

## REPORT OF THE FINANCE COMMITTEE

OCTOBER 2, 2006

A meeting of the Finance Committee was held on Monday, October 2, 2006 at 7:00 p.m. in the Aldermanic Chamber.

Mayor Bernard A. Streeter presided.

Members of the Committee present: Alderman-at-Large Steven A. Bolton, Vice Chair  
Alderman-at-Large Fred S. Teeboom  
Alderman-at-Large David W. Deane  
Alderman Robert A. Dion  
Alderman Daniel L. Richardson  
Alderman Richard P. Flynn

Members not in Attendance:

Also in Attendance: Carol Anderson, Chief Financial Officer/Comptroller  
Janice Tremblay, C.P.M., Purchasing Manager  
Katherine E. Hersh, Div. Dir. Community Development  
Roger Houston, Manager/Planning Director  
Richard Sawyer, Deputy Planning Manager  
June Caron, Superintendent of Recreation  
Scott Pollock, Superintendent of Streets  
Steve Dookran, City Engineer  
Joe Mendola, Street Construction Engineer  
Amy Gill, CSO Storm Water Engineer  
Jeanne Walker, Wastewater Project Engineer  
Chris Baker, VHB Engineering  
Tony Martinez, President, Nashua Rotary Club  
Jack Tulley, Nashua Rotary Club  
Kevin Halloran, Nashua Rotary Club  
Ted Gorski, Nashua Rotary Club

### Mayor Streeter

We have some people here from the Rotary Club, and I am wondering if the committee would agree to amend the agenda so that we could hear the item relative to the contract award for the final design services for the future Rotary Common.

### COMMUNICATIONS

**MOTION BY ALDERMAN BOLTON TO GO OUT OF THE REGULAR ORDER OF BUSINESS TO TAKE UP THE COMMUNICATION REGARDING THE CONTRACT AWARD FOR FINAL DESIGN SERVICES FOR THE FUTURE ROTARY COMMON REQUESTED BY ENGINEERING MOTION CARRIED**

From: Janice Tremblay, C.P.M., Purchasing Manager  
Re: Contract Award for Final Design Services for the Future Rotary  
Common Requested by Engineering

**MOTION BY ALDERMAN FLYNN TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO MARSHALL GARY, LCC, IN THE AMOUNT OF \$195,201. SOURCE OF FUNDING IS ACCT. #752-53095-3711**

ON THE QUESTION

Katherine E. Hersh

I would like to welcome and introduce four people from the Rotary Club of Nashua; Tony Martinez, Jack Tulley, Ted Gorski, and Kevin Halloran. Those four people are available to speak with regard to this contract and the project itself if the Finance Committee would like them to do so.

Mayor Streeter

Would you just briefly review what the item contains, and then if questions or concerns arise from that I am sure that members of the Rotary Club who are financing a portion of this would be available to discuss it.

Katherine E. Hersh

The contract before you is for final design services for the future Rotary Common project. As you know Rotary Common is the project that is a parcel that is on Main Street and straddles Salmon Brook. The goal is to create a park at that location. The land is currently owned by the State of New Hampshire. The City has entered into a Municipal Agreement, which was approved by the Board of Aldermen, to take ownership of that property. The State committee \$200,000 towards the completion of this project. That is the funding source of the contract before you.

The contract before you will provide for final construction documents so that we can move forward and begin to construct this park.

Mayor Streeter

Would the President of the Rotary Club like to address the Finance Committee?

Tony Martinez

We are really pleased to be here this evening to talk about this project. As you know we are thrilled to death to be entering into a partnership with the City to do something we think is very constructive for the City. It is kind of a blighted area now. I am sure you know where it is located. Coming into the southern sector of the city it is a wonderful place, an opportunity for us to really put our best foot forward when people are visiting the city, and also a good opportunity for us to demonstrate to those people in the neighborhood for a place to bring their children, a place to spend some quality time in a park like environment.

We are again really pleased to be entering into this partnership with the City. I am here to answer any questions you might have about the Rotary Club or how we are involved. Obviously we made

a financial obligation to the City to help defray some of the costs, and we are pleased to do that as well. The way we got involved with that originally was we had a 100<sup>th</sup> anniversary of the rotary and one of the things that we entertained was what will we do for the city, how can we help to benefit the city. There were several projects that we looked at, but when this one came by we thought wow this is really an opportunity for us to really make a good impression, do a good thing for the citizens of the City of Nashua. We were thrilled to be able to take part and partnership with you in that arrangement.

Alderman Teeboom

This is a design – landscaping – I am trying to figure out what it is. It looks like a design type activity. This \$195,000 what does it entail?

Katherine E. Hersh

That will provide us with the final design for the park and construction documents. What it will give us are the documents that when we go out to bid for the construction of the park those documents show all of the details of exactly what needs to be done to build the park.

Alderman Teeboom

From there on you award the contract to build?

Katherine E. Hersh

That is correct. To do the construction, which would come back through this Finance Committee.

Alderman Teeboom

How much is the construction estimated to cost?

Katherine E. Hersh

The construction is estimated to be or the entire park is estimated to be between \$1.5 million and \$1.9 million.

Alderman Teeboom

That includes the \$195,000?

Katherine E. Hersh

Actually that is a good question. I am not sure. I have heard that number several times so that is in there somewhere.

Alderman Teeboom

The \$195,000 how is that broken down – the Rotary donated ...

Tony Martinez

We contributed \$100,000.

Alderman Teeboom

Where did the other \$95,000 come from?

Katherine E. Hersh

This contract right here is being proposed to come out of the DOT grant agreement funding, which is the \$195,000 out of \$200,000

Alderman Teeboom

Then where is the rest of the money going to come from?

