

## REPORT OF THE FINANCE COMMITTEE

JUNE 15, 2005

A meeting of the Finance Committee was held on Wednesday, June 15, 2005 at 7:00 p.m. in the Aldermanic Chamber.

Mayor Bernard A. Streeter presided.

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

Members not in Attendance:               Alderman-at-Large David Rootovich

Also in Attendance:                        Asst. Chief Mansfield, Nashua Fire Rescue  
  Carol Anderson, CFO/Comptroller  
  Mario LeClerc, Superintendent of Wastewater  
  Janice Tremblay, Purchasing Manager  
  Jay Minkarah, Economic Development Director  
  Ed Humanic, TIF Advisory Board  
  Kevin Snook, Pilot Construction  
  Jeanne Gamache, Wastewater Project Engineer  
  Steve Dookran, City Engineer  
  Joe Mendola, Street Construction Engineer

### Alderman Tollner

I just wanted to let the committee know that Alderman Rootovich called me a little earlier, and said that he was under the weather this evening, and was not going to be able to attend.

### Mayor Streeter

We hope he will feel better tomorrow.

## COMMUNICATIONS

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From: Janice Tremblay, C.P.M., Purchasing Manager  
Re: Upgrade to Self-Contained Breathing Apparatus for Nashua Fire Rescue

**MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO FIRE TECH & SAFETY OF NEW ENGLAND IN THE AMOUNT OF \$169,775. FUNDS ARE AVAILABLE IN ACCTS. #532-64094-6701 (\$41,250); 332-64094-6701-6316 (\$128,525)**

ON THE QUESTION

Alderman Deane

I would like the Chief to give us an overview of this significant change.

Michael Mansfield

Back several years ago Nashua Fire Rescue went through a complete replacement of all of its Self Contained Breathing Apparatus. We actually switched vendors from Mine Safety Appliance to Scott. With the Nashua Fire Protection Association coming up with new standards approximately every 5 or 6 years, the current self-contained breathing apparatus that was purchased several years ago no longer meets NFPA 1981 standards. With the grant that we sought from the Homeland Security folks, from the Federal Government, we sought to either replace or upgrade all of our self contained breathing apparatus, which this will allow us to do so that they meet current NFPA 1981, 2002 edition standards.

Alderman Deane

Thank you. Chief if you hadn't received the \$128,525 grant how would you have funded this?

Michael Mansfield

We were going to fund it through the general operating budget a little bit at a time until we got in compliance.

Alderman Deane

Are we seeing any significant savings by doing – how many units did you say there were 158?

Michael Mansfield

There are 115 approximately.

Alderman Deane

Are we seeing any significant cost savings by doing them all at the same time?

Michael Mansfield

We have pretty much a year's time to get this work done from the award of the grant by the Federal Government. Time is of the essence to make sure that this is done in one lot.

Alderman Deane

The difference between the upgrading that you are doing and what currently exists for the apparatus that they are wearing Scott packs are – were they not – they didn't have the usefulness with the chemical/biologics and the radiological elements is that the three upgrades that are being done to them?

Michael Mansfield

The upgrades that are being done are going to allow us to better protect our personnel in the event that we have a weapons of mass destruction incident or anything that involves chemical, radiological, biological types of events in or around the community.

Alderman Deane

This has to be done in order to get certified under the NFPA?

Michael Mansfield

Yes for us to meet the NFPA 1981 standards.

Alderman Deane

1981?

Michael Mansfield

That is the number that is affixed to it. It is called NFPA 1981. That is the 2002 edition.

Alderman Deane

It is not the year it is the number that goes with the standard?

Michael Mansfield

That is correct.

Alderman Deane

What happens if the Fire Department doesn't meet that standard?

Michael Mansfield

I can give you a brief synopsis – if we have personnel responding to a weapons of mass destruction or a c-burn type incident and there is equipment out there that we could have provided our people, and these people were exposed to these types of elements and we could have provided this equipment for our folks and we didn't there probably would be some sort of litigation from the family and loved ones of the individuals who are affected by us not being able to protect these people properly.

Alderman Deane

It has nothing to do with accreditation or anything of that nature?

Michael Mansfield

No sir.

Alderman Deane

Thank you.

Mayor Streeter

Are there any further questions?

**MOTION CARRIED**

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

Re: Purchase Special Service Vehicle for Nashua Fire Rescue

**MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO JOHN GRAPPONE FORD IN THE AMOUNT OF \$33,487. SOURCE OF FUNDING IS ACCTS. #599-68015-9861 (\$12,000) AND #532-68015 (\$21,487)**

ON THE QUESTION

Alderman Deane

In the first paragraph, when you go through this Chief the last sentence states "This configuration has proven valuable and cost effective for the department over the years." What is the configuration that is being mentioned here?

Michael Mansfield

The diesel motor configuration and the size of the vehicle that we are currently using because of the equipment that it carries.

Alderman Deane

Do you happen to know what kind of transmission will be in this vehicle? Is it an Allison transmission?

Michael Mansfield

It doesn't say specifically other than the fact that it is a five-speed torque shift automatic with overdrive transmission.

Alderman Deane

The 1996 Crown Vic that this is replacing what will happen to that car?

Michael Mansfield

We are going to trade it in. It will not longer be on our inventory.

Alderman Deane

Do we own that?

Michael Mansfield

Yes we do.

Alderman Deane

Do you know what you are going to get for a trade-in?

Michael Mansfield

At this point I don't.

Alderman Deane

I know people are always looking for vehicles – I believe the School Department is one. Maybe you might want to talk to Jerry LaLiberte about that.

Michael Mansfield

Certainly that would be an option if someone wanted to come forward. We would certainly be open to any type of possibilities or potentials.

Alderman Deane

Can you do that because they are looking – they are always looking for vehicles. This vehicle is still operational and doesn't have a lot of issues – from what he told me they had a little bit of funding, but it would probably help them out immensely. If you weren't going to get \$10,000 for it or something on a trade in – if that is the case then I wouldn't make the phone call, but if you ...

Michael Mansfield

I don't think we would get anything near the \$10,000 figure that you just mentioned. I know that the Crown Vic. is having some front-end issues and also some electronic issues as well. Those are a couple of other reasons why we were looking to trade it in or send it to the State auction rather than push the problem onto somebody else.

Alderman Deane

I would appreciate it if you could give him a call and run that by him before you get rid of it.

Michael Mansfield

Absolutely.

Alderman Deane

Thank you.

Mayor Streeter

Are there any further questions?

**MOTION CARRIED**

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

Re: Purchase 2006 Ford F350 Pick-Up Truck 4X4 Diesel for Nashua Fire Rescue

**MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO JOHN GRAPPONE FORD IN THE AMOUNT OF \$25,421. FUNDS ARE AVAILABLE IN ACCTS. #599-68070-9861 (\$19,649) AND #532-68070 (\$5,772)**

ON THE QUESTION

Alderman Deane

Thank you. Through you Mr. Mayor to the Chief – what condition is this 1997 F350 in?

Michael Mansfield

It is in relatively decent shape at this point. It has approximately 46,000 miles on it. The problem that we are experiencing at this point is the fact that we do not have a backup forestry response unit which the 1997 F350 would be downgraded to at this point if replaced.

Alderman Deane

The forestry response unit isn't that – didn't we have a truck that was like a 1945 or something?

Michael Mansfield

1968 – we currently have – the City of Nashua does not own it. It is owned by the Division of Resources & Economic Development. It is an M715 jeep that has been used by the City for as long as I can remember. It is extremely old, extremely tired, and is becoming a safety issue.

Alderman Deane

The Economic Development Department owns that?

Michael Mansfield

The Division of Resources and Economic Development of the State of New Hampshire.

Alderman Deane

You no longer use that piece of equipment right the '68 ...

Michael Mansfield

That piece of equipment is currently in service stationed at Engine 1, which is the Amherst Street Fire Station.

Alderman Deane

Thank you.

Mayor Streeter

Are there any further questions?

