from the hip and tearing the bleachers out to perhaps put whatever over there – whatever their plans are – no one seems to know for sure – they have one rock climbing wall component. We did not get a clear explanation from that organization on what they were going to do other than the fact that they were looking at ordering some sort of carousel. I just found it rather ironic that in order to install all this equipment, we have to remove all of the seating out of that corner. I was just thinking why would anyone go out and invest that kind of money in buying those products without knowing what the process was in order to install them. We were told that was somewhere around \$250,000 worth of purchases they plan on making for that area. Their marketing strategy, whatever it may be – and I don't know what it is, really needs some work. I would like to know what that is.

I can't support removing the bleachers for a number of reasons. One of my main concerns about that is I don't think the bleachers are unsafe. We have those looked at every year. Our Risk Management Department – they have gone through. The Parks Department makes the necessary repairs. They are grandfathered in due to the age. They are hardly or rarely used for those games. They are used basically for city events. They are really not taking up much room.

Number two; we have not had a full site characterization of that property. If history may repeat itself, we had a large amount of asbestos in the back and lord knows how much may be under those bleachers. Although they say they just need a flat piece of ground that ground will be disturbed and those grades will be changed if in fact this does happen. There is a cost that's going to have to be borne there by someone. It seems as though since it's city property, somehow, somewhere the City of Nashua will end up picking up that cost.

There's not adequate electricity in that area either. There's one 16-amp main with four 15-amp breakers. I asked about the specs on the equipment they plan on putting out there. No one seemed to know, but that is going to require trenching and more power is going to have to be brought out there to operate that piece of equipment and anything else they might have in mind to put out there.

There's also gray water issues out there with the existing concession stand that the Health Department has been dealing with. That has to be addressed. There's another instance where they want the city to run a sewer line from there clear across 300 and something feet to service a sink.

I think removing the bleachers would take away from the stadium. There's nothing wrong with them. Until we get a clear and concise plan on just exactly what they are going to do, I don't think we should remove any of the seating out of the facility. In fact, I hope some day that the students from Nashua High School actually graduate there again where they should graduate. We should not be absorbing and spending and adding to the economic engine of downtown Manchester with all our money. Between the gas, the tolls, the parking, the food, the flowers, the vendors, and the rental on the Verizon Center I think we should be having that event right here in the center of the city where it's always been. Those seats play an integral part of that, as

well as the Fourth of July. I think the seating should just be left there.

Alderman Vitale

I would like to see this held in committee. We did just form a working group to work with the Pride. I think it would be beneficial to have them write up what their plans are for this left field line, what they plan to put in there where the bleachers currently are. I heard about the plans on the electric and the water. I would like more details regarding that. I heard different people ask questions regarding the asbestos. I would like to know who would incur the cost of checking to see if asbestos is in that area. I know that the bleachers are used somewhat for different city events, they aren't really used for the Pride games. How much they would be used? I've heard a couple times that the Pride intends to put a grass area and a play lot. I did not know that they were planning to move the climbing tower over to that spot. But like I said, I haven't seen anything written down. I've only heard verbal things. I would like to see everything written down and presented to us before we make any decisions. I think we can only make a good decision if it is detailed and all the expenses are put in place before we make a decision. I don't think we should stall this in committee. I think we should move forward to gain more information. I would also like to have our Risk Management Department let us know where the city stands on the bleachers. I have heard that they are grandfathered and that repairs are made. But exactly what does our insurance company say about that? Would they approve them at this time if they weren't grandfathered? I would like a letter from the Pride's insurance company that says we will not insure these bleachers for the Pride as it stands right now. I would like all of that in writing, and I would like that presented to us before we make any decisions on this. I think a good place to start is the work group that we just formed.

Mayor Streeter

Communications are already available, Alderman Vitale. (inaudible). That's a matter of public record.

Alderman Vitale

I agree that I have seen some of the letters, but I think it needs to be all put together in one package to be discussed at one time. We could make a good decision at that point.

Alderman Rootovich

I have the same question that Alderman Deane had. I don't think we got an answer to is. When the group of proprietors of BBK Nashua, LLC were here two weeks ago they indicated to us that they were happy with the current concession agreement. They weren't looking for any changes. They didn't ask for any changes. Yet this is before us. So I ask you, Mr. Mayor, what was the impetus of introducing this?

