

REPORT OF THE FINANCE COMMITTEE

SEPTEMBER 1, 2005

A meeting of the Finance Committee was held on Thursday, September 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 Robert A. Dion
Alderman Robert Shaw
Alderman Kathryn D. Vitale
Alderman-at-Large James R. Tollner

Members not in Attendance: Alderman-at-Large David W. Deane

Also in Attendance: Alderman David D. Lozeau
Janice Tremblay, C.P.M., Purchasing Manager
Mary Nelson, Interim Director, Public Health & Comm. Serv.
Richard Seymour, Division Director, Public Works
Ted Setas, Deputy Manager, Engineering

- Alderman Shaw

I understand Alderman Deane has a conflict with a banquet for the baseball team tonight.

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COMMUNICATIONS

From: Janice Tremblay, C.P.M., Purchasing Manager
Re: Contract Award for 2005 Sidewalk Program

- **MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO HUDSON PAVING & EXCAVATION, INC. IN THE AMOUNT OF \$293,135.10. SOURCE OF FUNDING IS ACCTS. #653-05 (\$237,539.78) #802-53100-8330-8700**

(\$33,868.32) AND 972-01310-5344 (\$21,727)

ON THE QUESTION

Alderman Lozeau

My only discussion would be related to Whitford Road and that the unforeseen or foreseen delays that the project is still going to move forward, and that the necessary diligence is performed because school has started – that was figured into the work and the scope of the work of the said project at Whitford Road.

Mayor Streeter

That is a good question. We have both Ted and the Division Director. Would you like to join us and perhaps just briefly review the four sidewalk installations that will result as a result of action by this committee.

Ted Setas

Alderman Lozeau we do plan on moving forward with Whitford Road. The schedule; we are planning to do Manchester Street and Tinker Road first because of the paving that is going to take place this year on those two streets. Then we will proceed onto Whitford Road immediately following the work on Manchester and Tinker. Obviously it won't take place before school begins, but we will then look at – once we have signed an agreement we will look at the schedule with the contractor, with Hudson Paving, and determine what is the best time to do the work on Whitford Road and notify the School Department as to our activities. Following that we will proceed onto Harris Road and there will be work by the Streets Department on Bramble Drive and on Manchester Street north of Tinker Road.

Mayor Streeter

Do you have any further questions Alderman Lozeau?

Alderman Lozeau

It is just that in my short tenure on the Board of Aldermen a couple of important issues to me regarding RFPs and work to be performed – where only a few bids were received on those RFPs. I am just wondering if this is a common occurrence and if us as a Board could help in any way with legislation to maybe ease the RFP process so that more companies do come forward and bid on contracts that the city puts out. I am just concerned that so few people are showing up to place bids on work in the city and if there is a reason for it.

Mayor Streeter

Why don't you join us Janice. Certainly I know that you can handle that. Director Seymour we were amazed that we didn't get any bids at all on this project. We have some guests in the audience Mrs. Tremblay. Just review the process that we go through briefly.

Janice Tremblay

The process is a request comes from the department or the Division Director and they generally will forward to Purchasing specifications – in this particular case it was scope of work/quality of work is what was going to be involved in it – the Purchasing Department maintains a bidders list if you will – companies that have bid in the past, companies that have sent a letter to Purchasing saying that they want to be included on a bidder's list for this type of project. We maintain those lists. We also – if there are others that have come forward to the engineering group we will add those names on. We go out and solicit as many as we know are possible bidders. We also post the complete specification and information on the city's web site. If you go right onto the front page you will find bidding opportunities that takes you right to the purchasing section, and all of the specifications are there as well.

Most times we will also include an advertisement in the local paper so that if there is a contractor in the region who is not familiar with our web site, but does see the paper, he gets advised that way. The ads in the paper always tell them the web site address, the document number so they can go and pull down the information themselves. Obviously once a new contractor bids on a project we add them to our existing list in Purchasing so the next go around they are automatically notified.

