

**BOARD OF MAYOR AND ALDERMEN**

**January 21, 1997**

**7:30 PM**

Mayor Wieczorek called the meeting to order.

Mayor Wieczorek called for the Pledge of Allegiance, this function being led by Alderman Clancy.

A moment of silent prayer was observed.

The Clerk called the roll. There were eleven Aldermen present.

**Present:** Aldermen Wihby, Elise, Reiniger, Sysyn, Clancy, Soucy, Shea, Domaingue, Cashin, Robert, Hirschmann

**Absent:** Alderman Pariseau

**CONSENT ITEMS**

Mayor Wieczorek advised if you desire to remove any of the following items from the Consent Agenda, please so indicate. If none of the items are to be removed, one motion only will be taken at the conclusion of the presentation.

**Minutes Accepted**

- A. Minutes of meetings held April 2, 1996 (two meetings); April 8, 1996; April 16, 1996; and May 7, 1996 (two meetings).

**Informational to be Received and Filed**

- B. Communication from the Director of the Manchester Water Works presenting the 125th Annual Report of the Manchester Water Works.

**REFERRALS TO COMMITTEES**

**COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS**

- C. Communication from the Chief of Police requesting that the fine schedule for violations of City ordinances be amended.

**COMMITTEE ON FINANCE**

- D. Communication from the Health Officer advising that discussions have been held with the City Clerk's Office relative to a possible arrangement transferring the use of a photocopier to the Health Department and if such an arrangement could be worked out, and if funding could be found within their existing department appropriations requesting to proceed with the bid process and purchase in the next few months.

**E. Resolutions:**

“Amending the 1992 Community Improvement Program, authorizing and appropriating funds for the 1992 2.10604 Cultural Awareness.”

“Amending the 1996 Community Improvement Program, authorizing and appropriating funds for the 1996 2.20710 HIV Education Services.”

“Amending the 1997 Community Improvement Program, authorizing and appropriating funds for various School Department Projects.”

**COMMITTEE ON TRAFFIC/PUBLIC SAFETY**

- F.** Communication from the Public Works Director expanding on and offering a few suggestions in response to a communication from the General Manager of the MTA dated December 17, 1996 concerning the removal of snow from bus stops and bus shelters.

**REPORTS OF COMMITTEES**

**COMMITTEE ON COMMUNITY IMPROVEMENT PROGRAM**

- G.** Recommending that a request for acceptance and expenditure of funds raised through fundraising efforts, by increasing the 1992 2.10604 Cultural Awareness - \$400.00 be granted and approved; and for such purpose an amending resolution and budget authorization has been submitted.
- H.** Recommending that a request for acceptance and expenditure of State grant funds by increasing the 1996 2.20710 HIV Education Services - \$20,000, be granted and approved; and for such purpose an amending resolution and budget authorization has been submitted.
- I.** Recommending that a request for acceptance and expenditure of grant funds for various School Department projects by adding the Safe & Drug Free School Community Act - \$231,046.00 and the Manchester Developmental Preschool Special Gifts - \$1,500,000 be granted and approved; and for such purpose an amending resolution has been submitted.
- J.** Recommending that the Mayor be authorized to dispose of a certain parcel of park land abutting 145 Larchmont Road through sale to Richard and Mary Dionne, such sale to be subject to an easement being given to the City of Manchester and termination of an existing easement held by the City.

The Committee recommends such sale subject to the review and approval of the City Solicitor and notes that same has been approved by the Parks, Recreation and Cemetery Commission, and that Highway, School and abutters have no objections.

- K.** Recommending that a petition for a discontinuance of a small portion of Ingalls Street be referred to a road hearing on Monday, February 24, 1997 at 4:00 PM.
- L.** Recommending that a request for a release of a drainage easement on Wellington Road be granted and approved; and further recommends that the Public Works Director be authorized to sign and release such easement; subject to the review and approval of the City Solicitor's Office.
- M.** Recommending that the Commissioner of Buildings be directed to demolish the building located on properties situated at Chestnut Street and River Road (Map #222, Lots 52 & 79). The Committee notes that it has determined such building is hazardous and is a blight to the area.