Mayor Streeter

- Obviously this request was made months ago.

Alderman Rootovich

- Who was the request from?

Mayor Streeter

- Back in the early part of the year, the Pride asked for removal of the bleachers. I think there was a communication from Atty. Atkins to Atty. Bennett relative to the lease agreement and so forth. Discussions went back and forth. Certainly Todd Marlin and others associated with the Pride were aware of this. Unfortunately, I don't believe that the president of that organization was aware. He did make a statement that they would be asking for no changes to the concession agreement. This has been the subject of some discussion over the last several months. My only comment Alderman Deane's concerns is I am not going to second guess an organization that owns 20 minor league ball teams in this country relative to their marketing plan. They indicated early on that their goal is to sell tickets and appeal to the families rather than just adults. Their entertainment is just as important to them as baseball. I'm not going to second-guess that, but Alderman Deane has raised some questions relative to the physical aspect of removal of the bleachers. I think those are good questions, and we will get the information to that as well as the request by Alderman Vitale. I don't think we should blame the president of that organization for coming here and making a statement that he's not going to ask for any concessions in the agreement. I don't think he was aware at that point that his organization had started the ball several months prior.

Alderman Rootovich

- I'm not blaming him. I'm just repeating what he said when the question was posed to him. He was happy with the current agreement. He had no intention to change the agreement. He felt the numbers were fair and equitable and it was his intention to go forward with the current agreement. Based on that and some of the concerns that Alderman Deane has, I am going to support the motion to indefinitely postpone at this time.

Alderman Dion

- It would take a lot of convincing on people's parts to make me agree to remove the bleachers. As far as I am concerned, I am perfectly willing to hold this in committee, but like I said it would take a lot of convincing to get me to remove those bleachers. I have no desire to make any changes in the seating at Holman Stadium.

Alderman Shaw

- I very much share a lot of the concerns that were raised already. I think Alderman Deane's

point about removal of bleachers and potentially impacting the accommodating of events like Fourth of July and hopefully in the future the Nashua High graduation ceremonies, is a big concern. I think the city has done a lot to try to support the Pride. I think we should still try to do that. But I feel at this point, I've got enough concerns that if we do end up voting for indefinitely postponement, I think I would support that. I would prefer that we hold this in committee at this point because of Alderman Vitale's point about the work group. I would support getting some better plans and understanding would be helpful. I also share some of the concerns that I believe have been voiced by almost every speaker thus far about what is going on in terms of their marketing plans. I must say if nothing else, as a resident with a family here in this city, I haven't seen anything that makes me feel like I am being reached out to have my family attend the Pride games. Maybe things are happening, and I'm just not in their targeted audience. I am not in support of making a drastic change like this with the stadium until we have a much clearer picture of what's going to happen in that region, what the costs are. The concerns that Alderman Deane, I think, are very valid ones. We need to understand how the marketing ties in as well. That pretty much sums up my concerns. Thank you.

Alderman Tollner

I think I can address some of these. I'm not speaking for the owners of BBK, but when the president said that they aren't asking for an amendment to the concession, I think that was in response to Alderman Johnson when she was saying that they were there asking for a change. Basically in R-05-224, the only change in that is to lower the requirement of the attendance figures that would allow the team to leave if they weren't meeting that average number. This particular amendment, regardless of the bleachers, is good for the city because the amendment itself lowers the attendance requirement or clause that the Pride would have to attain. Otherwise, they would be able to leave without any penalty. This particular piece of legislation is really based only on attendance. It has nothing to do with anything else. The bleachers is something totally separate. I will agree with just about everything that was said tonight and that has been said in previous meetings. I am still puzzled by the fact that the Pride didn't start these conversations back in November, December, January, February, March, April. I know that three or four of us have made four, five, six, close to a dozen phone calls to different participants that were involved with the Pride to get them to first and foremost come and speak to the Board of Aldermen. That was as far back as February or March. That is disappointing to say the least.

No one has seen a marketing plan. I don't think we need a full-blown marketing plan. What I requested from Mike Atkins two months ago is a high level presentation of a marketing plan that the Pride would be releasing to the community. It's been 60 days - two months later - and we're already into the baseball season and we still haven't seen anything. The fact that they want to tear the bleachers down, I personally have no idea what they want to put over there. I would hope that it would work with the neighborhood. There's a couple of abutters that have expressed some concerns to me that they don't want a merry-go-round or music going on for 3 ½ hours during a game.