**MOTION CARRIED**

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

Re: Amendment to Engineering and Valuation Services Related to the Purchase of Pennichuck Water Assets

**MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND APPROVE THE AMENDMENT TO THE CONTRACT FOR A TOTAL ESTIMATED COST OF \$335,000. SOURCE OF FUNDING IS ACCT. #699-07**

ON THE QUESTION

Alderman Deane

Is that the appropriate motion Mayor when there is no money to fund this? Would it not be contingent upon – I believe there is a piece of legislation too isn't there?

Carol Anderson

It was my understanding that legislation would have been passed last night for the \$110,000. Then the difference will be in the FY '06 budget.

Alderman Deane

If that money is not included in the FY '06 budget then what do we do?

Carol Anderson

There is a termination clause in here.

Alderman Deane

Can you direct me to that?

Carol Anderson

I believe it is on page – we ran this past Legal yesterday, and I believe it starts on page 5.

Alderman Deane

The language is such – the case could be withdrawn or settled at any time and the city has a right to terminate this contract immediately upon written notice – is that the sentence we are looking at?

Carol Anderson

Yes. I believe it was yesterday that both Dave Connell and Dory Clarke reviewed this, and they were in concurrence that what we were putting forward this evening was what was legal.

Alderman Deane

But this sentence is – “It is understood that the services provided herein may include preparation for litigation and expert testimony. As such the case could be withdrawn or settled at any time, and the city has the right to terminate this contract immediately upon written notice.” It doesn’t state anything to do with the funding. I guess that is the opt out clause that you are referring to, but ...

Mayor Streeter

If you read the last sentence – if we give the consultant notice of termination the firm will be paid for all of the time and expenses and so forth up to that particular point. As you know in cases like this there is always the possibility of settlement, and in the case that the Board of Aldermen do not fund the request then we wouldn’t have funds to continue, and we would immediately notify the consultant of that fact.

Alderman Deane

I just think the language should have been a little cleaner than what it was, but that is just my opinion. Thank you.

Mayor Streeter

Are there any further questions?

**MOTION CARRIED**

Mayor Streeter

I don’t see Jay Minkarah – he is at another meeting. I would appreciate it if the committee would bypass this item until he arrives.

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

Re: Purchase of Replacement Dissolved Oxygen Probes Requested by Nashua

## Wastewater Treatment Facility

### **MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO HACH COMPANY IN A TOTAL AMOUNT OF \$23,556. SOURCE OF FUNDING IS ACCT. #802-96515-8500-8900**

#### ON THE QUESTION

##### Alderman Deane

Thank you. Through you to the Wastewater Superintendent. I am reading this and it states that the new probes are warranted for three years and controllers for two years. Right now you are stating that you have to calibrate these bi-weekly. It says calibration is reduced from bi-weekly to yearly and cleaning is reduced. Won't these still have to be cleaned?

##### Mario LeClerc

Not a manual cleaning. They are self-cleaning.

##### Alderman Deane

Did we put this item out to bid or did we just get a price on it?

##### Mario LeClerc

No it didn't go out to bid. Hach has been the controller of choice since 1989. There is a typo in the document that I just picked up. When the plant was upgraded in 1989 to a secondary facility those are the brand name and the state of the art controllers and probes and they still are. We feel best served by identifying the sole source providers.

##### Alderman Deane

I get heartburn over the sole source. I understand your professional opinion on the technology that is out there and what you feel comfortable with, but when we sole source things we call somebody up and get a price on something over the phone and we never know what we could realize for savings. We just don't know that. I don't agree with that. I think we should be giving everybody an opportunity to bid things out. I would like to see the practice stop, but unfortunately it doesn't appear that is going to happen any time soon. Thank you.

##### Mayor Streeter

As I have suggested to other Directors Mario, in a case like this where you have use this product since the '80s if I were sitting in your seat I would make a phone call or two – we don't have to go through the formal process, but at least make a phone call or two just to verify that you have at least checked with other companies that might provide this. I know Janice do you want to comment on that? I am talking about an informal solicitation.

Janice Tremblay

I did discuss this particular proposed purchase with Leo Gaudette. He did call me and kind of gave me a scenario of what he was looking at. He had indeed looked at what were his options. Basically it was going to cost more to complete – you would end up having to completely switch out everything in order to have it all consistent across the board. Going with other potential manufacturers he was basically deeming that it was actually going to be more expensive for the city to do it. Granted I don't have the exact number of how much or whatever. In his opinion, because of the success that we have had with this he asked if it was okay with me if he went ahead and stayed with this manufacturer. I did authorize him to do that. He had done some legwork.

Mayor Streeter

To satisfy Alderman Deane and myself it might be wise to include that in the narrative.

Janice Tremblay

We can do that in the future certainly just to allude and let you know that yes in this particular instance this is what we did and what we compared it with certainly.

Alderman Deane

I wanted to thank Mrs. Tremblay for the explanation, and I think it would be helpful. I am not second-guessing what people are doing down there. I do realize that the employees down there analyze things and they drill into it. Obviously if we have to replace other components to make this fit then there is a problem. I understand that, but that is not what this stated. Thank you.

Alderman Tollner

I think we need to be consistent. Either we put everything out for bid, which we are told that is what we need to do – I too don't doubt that this is probably the best avenue for the city to go down – that the product has worked well, and it probably in the long run might be more expensive if we were to use another product, but we have put things out to bid in the past and gotten those bid responses back, and made recommendations for products that were a little more expensive because we were familiar with that type of product, engine, etc., and in the long run we thought that it would be less expensive and more prudent for the city to do it. I just think

that we need to be consistent whether we are purchasing products like this or the products that we do all the time. It shouldn't make a difference what product it is we should use the same process. Thank you.

Alderman Shaw

I would appreciate the kind of explanation that was just discussed as far as some of that background. I might disagree with the previous comment – while I appreciate going out for a competitive bid I would also like to make sure that we are not wasting the resources of the Purchasing Department or of the divisions that need whatever bought because there is a certain amount of overhead and effort associated with that. I think we have to balance the efficiencies of going through those kinds of efforts versus what we know and using the essentially the expert information that should be available through those that are in need. In this case it helped a lot to understand that the other options were going to come with a higher price tag by the nature of the other replacement costs. I guess I think there are certain things that are clearly appropriate for the competitive bid process and there are others where I do think hopefully that we can use the good judgment or where we have sufficient information to know that it is not going to be anything more than an exercise. Thank you.

Alderman Vitale

I just wanted to add to that comment, which I agree with. I think that if it is something that we go out for a competitive bid on and a competitive bid on a product that right now we use a single source supplier that we should go and look at what the return on investment is, and if that return on investment happens before the product starts to wear out then need replacement costs and see how it falls into that. If the return on investment happens to be full replacement cost it might be worthwhile to look at, but if things start to wear out before that then maybe staying with the sole source is a better idea. Thank you.

Mayor Streeter

I think you got the message Mario.

Mario LeClerc

Yes sir.

Mayor Streeter

Are there any further comments?

**MOTION CARRIED**

Mayor Streeter

I note that Mr. Minkarah is here so why don't we go back to that item relative to the bid summary and contract award for construction of the Nashua Riverwalk.

Alderman Tollner

Mayor since we have them up here why don't we take the next item?

Mayor Streeter

Well we did take it out of order, and I did say that when Mr. Minkarah arrived we would take his. I am sure that this won't be a long item. Jay why don't you come up?

Jay Minkarah

If I may I have two people with me...

Mayor Streeter

Why don't you have them join us and then Alderman Shaw will make a motion, and we will begin the discussion. You can introduce your guests once the motion has been made.

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

Re: Bid Summary and Contract Award for Construction of the Nashua Riverwalk

**MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO PILOT CONSTRUCTION IN THE AMOUNT OF \$864,420. FUNDS ARE AVAILABLE IN ACCT. #773-01310-3726**

ON THE QUESTION

Jay Minkarah

I am really pleased to be here this evening. I think we are at a very significant point in the riverwalk project. The project has had many components as I think the committee is very aware. We are at the point where all of our plans where we were last spring complete, we were ready to move forward on the project and put it out to bid. It was competitively bid. We originally did have 5 contractors who attended our site walk. We closed our bid on the 22<sup>nd</sup> of May. We had two bidders. We have also been working with H.L. Turner engineering firm both helping us through the bidding process, they helped us through the design process, and they will be helping us through the construction process. They helped us review the bids. We have a draft contract I think before you. Hopefully you have had an opportunity to see it. I am

particularly pleased that the bid from Pilot Construction has come in under budget. We were a little bit concerned about that with the increases that we knew were happening with the costs. As you may have seen because of that we did actually bid it in two sections. We are over \$90,000 within budget.