- N. Recommending that a request for a sewer abatement for property located at 817 Clay Street be approved in the amount of \$172.05. The Committee notes that such amount was recommended by the Environmental Protection Division.

**HAVING READ THE CONSENT AGENDA, ON MOTION OF ALDERMAN REINIGER, DULY SECONDED BY ALDERMAN SYSYN, IT WAS VOTED THAT THE CONSENT AGENDA BE APPROVED.**

**Warrant to be committed to the Tax Collector for collection under the Hand and Seal of the Board of Mayor and Aldermen.**

- O. Warrant for Collection of Sewer Charges in the amount of \$111,539.88.

On motion of Alderman Wihby, duly seconded by Alderman Shea, it was voted to approve that the warrant be committed as abated in the amount of \$3,494.90.

Confirmation of the nominations to the Building Board of Appeals:

Frederick Matuszewski to succeed himself, term to expire January 8, 2000; and Owen Pierce to succeed himself, term to expire January 8, 2001.

On motion of Alderman Wihby, duly seconded by Alderman Sysyn, it was voted to confirm the nominations to the Building Board of Appeals as presented.

Confirmation of the nominations to the Parks, Recreation and Cemetery Commission:

Thomas R. Murphy to succeed himself, term to expire July 7, 1998; and Howard Keegan to succeed himself, term to expire July 7, 1999.

On motion of Alderman Clancy, duly seconded by Alderman Soucy, it was voted to confirm the nominations to the Parks Recreation and Cemetery Commission as presented.

Presentation of fiscal year 1996 Comprehensive Annual Financial Report by Melanson & Greenwood & Company, the City's independent auditors.

Handouts were distributed to members of the Board. Mr. Clougherty stated there are representatives from the company and I think it would be appropriate, Mayor, for Frank Biron and associates to present the management letter and the report and then I'll answer any questions.

Mr. Biron stated I'm one of the partners at Melanson & Greenwood and this is the second year that we performed audit services for the City. What we're going to do today is walk through some of the highlights of the financial statements, the Comprehensive Annual Financial Report

as well as a separate management letter which is a smaller document that I think is enclosed within the CAFR. I'd like to begin by complimenting the City for completing a Comprehensive Annual Financial Report, it's a very extensive document. In New Hampshire there are only five communities that put together such an extensive document, the CAFR. Most of the other communities just don't have the capabilities in-house to do something like that, the City of Manchester did, however. What I'd like to do is walk through the major components of the CAFR just so you are a little bit familiar with what's included in there because it's such a big document.

Mayor Wieczorek asked Mr. Biron since this is being broadcast also, live, if you could explain to our listening audience what CAFR is, so they'll understand.

Mr. Biron replied CAFR is a Comprehensive Annual Finance Report, it goes beyond the normal information that would be included in audited financial statements. If we turn to the table of contents, I'll just walk through what those components are compared to what a normal audit would encompass. A Comprehensive Annual Financial Report has four distinct sections to it. The first one is the introductory section which begins on page 1 and runs through about page 15 or 16 and that's the narrative part. It's a letter written by the Finance Director summarizing some of the key financial issues that are going on in the City. Some of the topics that are discussed in there are the Charter reform, the planned computer upgrade which will be happening shortly, economic developments that are happening within the City such as the Airport expansion which has occurred over the last few years, some new businesses coming into the City specifying which ones they are, talking about the Mall of New Hampshire expansion, information like that so the reader who is not as familiar with the City of Manchester can pretty much get up to date with things that are going on here. It also talks about the landfill closure and the impact that that has on the tax rate and the solid waste collection, enterprise operations here water and sewer, recreation and Airport and how they're doing and as well as just the economic conditions that talks in words about some of the numbers that appear in here and what they mean as well as an outlook at to where things are probably going to be going for the City as far as the 1997 budget, it being a very tight budget that's mentioned in here as well as just the regional economic conditions in the New Hampshire area. The second section is the financial section. Now, that is what you would normally have in an audit, that's really the numbers, the balance sheets, the revenues and expenditure summaries, as well as the budget versus actual reports. Now, a normal audit would only go from pages 17 to 66 or so. What we have in here within this financial section is additional information going from page 67 all the way to pages 113. Now, those are summaries. It provides a lot more information than you'd get out of the normal audit, the normal audit is very summarized information. The next section is a single-audit section which begins on page 115 and that's required because the City receives federal funds. The City of Manchester receives over \$12 million of federal funds annually and because of that the federal government requires us, as auditors, to perform some special testing to make sure that the City is complying with all of those grant requirements and there are a number of reports that are required for us to issue which is what's included in this section. There are a few

