

PERSONNEL/ADMINISTRATIVE AFFAIRS COMMITTEE

SEPTEMBER 30, 2003

A meeting of the Personnel/Administrative Affairs Committee was held on Tuesday, September 30, 2003 at 7:05 p.m. in the Aldermanic Chamber.

Chair James R. Tollner presided.

Members of the Committee present: Alderman-at-Large Paula I. Johnson
Alderman Timothy B. Nickerson
Alderman Robert A. Dion

Members Not in Attendance: Alderman Stephen C. Liamos, Vice Chair

Also in Attendance: Alderman-at-Large David Rootovich
Alderman-at-Large David W. Deane
Alderman Marc W. Plamondon
Carol Anderson, Chief Financial Officer/Comptroller
David Fredette, Tax Collector/Treasurer
Rick Seymour, Deputy Director, Wastewater
Jim Mealey, Dep. Director, Admin., Dept. of Public Works
George Crombie, Division Director, Dept. of Public Works

Chair Tollner

The only Alderman that has called or let me know that he could not make it tonight was Alderman Liamos. He is out on travel. I am not sure whether any of the other Aldermen are going to be able to attend tonight or whether they have other commitments.

COMMUNICATIONS - None

APPLICATION TO LICENSE HAWKER'S, PEDDLER'S, ITINERANT VENDOR'S LICENSE - None

APPOINTMENTS BY THE MAYOR - None

- UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS

- R-03-266

Endorsers: Alderman-at-Large David W. Deane

Alderman-at-Large James R. Tollner
Alderman-at-Large Paula I. Johnson
Alderman Stephen C. Lamos
Alderman Scott A. Cote
Alderman Kevin E. Gage
Alderman-at-Large Steven A. Bolton
Alderman-at-Large David Rootovich

OPPOSING A WATER RESOURCES EDUCATIONAL CENTER PAID FOR BY
SEWER
USER FEES AND REQUESTING THAT THE MAYOR INFORM THE EPA OF THE
CITY'S
WITHDRAWAL OF ANY PROPOSAL TO DEVELOP A WATER RESOURCES
EDUCATIONAL CENTER AS PART OF A CONSENT DECREE

Alderman Dion

We haven't had a recommendation from the Board of Public Works pertaining to this issue. I think maybe we should have sent this to the Board of Public Works for a recommendation before it came to our committee.

MOTION BY ALDERMAN DION TO HOLD IN COMMITTEE AND REQUEST THAT
THE BOARD OF ALDERMEN REFER TO THE BOARD OF PUBLIC WORKS

ON THE QUESTION

Alderman Johnson

I have some concerns with a \$3 million educational center that will be used with CSO money. I guess even if the Board of Public Works voted against this piece of legislation and wanted to continue with the \$3 million facility – I think that we should pass this. It can always come back another time if they really want the building for less costs and to give us more details on the building. Three million dollars is a lot for a building.

Alderman Dion

The reason I made that motion to hold in committee and send this to the Board of Public Works for a recommendation is that I think it is the fair thing to do. I think they should have a say. It is their department and I feel as though we should wait for a recommendation one way or the other. It probably wouldn't change my vote, but I still want to give them that opportunity to look at it and give us a write up on it. Thank you.

Chair Tollner

Is there any further discussion?

Alderman Johnson

I'm sorry the Mayor just passed through here and he is the Chair of the Board of Public Works and I thought that he was not in favor of this building anymore. It is sad that he has gone through and I can't hear what he has to say. He said that he opposed it.

Chair Tollner

Do you want an opinion from the Board of Public Works or do you want an opinion from the Mayor?

Alderman Johnson

Well he is the Chair so I mean if we're going to send it to the Board of Public Works and he is opposing this at this point in time - \$3 million, I can't understand why we would need to go to the Board of Public Works. We are the policy making body here. Basically \$3 million is a lot of money – CSO money no less to be using on this facility. Even if they came back with an unfavorable recommendation and they want this building are we going to then say well we are going to consider their recommendation and are people going to change their minds at this point in time? You have 9 sponsors to this piece of legislation. I think \$3 million is – I think if they came back with something else at this point in time – less money and could show us an educational center for less than \$3 million maybe some other Aldermen would consider it, but at this point in time I think it is just – we are spinning our wheels here. Thank you.

Alderman Dion

Mr. Chairman I am not going to beat this thing to death, but all I can say is this – I don't know enough about this. I want a detailed accounting in this report from the Board of Public Works pertaining to what this entails. Everybody is jumping on the bandwagon here without knowing the facts, and I want to know the facts before I vote on this. That is why I want an explanation and a recommendation from the Board of Public Works. I want them to dig into this and let us know exactly what it is. Nobody in this room, on this Board I should say, knows exactly what this entails, and I want to know what it entails and what the reasons are and what benefit it will be to the city. I want to know all of these things before I vote on it. I haven't got my mind made up one way or another. Some people do. I think it is only fair to listen to all the details before we decide.

Alderman Deane

I can give you a little history Alderman Dion on what I know about it. It was asked that the region, which is the EPA's exploring how to incorporate the city's plan to develop a water resources educational center into a consent decree – the cost of the construction of the facility was included in the cost modeling for the sewer rate scenario that was presented at the last meeting for \$3 million. It has since been removed I guess – Carol Anderson has told me, and the Mayor has sent me an e-mail stating that he wants to pursue having it part of the consent decree and he will look for another funding source either through grants or federal appropriations of some sort. He also stated that sewer user fees would not be used to fund this facility in a communication he sent to me. If that helps you shed a little light on it that is good. Send it to the Board of Public Works. I think they are supposed to have a presentation on this maybe tomorrow evening I believe at their meeting at 5:30

p.m. upstairs on the third floor. Let them come back with a recommendation. I welcome it. Thank you.

Chair Tollner

Are there any other comments from committee members on this? I will comment on this. I agree with both Aldermen. I agree with Alderman Dion that this should be forwarded to the Board of Public Works for their opinion and that opinion should be forwarded to the Board of Aldermen. I also am opposed, and that is why I am an endorser, to have any sewer user fees attached to any portion of this building over at Mines Falls. I have no problem voting on this particular piece of legislation tonight, sending it to the full Board, and amending the motion that it will remain at the full Board level until we get an opinion from the Board of Public Works if Alderman Dion is comfortable with that motion. What that means is that we could vote on it tonight and it will be held at the full Board level pending an opinion from the Board of Public Works.

George Crombie

The Division of Public Works has never had the opportunity to come before this Board or the commission to discuss this resolution. I think it is also important that we go into legal session with our attorneys at some point to also discuss this. I think this issue has far reaching consequences and we really need to think it through. I am asking that we have the opportunity to do that. After that period of time then whatever happens happens, but I feel we need to be able to convey that to the Board.

Chair Tollner

Would you be prepared to make a presentation at the next Personnel/Administrative Affairs Committee?

George Crombie

Yes I would.

Chair Tollner

With all the questions – Legal situation wrapped up?

George Crombie

Yes.

Alderman Deane

That meeting is November 6th – your next meeting?

Chair Tollner

As of right now we may have another meeting in between that, but the November 6th meeting is fine. We may have another meeting in between, but we could take this particular item up at the November 6th meeting. How long would you need? If we had another meeting in two weeks – would two weeks be a sufficient amount of time?

George Crombie

We could do it in two weeks. We would probably need 30-45 minutes. I think it is a very important issue relative to a lot of things that we will need to discuss both publicly and in executive session relative to the consent order.

Chair Tollner

George if you could prior to that meeting possibly forward to the Board of Aldermen some information that we could look at prior to that meeting as well – that would be very helpful.

George Crombie

Sure – I would be happy to.

Chair Tollner

Alderman Dion's motion is to hold in committee until we receive approval from the Board of Public Works and have a presentation on it at either the next meeting or the meeting on November 6th.

Alderman Deane

Aren't you referring this legislation to the Board of Public Works?

Chair Tollner

Yes and referring it to the Board of Public Works.

Alderman Nickerson

Technically I think the Board of Aldermen is the only body that has the ability to refer it to the Board of Public Works. We can request that the Board of Aldermen take it up at its next meeting and refer it, but I don't think that this committee....

Chair Tollner

I think that this committee can ask for an opinion from the Board of Public Works. I will check that with Legal, but I think the intent of the motion Alderman Dion has made is a legitimate one.

Alderman Rootovich

I believe it already was referred to the Board of Public Works.

Alderman Johnson

Are we just going to make the motion now to hold in committee and refer it or just hold it in committee?

Chair Tollner

Hold and refer. If it has been referred already then we are not posing any problems to anybody.