I would also agree with the statement that the Mayor made about the statement made by the

baseball team when they came here. If you look all around minor league baseball right now – and it's not just baseball that they are selling – they are selling entertainment. I just wanted to clarify the particular piece of legislation here. By the way, I would be in favor of holding this in committee. I also want the committee to know that this particular piece of legislation could be approved by the Board of Aldermen. More importantly, the decision on tearing the bleachers down could have been made by two people at the public works commission if not for a suggestion by Alderman Deane that that move be approved contingent upon the Board of Aldermen's approval of this particular legislation. They absolutely do go hand-in-hand. The Pride would not come to the city and be willing to lower than attendance figures if we said leave the bleachers up. Let's not kid ourselves.

I understand the work group hasn't met yet. I'm surprised that they have not met yet. That's not the responsibility of the Board of Aldermen to make sure that happens. I think that is the responsibility of the Pride and their attorney to get on the horn and schedule some meetings. The impetus is on them. Right now I think the city is very happy with the bleachers over there. They serve a purpose. If they are interested in making a change, they need to take the initiative. Hopefully there will be a meeting or two meetings prior to the next finance meeting and we can have an update. But the concession the owner was talking about the other night, he's absolutely right. That was a request that came up in conversations between Atty. Bennett. Atty. Atkins said if we were to take the bleachers down, we would only be willing to take them down if they were willing to lower the attendance clause that's in the contract that they have with us right now.

MOTION BY ALDERMAN VITALE TO HOLD IN COMMITTEE R-05-224

ON THE QUESTION

Alderman Deane

-
When we had this meeting last year, I had made a number of motions to reduce the turn-style attendance requirements. I was told time and time again, that those numbers don't work. Let me go back in time here. In 2006, the existing concession agreement is 2900. I made a motion to put it at 2400 – a number they might be able to get. Alderman McCarthy piped up and said they can't function on only 2400. In 2007, it's 3000. I made a motion to put that at 2400. In 2008, I went 2500. In 2009, I went to 2500. In 2010, I went to 2700 and in 2011, I went to 2900. Now here we are a year or so later reducing those numbers back down to where I was told back then those numbers would never work. They would never survive with those types of attendance figures. And now we're being asked to amend it to those figures – within a couple of hundred. I find it rather ironic that in 2011 is 3400. That's 600 less than what we were told they needed to survive over there. So how have things changed so drastically?

The other thing is the Mayor had stated that all the documents you asked for Alderman Vitale are readily available. I must have them here somewhere, but the Board of Public Works' packets contained the letter from the insurance company, our Risk Management, the review that

the city had done on it and the corrections that were made to the bleachers that the Risk Management Department and the insurance company had required. The other question that you had asked was if in today's standards if the insurance company went over there and looked at them and they weren't grandfathered, would they be acceptable. Obviously, the answer is no. They are what they are. They've been there for an extended period of time. Do they meet today's standards that are required? Absolutely not. But since they have been in that area and haven't been moved, they are fine the way they are as long as they are properly maintained in the Park Department. The Park Department does do that. They go through and check the bleachers thoroughly. They go underneath them, they paint them. They brush all the rust off the steel.

Alderman Rootovich

-
Aren't there minimum league requirements with respect to turn-style attendance?

MOTION CARRIED

-
HELD IN COMMITTEE

-
MOTION BY ALDERMAN SHAW TO TAKE FROM THE TABLE THE COMMUNICATION FROM JANICE TREMBLAY REGARDING THE PURCHASE OF A ½ TON PICK-UP TRUCK WITH PLOW FOR THE TRAFFIC DEPARTMENT

MOTION CARRIED

From: Janice Tremblay, C.P.M., Purchasing Manager
Re: Purchase ½ Ton Pick-Up Truck with Plow for Traffic Department

**MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND DENY THE PURCHASE
MOTION CARRIED**

WARRANT

MOTION BY ALDERMAN SHAW TO APPROVE WARRANT #22 IN THE TOTAL AMOUNT OF \$8,498,773.62 OF WHICH \$2,381,155.16 ARE ACCOUNTS PAYABLE, \$4,588,893.79 ARE PAYROLL AMOUNTS, \$13,364.41 ARE PREPAY AMOUNTS AND \$1,515,360.26 ARE WIRE TRANSFERS