Katherine E. Hersh

For the construction?

Alderman Teeboom

Yes.

Katherine E. Hersh

There is the remaining money – there is still funding from Rotary towards this project, and that total commitment from Rotary is \$100,000, there is HUD EDI money that thanks to Congressman Bass and Jack Tulley, we received \$250,000, and we have that money committed and we have the grant and everything else. There is another \$300,000 that is working its way through the federal budget, which we hope will stay in the federal budget, and then we will continue to find funding for it.

One of the things that we are looking to do is make sure that we do this in phases; that we have it designed in phases so that we can go out to bid in phases as we move forward. I think as we see parts of this park built then it will become more and more desirable for contributions.

Alderman Teeboom

That was my next question – you get some and build some, get some more and build some more.

Katherine E. Hersh

The other source of funding that we have talked about, and I have talked about this with Alderman Deane, and I know that other people have talked about it as well, and I have talked about it with the Conservation Commission, that is the Conservation Fund. Salmon Brook is a very integral part of this park, and there is a lot of wetlands restoration in this park. I am certainly going to look into that as, I have been looking into that as a fund.

Once we have construction documents I can go back to them and say this is a part of the project that I think is a reasonable cost out of the Conservation Fund, and then it will have to come back to the Board of Aldermen for that.

Alderman Teeboom

There is about \$2 million in that fund right?

Katherine E. Hersh

That is correct.

Alderman Teeboom

This design phase – from the time it gets the go ahead how long does it take to finish and have the documents in your hands?

Katherine E. Hersh

According to the schedule that is in here, it has a completion date of January 15, 2007.

Alderman Deane

Revised conceptual plan and estimate – December 15, 2006.

Katherine E. Hersh

As we go through the permitting and final design we will work very closely with them, and we hope to meet that schedule, but quite honestly that could be ambitious. Certainly in the wintertime we would expect to put this out for bid with construction documents so that we can start constructing in spring.

Alderman Teeboom

Right after this design phase is done you would be able to start Phase I with the money you have at that point?

Katherine E. Hersh

That is correct.

Alderman Teeboom

Terrific. Thank you.

Alderman Richardson

I had a question about the funds. You said it was a DOT grant. What does that mean? Does that mean no matching funds are required?

Katherine E. Hersh

That is correct.

Alderman Richardson

What is the contract type? Is it cost plus, firm/fixed price?

Katherine E. Hersh

I would have to go back and look at it.

Alderman Bolton

It is based on a schedule of values.

Katherine E. Hersh

It is a not-to-exceed I think. "Contractor agrees to perform the work for a total cost not to exceed \$195,201."

Alderman Richardson

Is there a rate limit – labor rate limit?

Katherine E. Hersh

I do not know the answer to that question.

Alderman Richardson

I believe Alderman Teeboom at one time was looking up some projects and found that certain types of work – certain types of money required rate limits. I didn't know if this would fall under that.

Alderman Teeboom

State – that applied to state activity. I don't know about DOT because there is no amount given here. I presume you can ask how the selection is made. There is no dollar competition.

Alderman Richardson

This is federal money right?

Katherine E. Hersh

The DOT money no is state money. The DOT currently owns this piece of property. They acquired it for mitigation for the F.E. Everett Turnpike back in 1998. The intent always was, the city had asked them to do that, and the intent always was that the city would create a park here, and that DOT would turn the land over to the city. We did a Municipal Agreement last year, and as part of that we feel that DOT still has some costs that they should be paying for. They have

already paid for all the structural reports and some of the environmental reports, etc. We negotiated that they would contribute as well as the land and those other studies that they have done, an additional \$200,000 towards this project, and that is what the \$200,000 is. It is straight DOT money.

Alderman Richardson

The rate limit that you found what \$50 an hour?

Alderman Teeboom

I checked on the state and the different amounts for different kinds of work like the consulting turned out to be \$212 an hour at the professional engineering level – they were high rates. It was \$150 for engineering level and that type of thing. What we found is that particular bid had gone – the bid was actually more than the maximum labor rate allowed by the state. You have to make sure you contact the state and make sure you – you don't have the bid information here so we don't have the labor rates – you could have provided that, but we don't have the labor rates.

Alderman Bolton

It is Exhibit D.

Alderman Teeboom

Then you can check the labor rates. You have to go to the state to find out what the limits are.

Alderman Richardson

Okay.

Katherine E. Hersh

Can I clarify that please?

Mayor Streeter

Is it in response to Alderman Teeboom?

Katherine E. Hersh

Yes it absolutely is.

Mayor Streeter

Please.

Katherine E. Hersh

Thank you. We don't have a contract with DOT for this contract. They are not involved in this contract. They have given us the money. Then we have the money in the bank basically and we can spend the money however we want to on this project. If we chose to not spend this money

and instead to spend the HUD EDI money on this specific contract because we have that money available too we could do that. We just happened to choose to spend the DOT money, but it really isn't based on DOT's requirements. It is our money.

Mayor Streeter

I believe this money actually is part of the turnpike expansion project.

Katherine E. Hersh

But we are not doing this through DOT. It is our money.

Mayor Streeter

The money is coming from DOT via the Everett Turnpike expansion project where they needed to mitigate. In essence, you could say the toll payers of the state are paying for this.

Alderman Richardson

On page B1, Item #2, 60% Plans, Specification, and Estimates – there is text in here that says "Detailing of rooms, demonstrating the site's history...What is room?"