minor findings that we had in there, but there were no major findings for any of the grants. The last section, the fourth section is the statistical section which begins on page 132 and runs to the end and there's a lot of very interesting information in there. If you go through the table of contents you can see that the first item is General Government Expenditures...what that is it summarized the expenditures for the City for the last ten years by major function which would be the general government, public safety, education, public works, major categories like that. So, you can see trends over the last ten years as to where the increases have been and where there have been cutbacks over the last few years. The same is true for revenues, summarizing revenues for the last ten years by source and then there's just a lot of other information...property tax levies, collections, assessed valuations, and most of them cover 10-year periods. There's a lot of good information in there. That's the type of information the bond rating agencies like to see because it really gives them a good flavor for how the City is doing and where the City's been. Now, Scott McIntyre who's with me here is a Manager with our firm will talk about some of the key numbers in these financial statements and then I'll return after and talk about the management letter which are some of our observations during the course of the audit and some recommendations for improvements.

Mr. McIntyre stated as Frank pointed out, I'm going to try to take this document which is over 150 pages and try to consolidate that and I'm going to ask you in a minute to turn to just a couple of pages and we're going to look at the really high points. What I'd like to talk about primarily is the General Fund, the City has a number of different funds, Frank talked about and they're outlined in the opening section of opening section of the report Enterprise Funds, Special Revenue Funds and all. But, the General Fund is certainly the main operating fund of the City, it's where all of the majority of the tax revenues are accounted for and the normal general governmental and most of your debt service expenditures, School budget is included in there, as well. If I could turn your attention to page 67 of the CAFR...this page is a snapshot, it's the balance sheet of the City as if June 30, 1996 and the year prior to that June, 1995. In summary, all of the general fund assets, liabilities and fund equities. And, again, getting to some of the high points here the first place that most people want to focus their attention to is the City surplus or its unrestricted fund equity and to do that if we could go to the third number up from the bottom in each of the columns, the 1996 column the Unreserved Undesignated Fund Balance is \$357,705 and that's after taking all of the City's cash and receivables and subtracting out all of its liabilities and various other encumbrances that are outstanding, that's the City's surplus at the end of the balance sheet. In addition to that \$357,705 in Undesignated Fund Balance, the City also has a Revenue Stabilization Fund which is the row above it and that's set up by ordinance and that had a balance of over \$3,300,000 in it and together those two numbers are viewed as the City's Unreserved Fund Balance and that's really what most of your bond rating agencies and financial advisors are going to look at to judge the financial position of your General Fund and what I'm going to do from here is to try to draw some comparisons from where you were June, 1995 to where you are June, 1996. If you just look for a minutes at the Revenue Stabilization row there that number is unchanged from June, 1995 to June, 1996. So, I'm primarily going to talk about the change in the Undesignated Fund Balance and at June 30,

