

## REPORT OF THE FINANCE COMMITTEE

August 1, 2005

A meeting of the Finance Committee was held on Monday, August 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 David W. Deane  
Alderman Robert A. Dion  
Alderman Kathryn D. Vitale  
Alderman-at-Large James R. Tollner

Members not in Attendance: Alderman Robert Shaw

Also in Attendance: Alderman-at-Large Steven A. Bolton  
Alderman David D. Lozeau  
Alderman Richard LaRose  
Alderman-at-Large Paula I. Johnson (7:05 p.m.)  
Alderman-at-Large Brian S. McCarthy (7:25 p.m.)  
Alderman Kevin E. Gage (7:25 p.m.)  
Carol Anderson, Chief Financial Officer/Comptroller  
Maureen Lemieux, Div. Dir., Administrative Services  
Katherine E. Hersh, Div. Dir., Community Development  
Steve Dookran, City Engineer  
Richard Seymour, Div. Dir., Division of Public Works  
Michael Mansfield, Asst. Fire Chief, Nashua Fire Rescue

## COMMUNICATIONS

From: Cindy Bielawski, Accounting/Compliance Manager  
Re: Escrow of Capital Improvement/Capital Project Accounts

**MOTION BY ALDERMAN VITALE TO ACCEPT, PLACE ON FILE AND APPROVE THE ESCROW INTO FY06 FOR PROJECTS TOTALING \$22,539.32**

## ON THE QUESTION

Alderman Deane

I wanted to go through some of this Mayor.

Mayor Streeter

Carol and Maureen please come forward.

Alderman Deane

The Merrimack River Conservation Easement, can somebody explain that?

Carol Anderson

I was wondering, and I think we had spoken earlier, if the Division Directors that have these escrow requests before us that they could come forward. I believe that would be Katherine Hersh.

Katherine Hersh

There was \$20,000 that was put aside for the Merrimack River Conservation Easement in the early 1990s. It was at that time done specifically with regard to the properties that are located between Greeley Park and Thoreau's Landing. Two thousand dollars of it was spent – I can't tell you how it was spent except for this position. There was pursuit of the easements in the early '90s, but nobody has pursued it since then. The reason that I requested this money stay in escrow is because there has been – we just recently did the East Hollis Street Master Plan, and as part of that the City owns a piece of property, the Bridge Street property, that is at the Nashua and the Merrimack Rivers, and it just seems that as we move forward in the redevelopment of that area that this might be something that the Board might want to keep in escrow. If the Board chooses not to – there isn't something specific at this time that this is earmarked for.

Mayor Streeter

Do you have a further motion Alderman Deane?

Alderman Deane

No. I had a few other things that I wanted to talk about first Mayor.

Mayor Streeter

If you as a member wanted to make a motion to delete that I would support that.

Alderman Deane

On account 632-99, this is the Fire Department deferred maintenance, the last sentence states funds will also be used for diesel exhaust removal system for Station 4. Station 4 is that not the new station?

Mike Mansfield

Yes it is.

Alderman Deane

It hasn't been mentioned at our building committee meetings that funds would be used from other sources other than what we have been discussing about the possibility of having to put an elevator in the back due to ADA compliance that was added. What portion of this \$103,000 will be used for the diesel exhaust removal system for the fire station?

Michael Mansfield

We have several projects underway. We have two energy projects at Stations 1 and 6. We have another project at Station 5, and we are looking to do some other things as well with other stations as well. Whatever the remaining amount is left I would imagine that the administration is going to try to use here.

Alderman Deane

There was talk about replacing the boilers at Amherst Street and Conant Road and those bids have come in.

Michael Mansfield

That is correct.

Alderman Deane

But we are looking at \$353,000. I know the boilers weren't – they were around \$40,000 or so?

Michael Mansfield

In the area of \$40,000 or \$50,000.

Alderman Deane

What other projects are slated for Conant Road?