ON THE QUESTION

-
Alderman Deane

-
I would request that the Chief Financial Officer come to the podium please. Thank you, Mrs. Anderson, I know you were here late last evening. Mayor, I had sent a request for the following to be explained, and Mrs. Anderson has told me that the individual at the school department wouldn't be able to explain some of the expenditures. I would like to hold the payments on these until we get a satisfactory explanation or an explanation period on the following items:

-
AMENDED MOTION BY ALDERMAN DEANE TO HOLD PAYMENTS TO THE FOLLOWING ACCOUNTS AT THE FOLLOWING AMOUNTS: 3435-53109 NEW ENGLAND CONFERENCE CENTER- \$8,025.89, 3525-53102 – STEPS PROFESSIONAL DEVELOPMENT \$3,100.00, 355-99040 – MOUNTAIN CLUB ON LOON - \$750.00, 3987-53103 – CLARK ASSOCIATES/DEBBIE CLARK - \$25,785.25, 581-49050 – MARKET BASKET - \$1,131.18, 581-49050 – NORTH CENTER FOOD SERVICE - \$4,472.31, 581-41045 – STAPLES BUSINESS ADVANTAGE - \$10,624.00, 581-49050 – STAPLES BUSINESS ADVANTAGE - \$7,938.00, 581-41015 – STAPLES BUSINESS ADVANTAGE - \$2,269.00, AND 581-49910 – TRUE GREEN CHEMLAWN - \$125.00, AND APPROVE THE REMAINDER OF THE WARRANT ITEMS

ON THE QUESTION

Mayor Streeter

These are all School Department?

Carol Anderson

Yes.

Alderman Deane

The 3435 Mrs. Anderson I guess could answer that – I think probably that may be.

Carol Anderson

Yes they all are.

Mayor Streeter

Apparently they said that they will have that information?

Carol Anderson

Yes. Their Assistant Business Director is out. She will be in I don't know if it is tomorrow or Friday, but Mark Conrad has indicated that by the end of this week there will be answers. Just to answer on the codes, the department numbers – 581 is the general fund from the school and when you see a four-digit number that begins with a 3 those are all of the grants for the School District.

Alderman Rootovich

With respect to the 535-94025 the Marriott Hotel; is that the Marriott Hotel here in Nashua?

Carol Anderson

That was for the seminar.

Alderman Rootovich

I understand, but is that here in Nashua?

Carol Anderson

Yes it would be.

Alderman Rootovich

So we are paying for rooms for people who live in Nashua and we pay for rooms to stay there at night when they live in Nashua?

Mayor Streeter

That is a conference room.

Alderman Rootovich

For a three-day class - this was part of the contract to provide overnight arrangements.

Carol Anderson

What that is is a person that comes out to perform the training for I believe it is for the Dive Team. They end up – it is actually far less expensive to have him come here than to have individuals go to him.

Alderman Rootovich

Must be quite a room.

Alderman Deane

Mrs. Anderson I know you might have some difficulty answering this question, but if my colleagues spent some time going through this Warrant, we have cell phone bills that I think are absolutely out of control. I would like to know if we have some sort of plan or whether people are just – we go into the Health Department and we have 4 Nextel Blackberry units and 2 Nextel phones and the funding is provided by MRC Grant and Bioterrorism Grant. Just because the grants are paying for it doesn't mean that perhaps we should be purchasing and utilizing these things. Then when I went down into the Waste Water Treatment Plant it is the same way – everybody and their brother has a phone and I was just wondering do we have some sort of plan with Nextel because I know there are a lot of other departments that don't have Nextel phones. The nice thing about the Nextel phone is that it has a two way radio device, but unless we are finding significant cost savings in the plans I believe the city just spent \$5 million on their radio systems citywide between the towers and all of the equipment and now we are incurring these costs as well. I was just wondering. Maybe Mrs. Tremblay can answer the question on whether we have a large distribution plan with Nextel that the city uses.