1995 that balance was \$1,230,000 and in June, 1996 it dropped down to \$358,000. So, it's a decrease of about \$870,000 and I'm just going to ask you to look at one more page and we'll try to explain that drop in your fund equity...that page is page 27. This statement, again, is a General Fund operating statement and it reports the City's fiscal '96 Operating Budget in the first column, the actual results of operation and the third column as it's headed up is the variances...those that are favorable and unfavorable and I'm going to talk about the last number in each column and sort of try to pull together and show you how results of operation compared with your budget resulted in the City's Unrestricted Fund Balance dropping about \$870,000. The first column as I pointed out is the budget; that's set up before the fiscal year begins, it's a summary of all the tax revenue and the local receipts that you expect to come in and all your operating expenditures. Bottom line here is in brackets of \$3,161,000, rounding off on that number. In a nutshell, your budget was set up so that your expenditures were going to exceed your revenues by that \$3,161,000 and you can do that by using surpluses and other financing sources that existed at the beginning of the fiscal year. The next column, the middle column which is the actual results of operations showed that what actually occurred was that you expended \$1,973,000 more than you took in for the year. So, you planned on spending \$3.1 million more than you took in, your actual results showed that you actually only spent \$1.9 million more than you planned on, so right there you have a favorable impact of the third column of almost \$1.2 million. I'm going to go back and focus on the middle column for a minute again using that bottom line of a deficiency of revenues/overexpenditures of \$1,973,000. Now, there's one other issue to point out with this statement and that is that the budget is set up on one basis of accounting and your actual financial statements are prepared on a different basis of accounting, this is very common, it's common for all municipalities and so, there are a couple of adjustments that sort of reconcile your budget basis of accounting with your financial statements which are prepared in accordance to Generally Accepted Accounting Principles and it's really one adjustment I want to talk about and that is with tax revenue. When you budget, when you have your budget set up originally your tax revenue budget, you plan on collecting every dollar that you send out in tax bills, that's the way you budget, you plan on collecting 100 percent of all of those bills that you send out. On the actual side which is generally accepted you take into revenue essentially the cash that comes over the counter downstairs and so there's an adjustment here in the footnotes, buried into the footnotes of the financial statements that reconcile these two bases of accounting. Fiscal '96 was a very good year for Manchester in terms of property tax collections. You actually collected more tax dollars than you sent out in bills and that could happen because in years prior to 1996 you collected less than 100 percent of your levy. So, coming back to the bottom line and the middle column here which reports that you spent \$1,973,000 more than you took in, if we take that and add those excess tax collections because '96 was such a good year of about \$1.1 million, we come down to approximately that \$870,000 that the Unreserved Fund Balance dropped from the beginning of the fiscal year to the end of the fiscal year. That's a real fast walk through of a 150 page financial statement, but to sort of try to recap your budget was set with expenditures to exceed revenues, however, your actual results exceeded your performance, so there are some turnbacks and some favorable variances there in that third column and finally your tax collections really performed in 1996.

So, from a financial statement position if you go back to page 67 for a minute, if you look at those two numbers that make up your Unreserved Fund Balance (\$3.3 million) and the \$357,000 that represents a surplus of \$3.7 million, now that's a good size surplus in terms of percentages which a lot of your rating agencies look at, that's about 2.6 percent of Manchester's budget for fiscal '96. The most common rule of thumb is that a rating agency would want to see about 5 percent of your budget in your Unrestricted Fund Balance, but you had about 2.6 percent which isn't bad and it certainly shows that there's some equity there in your General Fund. So, again, that's a really fast walk through, I'd entertain some questions on what we talked about if there are any, otherwise, I'll turn it back to Frank to discuss the management letter.

Alderman Robert stated in previous budget and this may be rehashing something, but this surplus that he mentioned, we have had discussions about making it so that we don't have a surplus. Could he talk about us, maybe how this may impact how bond people may see us if we decided not to have a surplus, at all. At budget time we tend to cut things, trim things pretty close and people think that we've got three or four million dollars lying around that we should be using either to fix something or for tax relief, could you elaborate on that.