MOTION CARRIED

NEW BUSINESS – ORDINANCES

O-03-204

Endorser: Alderman Marc W. Plamondon

AMENDING THE LICENSING REQUIREMENTS FOR OPEN AIR CAFÉS THAT ENCUMBER SIDEWALKS

MOTION BY ALDERMAN NICKERSON TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Alderman Plamondon

I would hope that we will amend to hold, however, I wanted to give an outline as to what is going on. The reasoning for this legislation – I thought I had it with me, but I left it home on my desk. This particular legislation is trying to address the multitude of complaints coming from downtown residents, a couple of businesses, and the Nashua Police Department. Several years ago I sponsored legislation to allow the sidewalk cafes and they have been a huge success. They have been I think a large part of our downtown's redevelopment, however, there are businesses downtown that have specially on Thursday, Friday and Saturday nights large clientele – I mean in the hundreds – serving alcohol. Problems for those living downtown is the loud noise. With the alcohol consumption outside a compromise is what we are looking for. Part of this legislation would outlaw the sale and consumption of alcoholic beverages after midnight outside downtown. The residents hope that at least by midnight then the noise levels would go down. Another large problem that is occurring is the number of fights – they have been increasing throughout the summer. The colder weather is upon us so hopefully there won't be quite as many, but there have been several instances where fights are taking place in the front of buildings on Main Street and the rears of buildings at the same time. It has taken a toll on our police department's enforcement – the in effect have to take half the officers that are on that shift to respond and try to address these issues.

Part of this legislation again as I said is to outlaw the sale and consumption of alcoholic beverages

after midnight and try to address the noise and problem levels. The other part of this legislation would try to set a standard for the number of individuals allowed in the outside cafes. The problem that we have is the Fire Marshall is the enforcing department and we don't have fire marshals working on the second and third shift. The police department has little to no enforcement ability as to how many people are outside. This legislation attempts to give the police department the ability to enforce how many people are outside so to make it safer and try to reduce the number of problems. In speaking to Deputy Chief Connelly today another point was brought to my attention that I was unaware of that the police department would like an amendment to this legislation stating that no glass bottles of glass beverage containers be allowed outside in these outside cafes at any time of day. There have been a lot of problems with broken glass and a lot of these fights have utilized especially bottles. There are some prominent Nashuans who have gotten in the way of these flying bottles and have had severe damage facially and have had to go to the hospital. There is really no reason why we need glass outside. That would be some consideration that I would ask the committee to look at and possibly amend this for the glass.

The permits are given through Public Works and I happen to have one permit here. I am not picking on any one business, but our largest outdoor café is Martha's. Trying to look at their permit and again I am very supportive of Martha's. They are a big part of our downtown. I am not picking on them. I just am using them as the largest one to show some numbers. The permit gives them 18 feet by 90 feet and the standard that is set allows 1 table and 4 chairs for every 64 square feet. To my math 18 x 90 is 1,620 sq. ft. divided by 64 is 25.3 tables – that is 101 people. That is quite a few people outside especially in the late hours and with alcohol involved you can see how things can get problematic.

I don't know that one person every 4 sq. ft. is the answer. There are standards out there, and I have asked for copies of national standards and haven't received them yet. Another concern is the permit allows for the sidewalk to be encumbered except for 3 ½ feet. This legislation would make it a minimum of 5 feet needed. It is my understanding that is ADA standard – 5 feet of sidewalk for clearance to address wheelchairs and so on. It is also my understanding that where we use federal monies for these sidewalks that we have to have 5 feet and to be ADA compliant at all times. That is another reason for in this legislation the 5 foot minimum would be required. I will certainly entertain any questions. Thank you Mr. Chair.

Chair Tollner

This particular piece of legislation I think we need to be very cognizant of the restaurants and the business community. What I would recommend to the endorser, which is you right now, is to first of all whatever amendments that you would like to make to this particular piece of legislation what I would probably do is put it in a memo form and at our next meeting or subsequent meeting provide that first of all to the committee and then I guess the second thing I would like to see is a letter go out – maybe you can work with Sue – to the downtown business owners to let them know the night that we plan on seriously discussing this to make sure that it is communicated to them that you would like to talk about this particular piece of legislation that night. I want to make sure that whatever we do with this particular legislation whether we vote it up or down – and right now I don't have a particular opinion on it – I have some concerns about making those changes as a result of the good things that have come about with us having those tables out on the street. I think it is good

for not only the restaurants but the other downtown businesses. I want to make sure that we communicate to everybody that we are going to discuss it and provide them with an opportunity to come and provide their opinions and comments as well. I guess that is two things and I guess the later one was probably the most difficult and that is trying to communicate to everybody that we are going to be talking about it at a particular time and place in this committee. The first one would be again any amendments that you would like to see forwarded to the committee.

Alderman Rootovich

You made a comment Alderman Plamondon about 25 tables. I think the most they have out there is 8. I don't remember seeing 25 tables out there. Just from my perspective I think a bigger problem we have with the outside cafes in many of our established downtown is the fact you have somebody who is clearly intoxicated but the waitress keeps servicing, and I think that is more of a problem.

Alderman Johnson

I am glad you asked that letters be sent out to the businesses/restaurants because I would like to have a fair hearing and hear their side of it and what they would do to make sure that if we change it how it would hurt their businesses and if we leave it the way it is what are they going to do to try to change and also make sure that patrons who are drunk at this point in time, and I guess that is the only way you can put it, have a little bit too much to drink – I thought there was supposed to be a law that after a certain amount that they see they are inebriated that they have to cut them off. That is an issue here. My other concern is that we say there are no Fire Marshalls on at that point in time, but we really shouldn't have to have the fire marshals. We have clean clad rules as to how many tables are supposed to be out there, how many people are supposed to be out there – the rules have to be followed. I agree that maybe the police need to be brought into this because they can check out if we are following the rules, but I don't think that we really need to have a Fire Marshall to be able to uphold the rules here.

Also can somebody answer me why the Public Works would give licenses to have outside cafes – why it is being licensed through them and not the police or any other department?

Chair Tollner

It is encumbering the sidewalk. When we first introduced this about 7 or 8 years ago it was the encumbrance on the sidewalk and that is why the permit needed to go to the Board of Public Works.

Alderman Rootovich

That is correct.

Alderman Plamondon

I just want to address a few things. Keep in mind I am trying to be the balance point here. I wholeheartedly support our downtown businesses – that has been my history, my present, and my

future. However, the number of calls and complaints from the residents downtown and the police department and the fire department as well is why and especially this time of year. I would much rather have looked at this next year, but the number of complaints is high enough that I am forced into bringing something before the Board for consideration and contemplation and at least bring it to the forefront for attention so that everyone is aware that there is a situation. For Alderman Rootovich I also believe there are only about 8 tables out there, but my point to saying that was what the permit would allow. That is what is in writing on the permit and I think that is kind of a high number. The liquor commissioner also has a very, very large area that he handles. I have also been told that he is spending a tremendous amount of time in Nashua and one of his primary concerns is what is going on downtown in the late hours. He is frequently not just the downtown but other areas within the city with a high degree of frequency because it is recognized that there is quite a bit of concern as to what is going on.

We don't want to shut anything down we just want to make sure everything is safe for everybody who comes to visit our downtown whatever time of day it is. I might also bring up a point too that we have had historic problems with other downtown businesses of this nature and the hiring of a police officer has resolved all of those problems. For instance Margarita's since they have hired an officer the Nashua Police Department has not had to go down there to address any of these types of fights or so on. The calls and service level is drastically different. I don't think we can force businesses to hire a police officer. It is a common sense issue. As far as not having a Fire Marshall that is why this legislation is proposed – the police department has no jurisdiction to enforce the number of people out – that is why an ordinance. Their job is to enforce ordinances not fire codes so to speak. That is why an ordinance of some sort would be needed for enforcement.

Alderman Dion

I share your concerns about this ordinance, but I also share the concerns of Alderman Plamondon. At the Infrastructure meeting a couple of months ago we had some people come in and complain about this loud music and fights and drinking going on outside of one establishment on Main Street. I share these people's problems and I think Alderman Plamondon is on the right track. As far as the sidewalk is concerned I have seen times where people couldn't even walk through there because there were so many people standing out there. I think 5 feet is a reasonable width for pedestrian traffic. I think it should be in the ordinance. I also think I don't know whether we can do anything about the drinking time because I think it is a State issue with the State Liquor Inspector. We would have to look at that. The loud music is a problem. I know people that live on Main Street that have complained continuously. There has been a lot of fighting going on not only men

but women also. It has been a bad scene and I think Alderman Plamondon is on the right track. Hopefully we can resolve this with some kind of legislation to give these people some relief. Thank you Mr. Chairman.

Chair Tollner

Keep in mind we are not going to vote on this legislation tonight.

MOTION BY ALDERMAN NICKERSON TO HOLD IN COMMITTEE

ON THE QUESTION

Alderman Johnson

I would like to recommend that maybe we can get a representative from the police department to come in and let us know how they feel and what they believe is the best solution. Also I think it is important that if we don't know what time last call is in the establishments – is it 1:00 a.m.?