Janice Tremblay

Let me give you an overview of the plan that we do have with Nextel. We have been on this plan for close to 2 years. We moved from U.S. Cellular to Nextel for a number of reasons one of them being that exact thing that you referenced Alderman Deane what they call a direct connect feature. Most of the – I will say the prime users purchase a plan that gives them 400 anytime minutes, which basically covers your prime time during the day. We have unlimited nights and weekends and they have unlimited direct connect minutes. Any time one Nashua employee with a Nextel phone connects with another Nashua employee with a Nextel phone and uses that direct connect they are not charged for any minutes. The plans also carry with them unlimited long distance calling from anywhere within the United States. Any time a city employee goes out of the state anywhere in the United States for a conference or any kind of a business meeting they can continue to use their cell phone without incurring any long distance charges. Then what we do is each of these major users that buy into the plan with 400 minutes we put all of those minutes into one pool. We also have a number of users that don't really have a lot of minutes each month.

As a prime example we have a cell phone in the well it is not the Bookmobile anymore, but it is the library van. When that vehicle is out and about should there be an instance where it breaks down or they need some assistance they have a phone available to them. That phone is in a Nextel plan called a value add on. The net cost to the city per month is a little over \$13.00 a month for those plans. They don't buy any minutes, any of the daytime anytime minutes. They don't contribute to the pool. They kind of like ride on the coattails and use up unused minutes

that have already been paid for by someone else. Then the other thing too is if someone goes over, if they use 500 minutes in a month, they don't get charged for overages. We have not paid overages for minutes more than 400 for well over a year. We were paying some, and what Nextel did was they looked at our usage and actually moved us from 300 minutes a month, which is how we started the plan, and they gave everyone who was buying 300 minutes a month they gave them 400 with no increase in the price. That has taken away the problem that we had occasionally with some departments going over on some of their minutes.

We have been very high users within the Fire Department, Chief Hatfield goes well over 1,000 minutes a month, but he borrows those extra minutes from unused plans. Our Building Maintenance Manager for instance, Ron Jenkins, has a 400-minute a month plan. He probably uses between 250 and 300 – he never uses the whole thing. The other daytime custodian that needs to be in contact on a regular basis with Mr. Jenkins has a value add on plan. He rides the coattails and uses Ron's unused minutes. We have scattered some of these value add on plans throughout a number of departments where we see a low usage, but we see a need to have a cell phone. A public health nurse for instance is out and about and has a need to be in touch with the office and go back and forth, but not a high usage. These are the perfect applications for the value add on plans, and we have them scattered throughout a number of departments. All departments are kind of sharing in that reduced cost, but still having the ability to have the connection. As far as the Blackberries are concerned I know that Director Russakow for instance has a Blackberry and he uses that when he is away. He uses that as an ability to be able to gather up – he basically does computer work instead of taking a laptop he uses his Blackberry. I really can't talk to what Dr. Sabato does, but Dr. Sabato has one. Paul Etkind has one, and Director Russakow and the fourth one is in the possession of Mark Sousa. You are correct it does ride on the hazardous because he is a part of that emergency program.

That is kind of in a nutshell where the Nextel is. There are some of them in the Police Department. They are strictly that is the only one we use for Public Works. Fire has a couple of U.S. Cellular, but most of them they switched over to Nextel. It gives the Fire Department the thing they like about it is it gives them the ability to do direct connect to every other Fire Department in the State because they are all on the Nextel plan. It is not just within the City it is for all the other fire, the Chiefs in the other cities and towns that they can connect with the same way without incurring minutes or any cost to the city. It has enhanced the ability to communicate.

If there is some other information I can provide please let me know.

Alderman Deane

Thank you for your explanation Mrs. Tremblay. The School Department has a multitude of cell phones as well and the city does too. There are other plans within the city. It is just kind of discouraging. I understand the convenience of it, but the taxpayers' dollars over \$5 million and we purchased two way radio communication systems and I guess that wasn't enough. If we had thought about it previously perhaps going to Nextel to begin with would have been a lot cheaper

than putting a tower up at Shakespeare Road.

Alderman Tollner

Through the Chair I would like to ask Mrs. Tremblay a couple of questions.

Mayor Streeter

Please.

Alderman Tollner

You stated those people who buy into the plan – do the actual individuals buy into the plan or when you say those people that buy into the plan the city buys into the plan for those individuals?

Janice Tremblay

The city buys into the plan for the individual employees.

Alderman Tollner

How do we dissect those phone calls that are business related versus those phone calls that are made on those phones that are personal phone calls?