Mr. McIntyre replied, I think I can. In fact, I had an opportunity to speak with some representatives from Moody's last week and that five percent is a rule of thumb, but certainly they want to see some equity there in your Unreserved Fund Balance. It's any business, individual or municipality has to have some liquidity and that's your liquidity right there after you were to pay all of your bills and pay off all of your liabilities in your General Fund; that's your equity and that's your surplus and 2.6 percent is probably about average for a community this size, but Moody's will continually stress that maintaining positive equity, striving to get to about 5 percent, all those things are going to work in a community's favor when it comes to bond rating time.

Alderman Robert asked what would be the down side if we decided to make that three to four million dollars disappear.

Mr. McIntyre replied the down side is you risk a reduction in your bond rating which can be very costly to a community. The other risk is that on a more current basis, if you have a winter like we did this past winter, having a surplus provides a funding source for extraordinary events like last winter, those are two arguments right there, I think, that speak for a community having a 2.6 percent surplus in its fund balance.

Mr. Biron stated I think one more issue would be the whole reason why the City converted to a fiscal year a few years ago and that was for liquidity and to build up the surplus where years prior to that the City had to issue short-term notes just to meet its normal cash flow and that cost a lot of money, the interest that would have to be paid on that whereas when you have the surplus you don't have to borrow short-term like that, so you don't have those short-term interest costs.

Mayor Wieczorek stated it came as quite a shock to me my first three weeks in office or four weeks when the Finance Officer said we had to borrow \$26 million, I tell you he got my attention pretty quickly and then it was away from there and then it was \$30 million and then \$35 million and that's when we decided we had to change the fiscal year and make the changes and I'm very happy to say that we haven't borrowed a dime since, right Kevin.

Mr. Biron stated I can discuss the management letter which is the other report. The management letter really begins on page 3, the first couple of pages are really just the boiler plate, introductory letter. This year we have two new comments and the way the letter is structured we talk about the two new comments first and then a follow-up of prior year comments and in that follow-up we briefly describe what the issues were a year ago, what corrective action has taken place during fiscal year 1996 as well as additional corrective action that may be necessary for the same issues. This year there are no reportable conditions included in the management letter. Last year there was which is one of the issues we're going to talk about this year that was corrected and the year before there was also some issues relating to the Assessing office, those are all cleared at this point, so there are no reportable conditions which are considered more serious findings. Everything in here is not considered a reportable condition, they are just management letter comments designed to help improve internal controls and streamline the operations, for the most part. The first issue relates to the self-insured programs that the City operates. The City self-insures its general liability, employee's health as well as workmen's compensation. Now, Generally Accepted Accounting Principles require that a liability be reported in a financial statement for claims that exist, but may not have been reported yet, may not have been paid yet. Now, it's a very difficult number to arrive at, to come up with this estimated liability and it typically requires the use of actuaries. Now, in this case there is a liability reported in the Comprehensive Financial Report, but it's based on an actuarial evaluation that was done two years earlier. The numbers are starting to get a little bit old, so our recommendation is that for June 30, 1997, the City go through an actuarial evaluation to determine what the true claim liability should be, that way the financial statements would be accurate and the City will continue to have a clean opinion in its financial statements. The next issue relates to the teacher payroll. Now, a unique thing happened in fiscal year 1996 relating to the teacher's payroll. The City funds the teacher's payroll beginning on July 1st and they get paid every other week, 26 payrolls, but what happened in fiscal year 1997 just because of the way the calendar fell was that there was a 27th payroll that occurred and because of that that 27th payroll fell in June 1996 and it was for about \$1.4 million. Now, that's a situation that happens one every fourteen years or so just because 365 isn't perfectly divisible by 14 days every 2 weeks. So, every 14 years or so you end up with an extra pay period which was what happened in 1996. As a result, a liability had to be reported in 1996 that wasn't there in 1995. So, your General Fund Surplus would have been about \$1.4 million more than it appears in here. Our recommendation is that the City try to fund that so that that liability won't be showing up there every year from here on because unless it gets funded, it's going to be a liability that's

going to be there every single year because even though it happens every 14 years, it doesn't go away after that, it stays there until it's funded.

Alderman Wihby stated so couldn't we fund \$100,000 a year in order to come up with that.