Michael Mansfield

With the relocation of the Fire Marshall's Office, we are trying to keep up with the original Master Plan with all of the fire stations to make them co-gender acceptable by having bathroom facilities and so forth for not only the male personnel in the organization but also the female personnel as well. We have been successful in doing that at a couple of the stations, actually two of the stations, and we have been trying to continue with that process throughout all of the stations in the city, as the funding is available.

Alderman Deane

So we are not quite sure what the cost will be. How many stations aren't in compliance with the bathroom and sleeping quarter issues?

Michael Mansfield

There are two right now.

Alderman Deane

That would be Conant Road and ...

Michael Mansfield

Conant Road. Spit Brook Road has been done. Maybe it is just Conant Road actually.

Alderman Deane

What about the airport?

Michael Mansfield

The airport has been done.

Alderman Deane

Amherst Street has been done?

Michael Mansfield

Yes sir. It would be just Conant Road.

Alderman Deane

That leaves around \$300,000 to do that bathroom separation work. In the recent past we approved an exhaust venting system for one of the stations. That might have been Conant Road wasn't it the last one we did?

Michael Mansfield

Station 5 is in the process right now. Conant Road was done just recently yes.

Alderman Deane

Do you know offhand what we paid for Station 5's exhaust?

Michael Mansfield

Offhand I don't. Typically it is running for an initial bay to be done with one of these exhaust systems the initial is around \$17,000 and for each additional bay it costs roughly between \$7,000 or \$8,000 to have those done.

Alderman Deane

There are two bays over there?

Michael Mansfield

Actually there are three bays at Conant Road that we would be looking to do.

Alderman Deane

So you are looking at about \$32,000 to \$33,000 to complete that project?

Michael Mansfield

Roughly.

Alderman Deane

So we have \$33,000 for that and then we had the bathroom separation...

Michael Mansfield

What I recall from the last time we did a bathroom separation and so forth because of the way the station was originally designed it took quite a bit of rearranging to make sure that we had the separation that was required. The bids that came in – the last station we did I believe was Spit Brook Road – the bids came in substantially higher than we originally had thought they would be because of the additional work that needed to be done.

Alderman Deane

Do you remember what the cost was?

Michael Mansfield

I don't off the top of my head.

Alderman Deane

On 632-05 and 632-99 I think we should get some clarification on what the intention is with the money (some cost estimates) on what they plan on doing with it. We know what they plan on doing with it, but what the costs of the projects are. That is a lot of money. Is there a sense of urgency to get this approved tonight or can we hold it perhaps and come back and review it if we have some other issues that other people may have?

Carol Anderson

Yes we can definitely hold this until the next Finance meeting.

Alderman Deane

I would like to have a better understanding of all of that if you can put something together to provide some rough estimates of the costs that are there.

Michael Mansfield

We can do that.

Alderman Deane

Thank you. The next item I had Mayor was 655-08, Traffic/Pedestrian Safety Improvements. This is a request for almost \$41,000. We have two locations that I know we as a Board and other boards or whatnot are looking at as areas that you are going to put a crosswalk signal in C Street and East Hollis and Concord and Hills Ferry. Where do we currently stand with these two projects?

Richard Seymour

We're about 50% into the design on both projects.

Alderman Deane

The \$40,000 isn't probably even going to cover one of them is it?

Richard Seymour

We are trying to work with what we have for funds. In addition to that we will try to utilize as much city manpower and engineering as we can.

Alderman Deane

The other question I had was the 652-25, the Brick Repair and Fencing. You have listed two locations Water Street and Main Street Bridge. Are these the locations that you anticipate doing some work?

Richard Seymour

These are areas where presently we know there is some need for brick repair. It is not extensive at this point. We know we have some brick repair in certain areas along Main Street. We have been utilizing money out of this fund all along to repair as needed the bricks along Main Street. They obviously periodically need to be replaced or repaired.

Alderman Deane

The fencing – what does that encompass? Any fencing that the Public Works has laid claim to for maintenance and repair?

Steve Dookran

I think there is a request for the capital project included fencing that goes around the trees. It was supposed to be short like a foot and a half in height. I don't believe we have installed any of those.