Janice Tremblay

Each Department Head myself included – I could have brought an example of that this evening, and I apologize I didn't do that – each Department Head receives a breakdown of every single call that is made whether it is a call that is made that is a direct connect or whether it is a call that is made to a landline phone. We go through. We breeze through them. I had one employee in my department that had a phone and as I reviewed it there were more, $\frac{3}{4}$ of the calls were personal calls, they were not city numbers, not other Nextel phones. That phone was taken away from the employee. The other thing too is when any employee gets a phone there is a form that they must complete and is kept on file in Human Resources. We treat the cell phones much the same as we treat the PCs. You sign a form that says you are not supposed to use your PC and your Internet connects. We have the same thing for a cell phone. When a Department Head reviews this and is suspicious or finds abuses the phone is taken away.

Alderman Tollner

Have we thought about a policy where I understand that if they abuse it as in the case of that one employee had $\frac{3}{4}$ of it were personal and I myself – I will only speak for myself – I don't have a problem if they use it once in a while if they need to make a phone call home. I guess I would

try and target those individuals that if they do have say 400 minutes 25% of those phone calls are personal. If that was the case the IRS would look at that and say that is a benefit and the IRS would tax that. What a lot of companies have started to do is they have an agreement with their employees that if you do take a cell phone that is part of the city's program that whatever that cell phone bill is for that particular individual they would pay 10% of that cost. For argument sake for Ron who doesn't even use the 400 – you look at it he has that cell phone and use of it every month and for the most part more than a majority of it is for business. Suzy Smith let's say or Bobby Smith uses it and there are 400 or 500 they are getting the value out of that phone while they can use it – they can use it pretty much day, night, weekends, all the time. If I worked for the city they probably isn't a reason for me to carry around two cell phone because I probably only need one, and the cell phone that I would use probably would be the Nextel phone that I get through the city program correct?

Janice Tremblay

Most likely.

Alderman Tollner

Maybe at I don't know whether it is the Divisional Directors' meeting – I would like to see a discussion amongst the Divisional Directors and the Mayor to see if there is a policy that we can put in place where I think it would go after some of the concerns that Alderman Deane made, which were valid and probably some of us have – here it is this considerable cell phone bill that the city pays every month that I have to believe and I think it is fair to say that even being conservative 5-10% of those phone calls probably aren't business phone calls. Ten percent of that phone bill a month may only come up to be about \$7 a month, but you multiply that by the number of employees times months you will come up with a nice number that could go back into the city coffers.

Have we ever discussed that with the city employees and Department Heads before?

Janice Tremblay

I don't believe there has been a discussion with them to this point. I do hesitate to make an assumption that if we didn't use those minutes that there would be money coming back to the city coffers because as I explained earlier you buy a pool of minutes. We don't pay overage charges.

Alderman Tollner

I am not talking about less minutes. What I am talking about is we give you a cell phone, you have that cell phone for city use, and chances are over the weekend if there is another Nextel operator – you yourself let's say would have usage of that phone. The overall cost to the city that we pay every month isn't going to go down that we pay to Nextel, however, if each staff

person that used the phone a certain amount of minutes and I think if we assume that 10% of those phone calls are personal phone calls, contributed 10% of that bill they could reimburse the city. Right now basically what we are doing is giving the employee cell phones and letting them use it. Realistically if you have 1,000 minutes – I average well over 1,000 minutes a month – it got to a point where we were going through an audit of 17 pages of phone calls – you just came up with an agreement saying okay I am going to pay a certain percentage of my cell phone and that was it and the company got more money back. That is basically what we have done is give everybody cell phones and they can use it – with little audit. I don't know how many department heads are looking at expense reports or looking at cell phone bills every month line by and line and looking at which phone numbers are personal and which ones are business.

Janice Tremblay

Alderman Tollner it is certainly something that we can pursue. We can get with the Directors and the department heads and form a plan and say are we seeing abuses, are we seeing a lot of personal use – it is certainly easy enough to determine that. If you don't see a lot of 589 and 594 landline numbers on those reports then it is pretty safe to assume that they are not making calls to other employees. Now there can be calls that are made to other companies and what have you, and it is difficult to ascertain what those are because you only get the number. You don't get you know Johnson Electric for instance. It doesn't say that it just gives you a number. There is a lot of digging to be done, but it is certainly something that we can look into and determine if there is some value and should we do that.