Katherine E. Hersh

That is on the plan. Along Main Street on the front of this site there are foundations that remain from the International Paperbox Company, and other industrial activity that was on this site. We have worked very closely with the State Historic Preservation Office with regard to this current concept that we have, and those rooms are really outdoor spaces that would have low walls, but they would be separate from each other. One might be a textile room and we might plant plantings that are plants that you would use for things that have to do with the textile industry, and it might also have other textile related things in that area. They are open spaces in a park, but they would have short walls between them.

Alderman Richardson

I have seen that in Jamestown. I also have a question – we went out to 12 contractors and only 2 responded. What is the problem? This is not just for this particular project. We seem to have poor response to our bid requests.

Katherine E. Hersh

The reason generally, overall, and I think that is an overall question, is that bidding on contracts is, particularly a contract like this, which is a type of a design contract, is expensive for a company. It takes a lot of research and time and effort to put together a proposal that clearly articulates what they would do, and would give an accurate cost. Something like this they really have to understand the project to give you an accurate cost of what those design costs are going to be so that they don't end up giving you a price and then end up at the not-to-exceed, and then it ends up costing them more than they had anticipated. It takes quite a bit of time to put together proposals. If they have to go through an interview that is another significant amount of time. That is why I think a lot of companies will be thoughtful about when they do and do not respond.

Alderman Richardson

That is a pretty good answer for a not-to-exceed.

Katherine E. Hersh

I was in the consulting field for a while, and that is exactly why we would or would not respond.

Alderman Deane

Thank you. Mrs. Hersh the meetings that are included on Scope of Services, page 3, are there going to be any meetings with the – when you look at the permitting and there are two each for the first three bullets for Zoning, Planning, and Conservation, are there any other meetings for the remaining four bullets; the dredge and fill permit, the site specific permit...?

Katherine E. Hersh

With regard to permitting they would be for example going up to NH DES and meeting with them and doing whatever they needed to do, steps through that process to get that permit.

Alderman Deane

They are going to follow this project right through to permitting?

Katherine E. Deane

Yes they are – through construction documents.

Alderman Deane

On your Table of Tasks under Task #6, the Construction Admin. Services were they asked to bid in that area or is that something that will be put out to bid at a later date or are we going to oversee that? How is that going to work?

Katherine E. Hersh

I don't know the answer to that question. I would defer to Engineering to answer that question.

Steve Dookran

Your question Alderman Deane was when would we know the cost of the construction administration for this project. The answer to that is because we expect that construction would be phased in, we get to a point in time when we will know what the actual pieces of the project would cost, and, therefore, we would have the appropriate construction services contract for each of those pieces.

Alderman Deane

It will be phased and you will break it up into phases, and then put the entire project out to bid or just each phase out to bid?

Steve Dookran

I think what will happen is because we expect the entire contract to be in the order of \$1.5 million we certainly wouldn't have that in any reasonable time in the near future, we would have to define the first couple of phases, which we can properly bid, and we will have a contract for maybe 1<sup>st</sup> and 2<sup>nd</sup> phase together. The construction contract has a construction administration contract as well.

Alderman Deane

So we can anticipate further costs in this area. Okay.

Alderman Teeboom

I was confused. If this is not a NH DOT supervised project, then why don't I see the competitive bids we see in the two contractors listed as price? We see \$195,000 price listed for the winner, but we don't see the price listed for the loser.

Steve Dookran

The selection process went like this; after the 12 firms were invited to submit proposals, 2 of them did, and these were just qualification proposals – qualifications packet saying that they can do the job. They were both interviewed, and this firm was selected based on qualifications and then we went into the negotiations of the fess. In projects like this where the magnitude is of significant you do want to select by qualifications only. It is industry – it is not your typical DOT transportation project. What we are using here is a DOT grant, but it is not a DOT project so we didn't have to follow the rules where you have a defined upper limit for your labor rates. That is why you don't see the second cost proposal because we didn't invite cost proposals.

Alderman Teeboom

It was your own process not to look at costs until you qualified a bidder?

Steve Dookran

That is right.

Alderman Teeboom

You think that is a more advantageous process?

Steve Dookran

It is. We are getting used to doing that as being the best – it is because it saves us from getting someone who may not be properly qualified to come in with a cost that is low, under-bidding, and not be able to do the job. We have had the experience where that has happened in the not too distant past. This has become the norm for us, for most people, most municipalities look for this kind of an engineering contract.

Alderman Teeboom

My only comment is that it sounds good but you could wind up with a very high price because once you pick a bidder – I am not saying these rates look bad – they look quite attractive in fact - \$50 for a project manager is not excessive – I was going to say that process leaves you open to high pricing because you may like the guy really well and then he will highball knowing you have no way of pulling back to look at the other proposal and look at that cost.

Steve Dookran

We try and control that during negotiations. We know what to expect in terms of rates. We know in terms of hours and plans and so on. It is a back and forth – direct expenses and so on. We hope in the end we strike a good deal for the City in these cases.

Alderman Teeboom

Thanks.

Mayor Streeter

Are we ready for the vote?

**MOTION CARRIED**

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

Re: Bid Summary and Contract Award for Basketball Team T-Shirts by  
Park Rec Department

**MOTION BY ALDERMAN FLYNN TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO OPTIMUM SPORTSWEAR IN THE AMOUNT OF \$15,290. FUNDS ARE AVAILABLE IN ACCT. #552-46005-6912**

ON THE QUESTION

Alderman Richardson

Can I ask what is the purpose of these t-shirts?

Alderman Bolton

These are the uniforms that the Biddy Basketball players wear. They have numbers and the team name like Bulls or Spurs or Cavaliers. These become essentially the uniform.