On this particular one we went out to an extensive list of contractors, and we held a pre-bid meeting so that we could discuss the scope and answer questions and what have you. No one came to the pre-bid meeting so we were a bit concerned that we weren't going to get any results. As it turned out that is what happened. Whether our timing on this – I am not sure Ted if you were able to talk to anyone about this, but we tried to contact a few of them to say why didn't we hear from you – why weren't you interested. Often times we are in a busy time of the year and these contractors that normally would have bid in the past they may have been filled with work and their schedules and knew that they weren't going to be able to meet the schedule that we needed and so they just don't bid. If they are the successful bidder then we have to refuse and that is not a good situation either. This was a strange thing because we have always had multiple bids when we have gone out for this kind of work each year. It was really whether Director Seymour or Ted can tell us further whether they weaned any information.

Richard Seymour

The bids went out maybe a month later than they normally do so we really weren't that late in the season as far as getting out bids. A lot of times companies will put together one or two year programs where they are working with municipalities and they have scheduling conflicts. They try to look at each job as to whether it fits within the amount of time and crews that they have

available. Obviously the first time the bids came in through pre-bid conference we realized that they did not have the time. We finally did get Hudson Paving to give us a bid and they only gave us a bid later in the season because they had freed up some time and crews in order to do the work this fall. We were lucky that we did get them and that they gave us a competitive price in regards to the work that we need to get done.

Mayor Streeter

Are there any further questions?

Alderman Shaw

Were both Brox and Hudson part of the potential contractors we had directly contacted?

Ted Setas

Yes they were. We actually followed up with them directly after the pre-bid meeting to see if they were interested. We followed up early on.

Mayor Streeter

To follow up on Alderman Lozeau's question Ted on Whitford Road – that will be completed this year?

Ted Setas

We will work to get that done this year, however, it will be dependent on how quickly we are finished up with Manchester and Tinker Road. Once we sit down with a contractor he will give us his schedule and we will get a better handle on that.

Mayor Streeter

Is that a satisfactory answer Alderman Lozeau?

Alderman Lozeau

Yes. If I may have a follow up – regarding Mrs. Tremblay's comments – is there a problem with our internal process whether it be our requests for insurance bonding or whatever the contractors have to post or do to be accepted as a bidder for the city – to be considered as a bidder for the city? I refer to the Police HVAC project where we only received 1 bid on quite a significant project. My looking into it I found out that a lot of companies don't bid on it because they are not qualified under our standards to bid on it. If you wouldn't mind commenting on that

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Janice Tremblay

As far as our requirements for qualification – we have a specified level of insurance that they have to carry and that comes from our Risk Management Department, and in reality it is protecting the city. We certainly don't want to loosen that up. Often times we will require performance bonds and payment bonds on a project. That is dictated by a State Statute. It isn't that we are doing anything excessive that other cities or towns within the State wouldn't need to do as well on these contracts. I don't think there is anything unusual that couldn't be – if they are a good qualified contractor that has a viable business going, etc., and has a good reputation and does good work and obviously those are the kinds of companies we have dealt with – I don't see anything in our requirements that would prevent them from doing that.

I think it tends to be the HVAC thing – I think it often tends to be what is their level of work that is already on the books and on their schedules. You can just take on so many projects. Of course if we have a performance bond or some kind of penalty clause into our contracts they are certainly not going to jump and bite off more than they can chew because then they are putting themselves in jeopardy of actually costing themselves money.

Alderman Lozeau

Thank you.

Mayor Streeter

Are there any further questions? Before we vote do you want to just assure me Director that the Tinker Road extension will be underway some time this year?

Richard Seymour

Presently we do have the check from the Post Office, we do have the Easement Agreement before the lawyers at the Post Office – we expect any day now that they will give us the green light on that. That will be going before the full Board for approval within a week and then once we get those approvals through any board that the two resolutions are referred to and we get approval on them then we will hopefully at sometime at the end of this month start construction. As I mentioned before that is a Street Department project. It is a no outside vendors other than maybe some tree cutting – other than putting in the street and engineering the job it is a city run project.