Alderman Deane

The other question I have is on 681-05, the Deferred Maintenance Capital Improvements from the School Department whether they had – Mr. Conrad probably has a list a mile long of things that need to be addressed. I was wondering if Mrs. Anderson or Mrs. Lemieux had anything included with that escrow request, and whether they had submitted any plans of where that \$503,000 may be going.

Carol Anderson

If anything was submitted it would have been submitted to Cindy in Finance. I don't have that with me right now. I can certainly go and check and see if they submitted a request, but this says that it is an encumbrance so that would mean a Purchase Order had been issued.

Alderman Deane

That is all I had in that area Mayor.

Alderman Rootovich

Mr. Chairman I had a question with the Capital Project funds 781-3773 and 781-3774, which pertain to two high school projects. I know there is about \$4.7 million left in the account. I was wondering what is left to do in those two facilities that would encumber that money or some of that money.

Carol Anderson

I don't know. I would ask if maybe someone is on the Joint Special – Alderman McCarthy...

Alderman McCarthy

The money that is left in the high school account was the question?

Alderman Rootovich

Yes.

Alderman McCarthy

There are two items left, which are currently under the purview of the project; one is the improvements to the Lincoln Brook drainage system, which we have been discussing with the neighbors. Current estimates on the solution to that come to about \$1.1 million maybe a little more because we picked the solution that was more acceptable to the neighborhood that is more expensive than others we had looked at.

The other is the discussion about the bridge between the two facilities, which estimates aren't as far along there, but that one is believed to be between \$500,000 and a million dollars. I believe that some of that money is currently slated to be used to pay off the first year of principal and interest on the bonds, which if we don't do that will come directly out of the general fund, and therefore from the tax rate.

Mayor Streeter

Are there any further questions Alderman Rootovich?

Alderman Rootovich

No thank you.

Alderman Deane

I had one other question. I know Steve Dookran, the City Engineer, has been working on this. The peeling paint at Holman Stadium, it appeared in a couple of areas and now it is appearing basically on most of the steel inside the stadium and on the outside of the stadium. It says that the balance is \$10,000 or \$9,849.82 will be used for quality control of repairs. We're going to use this money to hire somebody to make sure that they go back and do the appropriate application of removing and replacing the paint that is peeling off the steel?

Steve Dookran

Yes Alderman Deane. What had happened is that we started recognizing the paint was failing over time, and the contractor offered to repair the paint giving us some method, which we didn't quite agree with. We had hired a consultant to study it and give us a report. They came back with a recommendation that requires them to sandblast all the steel and apply a fresh coat including a primer. We finally negotiated with the contractor and they have agreed to apply per that study. In order to make sure that the paint is applied properly, all of the work is conducted properly, we want to hire someone who will pay careful attention to how this work is being done, which by the way is going to be occurring this month.

Alderman Deane

Did they follow the specifications when they first applied the finish on the steel?

Steve Dookran

They would say so. We think it had to do with the time of the year. If you remember the stadium was contained in a heated envelope that broke during the month of February I believe. We believe that had something to do with the paint failing prematurely.

Alderman Deane

Thank you.

Alderman McCarthy

Along those lines, I guess I am not sure I understand why we can't administer the tracking of that contract ourselves. We did so for the construction did we not? We didn't hire somebody to administer the contract to do the construction so why – presumably whatever resource that was we still have, and I don't understand why we need to go out and get a consultant to manage the contract compliance for us.

Steve Dookran

Two things; we actually did have someone on board when the major contract was being done. That was CMA Engineers. We had them on a part-time basis, and they provided quality control. Why we want to have that expertise to inspect this new work is to guarantee us that it won't repeat. Paint coating is a specialty item. I don't think we are qualified enough to be able to inspect and call the contractor when we recognize that something maybe is being in order. I think it is best for us in order for us to be guaranteed that this paint will last another ten years I think we need to have the right people. It is really at minimal cost. I believe it is going to take between 2-4 weeks to complete the work at the stadium. We will have part time inspections performed a couple of hours a day just to guarantee us that we are getting what we are paying for or what we expect the contractor to produce. It was quite a fight to get the contractor to agree that they were truly at fault to and to get them to agree to repair the work per the specification that was recommended. I think at this point I think we should do what is best, and that means to go all the way; get the right expertise that is necessary for the work to be done.