Alderman Richardson

It looks like we are ordering 2,200 of these shirts.

Alderman Bolton

It is a very successful program.

Alderman Richardson

It looks like we got 1 out of 8 responses. What kind of a contract is this? Is this a fixed/firm price contract?

Alderman Bolton

So much per t-shirt.

June Caron

This bid is brought out every year, and depends on how many teams we have. This year we have approximately 110 teams so we are looking at 2,200 shirts. They came in with a price of \$6.95 per shirt. That is a two-sided shirt because the number is on the front and the back with the name on the front as well.

Alderman Richardson

Is this a high-risk business? I don't understand why we're getting 1 respondent out of 8.

June Caron

The thing is that last year we had 5 or 6 if I remember, and some of these bidders they were really high priced, they were like \$10 each or they could not meet the deadlines that we have. We have to order these shirts in bulk, and they have to come in within a 3-4 week period. It is a lot of t-shirts that these small companies just can't get the orders. Optimum is quite a big company in Massachusetts. They did do a good job for us last year. They did some shirts and uniforms for us with baseball and softball this year.

Alderman Richardson

I don't see anything about a time restriction on this document. Is there a time restriction?

June Caron

They are due by the end of October in order for them to get out to the teams in the first two weeks in November.

Alderman Richardson

Is that what is driving the lack of respondents?

June Caron

That could be one of them, but like I said this is a big contract, big amount of t-shirts that have to go out. A lot of these small companies just can't get those orders on t-shirts – not in the price range that they need to sell them to us.

Alderman Richardson

Why don't we go for these earlier?

June Caron

We did put this out back in August, but we were in between BPW meetings and Finance.

Alderman Richardson

Thank you.

Alderman Teeboom

I pulled the bid summary sheet off the Internet because we didn't get those. I think Alderman Richardson is dead on. I don't see anything in the bid summary sheet that says this is to be delivered – it says approximate delivery date, approximately – in the bid sheet. I did see as many teams. There are a whole bunch of teams and you have all of these names of these different teams and all of these numbers and ...

Mayor Streeter

What is your point Alderman Teeboom?

Alderman Teeboom

The point is that I think Alderman Richardson has a good point – although I support this at this point, if we made it easier on delivery because I don't really see delivery in here maybe phased it so they weren't all due at the same date, maybe a little more careful planning it seems to me, and I don't know nothing about t-shirts, but it seems to me you can get the price down. I think this is a competitive business, and I can see people putting everything by hand. There is nothing special about these kind of shirts, nothing special about the numbers, there is nothing that I can see in the bid sheet as to anything special other than the numbers, the names.

Alderman Deane

They are all screened by hand. Machines don't screen these.

Alderman Teeboom

It is still a sizable \$15,290.

Mayor Streeter

I believe this was a topic of discussion with the Division of Public Works' budget wasn't it Alderman Deane?

Alderman Deane

My only question at the last Public Works meeting was why we only had one bidder, but ...

Mayor Streeter

This is an item that appears in the budget every year that is discussed through the budget process.

Alderman Deane

Correct.

Mayor Streeter

Did you want to add anything? Bear in mind that the budget is not effective until July 1<sup>st</sup> so there is a time problem, and you did get the paperwork done prior to August. I would assume you sent it out in July. Is that correct?

June Caron

No. It was the end of July/beginning of August because you have to figure out how many teams you are going to have.

Janice Tremblay

Just for clarification, invitations for bid went out on August 9<sup>th</sup>. We requested that they have their responses back to us by August 30<sup>th</sup>, and on the specifications that were indeed posted on the web site, it is quite clear that all of the various shirts that are for the initial season, not counting the all-star games at the end, it says right on here, deliver October 20, 2006. It is right there in black and white. Then the later delivery, which is as I said again for the all-stars at the end of the season, those shirts will have to be delivered by January 6, 2007 to coordinate with the timeframe. Delivery was stated. It is on there in addition to the colors, the quantity, the sizes, etc.

Alderman Deane

Mrs. Tremblay have they started to run out of colors yet?

Janice Tremblay

No they haven't started to run out of colors although I understand several of the colors are unique and that is probably another challenge because we try to coordinate our colors with the various teams that we are naming on the shirts and that presents a challenge for some of the smaller companies that can't get those colors.

Alderman Deane

I can say from my past experience that having to supply uniforms for 207 children was enough of a nightmare. I would not want to even contemplate doing it for 2,200.

Mayor Streeter

Ms. Caron does an outstanding job with everything that she attempts. Are there any further questions?

**MOTION CARRIED**

From: Janice Tremblay, C.P.M., Purchasing Manager  
Re: Bid Summary and Contract Award for 4-Wheel Drive Pickup with  
Plow Requested by Street Department

**MOTION BY ALDERMAN FLYNN TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO HILLTOP CHEVROLET IN THE AMOUNT OF \$24,509. SOURCE OF FUNDING IS ACCT. #553-68070**

ON THE QUESTION

Alderman Richardson

Again we have a situation where we have 3 bids out of 15 requests for bid. This is really not a high-risk item. Can anybody explain why we are ...

Scott Pollock

Municipal bids are very competitive. Only a few of the dealers seem to want to bid municipal and state contracts, and the ones that do are bid here.

Alderman Richardson

Could you describe the vehicle that is being replaced? There is no description of it here.

Scott Pollock

It is Unit #97-036. It is made in 1996, but it is a 1997 model Ford F250 pickup with plow. At the previous service, I researched the last service in the first week of September and it had 69,100 miles at that time. This is a truck that has plowed ten winters for us at this time.