The other thing that might come out of delving into that is do we have a number of employees that currently are paying for the 400 minutes a month that could go on to this value add on plan for only \$13 and not buy those minutes. Pat DeForte in our Accounts Payable Department had given me a summary and she keeps track of how many minutes a month each of the individuals uses and I looked through that this afternoon in anticipation of the meeting this evening, and identified a number of potential users that we could move to a less expensive program. They are not using the minutes. They may still need that phone for an occasional emergency, but they are not using the minutes on a regular basis and we need to take them off the expensive plans and put them on the less expensive plans. Any opportunity along those lines that should be our first step because that is an immediate payback to the city of more than just 10%. I certainly will pursue that. I will work with Carol Anderson and Maureen Lemieux and gather up some information and pursue what we can do.

Alderman Tollner

It sounds like the plan that the city has chosen is a good one and a reasonable one. I think that whether it is every 6 months or whatever the appropriate time period we should look at it and audit to see where we can take advantage of like we said of moving people from one part to another part to save money, and then maybe a good idea might be to look at the surrounding municipalities and communities to see how they handle it – what does their cell phone policy look like, and where there might be some good one we may want to take advantage of that that

is all.

Janice Tremblay

Certainly.

Alderman Tollner

Thank you.

Janice Tremblay

You are welcome.

Alderman Shaw

I do agree with Alderman Deane in terms of having gone through the Warrant many times and just at some point all of those cell phone bills do kind of jump out at you. It is kind of one of those things that we clearly do spend an awful lot of money on those services. I do think there is some benefit in looking at what some of the options might be and maybe going through a couple of ideas already floated tonight and there are certainly probably other things out there that we might consider. I do hope that maybe we could look at whether there is something to be saved there.

If it is okay with the Mayor I would like to ask Mr. Marino to come up. I had a question regarding one line item on the Q-Send Technologies that we had a response back and I had a follow up that I wanted to do tonight.

Mayor Streeter

Please.

Alderman Shaw

Mr. Marino thank you for your patience tonight for what might be a very brief discussion. I know from Alderman Deane's inquiry and then the response back was that this was the second of the two payments for the remainder of the \$29,360 contract. I guess what I had sent back to Director Lemieux was if only approximately 25% of the existing site has been migrated why are we basically paying all the money to the vendor at this point. I guess looking back at the contract is that because they have actually already provided all of the engineering professional services that were outlined in the contract?

Angelo Marino

Yes. We had purchased the software. The migration was never their responsibility. We are doing that heavy lifting ourselves and saving some money. They have done exactly what the agreement called for, which was to provide us with the software which we are using now to do all of that migration.

Alderman Shaw

Basically if we have – now I would assume if we have any questions or need some of the various technical support type of questions is that part of ...

Angelo Marino

We have about 20 hours of technical support left on that agreement.

Alderman Shaw

That would be part of what we will have essentially throughout our first year of service as part of the first 12 months of the various maintenance and support is in the purchase price so is that basically what ...

Angelo Marino

The maintenance and support yes. There is also some technical assistance if we get to a problem that we can't solve ourselves we can call on them. As I said we have about 20 hours of that left.

Alderman Shaw

I am assuming then we are satisfied with the installation and the software has proven to do what is advertised to do, there are no issues there so it is basically now our manpower that is doing the migration?

Angelo Marino

Exactly. The software does exactly what they said and since they first installed they have already given us one upgrade so they have actually made it more efficient for us to do what we have to do.

Alderman Shaw

Thank you.

Alderman Deane

I receive a Nextel bill at my house and the billing format has changed so you can no longer sit there and review them you have to go on line to look at them. Maybe a task somebody ... thank you for the information you provided Mrs. Tremblay. Mr. Mayor would you like me to read my motion again or is it still fresh in your mind?

Mayor Streeter

The motion is to approve the Warrant with 10 exceptions so noted.

Alderman Deane

Thank you Mr. Mayor.

Mayor Streeter

Is there any further discussion?

Alderman Deane

I am sorry Mayor, but if we have to sign the Warrant we are approving everything that is being...

Mayor Streeter

Carol has agreed at previous meetings that she will withhold payment of any items that we ask for her to hold.

Alderman Deane

Thank you for the refresher I just wanted to be sure before I put my name on it that is all.

Mayor Streeter

The motion then is to approve the Warrant with those exceptions.