Mr. Biron stated are you saying that being a mechanism to get rid of it; that could be a way. I've had some discussions with the School Business Manager, he is contemplating possibly trying to eliminate the whole thing within the 1997 budget.

Mayor Wiczorek stated we'll talk about that.

Alderman Soucy stated you're talking about funding this previous deficit for '96, not about funding in the future because you can't reserve funds for this occurrence in 14 years, right.

Mr. Biron replied the liability that's there is going to be there forever more, every single year because you're always going to have that, so you're going to have a \$1.4 million or so liability every year unless you fund it. Now, funding a hundred thousand a year would be one way of doing it, funding \$1.4 million in one year would be one year and a \$100,000 for 14 years would be another way. But, you'd have to raise money through taxation or other sources in order to eliminate that liability. The next issue are repeats from the prior year, it's a follow-up on some of the comments that were raised in prior years. The first one relates to the School payroll approval process and the whole School payroll processing procedures. This was considered a reportable condition a year ago, it was a serious finding as far as we were concerned and what the issue related to was the fact that there was one clerk at the School Department that was really responsible for all of the processing of the School payroll, she pretty much handled every single procedure without a lot of oversight and without anybody else signing off the approval of the payroll. In 1996, that has been corrected. There are now two clerks involved in the processing of the payroll, so it's not just one person anymore and the School Business Manager also signs off on the payroll and the School Business Manager periodically reviews the employees included in that payroll to make sure that the employees and the wage amounts appear reasonable. So, that seems to be taken care of. We do have one follow-up recommendation and that be that the payroll report which is really just a one sheet, very summarized piece of paper...to that there be attached a check register which would be a summary of all of the employees, listing the names of the employees and the wage amounts that they are getting so that it is right there. So, that when the payroll is being approved there is a list of employees to look at, for somebody to review for reasonableness to make sure that they appear to be all legitimate City employees and that the amounts appear reasonable. The next issue relates to teacher summer pay. A year ago, we recommended that the City seek the advice of the American Institute of CPA's to make sure that the way that it's reporting teacher summer pay is proper. The way that the City has been reporting teacher summer pay is that those pay periods are reported in the next fiscal year. The teachers that get paid in July and August gets charged to the year, the fiscal year that begins in July and August and that's somewhat unique because

most municipalities don't do it that way and that's why we suggested that that letter be sent to get that information. The City did that, the American Institute of CPA's replied that the City was okay in what it was doing. What we're recommending though, going forward is that the teacher contract be amended so that it's very clear that the teacher contract corresponds to the City's fiscal year because right now the teacher's contract just runs from September to June as opposed to the City's fiscal year running from July to June. So, it would just make it a lot clearer and it would make it easier to continue to track the liability the way the City is doing it right now, to defer it to the next fiscal year. The next issue relates to the School Department's fixed asset records. A year ago we recommended that the School review the fixed asset records, primarily related to computer equipment because it wasn't complete a year ago, that was done during 1996, the School Department does have a complete master listing of all of the computer equipment now and all of that equipment is tagged as is for all of the City here. What we find, though, when we went to test those records is that although there is a master listing of all of the assets that's maintained at the School Business Office, the Principals at the schools don't really have their own master listings, and what a lot of them were trying to do was to create their own master listings in order to control the assets that were within their own school. What we're recommending to go forward is that the Business Office give each of the Principals master listings as it relates to their school and that the Principal's be responsible for tracking the movement of all that equipment within the schools because that equipment is always moving from one classroom to another, one office to another, and it's important to make sure that there's control over those assets and that the Principal's know where they all are. So, these Principals could maintain a master listing and twice-a-year at the beginning of the school year and at the end of the school year they should go through a physical inventory just to make sure that everything is accounted for and is where it's supposed to be. The next issue relates to Assessor Office issues and their reporting of the Overlay balance. A year ago, June 30, 1995, there was an unfunded Overlay of about \$2.3 million and when I say unfunded what I mean is the Overlay that's raised as part of the tax rate which is there to fund abatements, there were claims, there were appeals at Superior Court and at the Bureau of Tax & Land Appeals that exceeded the amount that the City had in the reserve to the tune of about \$2.3 million. Now, that was reported as a liability in the City's Financial Statements about a year ago. At June 30, 1996, that liability almost disappeared, it's down to about \$450,000. So, I think, we're finally reaching a point where those appeals are winding down, these issues all go back to the revaluation and the downturn in the economy in 1990, 1991, and 1992 and we're finally reaching a point where things are catching up and the Overlay balance is going to be fully-funded. In fact, in 1997 by June 30, 1997, the Overlay should be fully-funded for the first time in this decade. Also, our recommendation a year ago was that the Assessors Office provide information to the Board of Mayor and Aldermen on the status of the Overlay balance and the status of abatement cases that are hanging out there and on just the overall property valuation of the City, is it going up, is it going down, and our understanding is that they are providing that information now. The next issue relates to establishing departmental receipt policies for departments. Besides the Tax Collector's Office pretty much every department in this City collects some sort of fees, miscellaneous receipts. Last year, we recommended that standard policies be established for