Alderman Richardson

What is a F250? Is that a ¾ ton?

Scott Pollock

That is a ¾ ton.

Alderman Richardson

Is it 8 cylinders?

Scott Pollock

Correct.

Alderman Richardson

Has a plow on it?

Scott Pollock

Yes – Fisher Plow, automatic transmission.

Alderman Richardson

The old one does?

Scott Pollock

Yes it does.

Alderman Richardson

Is there anything wrong with the old plow?

Scott Pollock

It has been in a number of times for welding on the push frame and the arms. They take quite a jolting when they catch manholes and that sort of thing. The trip edge has been repaired, lift cylinders have been repaired.

Alderman Richardson

What is the purpose of this truck? It says that it is used by the Foreman.

Scott Pollock

It is a Street Foreman's truck. It is used year round. He is out with his crews supervising his crews and has it, and then in the winter it is used to plow and supervise the other trucks.

Alderman Richardson

It doesn't really undergo any kind of heavy use until the wintertime?

Scott Pollock

It is used everyday. It carries the tools and equipment for the crew that type of thing.

Alderman Richardson

So the Foreman is in charge of carrying the tools?

Scott Pollock

Yes.

Alderman Richardson

Thank you.

Alderman Teeboom

I wondered about the same thing not so much that there are only three bidders but why only a Chevy and a Ford. There are many other manufacturers besides Chevy and Ford. I pulled off the bid specification off the purchasing spec. that isn't in your package, which is something else we need to get in our package somehow. I will tell you the bid specification – like engine minimum 285 hp gasoline powered, it doesn't say minimum load capacity, give exact horsepower or more. Axle ratio 3.73, gross vehicle weight 9,200 pounds exactly. It doesn't say minimum. Cab, AM/FM stereo, hour meter, vinyl bench seat 40/24 split, interior color gray, exterior color light pewter metallic – when you look at the specs that is the problem I had 12 years ago I had that problem at Public Works when Mr. Hall used to have your position. He used to come in with these specs that were exactly copied of an exact system he wanted. I wonder is this spec so tilted that only Ford and Chevy can bid the way the spec is written. Have you tailored this to Ford or Chevy? Have you excluded Toyota, which builds a very good truck? Have you excluded them by being so specific? When I look at the actual bid it says check, check, check, check...

Scott Pollock

This is a specific spec and it allows us to get the truck that we need to do the job. If you look at the spec sheets in the right hand column, they can bid exceptions in there. For instance if they had something different other than a 3.73 axle ratio they can put it in that actual bid column. That is why we put that there so people that have specifications outside of that can bid and we can evaluate them evenly against the other ones.

I am not aware that a Toyota or some of the other pickups are built to this specification and size. This is a full size  $\frac{3}{4}$  ton pickup. A Dodge can. We have had Dodge bid on our trucks and awarded to Dodge in the past.

Alderman Teeboom

You're convinced that only American trucks can bid this; in particular Ford, Chevy or Dodge.

Scott Pollock

I am aware of the spec being bid in the past by three suppliers; Ford, Chevy, and Dodge, and we have awarded to all three at different times.

Alderman Teeboom

If you didn't have that exact kind of truck the job couldn't be done?

Scott Pollock

I think that many of these things in here we know we need; the automatic transmission, a V8 engine, a certain HP rating for plowing snow, all season radial tires, a  $\frac{3}{4}$  ton 9,200 pound truck, those sort of things.

Alderman Teeboom

They need intermittent wipers and AM/FM stereo, floor cover colored mat?

Scott Pollock

This is very much a work truck. It is a vinyl seat, vinyl floor, no carpeting, no fancy seats. You notice the seat spec it is either can be a vinyl bench or a 40/24 split. That is because different manufacturers have different things that we put that in there. Intermittent wipers when you plow snow are important. AM/FM stereo is in general standard. We put in the bid to see if we were going to have a CD player and the price was extra, and we chose not to select that.

Alderman Dion

What are we doing with the vehicle that we are trading in? Are we trading it in or keeping it?

Scott Pollock

That will be disposed of in the spring. I would like to send it to state auction as it ages 10 years old. We have found when we go to the state auction we get more for them than if we trade them in. We have done that. At the Public Works meeting, Alderman Deane suggested we offer it to other city departments if they had a use for it. We will do that before we send it to state auction – if they would like to see it, the School Department or some others, come look at it. If they are willing to take it, put quite a bit more money into it to get more life out of it, then they could.

Alderman Dion

I agree with that philosophy. You are recommending a 2006 Silverado for \$24,500. Why wouldn't you pick a 2007 vehicle for \$1,200 or \$1,300 more?

Scott Pollock

The 2006 and 2007 vehicles are identical in specifications. It is really a manufacturer's date.

Alderman Dion

Not on a trade in.

Scott Pollock

You would get more you are correct. We run them so long and basically run them to death that at the end life it doesn't make a big difference.

Alderman Dion

So you don't think a year would make a big difference since you run it for about ten years is that it?

Scott Pollock

Yeah. The bid from Ron Currier Hill Top, he has trucks he can get off of other dealers that meet our specification so this is one that is already built. The other ones are basically bidding a truck to be built. They are identical in design and specification.

Alderman Dion

Thank you.

Alderman Flynn

I did get this list from you Scott. I think this will be very helpful. This is something similar to what I got from Park & Rec. This is kind of your list of priorities for vehicle replacement over the next 3-4 years. I wanted to just try to understand these pieces of paper in front of me. This particular unit 97-036 is not on the page you sent me.

Scott Pollock

I didn't want you to think that we were buying two. I pulled it out.