They are the low bidder. We are also very confident in their ability to work on the project with us. I did also bring Ed Humanic with us as a member of the TIF Advisory Board. He is also a representative from the developer, the Jackson Falls Condominiums. If I could say so they have also decided that the Jackson Falls project is also going to be looking at Pilot Construction so there will actually be one contractor doing the entire job.

#### Alderman Tollner

Jay maybe I could ask this question of you or Mr. Humanic – there was a comment in the paper about a week ago from the developer of the condo. project that the reason why this project has been delayed was because the Board of Aldermen for the lack of a better term couldn't get our act together or couldn't make up our mind – inaction on the Board of Aldermen's part. Maybe you can clarify that and give us your opinion as far as what has taken so long and do you think it was the inaction on the Board of Aldermen's part because I was surprised by those comments. I think that the Board as a whole was anticipating the start of this project some time ago. Maybe you could shed some light on that.

#### Ed Humanic

– Quite frankly Alderman Tollner I am surprised at the comment too. This is the second project that I have done in the City of Nashua, and without a doubt and I have worked in 23 cities and towns in the State of New Hampshire – this is the best place to work. We have a development department that is totally professional and while we may disagree on some things we sit down and work them out and we all come to a reasonable conclusion. I did not make that comment and I would have not made that comment. This was a fairly complex project – more complex than I anticipated when I first got involved in it. We ran into a bit of a problem I guess a year ago in March when the TIF district had been approved that the bond, correct me on my terminology here, the bond had not been authorized/approved. We had to come back before the Board, and I think that is probably what one of the partners is talking about is just that delay. Again from my point of view and my other partner's point of view we have no problems with the City; Planning Department, Board of Aldermen – we were treated professionally. We hope that we have conducted ourselves in a professional manner. As you know the pub opened in the last week, and has had some great activity. We have filed for a foundation permit; we anticipate that we will break ground on the condos on or around July 10<sup>th</sup>.

#### Alderman Tollner

Thank you very much.

Mayor Streeter

I think a lot of us were startled by that comment. I know that person is not noted for his maintaining calm in times of stress, and perhaps overstated his personal opinion. I know that it is not shared by you or your other partners.

Ed Huninic

Absolutely not Mr. Mayor.

Alderman Deane

Thank you. How wide is this walkway?

Jay Minkarah

For most of its length it is 8.5 feet. Where it meets the Main Street bridge it goes to a maximum of I believe 18 feet.

Alderman Deane

So we are looking at a lineal footage of about \$2,421.34 in lineal ..

Jay Minkarah

Actually there was an average I wished I had picked up sooner in the memo. As I noted we had bid this in two pieces. I think the memo that you have said it was approximately 250 linear feet. It is 250 linear feet plus the 107-foot extension so it is actually over 350. It is most definitely an expensive structure.

Alderman Deane

I took the 682 and the 182 and I added them together then I divided the 107 and 250 together and divided that into the number and came up with \$2,421.34 a lineal foot.

Jay Minkarah

It is a very expensive structure. The way the structure is designed is for the first section it is pended off of the side of the Peddler's Daughter building and at an 8.5 foot width it is a pretty significant structure. After it wraps around the building it then becomes pended off of what I will call a retaining wall – it actually isn't really a retaining wall, but the wall that runs behind the Peddler's Daughter building right adjacent to the river. From an engineering point of view it is a pretty significant structure, which is why it is as expensive as it is.

Alderman Deane

Mr. Mayor I have a question for Mrs. Anderson. Mrs. Anderson the total amount of the TIF funds were?

Carol Anderson

I think it is \$1,350,000.

Alderman Deane

This is \$864,000 and we have already spent another – what was the other amount Mayor \$87,000 – is that with the foundation and the ...

Mayor Streeter

Do you have those figures Jay?

Jay Minkarah

For the Peddler's Daughter project it was \$178,814.

Alderman Deane

So you have \$178,000 there and \$864,000 there right ...

Carol Anderson

It was \$1,150,000 is that what it was?

Jay Minkarah

It was \$1,135,000.

Alderman Deane

That will put us at \$1,042,000 correct?

Jay Minkarah

Yes.

Alderman Deane

That will leave us a little bit of – is there contingency built into this number at all for this project?

Jay Minkarah

In our original estimates yes, but this is the amount that we bid this project for so this is what they will be building this for.

Alderman Deane

So we can expect to see no change orders if they run into problems?

Jay Minkarah

Certainly hope not. We do not anticipate any change orders. There is a little bit of leeway – we are glad for that, but we don't anticipate needing it. The one exception would be that we did anticipate buying a few items such as benches that might go on portions of the riverwalk – those would be relatively inexpensive. That would be the most that I see that we would be looking to add. There are a few of those amenities that certainly weren't included in this bid. This covers the rest of the construction costs of the riverwalk that the city is obligated for.

Alderman Deane

When do we have to start paying this money back?

Carol Anderson

We have not bonded this project yet. What is happening now is when we go out and sell a bond – we will do one bond – we have the fire station, fire station land, the senior center, and the riverwalk so you save costs by going out and doing a bond all at one time. When you start to incur the costs you have to bond or ban within 18 months of when you are starting to spend out that money or you can't recoup your costs when you actually issue the bond. The intent will be not to bond until close to the end of this calendar year, and hopefully just right after it. That is the intent. That way we don't have to start paying back on it until FY '07. There will be no costs incurred in '06 for this project. We are spending city cash right now because we have the cash so the city is up fronting the money.

Alderman Deane

What are we collecting to put into an account to pay this back? We have spent \$1 million or we will be – we can pretty much say if this is approved we will have spent \$1 million – how are we garnering the money back to pay the \$1 million back?

Carol Anderson

When the taxes will actually be collected in that district then that revenue will be put into that account, and then the bond will be paid from that account and not out of general fund.

Alderman Deane

I understand the process, but what are we going to get for tax dollars when all of those condos aren't built?

Carol Anderson

Right we need to have the condos built.

Alderman Deane

We are spending all of this money and the buildings aren't built. The Peddler's Daughter is built, which is a very small amount of tax dollars, but we are spending – that is why when we did this, when we were sold this project, and we were told that they were going to go gangbusters, the foundations were going to be put in, and nothing has been done. I think – I had some issues with it, but the developers or whomever were told the way it unfolded was kind of unfortunate, but they were into it up to their necks and I just thought it was inappropriate at that time for the city to turn away because they had made significant investments. Now we're making the investment, and it just appears to me that the condos they have asked for a year extension on the condos through the Planning Board. That is when the – I don't even know if he is still part of the developing group over there, but that is when the comments were made that Alderman Tollner had stated, and now we hear that the foundation will be put in July of this year they will start digging the cellar holes and putting the foundations in?

Ed Huminic

That is correct. The reason we went back to the Planning Board to ask for the extension – it could have been a 30 day or 60 or 90 day extension, is that we wanted to make sure that if I cannot start the project unless the bonding is approved. I am in a bid of a catch 22 with my financial institutions, and I can't build the building unless the riverwalk gets built because part of the riverwalk hangs off my foundation. If the riverwalk is not built I am going back to the Planning Board to re-approve my site plan approval because my site plan approval is contingent on the riverwalk.

Alderman Deane

But the bonding was approved a long time ago.

Ed Huminic

Okay.