Alderman Plamondon

Quarter of 1:00 a.m.,

Alderman Dion

It used to be 11:30 p.m. Alderman Johnson, but things change.

Alderman Johnson

I know in New York last call was 3:00 a.m. New Hampshire is far behind. Maybe something if it is at the State level we might want to see if we could change legislation maybe like to make last call a little earlier in the evening, which would solve problems in a lot of places. I understand what is going on downtown. People have too much to drink, the fights break out. I think also it is the establishment's responsibility and I think there is a law at the State level that once you see a person has had too much to drink you have to cut them off and if we're not doing that then it becomes the establishment's responsibility. We can write all the laws we want at the local level, but if the establishments do not take away the alcohol this is what is going to happen. Thank you.

Alderman Nickerson

We're certainly not going to act on this – I believe what we are probably going to be doing is holding so I don't want to discuss it too much longer because there won't be much going on with this, but what I would like to see in the information that comes back when we discuss this again is really the incident rates and so forth of the different situations that Alderman Plamondon had mentioned such as the glass issues or the fights and so forth and what areas they were in. I am sure that information is available and if not then I am sure it can be available. I certainly think that the quantitative analysis of the incidents and so forth are certainly important to help us make that decision. Thank you.

Alderman Plamondon

As Alderman Johnson said I have requested either police presence or opinion and probably Captain Gravel would be the one who handles that shift – he would be a good one to have come to the committee or get an opinion from. As far as the number yeah we can bring police reports, but I think it would suffice that if an officer came and gave detailed – I don't know how much you want. There is some pretty nasty stuff. I don't know how much detail you want. I can't paint a full picture of it

because it wouldn't be fair. There is some really horrendous stuff that has been happening in these late hours. I am trying to handle this as delicately as possible. I have asked for a police opinion either something in writing or an officer to or a Captain level to attend to answer committee questions. I have spoken to some of the businesses and I will tell you that they don't like this. I have told them – they know I have supported them, they know I am between a rock and a hard spot to bring these issues to the forefront. It might be easier to not look at the cut off of alcoholic sales after midnight that would help the businesses – maybe the answer is let's just try going plastic bottles and plastic glasses and see if that will curtail the number of violent issues that we have been having of late. There are a couple of things that we could look at for amendments of this legislation to make it as friendly as possible. Thank you for the opportunity to speak Mr. Chair, and I thank the committee.

Chair Tollner

The motion is to hold. Just before we vote on it some of the things we are going to look for when we come back to discuss this the next time are as Alderman Nickerson brought up maybe a list of the incidents, making sure that we communicate, and I would suggest in writing, to the downtown businesses, and when you come to the meeting next time have any amendments lined up. What we are trying to do is get that to the committee like any other information prior to the committee meeting so we have an opportunity to look at them and review them. Maybe that will make the process move a little smoother.

Alderman Plamondon

Alderman Johnson last call is like 12:30 a.m. because state law is alcoholic beverages have to cease at 12:45 a.m.

MOTION CARRIED

Chair Tollner

I will hold in committee again – this is going to be the 4th month in a row -- the appointment to the Ethnic Awareness Committee of Olga Tines. What I will do is ask the Mayor as well as Sue Lovering to send a letter and if she doesn't come to the next meeting maybe we will just make a motion to forward her recommendation – I don't know what is going on with it. I haven't gotten any correspondence nor has Sue. I will ask someone from the Mayor's office to follow up on that. She has been held in committee since June.

MOTION BY ALDERMAN TOLLNER TO TAKE FROM THE TABLE O-03-173

MOTION CARRIED

O-03-173

Endorser: Alderman-at-Large David W. Deane
Alderman-at-Large Paula I. Johnson
Alderman Stephen C. Liamos
Alderman Kevin E. Gage
Alderman Scott A. Cote

REDUCING THE FLOW CHARGE RATE FOR THE CALCULATION OF THE
SEWER
USE FEE FROM \$1.67 TO \$1.22 PER ONE HUNDRED CUBIC FEET

Chair Tollner

This has also been assigned to the Board of Public Works. Maybe when Rick or Jim or George comes up they could just provide us with a brief update as far as where it is with the Board of public Works. Just for the public's information this was held in committee on June 5th for approximately 60 days while we were waiting to hear from the federal government on an agreement, which we received roughly 5-6 weeks ago. We were given a presentation at the last Personnel meeting, which was the beginning of this month. I think Rick and his people as well as Carol and David Fredette are here tonight to provide us with – I guess we have categorized this as a work session or mini work session, and there is also someone in the audience who has worked on this project as well, Prachi Chah – she is an intern at City Hall – she is over at the High School. Thank you very much.

Alderman Deane

I believe she is one of the advanced placement students at the high school.

Chair Tollner

Thank you. I don't know who wants to begin the presentation. What I will do is ask Sue and Dawn to type up the minutes of this presentation to send it to those members of the Board of Aldermen that were not able to attend tonight's meeting. I think the intent of the endorsers of the legislation was to reduce the sewer user fee by the amount that is shown in the legislation, and I think the presentation tonight will speak to that and make some additional adjustments. To the people that are presenting before they speak if they would just state their name and address for the record.

George Crombie

What I would like to do is first kind of summarize where we have been and where we are today relative to the recommendation to reduce the sewer rate by 20% (*Periodically the individuals presenting refer to a slid show that was presented. A copy of such it attached hereto, and therefore, is part of this record.*). Back in 1997/1998 the city negotiated with the EPA on a Consent Order and agreed to separate the combined sewer lines in the city. The cost of that project was somewhere between \$100 million and \$150 million at that time based on 1997 dollars and based on evaluation and a review that we made – we believed by the end of that project would be at least \$250 million. The other thing that was of real concern to us was how much real impact was that going to have on the water quality in the city. In a recent study just done by Camp, Dresser & McGee for the Merrimack Watershed they showed some numbers that storm water runoff is about 70% of the pollution that goes into the Merrimack River right now and CSOs are only about 10%, which tells you that there are pollutants going into the river not only from CSOs but storm water as well. When you separate a combined system the following things happen -- normally if it is a combined system all of the flow with exception to large storms goes to the treatment plant and is treated. W when you

separate it all of the storm water goes directly to the river and does not goes to the treatment plant.

In a letter sent to the city back I believe it was 1988 CDM cautioned the city that in the future that separation may lead to treating of storm water in the future. Based on this review, based on history, analysis, what other people were doing, I recommended to the Mayor back in I believe it was 2000/2001 that we take another look at the consent order. The reasons for this were two-fold. It was a question of what is the real water quality impact by separating and the second was the impact that it would have to the sewer rate. The other thing that we did at that time is we pulled back on the separation work until we really got an answer. We wanted to make sure that we didn't spend millions of dollars on separation no knowing exactly what the answer would be. That is why today we have a significant surplus in the sewer department because it was in direct relation to holding back and not spending that money until we understood what was happening. We then went out and hired the firm of Metcalf & Eddy, which is one of the leading firms in the United States on wastewater and sanitary engineering, and we asked them to take another look at the plan as well as take a holistic look at both the impact of storm water and CSOs to the river.

We spent about \$400,000 doing that. They came back with a recommendation that they believe we should keep most of the system combined and that by doing that it would have a significant benefit not only to the bottom line but would have a benefit to the water quality of the river.

The next slide shows the benefits that could be achieved by this – less expensive, quicker, removes more pollutants as compared to only sewer separation, called by EPA as a groundbreaking and a model for future CSO agreements. The EPA and NHDES called the Metcalf & Eddy CSO plan one of the best and most logical approaches to CSO abatement they had ever reviewed based on the direct environmental effect of this plan on Nashua and the Merrimack Rivers. As you see over on the left slide communities all along the Merrimack River are now looking at Nashua's plan for guidance.

The recommendation for the 20% rate increase is based on models that we put together working with a consulting firm to evaluate what we believe the rate should be. One of the things we did in the model was try to look at what would happen this year, 5 years from now, 8 years from now, 10 years from now, and try to give the best guidance possible to this Board, the Public Works Commission, and the Board of Aldermen on the recommendation relative to the proposed new sewer rate. We are comfortable that the analysis that we have made working with our Treasurer, David Fredette, our Chief Financial Officer, Carol Anderson, Jim Mealey, our Deputy Director for Administration and Finance, and Rick Seymour, the Deputy Director for Wastewater that we are putting a proposal before you that will do two things; 1) it will allow us to move forward with this plan and 2) we believe is the best finance model to move forward.