Alderman Flynn

The money in the budget for this year for pickup trucks is \$25,000 and you are spending \$24,000 something so that worked out okay. Could you comment on this CERF page that we get from Finance? There are some trucks with plows on this page, but Unit 97-036 isn't on this page. There is some guidelines I am sure that you and the financial group go over to decide what units to track or to put aside equipment replenishment funds. Could you comment on why that wouldn't be on this page?

Scott Pollock

I believe it was based on the dollar amount. The CERF program was only for equipment purchased above a certain dollar amount. Pickups do not meet the requirement for CERF. It is a full funding out of your budget when you purchase it. I believe the dollar amount was \$30,000, but I am not positive.

Alderman Bolton

The last I knew the dollar amount was \$25,000. When this truck, the one that is being replaced, was purchased it probably fell under that, almost certainly it fell under that, and that is why it is not on the CERF schedule.

Alderman Flynn

That looks like it is the right answer because as I go through this page there are some small inexpensive trucks on here, trucks with plows, but it looks like the purchase price on all of these was about \$26,000 or \$27,000. That is helpful to know. Thank you.

Alderman Deane

That is why the funding came out of his operating budget instead of out of CERF. I don't know if Toyota makes a ¾ ton pickup that would be somewhere in this price range. I would say it would probably be up more around \$40,000. If in fact the Tundras are. Do they make a ¾ ton pickup?

Scott Pollock

I am not that familiar with the Toyota specifications to answer that. The Nissan is making a larger than traditional truck. I don't know that it is a full size like that.

Alderman Deane

Thank you.

Mayor Streeter

Are there any further questions?

**MOTION CARRIED**

From: Janice Tremblay, C.P.M., Purchasing Manager  
Re: Bid Summary and Contract Award for 35,000 LB GVW Cab and Chassis Requested By Street Department

**MOTION BY ALDERMAN FLYNN TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO LIBERTY INTERNATIONAL IN THE AMOUNT OF \$65,683. FUNDS ARE AVAILABLE IN ACCTS # 553-68060 (\$24,584) AND #599-68060-9864 (\$41,099)**

ON THE QUESTION

Alderman Richardson

I am not at all familiar with this kind of vehicle. I was wondering if I could get a description of the vehicle that we are replacing.

Scott Pollock

This is one of our standard 6 wheel dumps. It is 35,000 gwv truck. It is 5-7 yard dump body on the back. This is just to purchase a cab and chassis for that truck.

Alderman Richardson

What else do we need to fit it?

Scott Pollock

We will need a number of other items that two of which I will have to come forward to Finance with a dump body and a hydraulic control system.

Alderman Richardson

I suppose that are pretty much worn out on the old truck also?

Scott Pollock

This truck is 15 years old and very worn yes.

Alderman Richardson

The replacement that we are buying is essentially the same vehicle?

Scott Pollock

It is very similar in specification yes.

Alderman Richardson

What does gvw mean?

Scott Pollock

It means gross vehicle weight.

Alderman Richardson

Again, we received 1 out of 17 requests for bid. Is it the same problem you were mentioning before that nobody wants to do business with a municipality?

Scott Pollock

On these trucks, I had bid – we also asked Liberty and some others about this when we had bid trucks that you awarded a couple months ago, and there are problems with the build slots for the new 2007 EPA compliant engines, diesel only engines with the manufacturers in getting the build schedule and pricing right now. It discouraged some from bidding. I have talked with other bidders in the past; one in Manchester that is well known for producing trucks, and said why don't you bid. They said International has such a government based fleet incentive that it is hard to compete against them.

In the past, we have bought non-Internationals. In my fleet currently we have Sterlings, we have Volvos, Solid Waste has Auto cars, Volvos, different ones. I would love to buy Volvos – again we have two Volvo trucks and they are outstanding, and would meet these specs 100%. They just didn't bid.

Alderman Richardson

It looks like we are getting software for engine diagnosis. I just got a big question mark there. I can't figure that one out at all.

Scott Pollock

With the new 2007 EPA compliant electronic control diesels, they are computer controlled for emissions, fuel economy, horsepower, shift points, and we need the software that is able to diagnose and reprogram those engines.

Alderman Richardson

This is software for programming the computer that is in the engine?

Scott Pollock

That is correct. We currently have a laptop and we have the – prior to 2007 they had a minimal computer in there and we have a laptop where it will do this. With the new 2007s with the EPA requirements on emissions we need a different set of software to work with that.

Alderman Richardson

What changes over time that you need to reprogram it?

Scott Pollock

Horsepower and shift points – also when you need to diagnose the engine – you get an engine that you don't think you are getting good fuel economy you see a change or a loss in horsepower – this would give us the ability to look at the engine and it will tell us with the onboard diagnostics – cylinder 3 poor fuel flow, plugged fuel injector or cylinder 6 poor compression, etc. You will see and be able to repair the engines. Otherwise we would have to send them out every time to be repaired.

Alderman Teeboom

What is this truck used for?

Scott Pollock

It is a 6-wheel dump truck. We have plows that go with it. The spreader would go in the back.

Alderman Teeboom

Snowplowing?

Scott Pollock

Snow plowing, salting, sanding, and then in the summer is hauls asphalt, gravel, sand, etc.

Alderman Teeboom

One of these big trucks that we see?

Scott Pollock

Yes.

Alderman Teeboom

It is cheaper to buy this software package than to have it maintained?

Scott Pollock

Yes.

Alderman Teeboom

You have done that study?

Scott Pollock

I would say that we repair them and service them in house and it is much cheaper to do that and just purchase the software once than sending them out repeatedly over a 15-20 year life of the truck.