Jay Minkarah

If I could respond – we are aware that the timing of the project on the condominiums are very much linked and they are they are intimately linked. The reason why we didn't come forward sooner, didn't put the riverwalk out to bid sooner was because we were waiting for the condominium project to come in. The building permit application for the foundation is already in. Once we knew that was coming we then put the project out to bid. We can't wait until the condominiums are completed to start the riverwalk. We have to time the construction of the riverwalk with the condominium development and that is true for a few reasons; first of all just in looking at the site I think for those of us who have been there it is a very tight site. It is very difficult to maneuver. It would be very difficult if not completely impractical to try to construct the condominiums first and then the riverwalk. Secondly the riverwalk support structure is intimately linked to the condominium development. After you get behind the Peddler's Daughter building, the counterweights that support the riverwalk structure are going to be underneath the parking lot so you pretty much have to go in and put in that riverwalk at least the counterweights at first and then put in the parking lot structure. The same thing is true for the condominiums so while the condominiums are not going to be completed, the timing of the beginning of construction on the riverwalk and the condominium site should be happening about the same time.

We anticipate that the building will be framed by fall. The idea is to enclose it before the bad winter weather comes. We should have a building substantially complete if not totally complete by the time the next tax year rolls around, and the bonds ideally I guess you would issue them in the winter so while the timing may not be perfect, but the time where the next tax year arrives we should have a substantially complete if not totally complete condominium. I do believe particularly since we were very conservative in our estimates when we created the TIF district that we will have the value in existence in the tax year necessary to cover the bond.

Alderman Deane

Jay I understand the counterweights, the counterbalance and the foundation components. My question is we approved – what I asked is we approved the bond a long time ago and nothing was done. The money was released correct – was it available?

Carol Anderson

Yes as soon as it was certified by bond council.

Alderman Deane

When was that Mrs. Anderson?

Carol Anderson

In December. There were questions to be answered and after those were answered it was in December.

Alderman Deane

So between December and June 16<sup>th</sup> you put it out to bid..

Jay Minkarah

At the very end of April.

Alderman Deane

There was 5 months there where nothing – it wasn't out on the street – I am just trying to understand – as Alderman Tollner had stated I was kind of flared a little bit by the remarks that were made upstairs and now when you look at this – I supported the project. The money was made available, and nothing was being done. Now here we are there are still no foundations in. I know this ties in with – we got a good explanation from Mr. Minkarah as well as Mrs. Hersh and I believe you were here at one point in time explaining how the components were all similar to a jigsaw puzzle where they all had to lock in together because of the cost factors and dealing with going into the river and things of that nature. I would just like to know why the foundations haven't been put in and why it has taken five months to get this on the street.

Ed Huminic

If I may let me tell you what I have been doing in the last five months. I have spent an excess of \$700,000 including, but not limited to buying the property, completing all of the architectural plans, running the water and sewer lines at a cost of \$106,000 from Main Street to the site into the pub, and in addition I have expended \$57,000 in engineering fees for a portion of the riverwalk – when this was initially conceived it was to be wrapped into the bond amount, and we are going to pay those personally and keep them out of the bond..

Alderman Deane

Who did you buy the property from if you don't mind me asking?

Ed Huminic

Bradford J. Hill. He owned the bicycle shop that was there.

Alderman Deane

Has the property changed hands since?

Ed Huminic

It is owned by Jackson Falls Condominium – excuse me the residences of Jackson Falls LLC.

Alderman Deane

Thank you.

Alderman Shaw

I just wanted to make sure that I am understanding – do we end up having to change anything regarding any of the specs on any of the materials? I know there have been some concern that we might have to do that as we scoped out the cost and especially with steel and everything going up in price.

Jay Minkarah

We were concerned about that obviously because of all that we have been hearing about the cost of construction materials, but we have not done that. We have been able to stick with what was originally specked for the project. Fortunately when we did the estimates before we did and built in some contingencies, and that was prudent.

Kevin Snook

There was some stainless steel that was originally specked out on the original drawings and that was all changed – not all of it. I don't know the exact weight of the stainless that was taken out, but there was some stainless taken out and switched over to cullegal, which is the rest of the metal in the project.

Jay Minkarah

That change was made when we submitted our previous estimates. We had done that before the bond amount was approved because we knew we had to bring it down. We haven't made any changes since then.

Alderman Shaw

– Thank you.

Alderman Dion

Thank you. To whomever can answer the question – when the riverwalk first started back a year or year and a half ago, Mr. Maynard was here speaking in favor of it like he was going to be the developer of the condos. I haven't seen him since. Is he still involved?

Ed Huminic

Mr. Maynard is still involved, but save the fact that I don't want another comment like that in the paper, which I have to answer – he is still involved yes.

Alderman Dion

Is he still the developer for the condos?

Ed Huminic

He is a member of the residences of the Jackson Falls LLC yes.

Alderman Dion

He is not here this evening.

Ed Huminic

No he is not. He had another engagement. He had another business engagement.

Mayor Streeter

You have also added another partner am I correct?

Ed Huminic

Yes.

Mayor Streeter

Who has a fantastic background.

Ed Huminic

We added another development partner, Angus Bruce and Tom DeBrelle out of Campton, NH. They are high-end contractors.

Alderman Dion

I think there is more to this story than meets the high and I am not hearing the whole story.

Mayor Streeter

The original partners are still there Alderman Dion. They have added a couple more to the project.

Alderman Tollner

I think the answer to some of Alderman Dion's question I think Mr. Maynard probably was the front person in the beginning and now has taken a little different role in the project. I guess what might be helpful. I understand Alderman Deane's concerns. I think when this was laid out to us I think the timing of the financial arrangements at that time may have been a little different. I understand how they are lined up right now and the need for that. I think going forward what might be helpful for the Finance Committee and the Board of Aldermen is Jay maybe you can possibly just provide a brief update when there are updates to be made in different stages of the project – that way we are kept informed. If there are any new investors or partners that come on board that might also be a pretty good update. That way the Board of Aldermen is informed as we go along. I think some of us have heard through different channels that there are new people coming in, other people taking a back seat – it is taking a little bit longer than we thought. I think it would be helpful for us if we had that information at a high level as we are going along so that we are comfortable with the project going forward, and we can alleviate some of the questions that we have tonight, which I think are valid.

Jay Minkarah

I would be happy to do that.

Alderman Tollner

While I make that request I also want to thank you for your memo that you sent prior to this meeting providing us with an update. A lot of times we don't get that on some projects that come before the Finance Committee – we hear about it the night of the meeting. I appreciate that memo and the heads up prior to coming into the meeting. I think that also makes the process a little easier for us to digest and move forward with. Thank you.

Alderman Vitale

Regarding the construction – you are going to be starting in July. Is that going to allow for the plantings to go in for the bank stabilization?

Ed Humnic

Yes. I was on the phone this morning with Bob making sure. Excuse me yesterday morning.

Alderman Vitale

I have heard a couple of people mention that there are units already sold. Is that true?

Ed Huminic

They are to be technically correct they are under non-binding reservation.

Alderman Vitale

Thank you.

Ed Huminic

There are several.

Mayor Streeter

That is an Attorney General ruling...

Ed Huminic

Yes they is why I wanted to be technically correct.

Mayor Streeter

Are there any further questions?

**MOTION CARRIED**

Mayor Streeter

Thank you for coming. Continued success Ed. At some point you might want to bring Angus in. He is just a fantastic individual. I was very impressed with what he has done in his career. He matches what you have done.

Ed Huminic

It is quite the development there, and I think it is going to be a great project. Once again I want to reiterate the Planning staff here has just been fantastic to work with.

Mayor Streeter

We like to hear that.

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

Re: Bid Summary and Contract Award for Secondary Digester Cleaning at the Nashua Wastewater Treatment Facility

**MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO SYNAGRO NORTHEAST IN THE AMOUNT OF \$40,122. FUNDS ARE AVAILABLE IN ACCT. #802-96004-8500-8900**

ON THE QUESTION

Alderman Deane

The last sentence – the bid included a plan for controlling odors during the cleaning process, methods of ensuring the bio-solids are properly treated, method of pump and transferring and disposal of digester contents. Where is that disposal going to be made?

Mario LeClerc

They are going to be disposed of through our normal disposal contractor, RMI, and be land applied in certain areas of the State.

Alderman Deane

Is that going to be through our regular contract with them or does this – this stays as a B bio-solid right?