If you look at the next slide you will see the impact of what this means to the ratepayer in the city. The blue dotted line in the middle where Rick has his pencil is what the average rate is in the State of New Hampshire and what the progression may be over time. The line above, which is at the \$600 level shows what the rate would have been or the recommendation I would be here tonight recommending to you if we were not able to renegotiate the administrative order. The proposed rate that the city is now paying or the average family is \$296. The rate that we are recommending this evening – the black dotted line – goes to \$237. What I would like to do now is turn it over to Rick

Seymour who will give you an analysis of how we got to a recommendation of 20% rate reduction and answering questions that you may have.

Rick Seymour

Basically our objectives are to maintain target reserve account, adjust the sewer user fee to meet present and future needs, provide sufficient funds for the new CSO program of \$45 million, provide sufficient funds for sewer rehabilitation and replacement of \$15 million, and provide for an easy and feasible framework for future rate adjustments. The model is quite complicated and some characteristics that we need to look at before we talk too much about the model. It provides for expenditure and revenue analysis and it is based on estimated program costs that we have entered into the model. What we have done is we have gone through and figured out what our estimated revenues are going to be and also more importantly looked at all the program costs for CSO, sewer maintenance, operating the wastewater plant, building services, etc., bonded debt and all those programs costs were entered into the model based on the best estimates that we have at this date and time. The model is fairly accurate for the first couple of years as any model is and the best prediction is in the beginning of the model and as the model moves on 5, 6, 7 years that is where you lose some accuracy. One of the things you have to understand too is that the wastewater business is not a static business, it is not like we were making widgets and we know the amount of widgets we are going to make and how many people we need to make those widgets and how many resources we need to make those widgets.

The wastewater business is quite complicated and after 5 years the accuracy of this model diminishes as any model in any community that has a wastewater or even a water model but more in particular a wastewater model. You have unpredictable future EPA and NHDES mandates. Next year when our permit comes back for renewal they could ask us to remove ammonia from the discharge of our waste stream. There are future program needs that are always going to be on the horizon. What we try to do as part of this input into the model is put the best information we have at hand at this point in time – what we know of that makes a lot of sense and we put that into the model. We have some grant availability. The EPA grants have been coming to us every year, but they are not a guaranteed grant. Some years we have received \$2 million and some years we have received \$1 million and other years we haven't received anything. NHDES grant money typically is fairly available as long as there is money in the state budget for that, interest rates, inflation, revenue generation, and new legislation – all of these different factors give you an idea of why the model is accurate probably for this year, next year, and the year after that, and then it starts tailing off as far as accuracy is concerned. What it does is it gives us a tool to provide for periodic rate analysis so that we can look into the future 3-4 years from now or even 2 years from now and go back and plug in new program costs, new revenue estimations into the rate analysis and figure out if the rate is where it should be, if it can stay there. I think you really have to look at the years 7, 8, 9, and 10 are not going to be very accurate. If anybody asked me 5 years ago if I would have a digester on line, if I had a new CSO program, if I had all the sewer collection system problems that I had I would kind of smile and say I don't think so but I think every year brings on new avenues that we have to work on and new projects that we have to address. Just to give you a flavor for where the model can and can't go.

The last time we were here we showed you a rate model that showed a 20% decrease in FY

'04-'05. This was based on a model where almost all of the expenses or programs were SRF funded. After 20% it then needed somewhere around 8 or 9th year a 10% increase. Of course by this point we are really in to a gray area, but just to show the analysis and to complete the analysis – the average residential fee would be \$296 as it is now and would drop to \$237 when the 20% rate decrease came into affect and then it would ride fairly even or flat until FY '10 where we would have to raise it by 10% and then it would flatten out for the next few years. As we talked about last time – I don't want to repeat too much of what we have already said – we looked at inflation of 2.4%, O&M inflation of 2.3%, account growth of 1.1%. All of the numbers that we used are very conservative. There weren't any high blown numbers as far as what could happen. The ending year reserves kind of balloon out towards the middle of this particular option and then they start dropping down once all the SRF loan payments come due.

The debt service payments go from \$1 million and then you can see when the debt service payments kick in. All of these numbers are all hinging on the different CSO and wastewater treatment plant costs that are plugged in for certain years. Now the CSO program costs are pretty much tied into certain years because there are due dates as far as the M&E plan and some due dates that we already have as part of this administrative order.

Are there any questions on this particular ...

Alderman Deane

You have already started to implement this plan right – you have ordered that duck bill flap for the CSO at the last Finance meeting – it will be in by the first of November.

Rick Seymour

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Yes.

Alderman Deane

Where in this cost analysis does it show – where would you have roadwork in there?

Rick Seymour

Valve or...

Alderman Deane

Pipe replacement. If you have I&I or constant sewer backup problems like we have in many areas of the city – is that problem going to be addressed in some fashion?

Rick Seymour

Yes, we have \$1.5 million that is spread over the 10 years for that particular problem so we have money that we are setting aside. This is outside the money that was required by the administrative order and that money will be set aside on an annual basis to at least alleviate some of the problem

areas. What we are doing in our department now is we are prioritizing those areas that are problem areas. I get calls all the time. What we are trying to do is prioritize those so when we get to the point when we have enough problem areas that we need to deal with we will put them together as a package and deal with them with the money that we are putting aside annually for sewer rehab and replacement.

Alderman Deane

That is not going to be any ongoing work is what you are saying?

Rick Seymour

That will be ongoing work. What we are doing right now is prioritizing a list that we have in order to get a program together. We are doing work throughout the city, but we are gearing up for that as part of our program.

Alderman Deane

That is under the mandate of the I&I as well with those sewer lines once you go and camera all those lines?

Rick Seymour

It is a comprehensive program. Corrective system right now maintenance is involved in videoing the lines, visual, testing of the lines, flow metering, just basically also some reactive situations where we go to overflows/backups. At this point in time we know we have certain problem areas in the city that need to be addressed. This will give us the funds that we need to address that particular problem on a fairly regular basis year after year for the next 10 years.

Alderman Deane

Are you saying you need \$1.5 million a year will be spent on these problem areas?

Rick Seymour

We figure at least \$15 million over the next 10 years. That will give us a good capital project to deal with those types of situations. Are there any other questions?

We showed you this last time. This basically is a graphic illustration of that particular scenario and it shows you at the top where the reserves basically peak here and then they drop and you have the revenues in red and the expenditures in the blue box, and you have some income. It gives you an idea. You can look into the future. You can look 20 years into the future, but accuracy like I said diminishes after the first few years.

Chair Tollner

If I look on the left it would be 2003/2004 and then 10 years ...

Rick Seymour

This is 2003/2004 correct.

George Crombie

One of the things I think is important to understand on this model is that we want to make sure that we have enough – we know that we are going to have SRF payments coming down the line and we want to make sure that we have enough reserves in place in order to pay for those when they come up and there isn't a shock to the rate. It would be easy for us to dump the reserves and come in with a 40-50% rate decrease, but 5-7 years down the road you will be hitting a wall. It is very important when we did this modeling that we demonstrated the reason for the reserves that we have held is because you are going to have these large payments that we know we are going to have. If we didn't see those then we would be dumping them now and making a very different recommendation to you.

Rick Seymour

George, Jim, Carol, Dave, and I have been working on a modified approach to the whole situation. We have a modified partial cash and SRF – still utilizes a 20% decrease in FY '04 and a 10% increase in three fiscal years – year '09, '11, and '13 and I have to caution this is very – it is basically projecting way into the future here. The most important portion of it is the first 5-6 years where we definitely have a 20% decrease. Some of the things that we have done with this model is we have set aside and determined that all future CSO projects will be SRF funded. That is the State Revolving Fund loan – that is everything that is under the administrative order presently. That is the tanks, the treatment system, the treatment plant, screening disinfections unit, and some of the optimizations within the system. The second item – cash for remaining CSO separation projects – we have two projects that we are presently finishing off; South Main Street and Ledge Street actually Ledge Street is on the drawing boards right now, but those two are also part of the administrative order, and in this proposal we are looking at cash to pay for those. A good portion of it is already in this present year's budget and a good portion of it will go into next year's budget. We are looking at an SRF with a \$15 million sewer rehab and replacement program our annual \$1.5 million. We are looking for cash for all wastewater treatment project and that includes those projects that are equipment replacement. For instance, there are some projects at the plant where large pieces of equipment are being replaced. Those monies are going to be paid cash out of the equipment replacement fund. We removed the water education center in this model. Obviously I just mentioned we have additional increases in later fiscal years '09, '11, and '13. It maintains end of year reserve balance at approximately \$9 million. We have also made sure that goal has been fulfilled. Then we have a net decrease in cash at the end of the 10th fiscal year – it is only \$1.1 million per year. It slides off a little differently than the other model ... tape flipped ...

Chair Tollner

There were 5 options that were presented to us. I think it was very easy to ascertain that the first 2 were not ones that we would entertain under any circumstances. Then I am thinking we are down to three. Where did that last one fall in? Is that closer to the 4th or 5th option?