Mayor Streeter

Is there any further discussion?

MOTION CARRIED

**MOTION BY ALDERMAN SHAW THAT THE RULES BE SO FAR SUSPENDED AS TO ALLOW FOR THE INTRODUCTION OF A COMMUNICATION RECEIVED AFTER THE AGENDA WAS PREPARED
MOTION CARRIED**

From: Mayor Bernard A. Streeter

Re: Amendment to Purchase Order No. #66571

Vendor Name: Treasurer, State of New Hampshire

MOTION BY ALDERMAN SHAW TO ACCEPT, PLACE ON FILE AND APPROVE THE AMENDMENT TO PURCHASE ORDER NO. #66571. SOURCE OF FUNDING IS FROM THE PUBLIC HEALTH INFRASTRUCTURE & PREPAREDNESS GRANT, ACCOUNT# 341-01550-8603-6441 IN THE ADDITIONAL AMOUNT OF UP TO \$7,500

ON THE QUESTION

Alderman Shaw

I am wondering if Interim Director Nelson could fill us in a little bit on this. I only had a chance to just quickly skim this. If we could understand what this is about that would be helpful.

Mary Nelson

Thank you Mr. Chairman and members of the committee. I would kindly ask Mr. Chairman if I could hear the question.

Alderman Shaw

I would just like to basically understand what the context of the increase in the P.O. is and what the motivation is and what it will actually be covering. I think I understand somewhat from having read the memo and the attached memo to that, but I just want to make sure.

Mary Nelson

It is exactly as it is stated – we did have some grant money, we didn't expend it, the State has – I would just make note of the letter from the State which allows us to spend that to use it for training purposes. What we want to do is to make sure that communities in the area in the regional area are able to be involved in giving these immunizations for training purposes because you can't use Small Pox. We have Small Pox plans from the division. The State is working with us. You cannot use Small Pox so what we are using is the flu shots. The State has said okay go ahead and purchase \$4,350 worth of this flu so that we can train the local personnel in other communities in the region.

I just wanted to say it is distinctively different from the original request that we made earlier,

which was done through the budget.

Alderman Shaw

The original request was just to cover our standard immunization and flu clinic and all of that whereas this is a scope of effort that is being driven by the grant from the State.

Mary Nelson

That is correct.

Alderman Shaw

Thank you.

Mayor Streeter

Are there any further questions?

MOTION CARRIED

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UNFINISHED BUSINESS - None

NEW BUSINESS - None

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WARRANT

MOTION BY ALDERMAN SHAW TO APPROVE WARRANT #4 IN THE TOTAL AMOUNT OF \$9,034,461.59 OF WHICH \$2,588,255.13 ARE ACCOUNTS PAYABLE, \$3,109,293.86 ARE PAYROLL AMOUNTS, \$62,882.62 ARE PREPAY AMOUNTS AND \$3,274,029.98 ARE WIRE TRANSFERS

MOTION CARRIED

DISCUSSION

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Alderman Tollner

I was asked today by one of the members of the Board of Aldermen why Aldermen Lozeau and

Deane are the liaisons for the Station 4 Project and updating the Board on the financials and the construction update. The reason for that is after speaking with the Chairman of Infrastructure a number of months ago while we were looking into the project for Station 4 we thought it was a good idea that two members of the Infrastructure Committee would be the liaisons on the construction project itself. I am still the liaison to the Fire Commissioners and the Chiefs.

They would report and provide an update via and through the Infrastructure Committee on the fire station project. Thank you.

ADJOURNMENT

MOTION BY ALDERMAN DION TO ADJOURN MOTION CARRIED

The Finance Committee meeting was adjourned at 7:21 p.m.

Committee Clerk

Alderman Rob Shaw
Committee Clerk