Mario LeClerc

Yes sir.

Alderman Deane

So the disposal is going to be part of the other contract that we have with them?

Mario LeClerc

It is only part of the contract because we are bound that all solids from the treatment facility is disposed of through them. We are only a third party to it. It is not going to be our responsibility it is the contractor's.

Alderman Deane

I spoke with the Director last week and he told me that they were doing it. I think it is time that the City looked into getting into a Class A scenario. I think there is a significant investment there, but the liability issues are gone and I think we should be doing that.

Mario LeClerc

We are looking at doing it as we speak Alderman Deane. Some of the technology has improved over the last few years. We are very excited about that. It would reduce our disposal costs significantly.

Alderman Deane

It could probably pay for the plant and the operations within what a five-year timeframe? We are paying this disposal firm now about a half a million a year to get the Class B bio-solids out?

Mario LeClerc

That is correct.

Alderman Deane

If we brought them to an A we could sell it.

Mario LeClerc

Well it would reduce our disposal costs.

Alderman Deane

Significantly?

Mario LeClerc

The northeast isn't as aggressive as the rest of the country in buying into using the bio-solids as an amendment.

Alderman Deane

The other thing was the structural soundness – do we think we have some issues with the secondary digester or..

Mario LeClerc

No but they are the experts and if they see any deficiencies they will bring it to our attention,

and we can correct them at that time. As it is stated in the memo if I may it has been in operation since March of 2000 and has not been opened. There is approximately 3-4 feet of inert material in the bottom of the digester equivalent to silt and that is why we are going through with this cleaning operation.

Alderman Deane

Are they going to remove that form inside?

Mario LeClerc

Correct. They are going to turn it into a slurry using some plant water and pump it out, dewater it, load it onto trucks, and then truck it off site.

Alderman Deane

Who is the luck person that is going to get to pull the plug?

Mario LeClerc

That has yet to be determined.

Alderman Deane

Mayor you might not want to be home on the day they do this.

Mayor Streeter

Certainly Mario and the former Superintendent nor my concern or actually the concern of my neighbors – they have done a fantastic job since Rick came on board. The odors have been all but eliminated. Occasionally you can pick up a whiff..

Mario LeClerc

We call those zero air days. We are very proud that we have not had an official odor complaint in over 2.5 years.

Mayor Streeter

That is fantastic.

Mario LeClerc

We are proud of that.

Mayor Streeter

You should be. Are there any further questions?

Alderman Shaw

If one of you could answer this, and I think I inferred it just from the previous conversation – the Class A bio-solids – I am assuming from the context that is a different level of treatment, something that would require additional investment, but ...

Alderman Deane

Correct.

Mario LeClerc

The Class A bio-solids is the unrestricted use. Class B has restrictions based on pathogen content.

Alderman Shaw

I am assuming what comes with that is additional investment in what you have to do to treat... Okay. I also had a question that is related to this, but is also somewhat general if the Purchasing Manager Tremblay can come up.

Mayor Streeter

Please.

Alderman Shaw

What kind of surprises me, and it seems like it runs across many things and maybe it is really just a matter of sometimes the quality of what we get in terms of responses, but I am kind of surprised when we see stuff like the first bidder they basically quoted it for half the amount, another bidder doesn't provide odor control, and I am assuming that these are things that we clearly state up front that are part of the scope of the work – I don't know what happened with the fourth bidder that is almost 4-5 times higher if they also scoped it or if it is just a ... is this just symptomatic of just in general that certain companies that do try to get business with us simply it is just a matter of them showing that they are not necessarily that thorough or whatever or I don't know I guess I am surprised and it is somewhat disconcerting because in the end you really only seem to have one valid bid out of the 4 that responded of the 8

solicited. Is there anything we can do to help that out or is it really something that you feel we just have no control over and it is just a matter of sometimes you don't get the highest quality response in?

Janice Tremblay

Let me try to answer that one. We do issue a full written document with as complete a scope of work if it is a services type thing or and I stress this over and over again as people come to me to go out for this process, if you are purchasing something I want a generic specification whenever possible. We do try to be thorough. These bids are posted on the web site. Sometimes if you would like to go and take a look at some of the documents you can see how very thorough we are. There is an opportunity – we generally will give like maybe Mario's name for instance – someone to contact if you have technical questions, if you have a question about the purchasing process itself you can call Purchasing. Our phone and fax number are right on the letterhead of the document that goes out. We make an attempt to answer questions. If we receive questions if they are numerous or they really affect the final outcome we issue addendums, we post those addendums on the web site as well. We also send faxes to all of the potential bidders with the addendum information. We make every effort to keep every potential bidder on the same page. We share and give information that is identical to everyone. We go out of our way to try to make it an even process where everyone is given the exact same information.

We cannot be 100% responsible for how they seem to interpret it. I think you are going to have a certain element, I am not saying that this necessarily applies to this one I don't want to give the wrong impression, but in any given process you are bound to have an element where some particular bidder is going to come in and intentionally ... **tape flipped** ... that if they once they get the contract they can come back for more money. We don't try to analyze why they do what they do. The results that are submitted to Purchasing are forwarded to whoever the requester was. We ask them to do a full evaluation of what is presented to them and come back to us with their response. Their instructions are that if you are not going to award to the low bidder you need to give Purchasing full justification as to how you reached that decision. We don't profess to be experts in all aspects of everything that goes on in the city, but we profess to be the experts in controlling the bidding process and the purchasing process and the negotiations process.

I think that it is important that the department heads be able to evaluate and reach these kinds of decisions. If I have serious questions myself about I don't think you reached the right decision then I certainly feel free to discuss it with them, but I think I have found over the number of years that the department heads they know what they are looking for and they come back to me with good reasons why or why not to award the way they do.

Just as a side in private industry if we were going out to bid something like this. We would generally – if we have someone who is really low balled and they we have someone who is obviously way off the wall we would often times throw out the low bidder, the high bidder, and

then make our decisions from those that were generally grouped – it is like the bell curve – the ones that are generally grouped on the crest of the curb as usually the ones that have got it and got it the right way and we found that always worked. I think that we have to kind of take a little bit of that attitude too even though we are in public purchasing. We have always taken an attitude of going with the low bidder. You have to make sure you are getting what you really wanted before you can feel comfortable about going with that low bidder. It is a funny process sometimes. We have to try to read between the lines, and if indeed that low bidder has appeared to miss the boat or has tried to cut corners to low ball it we are not going to end up with the right contract at the end.

Alderman Shaw

I didn't intend to single this one out. I have seen it a couple of times. Maybe this one jumped out more than others. Is there anything about our typical timing of the process that – is there anything about it that might cause for a rushed response or not given sufficient time or is that something that we could or we have plenty or anything excessive time built in – is there anything about that that might be a factor?

Janice Tremblay

If there is one thing that I do council the various departments on and that is to give the bidders sufficient time to do a thorough and full bidding process. When you try to cut time out of the schedule and when it really needs time you are not going to get complete bids, you are not going to get bids from a number of companies – they may just say we just don't have time to do it, and you may lose some good potential bidders. I always try to and we have been able to shorten our bid time because of using the web and the fact process, etc. We used to mail all of these complete bid packages. We have had to allow a number of days for it to arrive and then to get it back in. We have cut out a lot of that time. What we have done is we have given some of that time to the bidders. I think we are giving them ample time to prepare the bids. Some are more complicated than others and we try to gauge it accordingly.

My answers were long Mr. Mayor because basically what I am trying to do is convince everyone that I am earning my salary.

Mayor Streeter

You don't have to convince me. I know that.

Alderman Deane

Did the Board of Public Works approve this?

Mayor Streeter

The Board of Public Works has approved all of these projects that are on the agenda.

Alderman Deane

Thank you.

Mayor Streeter

Are there any further questions?