Rick Seymour

This is basically a conglomeration of both the 3rd and the 5th options. The 4th option had a 15% decrease and we didn't feel that was sufficient enough to meet the needs of the model. We basically took the 3rd and 5th option and melded those together a little bit differently with some additional changes to it. Some of the things too is as this model evolves and one of the things that is changing is we just purchase the Tampa Street CSO valve for \$15,000 – we had set aside as part of the – the administrative order noted that we had about \$80,000, but because we were able to put the valve in at rather than digging up the whole station we were able to put the valve in through the river end of CSO structure we were able to save about \$65,000. That has been another adjustment that is part of this model so there are a lot of sophistications that are in here that are really looking at the cost of the actual program. We have 20% rate decrease in FY '04 and as I mentioned there are some rate increases in the future to balance off the whole situation. An important line to look at is end of year reserves. We start off with \$17 million, which is about what we have right now in addition to what we might have put aside for this year's budget and then we maintain pretty much an average of \$9-13 million and we end off in the year '10 at about \$8.3 million.

One of the things that is different in this model is our net decrease in cash is not as fluctuating as the previous model. The user fee goes from \$296 to \$237 and that was the same as in the other model. It also increases to \$261 but then it has a couple of other increases down the line. Just to look at some of the pieces of this model – it is fairly sophisticated. Understand too that this spreadsheet has 12 different spreadsheets backing it up. There are spreadsheets that detail the program costs, the revenue costs, bonded debt interest, available interest, there are a lot of different nuisances to this model other than just the spreadsheet that we are showing you. This gives you a good flavor of what the whole model can do and will do if you plug in appropriate numbers.

The debt service payments go from \$1.1 million and because we are using some cash they aren't as severe as the previous model. Instead of being about \$6.5 million in the 10th year they are about \$5 million, but there is still a heavy reliance on SRF and there is also a good reliance on cash. As you can see it bears some attention here to look at where the engineer reserves pretty much balance out. Not to beat this to death the only other thing you might want to look at is the bond size – that is in blue – that show you how much projects are being bonded, and you can see in this year you have a huge bond amount and that is because you are putting in the finalizing of the installation of the wet weather treatment unit at the wastewater plant, which is the high ticket item of about \$26 million. Are there any question on that?

George Crombie

I think the important thing on this model is that what you are doing here if you use your cash up front you are going to be increasing the rate 6-7 years out on most of them – if you are bonding we will be

able to show you that.

Rick Seymour

The reserves here as I said they are not flat lined, but considering a lot of the expenses are up front and if you start bonding a lot of the CSO expenses then you still have some cash outflow because of the increase in bonded debt. The expenditures are obviously in blue and the revenues are in pink or red.

Chair Tollner

I will mention this again at the end of the meeting, but these slides and the ones you have shown us previously – George if you could get together with Rick and Carol and Dave and Jim and maybe put a packet together with a cover memo – what I would like to do is get that out to the members of the Board that were not able to attend tonight.

George Crombie

That is no problem.

Chair Tollner

I do think regardless of the different opinions on this if we have an opportunity to lower the sewer user fee rate for the public we should take full advantage of that. If we can put a packet together and send that out this weekend and make sure that the rest of the members of the Board get it with a copy of the minutes that will also come out at the end of the week maybe we can move forward on some decisions. The last time you were here we had 4 Aldermen and tonight we have 6 Alderman. I want to make sure everybody is informed before we make a decision.

Alderman Johnson

It is almost like people coming out to vote here. Are we going to get a complete packet tonight when we leave of what was done here?

Rick Seymour

I could provide the two spreadsheets that you have seen; the one that we handed out last time and the modified version.

Alderman Johnson

I have the packet from the last time. What I want is this whole update now that I am seeing on the slides here because I am a very visual person and I want to be able to compare that with this because I am going to go back to a statement you said earlier on with one of the pages, but if I had it right in front of me I could have been taking notes right along. I really appreciate when we come to meetings like this that we get this information in our packets prior to the committee meeting – at least

give us a handout here tonight so we have a chance to read it as you are going along. Thank you.

Chair Tollner

I will agree with that. Thank you.

Rick Seymour

Are there any questions on this? That pretty much wraps up our presentation tonight. We didn't have a lot for you. We didn't want to overburden you with a lot of details and facts, but this give you an idea of where we are working to make some modifications. We have some choices to make at this point in time of where we want to go. Obviously if 20% makes sense as far as the city is concerned it still gives us enough revenue so that we keep a reserved amount in the bank for emergencies or contingencies that we are not able to predict and gives the ratepayers I think a deserved break considering the administrative order coming through.

Alderman Dion

Pertaining to another problem that we have in the city that has to be addressed and that is solid waste. We have a large deficit that will start this year and next year to the tune of \$2 million and growing every year. This will have to be paid for and chances are it might end up being part of the city budget, which will increase the taxes naturally. I was wondering if Dave Fredette, Carol Anderson and Board of Public Works, George Crombie could give an analysis of the 20% savings per year and the cost whether that would be enough to earmark this 20% savings for the deficit in solid waste that we have – whether this can be done and would it erase the deficit if we used that money towards the deficit because one way or the other we will have to pay for it.

Chair Tollner

What I would like to do is invite Dave Fredette and Carol Anderson up. Before I recognize Alderman Johnson maybe someone would like to respond to Alderman Dion's question.

George Crombie

Let me try to address that particular issue. One of the problems that we are facing with the solid waste is that there wasn't a what I would call a long term business plan put in place where you could look at expenditures over a ten year period and that wall I talked about in the survey is what we are walking into with the solid waste rate. I thought about the idea of a new fee called an environmental fee that would do both solid waste and wastewater and the more I thought about it the more I had issues with it. I had the following issues; 1) wastewater rates are really paying for consumption of wastewater meaning that the people that pay that really have the right to those dollars, 2) we don't know whether or not the solid waste operation will continue being an enterprise fund or it will be part of the general fund and I don't think that question has been fully answered, but one of the things about a rate than goes on to the general tax is it is tax deductible and a rate that goes onto like a sir rate is not tax deductible. Those models haven't been run but that is an analysis that we need to make. I guess our recommendation at this particular time is that we keep them separate.

Chair Tollner

Mr. Fredette do you want to add anything before I go to ...

David Fredette

I think everybody here is aware that there is a solid waste taskforce that was created a while ago by the Mayor and I think there are 8 of us on it – there is myself, Alderman Dion, Carol Anderson, Maureen Lemieux, Bob Sullivan, Jim Hall, and Brian McCarthy and Tim Lavoie. We have been meeting since I think July. It is going a little slower than we had hoped, but we are looking at all the options first trying to understand all the problems at the landfill and looking at all the options on how it can be paid for. We are hoping that we will have something towards the end of the year that we can present to the Mayor and the Board of Public Works and then of course the Board of Aldermen. We are looking at that very closely.

Chair Tollner

Thank you.

Carol Anderson

I just wanted to make one comment. Alderman Dion had brought that up before about using any of these fees for the solid waste. I checked with Legal and Legal indicates that there is a law on the state books that prohibits us from doing that.

Alderman Dion

In other words what we will do here is give the taxpayers a break from their wastewater and then give them a whammy on the solid waste. What I am trying to do is avoid that and equate it.

Chair Tollner

I think there are a number of legal issues regarding that.

Alderman Johnson

I wanted to ask Mr. Seymour you were talking about back a couple of slides about 5 years the accuracy is diminished due to the unpredictable EPA regulations, etc., etc. on how much the rate will then go up – am I correct?

Rick Seymour

The rate could go down in 5 years. It could stay the same. What you have to understand in the analysis sheet that tries to look at the future is putting in the best figures that we know. We know

that CSO is locked in. We have figures on that because we know fairly good numbers on the CSO program and the numbers on the CSO program are based on similar systems that were installed by other municipalities. We also know what our operating budget is. There are quite a few knowns. It could be that in the 10th year the model holds exactly true.

George Crombie

Let me give you two examples. Two years from now Congress passes an increase water quality requirement – it could drive the costs up. The other option is the economy could go in the tank and they could give millions of dollars to communities to upgrade their sewer systems. I think that is what we are trying to say is that we will always have an ever changing ...

Rick Seymour

One of the things that our consultant cautioned us about is that a model is very good for 4-5 years and he said that any communities he has dealt with, and he has dealt with quite a few communities all over the country including New England, they typically don't go more than 5 years. Ten years is really pushing a sewer model. Like I said earlier it is not like you are making widgets where you know the production costs and you can estimate inflation and you don't have to worry about a lot of regulations and a lot of process changes, etc. You have a lot of easily predictable and not as many variables as you do in the wastewater field. I think we have a fairly good handle with this model on what our estimated costs will be. We feel very confident that a 20% decrease at this time and place is extremely appropriate.