Alderman Teeboom

My only concern is the one that Alderman Richardson talked about and I talked about earlier is the number of bidders. You have one bidder here on a almost \$66,000 item. That is not a cheap item. You are pretty much susceptible to the bidder. Is this price competitive with like you mentioned the Volvo or ...

Scott Pollock

I think it is an acceptable price. If you look at the list of bidders we sent it to, a number of those can bid and can bid a number of configurations. The Volvo can be bid to meet our spec with a Volvo engine or with a Cummins engine. You go down here NH Peterbilt can be bid with a Cummins engine that will meet our specification. This Liberty met the spec. Mack can bid it with a Mack motor or a Cummins motor. A number of them can bid like Sterling can bid with a Detroit diesel, which is now a Mercedes Benz diesel that meets our specifications.

Alderman Teeboom

None of them bid because of the EPA problem?

Scott Pollock

They have indicated that there is a problem with build slots with the EPA new required emissions motors. When we talked to McMulken Chevrolet, which is actually a GMC truck dealer in June about the other trucks we had ordered and talked about specifications and those sort of things, and then we were surprised they didn't bid. We called them up to say why, and they said we don't have a bid slot until March of 2007 right now.

Alderman Teeboom

What do you mean by that bid slot?

Scott Pollock

They can't get a truck manufactured or built prior to March of 2007. The manufacturer gives the dealer 36 slots or whatever it is, they pre-built all of their trucks prior to the 2007 date to avoid the EPA requirements. They cannot order trucks now until March.

Alderman Teeboom

The 2007 EPA requirements are stricter than the 2006 EPA requirements? Is that what you are saying?

Scott Pollock

Much stricter yes. It is like the difference between a car from the '50s and cars with catalytic converters and those sort of things we have today.

Alderman Teeboom

I got a hold of your – what I did is I didn't have the bid specification just like not on the other one, and so I called Mrs. Tremblay and she faxed over for me the bid specs. I will tell you it is the same lineup of where you list your various things that you want. I don't see EPA requirements – I guess that is not a spec.

Scott Pollock

I believe you go to Article 11; engine must meet current federal emissions standards. They are not allowed to build a truck at this time that does not meet those standards and deliver it.

Alderman Teeboom

Number 11 says 6-cylinder diesel, wet sleeve design. It says bio-diesel fuel. You have to be able to run this on bio-diesel fuel?

Scott Pollock

We want a truck that we could potentially run on bio-diesel to make it run cleaner, quieter, and increase lubricity with use of that fuel.

Alderman Teeboom

There is nothing about EPA in ...

Scott Pollock

“Engine must meet current federal emission standards.”

Alderman Teeboom

I noticed when I asked Mrs. Tremblay to fax me the bid specification as they were completed – I noticed none of these things are checked off. It doesn't say – it doesn't have checks like the other one. Does that mean they meet all of this or they meet none of it or...

Scott Pollock

It means they meet them. If they had an issue where they couldn't meet it they would write the exception in.

Alderman Teeboom

That means you have verified that they meet all of these things yourself even though there are no check marks?

Scott Pollock

The Fleet Manager, Jim Campbell, has.

Alderman Flynn

I am sure you understand the value of machinery so I am sure you knew how to – in your budget you had some expectation of what you were going to pay for these things. I am sure if these weren't reasonable you wouldn't have put these forward to us you would do a re-bid or something. I am sure of that. What I did want to ask is on the CERF sheet that we have, we had at one time, and this was given to us back in March or April, we had \$39,800 in CERF. We had an unallocated Public Works balance. Is this something that you and the financial group, Mrs. Anderson, sit down with and kind of allocate that \$99,000 unallocated into each of these 40 some odd line items? How did that number go from \$39,000 to \$41,000?

Scott Pollock

For vehicle 92-035?

Alderman Flynn

Yes.

Scott Pollock

That is each year through the budget process more money is put into the CERF account and spread among the equipment that is in there and then the account earns interest for each vehicle. We get an increase because of the money that is put in the account and interest the account earns.

Alderman Flynn

Do we still have the \$99,000 unallocated balance in the CERF fund for Public Works?

Scott Pollock

Yes. That unallocated CERF balance comes from equipment that we have a CERF account for that we retire and choose not to replace. The funds are held in the account. For instance, when I prepared my budget this year for 2007 and we reviewed it with the Board of Public Works, we had said as part of the purchase of this truck for the components to go with it we may use some of the unallocated CERF to try to use that money rather than make it affect other CERF accounts or the operating budget.

Alderman Flynn

Thank you. I am going to learn about this CERF account before I am done.

Scott Pollock

It is a very important program that the city has that helps equalize the tax rate year to year. It is a great thing.

Alderman Flynn

In this CERF balance sheet, it looks like Mrs. Anderson's numbers when she uses a 5.5% inflation rate, pretty much at least in this case matches up with what we are paying for this truck. Using the 5.5% inflation she ended up on 92-035 at \$61,000. On the page you sent me, you have a number that says cost to replace \$95,000. When you put in your cost to replace are you doing more than she is? Are you planning into the dump truck body and all of these other pieces as well? Is that the difference between your page and hers?

Scott Pollock

The CERF account sheet in general is just the cab and chassis cost, which is the cab, the frame rails, the engine, the wheels that sort of thing. On top of that we have to add when we build a truck a dump body, hydraulic control system, a spreader for salt and sand, a wing plow and a nose plow. That drives that price up. On this truck, I am going to try to re-use a nose plow, a wing plow, and possibly a spreader to reduce the costs.

Alderman Flynn

If you had to fully replace it with all those accessories that would be as much as another \$30,000?