**MOTION CARRIED**

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

Re: Amendment to Wet Weather Flow Treatment Facility Design Contract with Metcalf & Eddy

**MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND APPROVE AMENDMENT #2 TO THE METCALF & EDDY CONTRACT IN AN AMOUNT OF \$254,700. SOURCE OF FUNDING IS ACCT. #792-53030-3799**

ON THE QUESTION

Alderman Deane

Thank you. My question I read through this and I see that this has to deal with value engineering. We hired Metcalf and Eddy to do some value engineering and they came back and had three recommendations. The three recommendations showed a construction savings of \$1,675,000. Now in order to enjoy those savings we have to invest \$254,700 for design changes. Our overall efficiencies by the value engineering would be \$1,420,300. That is going to be our savings through the efficiencies of the value engineering.

Jeanne Gamache

Yes. The only piece of that is that the recommendations actually resulted from the Army Corps providing us with the value engineering study. We took those recommendations back and had discussions with Metcalf & Eddy to ascertain if the recommendations were feasible due to some various constraints that we have on the site and with the project itself. We have reduced it to these three modifications as the cost savings measures, the most advised cost saving measures. The value engineering they look at the big picture so we basically had to bring that down, and some of the recommendations were mutually exclusive. They wanted to move the building here and you would save this amount of money, but they also wanted to move it here where you would save this amount of money so we could only do certain pieces of it.

Alderman Deane

We paid Metcalf & Eddy to do the original design work. We brought the Army Corps of Engineers in to critique their design and do value engineering on it. They have come back with recommendations that Metcalf & Eddy obviously have accepted the recommendations from the Army Corp. Now we are paying Metcalf & Eddy \$254,700 to do the design changes after their original design was critiqued by the Army Corp.

Jeanne Gamache

Yes. That is actually the way the value engineering process is supposed to work. There are certain components within the design of that Metcalf & Eddy was pursuing that we had put certain constraints that or made certain decisions to site a building in one location based on the information that we had. As the design progressed specifically – I will give you a specific example – we had the pump station located adjacent to the existing building. We are now talking about relocating it into the parking lot. When we originally chose to put it next to the building we didn't realize that we were adding a cost of relocating one of our main interceptors as well as some pipe jacking that would have been required. By moving it now we are actually saving that money associated with those factors, which we will no longer have to do the pipe jacking or the relocation of the interceptor. It was in conjunction – it was part of the design process that was determined to site the building where we originally had it. The building got larger and therefore we were impacting some other things.

Alderman Deane

The Army Corps. of Engineers are they going to be on board for how long?

Jeanne Gamache

For the entire project. They will actually be letting the contract.

Alderman Deane

The idea of value engineering I guess works, but you have to make the significant investment. Initially we spent \$1,357,000 on the design. We bring somebody else in to critique their design and we find a cost savings and then we have to pay them another \$254,000 to save \$1.4 million, which I guess I would approve of doing it is just too bad that the initial design by Metcalf & Eddy why couldn't they pick up on this stuff themselves? That is my question. I understand that if you can get a second set of eyes looking at something, but still for \$1,357,000 you would expect them to ...

Jeanne Gamache

I can definitely understand your point, but I do think that one of the results that we felt came out of the value engineering is that they didn't – they really had to look at a lot of different

alternatives. I know that when the value engineering study was done I came back into the office and said I really feel as though we have done a good job and Metcalf & Eddy has done a good job in terms of engineering this project – they really had to look hard. I think they felt as though they would come in and save us \$10 million, and they could only come up with saving us \$1.7 million.

Alderman Deane

Sort of understanding the project a lot of this is being shoehorned into areas where there are difficulties to begin with. I for one understand that because I have looked at a lot of it. You are going to have issues like that. I think \$1.6 million is a significant cost savings. People would be crazy to think any differently. I have one question for Mrs. Anderson – the account, the 792 account, could you fill me in on this funding mechanism?

Carol Anderson

The 792 account is a capital account for the Enterprise Fund. That one the funding will come from retained earnings basically – that is what it is. When the project is all done the project ends up being capitalized and on the books as an asset. At this point it is funded through retained earnings – that is the offset, but it is a capital project within Wastewater.

Alderman Deane

So the retained earnings is the excess dollars that are paid by the users of the system?

Carol Anderson

Yes, and we don't have to bond it, it is paid with the excess dollars.

Alderman Deane

See how nice that is. Why doesn't everything work like that? We must remember we have to be real careful with these dollars. I believe there are \$42 million of them?

Carol Anderson

No there is not \$42 million there is actually probably \$15 million now.

Alderman Deane

How much is accounted for currently of the monies through other projects?

Carol Anderson

Offhand I wouldn't be able to tell you, but I am thinking that right now the net amount that would be available would be about \$12 million at the end of this year.

Alderman Deane

Due to ongoing projects correct?

Carol Anderson

Right and it is all in the timing. It depends on how much construction is completed – depending on how that project is stated at the end of June of each year.

Alderman Deane

Have you either City Engineer Dookran or Ms. Gamache have you kind of got a handle on what you think an estimated project cost is going to be from start to completion even with the Army Corps in here with the cost savings we are going to realize there I hope? Do we have a rough figure?

Steve Dookran

Are you asking me the contributions from the Army Corps. what the city spending would be?

Alderman Deane

Yeah.

Steve Dookran

My quick estimate would probably be in the vicinity of \$10 million. Plus we believe we are entitled to 20% of eligible costs.

Alderman Deane

That is part of the next memo that we got.

Steve Dookran

Even this project is entitled to 20%.

Jeanne Gamache

The \$10 million estimate actually takes into account monies from the Army Corps. that have not

been appropriated yet. They have been allocated but they have not been appropriated.

Alderman Deane

I think we had that discussion on that.

Jeanne Gamache

I don't want you to think that it is definitely coming.

Alderman Deane

The 20% on this will be eligible this section here?

Jeanne Gamache

Yes. The wet weather flow treatment facility is eligible for 20% funding from DEF, but as we get to the 90% plans they make a determination of what elements are eligible. It may not be for the full amount it may – the parts that are not eligible are improvements. In other words if we are making any improvements, however, this is basically a new.

Alderman Deane

So we will get 20% of something, but they are the ones that are going to decipher just exactly what that something is?

Jeanne Gamache

That is correct.

Alderman Deane

Thank you.

Alderman Shaw

Just a couple of follow-ups. I think they were pretty much alluded to already, but I gather that there were some general feedback that the value engineering study actually might have been expected to bring in more cost savings by the Army Corps. so that at least it is your impression that through everything they have looked at they didn't necessarily find as many things and thus maybe are more of an endorsement over a lot of the original design work that was done by Metcalf & Eddy is that a fair statement?

Jeanne Gamache

Yes that is a fair statement.

Alderman Shaw

Also back to the Army Corps. and the one sense that they can potentially contribute up to \$20 million towards the \$27 million wet weather facility and about them potentially letting the contract, this again goes back to what we talked about in a previous meeting as well as a couple of comments just now about how that is a potential contribution, but they would actually end up controlling that contract is that essentially how that is supposed to work? You have to help me again with just trying to make sure I understand that.

Jeanne Gamache

As I understand the way it works is they will tell us what is going to be expended within the next year, and they make the payments to the contractor out of the funds that we have given them and their funds. In other words the money that they are contributing never comes into the city. They are the ones making all of the payments because they are controlling sort of the purse strings they are controlling the project.

Alderman Shaw

The city funds would actually go through the Army Corps. who then would actually pay the contractor – okay. Thank you.

Mayor Streeter

Are there any further questions?

**MOTION CARRIED**

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

Re: Contract Award for Professional Engineering Services for the Construction Phase of the Primary Clarifier Rehabilitation Project

**MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO METCALF & EDDY IN THE AMOUNT OF \$335,000. FUNDS ARE AVAILABLE IN ACCT. #792-53030-3798**

ON THE QUESTION

Alderman Deane

I just have a question on the second paragraph. It states “since this project is eligible for 20%

state aid grant the New Hampshire Department of Environmental Services stipulates that these professional services during construction be performed by the same firm that completed the design.” Now is that telling me that they cannot subcontract any of this work out to another firm that they have to actually stay there and be on site? I am trying to understand that.