Alderman Johnson

I went over the notes from the last meeting. I had asked from Mr. Hoag regarding the cost of interest rates – maybe Mrs. Anderson can answer this. I know interest rates have been stable on the low side. How is that going to affect the overall cost if we do the SRF loans?

Carol Anderson

The SRF loans actually historically have been lower than the bond rates have. I haven't seen one instance since I have been here and it is 10 years when the bonds were actually lower than the SRF loans. I think as I stated previously SRFs are really a gift to the communities to be able to use those.

Alderman Johnson

How much of this is going to be the SRF loans and how much of this is actually going to be the bonding?

Carol Anderson

It would be all through the SRF loans.

Alderman Johnson

So it would be no bonding whatsoever.

Carol Anderson

Right. The debt would be issued through the loans.

Alderman Johnson

We are going to use the State Revolving Loan Fund for the lower rate and we are not going to put a ban together to go out and bond?

Carol Anderson

Right. One of the things that I think is important too – we had stated this earlier, but when you are in the construction mode like this it is almost like free money. You are paying 1% is all you are paying to use that money. You don't have another instance like that in any type of bonding scenario when you can have money at such a low rate of interest.

Alderman Johnson

We also talked about bonding on the screen here.

Carol Anderson

They mean loan.

Alderman Johnson

Okay if we mean loan we have to say loan and we can't say bonding because it confuses – here I am asking a question because I know what I am reading in my minutes and I know we were talking about the State Revolving Loan Fund. If you are listening and seeing the charts and diagrams you are saying bonding. I want to make it very clear to everybody what exactly we are doing here. I had asked the question regarding the 10 years and the interest rates if they went up to 4% and Mr. Hoag said that this was a fair question, but it is not one that I can calculate in my head, and not withstanding my position as a financial planner we could get back to you on that. I wanted to know how much are we going to be paying interest versus the overall costs. I don't know if we got an answer to that yet, but I did go back over my minutes to make sure because I did slam a lot of questions that night. I did ask Mr. Mealey on the phone yesterday some questions and today I got the lowdown from Corporation Counsel, Dory Clarke, regarding what happened in the old consent order because I wasn't around on the Board and I didn't understand what happened under the Davidson administration either and how that all came down to what we are doing now to what we want to do. I guess that I asked Mr. Mealey I want to see what other communities have actually done this type of separation with the storm water and the tanks. I wanted to see what their costs were and who successfully have used this model – what was their success record and in the 5-6

years that we are talking about with rate increases have they gone and increased any rates at this point in time and I also mentioned that if this was a pilot program and other communities are doing this then I would hope maybe – I know we begged the EPA to allow us to do this, but you would think that maybe they would be working with us a little more hand and foot here to help with more money to help us move this project along especially if it was more like a pilot program. I asked these questions and I guess I have to be satisfied to see who else has done this so that we are not saying that we are going to do this and then all of a sudden 3-4 years down the road there are problems because we didn't foresee – it is just like when you go out and buy a new car the first year on the road there are little problems here and nobody knew how to address it.

Chair Tollner

I think that the federal government has been very cooperative with us – just the fact that they approved this change order, which saved us millions and millions of dollars speaks for itself. I don't know – I am not aware of other communities doing this. I know that this is a new and unique arrangement that regardless of what we do with the sewer user fee take full advantage of. We are saving millions and millions of dollars with this change order and the federal government being willing to work with the city on this reclassification of this project.

Alderman Johnson

Mr. Chairman I understand that, but on one hand you can save millions and millions of dollars, but if we don't know if this is really viable and works. You are coming to me – I am a lay person – there are no other communities that have actually done this so you can't even say like when we went ahead and voted for our new trash containers that there was anyplace we could visit, we could talk to other communities and say when you put this on line what were the glitches, what did you have to work out, did it cost you more money, how do you see yourself now two years down the line, how is it working, is it everything that you thought it would be – I don't want to come back 5 years from now and say we made a mistake here. It is not 100% working. It is questions that have to be asked and there are questions and answers that need to be given here.

Chair Tollner

I would agree that we have questions. We have professionals that have worked on this for years that worked on the first agreement with the feds and worked very hard on this second agreement with the feds. Let's just say we are off by 2% it pails in comparison to what we were looking at before. I will ask Rick to follow up on that. No matter what way we go the new consent order versus the last one – you could be 10% wrong and you would still come out way ahead in this particular situation. Basically what we have done is hire a consultant, put together the matrix that you saw there, we are going to use the State Revolving Fund Loan, the consent order again as stated before saves us a ton of money. I think it is a win, win, win. We may be the first one in this area to do it. It doesn't necessarily mean it is a bad thing. Maybe other communities will follow suit and we are fortunate enough to get in to be the first one to do it.

Alderman Johnson

Does anybody know when the original consent order was done? Was Mr. Barney the Chair of the EPA I believe for the New England region?

George Crombie

No he was commissioner at the Department of Environmental Services for the State of New Hampshire.

Alderman Johnson

The Mayor does know him quite well doesn't he?

Chair Tollner

What does that have to do with anything?

Alderman Johnson

I am just asking the question who was then and who is now to get this consent order done.

George Crombie

I guess I would like to say something. If somebody can find the plan that the city used to lock themselves into a \$250 million consent order I would like to see it because I can't find it.

Alderman Johnson

I've asked for it?

George Crombie

We went and spent \$400,000 on the best consulting firm in the United States or one of the top in wastewater to put this report together. This thing has been scrutinized, it has been scrutinized by the Department of Environmental Services in New Hampshire, it has been scrutinized by EPA, and if the Board believe that it should be scrutinized by another consultant or another group I am wide open to it.

I think the point is he wasn't here when the plan was put together, Jim Mealey wasn't here, I wasn't here. When I came in and read that order I was flabbergasted that the city had signed that order because it wasn't what communities were doing around the United States. I will guarantee you you can take this plan anywhere and they will tell you it is a smart plan.

Rick Seymour

If I might address the issue about the technology – it is certainly not a pilot program by any means. This is technology that is proven and true. There are thousands of storage tanks all over the

country, there are treatment units everywhere, there are screaming disinfection units – this is old technology, this is very conservative technology. What Metcalf & Eddy has done is extremely smart. They have looked at the original plan that as submitted by CDM and they massaged that plan by adding to the model – added additional data to that model – they built a logical sequence of data to the point where when we came down to the EPA – this is my first set of negotiations, and I think I was very impressed with the negotiations – we sat with the EPA for 45 minutes going through the first set of scenarios in January, 2003. The EPA looked at it and smiled because they realized that we had a winning plan because we had a plan that made a lot of sense. We went back to them 3-4 months later and said we have looked at additional options based on the original plan in January, we tweaked that plan – they looked at it and they said my God that is a wonderful plan. All of the questions that they had were answered by our consultant. I don't think there was one question that they didn't answer sufficiently so they didn't even have to go back. I think the total negotiations with the EPA probably lasted an hour and a half. That is how professional and prepared M&E was. We worked with them for 2 ½ years getting them data, doing extra sampling, working on the model. The results of this model are not because of the fact that we have pilot technologies or special new technologies. We have appropriate technologies in appropriate places making the City of Nashua's overall CSO plan I think one of the most efficient ones.

We were just talking to somebody in Lowell the other day and they were crying because they thought that they would have liked to have had a similar type of plan. There are other communities in the country looking at this plan as a model and we're not saying that because it isn't true. I think it is a model for all the CSO communities out there. When we had our CSO coalition meeting last year with many communities throughout the country they were in awe after George and I had finished talking about our plan with M&E.

George Crombie

I think the other thing that is important is that you go back to 1997 Camp Dresser & McGee, who is also an excellent firm – one of the best firms, they recommended a \$52 million program for the City of Nashua and through negotiations the city agreed to do 100% separation where at the same time the City of Manchester pushed back on that and got a very different agreement. When we came in we took a look at that and did the analysis as Rick has indicated and then went back to EPA using the best data possible in order to get this proposal, which is going to save the city a lot of money and at the same time improve water quality. I would be more than open to have this looked at by a third party.

Chair Tollner

I think the Board of Alderman would have to approve an allocation of additional funds to do that. It has already been done.

Alderman Dion

I don't know if we are going to act on this tonight, but if we do we have to I believe amend the \$1.67 to \$1.22 per 100 cubic feet if we recommend the 20%, then we would have to take 20% of \$1.67, which comes up to 33.5 cents and deduct it from \$1.67 so the \$1.22 would have to be \$1.34 I

believe.

Rick Seymour

If you go with the straight 20% based on the consumption rate it will be \$1.20. You have to understand too there is a demand fee too that is part of the equation. The \$296 includes \$84 demand fee and the \$212 is the consumption fee.

Alderman Dion

So then the \$1.22 would have to be changed to \$1.20 is that correct?