MOTION CARRIED

-

DISCUSSION

-

Alderman Rootovich

-

I would hope that this committee and the Board of Aldermen would be very cautious when we go forward with the Pride. I think everybody else wants to see them succeed. I think they are a great organization and do justice for our city in terms of revenue and quality of life, however, since this organization has come to Nashua we have gone through some trials and tribulations and turmoil. I was one of the first people when the former proprietor baseball team came to Nashua. I remember it was on a Saturday morning I sat in the office of the Pride administration and they came in all gun hoe and this is the greatest thing since sliced bread. The individual threw down \$100,000 check on the conference table and said this is the start of a great business relationship. Along that way the city has invested millions of dollars in that stadium. This is the third, this is the third now, concession agreement we want to change. They have had a hard time paying some of their bills or all of their bills. The perception out there I can assure you is not good among the public with respect to us going out of our way to make amends for that business and not other businesses in the city. There are individuals on Main Street that put a sign out there for one day to have a special and they got a code enforcement letter to remove that sign, and yet we are going out of our way here to help a business. It is a business. Again I want to see them succeed, but we have to be careful what we do. A business agreement is a business agreement. Just be very careful. There are still rumblings and rumors out there that this team may move. I have pointed out to you in years past Mr. Mayor I told you I have seen news clippings in newspapers and have heard some other ones recently. Let's just be cautious that whatever we do is in the best interest of the taxpayers and nobody else. Thank you.

Alderman Tollner

If I could just build on that a bit. I mentioned at the last Board of Aldermen meeting with regard to the Pride – I can't emphasize enough to them to improve their communication skills. I as Alderman Rootovich was one of the and probably Alderman Dion were on the Board at that time that were proponents of assisting the Pride in coming. It defies logic why they haven't stepped up and met with the city over the last few months. They really need to get their act together and they need to move forward. It was nice to see the ownership here the other night, but they really need to get their act together and start moving forward if they want the city to cooperate. Thank you.

Alderman Shaw

Just a request to the working committee that hasn't come up recently. I guess I am just asking if the committee could also inquire as to any intentions and status regarding the short season concept since that was such a big part of what we heard about last year with the potential for that to be happening. This season obviously is not, but that was clearly something that was portrayed to us as perhaps a saving effort in terms of how the Pride might go forth and succeed. That is just one more aspect that I would ask the committee to at least try to cover in conversation.

Mayor Streeter

Who are the members of the committee?

Alderman Tollner

If I am not mistaken it is Alderman Rootovich, Alderman Gage, Alderman Lozeau, and Alderman Vitale are the four Aldermen that are on the work committee that is sitting down with the Pride.

Mayor Streeter

I expect great things from them.

Alderman Tollner

One more thing Mr. Mayor. I think it was at the last Finance meeting I requested a copy of the vehicle replacement plan from the different departments. I received a memo from Chief Hatfield on the 24th of May, which I will cc the Board of Aldermen. I have not received any other copy of any vehicle replacement from any other department yet so maybe we could get it by our next – I am not in any rush for it, but maybe we could get it by our next Finance meeting would be great.

Mayor Streeter

That is in the FY '06 budget?

Alderman Tollner

It was whatever their vehicle replacement plan is not the '06 budget, but in this case the Fire Department goes beyond the '06 budget. Any department whatever their plan is as far as replacement vehicles go.

Carol Anderson

I don't have a copy I don't believe of the one from the Fire Department, but I did just today in fact it was about 4:00 p.m. I saw the one come through from Chief Hefferan. He has submitted his too. I will make sure to circulate the one from Chief Hefferan to everybody. I will e-mail you tomorrow with that. Did you receive it by e-mail Alderman Tollner?

Alderman Tollner

No. I have a paper copy you and the Mayor and the Board of Fire Commissioners were copied on it. When they get to it that would be great.

Alderman Rootovich

I was just going to ask if Alderman Tollner would be so kind as to copy the Finance Committee as well.

Alderman Tollner

I will copy the whole Board.

Alderman Shaw

I would like to apologize to Alderman Tollner for not recognizing that he had obviously joined us quite a while ago, and it was duly noted in the attendance.

ADJOURNMENT

**MOTION BY ALDERMAN DION TO ADJOURN
MOTION CARRIED**

The Finance Committee meeting was adjourned at 8:20 p.m.

Alderman Rob Shaw
Committee Clerk