Jeanne Gamache

Actually what it is saying is that the DES would definitely prefer and tries to guide the city towards using the same firm for the design as for the construction inspection. They would prefer that you do that. If your relationship completely falls apart or you are not getting your proper response from your original design consultant then you could go out, but you have to follow their entire procedure again where you do a qualifications based bid for the construction services. However, the advantage and the reason that we like to do it is the designer is intimately familiar with the design and the design intent so if there are questions on the design during the construction they already have a working relationship within the same firm.

Alderman Deane

It sounds to me like DES has run into some nightmares in the past and this is how they entice you to get the 20%.

Jeanne Gamache

I can't comment on that. I don't really know.

Alderman Deane

It kind of seems that way. Thank you.

Mayor Streeter

Are there any further questions?

## **MOTION CARRIED**

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

Re: Change Order #1 to Sewerage Works Improvements, Ledge Street  
Area Project, Contract No. 007

**MOTION BY ALDERMAN SHAW TO AMEND THE COMMUNICATION IN ITS ENTIRETY BY  
REPLACING IT WITH THE COPY PLACED ON OUR DESKS THIS EVENING  
MOTION CARRIED**

**MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND APPROVE CHANGE ORDER #1 IN AN AMOUNT NOT-TO-EXCEED \$15,000. FUNDS ARE AVAILABLE IN ACCT. #792-01010-3796**

ON THE QUESTION

Alderman Deane

I was reading the last sentence and the amount was reduced from \$20,000 to \$15,00 and subsequently approved by BPW to reflect revised estimates received from Park Construction. That was my question and that is my answer. Thank you.

Mayor Streeter

Are there any further questions or comments?

**MOTION CARRIED**

From: Janice Tremblay, C.P.M., Purchasing Manager  
Re: Change Order #1 to FY2005 Paving Contract

**MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND APPROVE CHANGE ORDER #1 IN THE AMOUNT OF \$50,400. SOURCE OF FUNDING IS ACCT. #802-53100-8320-8700**

ON THE QUESTION

Alderman Deane

Thank you. On the back your structure survey, obviously there is going to be paving done in these areas. The Tinker Road, Manchester to Tucker Wood, which is the second one up – can you – there is no catch basin replacements there right and the projected length of BF repair work needed 17 – can you explain that to me? Are we paving up there?

Joe Mendola

-  
Yes we are.

Alderman Deane

There was a plan, but it was kind of stopped last evening because of a funding issue and the monies were redirected into different Bramble and those three different sidewalks that were receiving redirected monies. If the sidewalks aren't going to be put in are we still going to pave?

Steve Dookran

I am not too familiar with what happened last night. I was out of the office most of the day. I think the money that was redirected I would presume would be the amount that was coming from the sidewalk quadrant. It still leaves a lot of money in the sidewalk project, and I believe the plan is if Tinker Road sidewalk doesn't go through we had planned the design we were going to get a piece of it done up to the parkway, which would – okay begin at parkway on Tinker Road to the end of Tinker Road where it meets Manchester Street and then we would do the sidewalk on Manchester Street as well. I believe we have no issues with those pieces. We will proceed with that plan at a lower cost of course because we will be eliminating a piece of sidewalk on Tinker Road.

Alderman Deane

If you go and do that now the opportunity to place that sidewalk on the opposite side of the street are now gone – without people having to cross the street to get from one connection to the other.

Steve Dookran

At one point or the other you will have to cross the street. If kids are making their way to the Pennichuck Middle School will have to cross and if we make a crossing obviously there will be two crossings one at the Manchester/Tinker Road intersection and then one if you were to continue the sidewalk on the north side of Tinker Road from the parkway to Tuckerwood there would be another crossing there. I missed the discussion last night about which side to put the sidewalk, but I believe I had sent an explanation with regards to the placement of the sidewalk on the north side and I explained that there is very limited right of way left on the north side. In fact in some places you have less than 5 feet in some locations, which means that we will be acquiring right of ways, and that will come at a cost obviously. I would advise again to place the sidewalk on that side. There are several reasons. Why wants to deal with multiple crossings from the houses to the sidewalks on the north side. I don't think that is the question tonight.

Mayor Streeter

This is really not the subject of discussion this evening.

Alderman Deane

My concern Mayor was the fact that I looked on here and I saw the street and the description area for the catch basins and I was wondering normally if they go and do something they will grind and set their curbing and do whatever before they will go in and pave. That is why I asked the question because that had come up. We were told by Alderman LaRose last night that he had spoken with the Division Director of Public Works and there was not enough money to get up into that area with that section of sidewalk. That is how I remember it. That was my one

question. Yes down the road I think it would be healthy – I will speak with the Chairman of Infrastructure about having you perhaps come in with that sidewalk design so we can all sit around the campfire and have a better understanding of the impact and where it is actually going. Thank you.

Alderman Tollner

I had the same thought when we looked at Manchester and Tuckerwood. Wouldn't it be more prudent for us to wait to do this work on the street until we resolve one way or the other the sidewalk situation? Am I understanding it correctly – why would we pave the street if we know that we are going to build a sidewalk whether it be on the north side or the south side? I think the legislation that came in last night just pulled that particular sidewalk project out of the legislation and allowed the work in Ward 5 and Ward 9 to continue to move forward. As Alderman Deane mentioned you are going to be – it allowed the funding to stay for the projects that are in wards 5 and 9 and pulled the funding for the work for this area. Is it reasonable for us to do the paving work when we know we will be doing a sidewalk on either side of the street very shortly?

Steve Dookran

I think there are two parts to that question. Based on the outcome of last night's meeting I believe the legislation that was before you talked about transferring some – a very small portion of the dollars needed for sidewalks up in that area ...

Alderman Tollner

It was \$13,000.

Steve Dookran

That will only cover a few feet of sidewalks. We had sort of planned on that happening internally. We had planned on bringing the sidewalk up to the parkway, which is maybe a couple hundred feet from the Tinker Road intersection, on the south side. What Alderman Deane raises a question do you want a crossing there – I think yeah in the event that you put the rest of the sidewalk on the north side –one of the reasons why we want to proceed – we would like to – things can all change – we would like to proceed with sidewalks because we had taken an opportunity here to straighten out that intersection. Right now it is very skewed and by making it more of a T intersection we can reduce the speeding traffic; bring it to a slower crawl for when they make that turn. Your question is if you are planning on putting a sidewalk there in the future do you want to pave. Well in this event if it goes through with everyone we will pave up to the Parkway. We do the sidewalk and pave up to the parkway. If the decision is to continue the sidewalk whether it is on the north or south side then we will pave the rest in some future project.

Alderman Tollner

And you are comfortable with that?

Steve Dookran

That is correct.

Alderman Tollner

Thank you.

Alderman Vitale

My question was if this is basically going to be overlay paving for the most part and you were saying about not having enough right of ways – is it because this is an over road and we have more right of way on one side than the other – is this the time to maybe adjust the road and we get our right of way on the other side?

Steve Dookran

The expression about the right of way is that it is an old right of way, but is adequate. It is the standard 50-foot right of way. For some reason the road was laid out in some fashion where it was pushed towards one side. It is not uniform. People on the south side especially at the location where there is contention, there is about 18 feet of right of way being used as a front yard, which leaves 5-7 feet on the north side. It would be a significant cost to move the roadway to center it as we normally do.

Alderman Vitale

Thank you.

Alderman Deane

I had a question on the change order for \$50,000 to Brox to provide for the repair of 288 feet of brick manhole and catch basin shafts. The total number of I guess it is linear footage of shaft you are replacing or repairing – so when I look over projected of VF repair work there is 82 feet of it on Allds Street?

Joe Mendola

That is correct.

Alderman Deane

In some instances these guys are not being paid to raise structure covers are they? Is that part of this plan or is this work that is down below the street where they are in confined areas and things of that nature?

Joe Mendola

- This particular change order doesn't pertain to the raising of them it pertains to the repairing of the brickwork.

Alderman Deane

Are they replacing brick or going in and remortoring? What actually are they doing?

Joe Mendola

- What they are going to be doing is repairing the brick shafts that are in between the frames and covers and the actual manhole chamber.

Alderman Deane

So that is the older units where the brickwork was brought up off the main before they had structures?

Joe Mendola

That is correct.