Rick Seymour

Correct.

Chair Tollner

I guess when we vote on this – if we were voting on it the way it is right now the endorsers of the legislation were pretty much on target. What I would like to do Alderman Dion is since a communication went out today to follow up and remind people that we were going to have this session what I would like to try to do is in short order – I guess what I would like to do is I think we should hold this in committee tonight and then what I would like to recommend is see if we can find some time say next week or the week after and have one more session with the Board of Aldermen – I will send a communication out tomorrow if I can get a date, have the information packet sent out to everybody, and then ask them to forward any questions that they may have one more time to George, his staff, Carol, and Dave Fredette, and then try and put a meeting together where we can address any final concerns. I am more comfortable with the scenario that was presented tonight than I was with the 5 options that were presented a few weeks ago. That is what I will try and do. I think that is probably fair to the rest of our colleagues that are not here tonight. I don't know whether Carol or Dave want to add anything.

Alderman Plamondon

I get this question from a lot of constituents. I don't really have an answer, and I thought this would be a good forum before the camera – regarding the wastewater fees and now potential solid waste fees – one thing I hear from the citizens of Nashua is it illegal, is there an ability to instead of having these fees is there a way to roll them into our tax structure so then it would be – our residents would be able to write it off from their federal taxes as they do the municipal taxes. I don't know if Mr. Fredette could help with addressing that.

Carol Anderson

I would say first of all the solid waste the resident does not pay for that currently. If that gets added into the general fund then certainly that would be deductible that way. With the wastewater that is a true enterprise fund. That is a user fee and that is how that is generated. It is generally handled

separately – similarly top your water bill. That is how that would be handled.

Alderman Plamondon

Thank you. Hopefully this will address the question of all of those in viewer land.

Alderman Deane

You are going to set a date for this workshop that you are going to have?

Chair Tollner

I am looking at the schedule now. I will try and talk to Sue tomorrow morning. I will try to get a memo out to everybody.

Alderman Deane

Then we will get the packets and what by next Friday we will have them?

Chair Tollner

Yeah, as far as the presentations George and Rick you can get the packets to Sue and she can get them out this weekend right?

Alderman Deane

If we have questions who do we forward those questions to?

George Crombie

Probably Jim Mealey.

Alderman Deane

I know there is a big sense of urgency to get this legislation passed. There is still a lot of work that has to be done internally as well with the billing and whatnot so the questions I will have pertaining to that I will send to Dave. Another comment to Alderman Dion and the \$2 million deficit – if you would like come budget time the taxes don't have to come up we could find that \$2 million.

Alderman Dion

Good luck.

Alderman Deane

Oh we will do it. This is the year.

Carol Anderson

I just wanted to make a comment – when we were at the last meeting you asked that we go back and check those numbers carefully and everything. I just want the committee and the viewing audience to know that this is one plan that has worked very well. For somebody like myself I am not an engineer, I am not a public works professional yet I was able to take the segments of the Metcalf & Eddy and we were able to also take the follow up that was done in May and June, tie that back, we were able to tie revenues back, expenditures back, the equipment reserve fund, the projects themselves – and for myself especially to be able to take that last report and look at the recommendations that Metcalf & Eddy made before they had the consent order a preliminary change to that there was really on my part a pleasure to work on this. It all came together. The documentation that backs up these numbers – we even took the revenues and had the division finance tie those revenues out to see where we were in comparison to what was in these reports and they did tie. I want to commend the Public Works Division and the consultants that they had because this is really a well thought out plan.

Alderman Plamondon

While we are giving kudos and we are talking about wastewater I want to commend the wastewater plant – over 900 days without any lost time accidents. Industry wide that is a phenomenal feat in a very dangerous line of business to have over 900 days and counting just shows a level of professionalism – not just management level, but our union workers as well. I think it needs to be said. Thank you.

Chair Tollner

Any questions here before I go to this side of the room? I just want to make sure we all have the same understanding of what we are going to do moving forward after we leave here.

Alderman Johnson

I just wanted to make a comment to Mr. Plamondon. I hope you didn't jinx anybody right now. Sometimes it is better to say nothing than to say something.

Alderman Plamondon

I have all the faith in the world in them.

Chair Tollner

From here the next steps that we are going to take just to make sure that everybody is clear – I will work with Sue to see if we can come up with a date over the next week or so. George, Rick, Carol, Dave, and Jim will put a packet together, we will make sure that it is in the packets for this weekend. After reviewing the material and the two options if anybody has any questions those questions should be directed to Jim. Also in the memo it should be stated that if they do have any questions to

bring them to the next meeting that we have so they will get the information prior to the meeting. Just for the public's information the modifications on Version A that we are looking at 2 versions now. The educational center and the related operational expenses for the educational center have been removed. That was part of the presentation tonight. Tampa Street CSO valve cost was reduced to what we actually paid for it. The project timelines have been readjusted. Primary funding will be through the State Revolving Loan Fund program, which is different than bonding that we might do for a high school or something else. The modification for Version B are the same as the first three items that I mentioned in Version A and then the 4th piece the fund projects the only different really between Version B and Version A would be that we would substitute some portions of the funding with cash and combine that with State Revolving Fund Loan. Did I summarize that correctly?

George Crombie

That was great.

MOTION BY ALDERMAN NICKERSON TO HOLD IN COMMITTEE
MOTION CARRIED

Chair Tollner

I want to thank everybody for working together and getting that presentation done. I am glad that both Public Works and the Financial Department are both feeling pretty good about this.

MOTION BY ALDERMAN NICKERSON TO TAKE O-03-192 FROM THE TABLE
MOTION CARRIED

O-03-192

Endorser: Alderman Marc W. Plamondon
Alderman Kevin E. Gage

PROHIBITING URINATING AND DEFECATING IN PUBLIC

MOTION BY ALDERMAN NICKERSON TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Alderman Plamondon

We had basically the same legislation come before us and I want to say 3-4 years ago that I had introduced and I actually thought it had passed. When I found out that it wasn't in the NROs and Alderman Gage and I were talking we decided to bring it back. The history to this is particularly in our inner city areas and unfortunately a lot of times, but not always, when the bars are emptying individuals are urinating and yes defecating right in the public view – on the Nashua Heritage Rail Trail, on the sides of the road, behind people's buildings, in people's yards – people may find humor in this, but if this is going on in front of your home while you and your family are eating dinner let me tell you it is more than appalling. Let me tell you I have gotten calls of these situations going on with

just exactly that happening. Obviously people are going to ask well why aren't the police doing anything. It is because the police by federal standards cannot be offended. They cannot enforce a law or enforce something of this nature without a complainant. Therefore, in the example that I gave that actually happened the people and their family sitting at the dinner table would have to call the police, wait for a cruiser to come down, find this individual who by now has left and then press charges. If such a law were in our NROs the police could enforce it if they saw this happening in the public view. It is unfortunate. I can tell you that I personally have seen both type of relieving of bodily fluids myself in the downtown area. The times that I have seen this is by our vagrants.

Chair Tollner

Can I without going into any great detail on that piece – can you just tell me the actual intent of the legislation? Do you have a copy of the legislation in front of you?

Alderman Plamondon

I don't have a copy in front of me, but the intent is something for the police to be able to enforce this type of behavior.

Chair Tollner

They would arrest them – is there a fine?

Alderman Plamondon

Yes. Right now all they could do is they could arrest for public ludeness but that is it.

Chair Tollner

We're not imposing a penalty it is just allowing the police to enforce it. Fine.

Alderman Plamondon

I might recommend that maybe the committee would want to send a request to the police department for an opinion. The main aspect for this legislation is for the ability for enforcement.

Chair Tollner

I have already spoken with the police department. I think they are in favor of it. Are there any other questions on the legislation?

MOTION CARRIED

HELD IN COMMITTEE

Appointments by the Mayor

Ethnic Awareness Committee

-
Olga J. Tines (New Appointment)
83 Ledgewood Hills Drive
Nashua, NH 03062

Term to Expire: December 31, 2005

-
Resolutions

R-02-71

Endorser: Alderman-at-Large Paula I. Johnson

SUBMITTING TO THE VOTERS AT REFERENDUM THE QUESTION OF
WHETHER
THE CITY SHALL USE ALL AVAILABLE MEANS TO TERMINATE THE BROAD
STREET
PARKWAY PROJECT

-
Ordinances

O-03-189

Endorser: Alderman-at-Large James R. Tollner
Alderman Marc W. Plamondon

PROHIBITING THE SALE TO OR POSSESSION OF SPRAY PAINT BY A MINOR

DISCUSSION

Chair Tollner

We are going to have a period of public comment. There are two individuals out there tonight. I think Mr. Sullivan has been here prior to the start of the meeting. If he would like to come up and provide comment to the committee we would welcome it.