each of the departments so that there be standardized records for them to record them all in and that there be policies for how often that money should be turned over and deposited and just the audit trails over that and controls over all of those receipts. We understand that recently, I think it happened probably while we were here doing the audit, which is September or so that that policy statement was approved by the Board of Mayor and Aldermen. What we're recommending is just one more step now that that policy exists that there be some type of internal audits done from the Finance Office going out to the various departments to make sure that the departments are following through with these new policies and procedures. The next comment related to computer upgrade...a year ago we mentioned that the City maintained a very splintered computer system where it's almost every department that was out there had their own system and they weren't integrated and linked together. So, it wasn't one overall system that was coordinated and working well. It was just a lot of different systems. Some of them were no longer being serviced by the vendors. We understand that during 1996 the City went through the bid process on this and recently has selected a vendor to be the overall computer vendor and that it is going to be a very comprehensive system within the City.

Alderman Domaingue stated with respect to item number 7 that we just discussed, you highlighted about the formal departmental recent policy statement that I don't see anything in here relative to where we are with the procedures themselves. Could the Finance Officer elaborate on that a little, do we have those procedures in place now.

Mr. Clougherty replied we're in the process of putting them together. As Frank alluded to, we had to wait till we got the revenue policy in place and we're building on that, so it's under construction now and we hope to have that to the...we envision bringing that to the Committee on Accounts, Enrollment & Revenue Administration for preliminary review this year, so they can review it and take a look at it.

Alderman Domaingue stated but as far as this audit is concerned then the intent is acceptable.

Mr. Clougherty replied, yes, I think they've seen progress and they knew we had to do one piece first. The other part with respect to the internal audit...before you can go out and audit is to put in the computer system. We've had to take a limit of one internal auditor in our office and decide where is that best spent and we've made the decision that it's best spent trying to put in place the tools to make the job easier going forward. So, once we get everybody on one system then that person's productivity is going to be much better. By getting the revenue policy in place then going to the individual departments, it all flows from one common policy and everybody has the revenue chart so they can follow. So, we had to put in place...make a decision to put in place some of the fundamental building blocks or tools that the internal auditor would have to go out and we have one left which will be the individual procedures for the different departments and that's the next step. But, we've had to build to that over the last three, three and a half years.

Mr. Biron stated that pretty much summarizes the report. I think the last comment we'd make is a follow-up to issues that went back to 1994 that existed in 1995 and they were all pretty much computer-related and the fact that the City is now going through the process of acquiring a new system will correct all of those issues.

Mayor Wieczorek stated I guess from what I hear, Frank, is you said the City has done a good job in managing its affairs through a pretty turbulent period and it's going to get better from here with the improvement in the financial system.