Scott Pollock

Yes.

Alderman Flynn

Thank you.

Alderman Deane

You are telling me the hydraulic system, the plow for the front with the frame, and the wing plow is only \$30,000?

Scott Pollock

The hydraulic system is just over \$10,000, I think a nose plow is \$4,500, and a wing plow is about \$3,800, and the dump body is I don't know for sure I think around \$12,000. That depends on the body we select. We have gone to bid for bodies for this truck, but we are waiting for documentation on metal thickness, metal hardness, and hydraulic piston design before we award the contract.

Alderman Deane

You are looking at about \$18,000?

Scott Pollock

On this truck, we are going to try to re-use what I can and not have to purchase.

Alderman Deane

But the plow on the front of the vehicle is that re-using the frame too?

Scott Pollock

We will build a new frame. This is a 15-year-old frame. I would not want to re-use it.

Alderman Deane

I don't blame you. Thank you.

... tape flipped ...

**MOTION CARRIED**

*The remainder of the meeting minutes are derived from the Clerk's completed outline as the audiotape malfunctioned. The meeting was not videotaped allowing for re-production of audiotape.*

From: Janice Tremblay, C.P.M., Purchasing Manager  
Re: Amendment to Contract for Professional Services Related to Nashua  
Cotton Transfer Bridge Construction

**MOTION BY ALDERMAN FLYNN TO ACCEPT, PLACE ON FILE AND APPROVE AMENDMENT NO. 1 TO THE EXISTING CONTRACT WITH VANASSE HANGEN BRUSTLIN, INC. IN THE AMOUNT \$74,936. SOURCE OF FUNDING IS ACCT. #771-53025-3750  
MOTION CARRIED**

From: Janice Tremblay, C.P.M., Purchasing Manager  
Re: Contract Award for Cotton Transfer Bridge Pedestrian Walkway  
Restoration Requested by Planning Department

**MOTION BY ALDERMAN FLYNN TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO T. BUCK CONSTRUCTION IN THE AMOUNT OF \$981,848. FUNDS ARE AVAILABLE IN ACCTS. #771-01310-3750 (\$790,000) AND 374-7029 (\$191,848)  
MOTION CARRIED**

From: Janice Tremblay, C.P.M., Purchasing Manager  
Re: Contract Award for Street Reclaim Contract Requested by  
Engineering Department

**MOTION BY ALDERMAN FLYNN TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO BROX INDUSTRIES IN THE AMOUNT OF \$180,562.50. FUNDS ARE AVAILABLE IN ACCTS #590-23553-6921 (\$107,700), #653-07 (\$16,615), #953-45030-5331 (\$11,748); #653-08 (\$14,329.50); #792-53180-3794 (\$28,620); AND #792-53183-3795 (\$1,550)  
MOTION CARRIED**

From: Janice Tremblay, C.P.M., Purchasing Manager  
Re: Amendment to Engineering Design Contract for Farmington Road  
CSO Structure 003

**MOTION BY ALDERMAN FLYNN TO ACCEPT, PLACE ON FILE AND APPROVE THE AMENDMENT TO THE CURRENT CONTRACT WITH FAY SPOFFORD & THORNDIKE IN THE AMOUNT OF \$120,000 AND APPROVE CONTINGENCY FUNDING IN THE AMOUNT OF \$10,000 FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$130,000. FUNDS ARE AVAILABLE IN ACCT. #792-53030-3792  
MOTION CARRIED**

From: Janice Tremblay, C.P.M., Purchasing Manager  
Re: Contract Award for Construction Phase Services for the Wet  
Weather Flow Treatment Facility Requested by Engineering

**MOTION BY ALDERMAN FLYNN TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO METCALF & EDDY, INC. IN THE AMOUNT OF \$2,501,587. SOURCE OF FUNDING IS ACCT. #792-53030-3799  
MOTION CARRIED**

From: Janice Tremblay, C.P.M., Purchasing Manager  
Re: Amendment No. 1 to Professional Services Contract for  
Preliminary Design of CSO #005 & CSO #006

**MOTION BY ALDERMAN FLYNN TO ACCEPT, PLACE ON FILE AND APPROVE AMENDMENT NO. 1 TO THE EXISTING CONTRACT WITH SEA CONSULTANTS, INC. IN THE AMOUNT OF \$235,731. FUNDS ARE AVAILABLE IN ACCT. #792-53030-3791  
MOTION CARRIED**

UNFINISHED BUSINESS - None

NEW BUSINESS - None

WARRANT

**MOTION BY ALDERMAN FLYNN TO APPROVE WARRANT #6 IN THE TOTAL AMOUNT OF \$13,925,077.77 OF WHICH \$2,016,782.55 ARE ACCOUNTS PAYABLE, \$4,536,651.92 ARE PAYROLL AMOUNTS, \$1,994.22 ARE PREPAY AMOUNTS AND \$7,369,649.08 ARE WIRE TRANSFERS  
MOTION CARRIED**

DISCUSSION

Janice Tremblay informed the Finance Committee the letter requested by them relating to the conditions placed on the contract to BCM Controls for installation of the CCTV system is not ready for review at this time. A memorandum will be provided to the Committee at their October 16<sup>th</sup> meeting.

A brief discussion ensued regarding the information that is placed on the city's web site relating to bid specifications. Alderman Teeboom informed the Committee of his desire to have a web page dedicated to the Finance Committee wherein complete bid specifications could be located.

ADJOURNMENT

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

The Finance Committee meeting was adjourned at 9:50 p.m.

Alderman Richard P. Flynn  
Committee Clerk