-
Robert Sullivan, 12 Stonybrook Road

I was going to pass on commenting tonight but as the Mayor passed by he asked me to make some comments – express my comments on R-03-266. I really don't have an issue with R-03-266, and I want to comment the Board of Public Works and the individuals within that department that worked on the cost avoidance issue of saving millions of dollars for this city and also the consultants that worked on this also. Approximately 3 weeks ago as many of you in the Aldermanic Chambers know I sent out an e-mail while I was reviewing the presentation that took place here three weeks ago and something stuck out, which was the \$3 million educational center. I really don't have anything against the \$3 million educational center – it may be needed – it should stand on its own merits and I think we discussed that. The Mayor sent me an e-mail saying he agrees with that and so did the majority of the Board of Aldermen who responded to my e-mail.

I think we are addressing the symptom and not the problem. Having followed these proceedings for the last year and a half it has occurred that CSO funds have been attempted to be expended on

items that had nothing to do with sewer usage and I guess there have been some issues and questions from the Board of Aldermen. Let's address the problem, let's take a look at the policy – the policy making board, take a look at how the CSO funds are being spent, and that would be that issue associated with that.

Some of the cards equal the whole – there is no taking away from the Board of Public Works, the Department of Public Works and those who came up with a real good consent order. It is too bad that this \$3 million education center was put as part of this consent order. It really doesn't belong there. Let's not beat around the bush and let's say that.

There were a couple of comments made on the solid waste committee and I would like to correct a couple of things. We have been meeting since June. It has been 3 ½ months. I believe that even though the work will take place and go forward until the end of the year I believe we will be giving a status report to the citizens either through the Board of Public Works or the Board of Aldermen. As a member of that committee I will make sure that we try to do that.

One other issue regarding solid waste fees – there was a comment tonight, and I am not going to take issue with it, but it was a matter of semantics I believe is that the solid waste fees are not paid by the citizens. I must take issue with that because I believe that the citizens are paying for solid waste. When we get our tax bill there are 4 items on that tax bill. We get a fee for State, we get taxed for County, we get taxed for schools, and we get a city tax. We get a rate per thousand and we are able to get – for instance you might pay every July and December \$2,500 let's just say. When citizens get their tax bill they are receiving services; they are receiving snow plowing services, they are receiving trash collection services, they are receiving school services, they are receiving street paving services – so when a particular division or department begins experiencing a deficit they really are concerned about that but their concern shouldn't be that all of a sudden they are not paying for it and they have to pay a separate fee. I think that the issue about paying separate fees and I don't want to confuse the citizens, but the citizens are paying right now, through their taxes, for trash collection and we do have a deficit. We are addressing that deficit and hopefully we can reduce the expense associated with that deficit and it will take toward the end of the year to address that.

Even though this department is in a deficit the citizens are paying for that services right now. That is all I have to say. Again I was going to pass tonight, but based on the Mayor's recommendations I said I would speak. I want to commend again the Department of Public Works for the job they did on this issue. Thank you.

Edward Zakenski, 184 Main Street

There was an issue earlier that was put on hold of drinking being allowed until midnight for the restaurants. I first heard this last week and at first I was a little appalled that it was only midnight. I would have like to have seen it at 11:00 p.m. It took me two seconds and I said okay I can compromise, midnight isn't that bad. When they passed the ruling that the restaurants downtown can eat and drink outside I thought that was great. It has done a tremendous business for these restaurants and I think it is a very good idea. When it comes to 10:30 p.m. and the restaurants close down and they stay open because they are what I consider a bar that is something totally different 0-

they are no longer serving food. The way I take the law is if I have an establishment and the Fire Marshall says with table and chairs you are allowed 35 people to sit and dine in this restaurant fine, but if you take out the table and chairs you are allowed X amount of people that may be in this building – let's say for example a fictitious number of 100 people. Now you have the outside --- yes they have 7 tables out there – there is no limit how many people can stand on the sidewalk. For argument sake let's say there are another 100 people so you have 100 people in the building and you have 100 people outside drinking. All of us standing outside this establishment are having a drink – I'm empty and I turn around and say would anybody like another drink and everybody says yes. Inside I go, I get 4 beers, come back outside here have one help yourselves. The bartender no longer sees me. Ms. Johnson may turn around and say I would like to get around of drinks, goes in, gets 4 beers, comes back out everybody has a beer. Mr. Dion says I would like another beer, he goes in but Mr. Palino does not want one he gets 3 beers because Mr. Palino is driving home, Ms. Johnson says gee I would like another beer because I am not driving so Mr. Palino says okay I will go get you some beers and goes in says I would like another beer so Mr. Palino says okay I will go get you some beers and goes in and gets 3 beers. Bartender cannot see these people being intoxicated because now you have all taken turns. You have 100 people outside with no bartender. Now that we are all getting drunk outside. I have complained to the committee several times about the noise and the fights.

Two weeks ago I had the opportunity to go to a Red Sox game – it was the night before I came before the committee and complained again. I went to the Red Sox game. Everybody I saw on Friday said you did very well when you came before this Board on Wednesday and I said thank you very much. They then said did you see the newspaper and I said no I didn't why what happened. He said well didn't you see the fight Thursday night and I said no what fight. I said I was in Boston and I wasn't home and I couldn't hear it. He said well somebody got hurt and ended up with 26 stitches. It was the night after I came up here complaining. That is the problem downtown. You are allowing them to drink after restaurant hours are closed of serving food. They are drinking and getting into fights.

I am deaf in one ear. I live two floors above a store. I sleep on my good ear so I cannot hear anything. I have lived there for 13 years. I had old windows at one time and the landlord replaced them with double pane windows so I figured this is going to work I am not going to hear a thing – I am not going to hear the girls screaming I am not going to hear the fights – not say. I can hear everything. I do not like air conditioning. I went out and asked a friend if I could borrow the air conditioners so I could shut all the windows in the summer. Put the AC on – I put the fan right in front of my bed and let's see if this will drown it out – no. The fights keep happening. When the fights happen and a lady screams I jump out of that bed because I don't know what is going to happen. When two guys are screaming I know there is going to be a fight so I look outside. Half the times I do call the cops, half the times I do not. Half of the times when there is a fight and nobody calls the cops they break it up and they let them go.

Chair Tollner

What I am gathering is that you are in favor of the legislation, and we will be talking about it again probably at our ...

Edward Zakenski

For instance my other point because I heard you invite the business, the police, but I didn't hear about the residents around that Main Street area and the side streets.

Chair Tollner

We will try to get something into the Telegraph to make sure that they are aware of it. That is the best we can do as far as discussing a particular piece of legislation. We will do that. If you could spread the word that would be great too.

Edward Zakenski

That I will because a lot of residents in my building even though they are elderly and the ones that are not elderly usually work early in the evening and come home at the end of the night and hear all of this – I will try to get them here as well. I don't want it to turn out to be a battle. Yes I do enjoy people going down and eating. I have no qualms over that. I think it is the best thing this city has ever done, but it comes to a point where something has to give. Now you get 200 people coming out and now you get all these beer bottles. That is the other thing and I am glad to hear that they want to change it from glass to plastic because when you put it into a barrel with the plastic bag and you start throwing 100 beer bottles that is all you can hear is either the breaking or clinking and that becomes very ...

Chair Tollner

We will try and amend that particular piece and I think that is where Alderman Plamondon was going. I appreciate your comments. Thank you.

Alderman Dion

Mr. Chairman if I may just to go a little further with what Eddy said I would just like to point out maybe you saw the newspaper Mr. Chairman, but maybe some of the committee didn't see it. There was an incident of a Nashua Pride player that got hit with a beer container at one of these establishments. This is a problem.

Alderman Plamondon

I didn't want to mention the Nashua Pride, but there is that individual I know of that got several stitches and I could go on and on and on about the horror shows. I wanted to clarify something – about the solid waste and the taxes and the fact of the matter is that to date other than a few subsidies historically the solid waste department, the trash pickup has been funded by the tipping fees. Because we opened up a new cell in the landfill the cost of putting a bag of trash in the old cell versus a bag of trash in the new cell has absolutely skyrocketed. As such we had to raise the tipping fees, as a result the major carriers are no longer utilizing the City of Nashua for disposing – that is why we are in the predicament we are now to look for some way to raise the funds for the on

street pickup. I just wanted that to be clarified. Thank you.

Chair Tollner

You will take care of that communication to the downtown people.

Alderman Plamondon

Yeah and that is going to be a while because I am waiting for more information.

Chair Tollner

At least until next month's meeting.

Alderman Plamondon

Maybe two meetings.

ADJOURNMENT

MOTION BY ALDERMAN NICKERSON TO ADJOURN
MOTION CARRIED

The meeting was declared closed at 9:03 p.m.

Alderman Timothy B. Nickerson
Committee Clerk