Alderman Deane

Who is going to do the inspections of these repairs?

- Joe Mendola

We are going to have surveillance by myself and I will be out there looking at them.

Alderman Deane

The structure survey was done by whom?

Joe Mendola

It was done by a person in the Wastewater Department by the name of Ken Lowe and in

conjunction with myself.

Alderman Deane

I think Mr. Lowe has a pretty good idea what the structures are. He has been down at the treatment plant for quite some time and he is pretty attentive to detail. This is being paid for out of the storm water program contract services. Mrs. Anderson do we have a current balance in that line?

Carol Anderson

**... tape inaudible .. speaker away from microphone ...**

Alderman Deane

No I don't want you running down the stairs. I can get it afterwards. Thank you. Thank you Mayor.

Mayor Streeter

Why don't you just for the benefit of the committee let them know your qualifications – you are a professional engineer correct?

Joe Mendola

Right.

Mayor Streeter

I think that your expertise has already come in handy.

Alderman Tollner

Before we leave this topic there are a couple of streets over in my neighborhood that were recently repaved by Brox. They did a nice job. It looks nice and smooth. About 2-3 days after they did that the Street Department came by with the machine that heats it up to make it look like brick. I wondered if you could just take a look at the different crosswalks that we have done in the city, use this piece of machinery to make it look like brick, and then we paint it – if I am not mistaken when I look around the city, when we do that it doesn't tend to last as long as just painting a regular cross walk. The plows come by and tear up the ends of it and I think at one point I think it was a former Alderman and Director Crombie thought that this would be aesthetically look very nice, but I saw the work being done – they did a nice job with it, but I think it probably breaks down the road – put it this way it doesn't make the road as strong as if they would have left it the way Brox paved it. I wonder if you guys could look at that because

there is absolutely the life of those crosswalks when they are painted and the work is done does not last nearly as long as if they would have left it paved the way Brox did it and painted over it. You are basically when you are heating up the asphalt to put lines in it the asphalt isn't as thick in that area and when it gets iced up and the plows come by I don't think it is as strong as it would be if we just left it alone and just painted the crosswalks.

Mayor Streeter

Didn't we get rid of that piece of equipment?

Steve Dookran

Yes I believe we are in the process of getting rid of that. The heater we are in the process of ..

Alderman Tollner

It looked like a waffle iron – they laid it down there.

Alderman Deane

That is exactly what it was.

Alderman Tollner

They just used it the other day.

Steve Dookran

I don't understand. I haven't seen the equipment you are referring to Alderman Tollner. It is actually a practice that is being picked up by a lot of communities. I drive around and I see this being done. I believe initially we were having problems with the paint – the paint wasn't lasting as long and that was corrected after a while. Now if we think that the plows are breaking up the crosswalks maybe they are not plowing right.

Alderman Tollner

We were definitely having a problem with the streets that were already paved when we went out on this endeavor a few years ago putting the waffle iron on the streets that had been laid for a few years and the plows come by and you can just see around the edges – I am not even talking about the paint I am talking about the asphalt that is in the crosswalk. If you go by Birch Hill School and a couple of other places to look at it the stuff that is a little older the regular street seems to be fine and the crosswalk area where they put the machine on it and heated it up and then paved over it the plows have messed it up a bit.

Steve Dookran

Before we get to Alderman Deane, the idea of really having the crosswalks stand out and to give it a more aesthetic appearance and it is supposed to let cars know when they are coming to a crosswalk – even in the winter time where if you would have a regular crosswalk and the paint disappears after a while at least it would remind people there is a crosswalk there. The intention was good to have this semi-raised crosswalk – it is unfortunate that we are not getting the life. We can see what we can do to extend the life.

Alderman Tollner

Thank you.

Alderman Deane

My observation and my theory on the issue is that was back in the days of spread it thing – the roads were not prepped, they were scurrified, they weren't shimmed – there was a finish coat put on that was about this thick and you got what you paid for. When you look at some of the major roadways that we do when we go out and properly scurrify, shim, put a top coat on and make our structures – when you are sitting there trying to shim and put a finish coat on at the same time you end up getting areas that aren't really bonding to anything and are so thin that when you get a piece of equipment going over it with a 5,000 lb. Chunk of steel in the front the steel is going to win out every time. That is what is happening to your crosswalks.

Mayor Streeter

I think we have gotten a little astray here. We are talking about the change order and we got into other items. Did you want to wrap things up Mr. Dookran?

Steve Dookran

I just wanted to through the Chair if I could ask Alderman Deane what area he was talking about.

Mayor Streeter

Why don't you talk to Alderman Deane after the meeting and resolve that problem. We are talking about Change Order #1 and are there any further comments on that?

**MOTION CARRIED**

UNFINISHED BUSINESS - None

NEW BUSINESS – None

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HELD IN COMMITTEE

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**R-05-224**

Endorsers: Mayor Bernard A. Streeter

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

WARRANT

**MOTION BY ALDERMAN SHAW TO APPROVE WARRANT #23 IN THE TOTAL AMOUNT OF \$13,006,524.93 OF WHICH \$2,753,865.48 ARE ACCOUNTS PAYABLE, \$9,000,894.64 ARE PAYROLL AMOUNTS, \$5,768.02 ARE PREPAY AMOUNTS AND \$1,245,996.79 ARE WIRE TRANSFERS  
MOTION CARRIED**

Alderman Shaw

My question is if we had any progress on the items from Warrant #22, which were not paid out of that Warrant from the June 1<sup>st</sup> Finance Committee meeting.

Alderman Deane

I had asked Carol's office to contact the School Department. I had questioned Staples purchases and I was given three explanations of the School Administration teacher's replenish their supplies prior to the end of the school year and departure for the summer.

The teachers report back to school one day before the start of the new school year. Classroom and offices must therefore be organized and stocked at this time of year.

The second reason was the volume of reports, mailings, and teaching materials preparation is very high at this time of year. Consequently the paper, toner cartridges, and related supplies are much higher than normal.

The third reason why they stockpile items at the end of the year is the Principals will use available funds to purchase supplies to protect themselves should there be a budget cut in the future year.

Mayor Streeter

Did you expect anything differently Alderman Deane?

Alderman Deane

Well now we know where to do some more cutting Mayor. If they are already stockpiling for next year then there is too much money there. The other item was kind of –the Market Basket where they are heading out to the grocery store instead of buying – my question was why they weren't buying through a commercial provider of food goods and there seems to be a planning issue here where the daily provisions for the Family & Consumer Service Programs however are varied and small in quantity - \$1,200 worth of groceries at Market Basket is not a small quantity. In fact I am wondering how many people – they must have a van to go down there to get the 3-4 people to push the things around.

We receive all of these e-mails from residents concerned about budget cuts to the School Department and level funding the School Department. I will state that my understanding and how I am looking at it is they will get a 2.5% increase over what they received last year plus another \$900,000. Just so the people that keep talking about the level funding of the School Department I believe that is what is on the table currently. I think that efficiencies could be seen in the School District. I received a few discouraging e-mails from some citizens. I think that they should go down and look into this. I think if the planning was a little better – if these food service people got together with the culinary arts programs they could probably find some significant savings that would fund some of these programs they are contemplating on cutting.

It is too bad, but it is time for them to buckle up. I think hoarding materials at year end, and paper does have a shelf life – if it will sit in an unconditioned space where most of it sits not it will start to disintegrate and it does nothing but create wear and tear and increase the service contracts on the copies. They are really not gaining much by doing that. Thank you.

Alderman Shaw

I guess my question then to Mrs. Anderson is the status of those items from Warrant #22 because we did not give any action to make those payments at the last meeting – do we need to do that in a motion?

Carol Anderson

Yes. We owe the money so we need to make those payments.

**MOTION BY ALDERMAN SHAW TO RELEASE THE ITEMS FROM WARRANT #22 THAT WERE HELD AND AUTHORIZE PAYMENT  
MOTION CARRIED**

DISCUSSION

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ADJOURNMENT

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

The Finance Committee meeting was adjourned at 8:52 p.m.

Alderman Rob Shaw  
Committee Clerk