Alderman Deane

While they are at it maybe they can move that drain that is on the roof up there that drains down on top of people as they wait in line for tickets. Every morning it looks like it has rained over there. I don't know whether the thermostats are being turned up or what. The other question I had for the City Engineer while we have him is the southwest recreation area – you have a balance of \$742,753.97 and you have come forward with a project estimate of about \$380,000. That was out of the original million-dollar bond I believe it was. Have you put this out to bid?

Steve Dookran

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No this is work that we would be doing in house. The majority of this work will be done by the Street and Park forces.

Alderman Deane

That is going to leave a difference of about a little over \$362,000 of which you have for fund balance now.

Steve Dookran

That is right.

Alderman Deane

When do you plan on bringing those plans forward?

Steve Dookran

We are still in the initial stages of developing the plans. In fact the Director discussed recently that we would want to send information to the Board of Aldermen to make sure that they are on board with this project because we know there had been some contention in the past. Before we move too far along we want to make sure that members of this Board – I am sure some of them are present here, are in agreement with what we want to do.

Alderman Deane

Thank you.

Mayor Streeter

Are there any further questions?

## **MOTION BY ALDERMAN DEANE TO HOLD IN COMMITTEE**

**MOTION CARRIED**

UNFINISHED BUSINESS - None

NEW BUSINESS - None

## WARRANT

**MOTION BY ALDERMAN VITALE TO APPROVE WARRANT #2 IN THE TOTAL AMOUNT OF \$13,798,041.47 OF WHICH \$2,043,219.90 ARE ACCOUNTS PAYABLE, \$3,396,067.97 ARE PAYROLL AMOUNTS, \$36,574.53 ARE PREPAY AMOUNTS AND \$8,322,179.07 ARE WIRE TRANSFERS**

ON THE QUESTION

Alderman Deane

I had two questions for Carol Anderson. The last Warrant I had put in a request on a \$1,600 expenditure made out of the 64 account of Department 535, and I never heard – Emergency Management had purchased something at Chapel Tractor. I never received a response to that. I received responses on the other things. When I look in my budget book it states – what I have written down out of that – the equipment account number it says the money was spent on cell phones and stipends. I am wondering what Emergency Management is purchasing at Chapel Tractor for \$1,600.

The other question I had is there was a check in this Warrant written out by the School Department to the Boys & Girls Club for \$83,000. Would you happen to know what that money is for? Is that part of the rent for the alternative school?

Carol Anderson

I want to say that is what it is, but I would have to confirm that with them. I believe that is what it is.

Alderman Deane

That was for this coming year?

Carol Anderson

Yes. You can tell when you are looking at the Warrants and if you see that there is a flag with '05 then it would be charged back. Other than that it is for the current year.

Alderman Deane

Any alternatives have been bantered around due to the current status of the budget and I guess if they pay the Boys & Girls Club of Greater Nashua the rent for the facility then either they are going to keep the alternative school in place or they are just going to be paying rent and not housing it. I know that there was talk about perhaps maybe ending the alternative school. I guess either they are bound by some sort of time constraints to sign the contract and have to pay the deposit prior to a certain date or whatnot, but I think that seems like there is another item that has gone by the boards that they have moved forward with. Thank you.

Carol Anderson

I could hold that check if the committee wanted until I got further information on that for the committee.

Mayor Streeter

I don't hear that request.

**MOTION CARRIED**

DISCUSSION

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ADJOURNMENT

**MOTION BY ALDERMAN DION TO ADJOURN**

**MOTION CARRIED**

The Finance Committee meeting was adjourned at 7:30 p.m.

Alderman Kathryn D. Vitale  
Committee Clerk Pro Tem