Mr. Clougherty stated we've tried with this year's report to give the Board something more than just numbers. One of the things that we found that is of interest not only to the credit rating agencies, but to students that come to our offices, to the press, to academicians, to the Aldermen, is what do these numbers mean, what do we do during the year. If you read that introductory section, I think it's pretty enlightening and this Board will find a lot of activity, a lot of things that they can be proud of that were accomplished during a year that was very tight. A lot of the credit for a lot of the numbers and the success of this program goes to the individual departments. It's the account clerks, it's the payroll clerks that pay attention to details day in and day out and adhere to the rules. My feeling is that we've got a highly ethical and devoted group of people in that area in the various departments whether it's Highway, Parks or School and they've made a really strong effort to get our financial statement to a point where we want a few that's putting out this level of report, that's accurate, that it's timely and that it's useful. So, I think a lot of credit goes to those people in the trenches and the lines day in, day out that you don't often see, but they're the ones that are doing the work and deserve a lot of credit. I think you'll find that these people with the use of a new computer system will just further blossom and will just give you more information. A lot of the stuff that was required of School this year they accomplished with a really outdated system and that's a real testament to their ingenuity to get all these numbers to us and get things going with an antiquated system...Highway, all of the enterprises, all the departments that, again, you don't often hear of, but are coming in day in, day out doing just a phenomenal job. They meet their deadlines, they're accurate and that's why you have this good financial statement. So, if there's any way you can acknowledge those people as you're going about your duties in the different departments, please acknowledge them because they do a great job for the City and we're trying to highlight that as part of these financial statements. When you're looking at what we've accomplished during the year, it really is astounding given the resources we've had, what was done and I think the Board can take credit for that and I think your account clerks and your payroll clerks and your department heads who are working in this area too. We owe them a debt of appreciation because we oftentimes get acknowledged for these financial statements, but it's really the people out there working hard every day to make these things work and we're very proud of them, it's a good report and I think the precision is very tight and again we're again within the standards for accuracy and that's a nice accomplishment for the Board and for the City.

Alderman Elise stated my opinion is the Finance Department is leading the ship on this issue and your department shouldn't shrug off any congratulations that are due to you and the rest of the department.

Mayor Wieczorek stated, Frank and Scott, thank you very much; that is indeed good news for the citizens of the City. I know that things are moving very well and we have a good handle on the information.

On motion of Alderman Soucy, duly seconded by Ald. Shea, it was voted to recess the regular meeting to allow the Committee on Finance to meet.

Mayor Wieczorek called the meeting back to order.

### **OTHER BUSINESS**

A report of the Committee on Finance was presented recommending that Resolutions:

“Amending the 1992 Community Improvement Program, authorizing and appropriating funds for the 1992 2.10604 Cultural Awareness.”

“Amending the 1996 Community Improvement Program, authorizing and appropriating funds for the 1996 2.20710 HIV Education Services.”

“Amending the 1997 Community Improvement Program, authorizing and appropriating funds for various School Department Projects.”

ought to pass.

Alderman Shea moved to accept, receive and adopt the report of the Committee on Finance.

Alderman Reiniger duly seconded the motion. There being none opposed, the motion carried.

A report of the Committee on Community Improvement Program was presented recommending that lease agreements for temporary office and storage space for City departments being displaced due to renovations of City Hall and City Hall Annex as presented in letters of intent from Citizens Bank and Danais Realty be approved subject to the review and approval of the City Solicitor.

The Committee further advised that it has authorized the staff to present additional lease agreements as may be required for aldermanic and cashiering activities to the Board for consideration at its January 21 meeting.

The Committee further recommended that the Board of Mayor and Aldermen be given a brief presentation by the architect relative to City Hall and City Hall Annex renovations.

Mr. Houle stated as you all know the renovations to City Hall and City Hall Annex are under the general direction of a Special Building Committee comprised of Walter Stiles who is responsible for fund-raising, the City Clerk's Office along with Armand Gaudreault who are responsible for temporary relocation, the Information Systems Director who is handling voice and data communications, and the Planning Director who is responsible for coordinating the

planning of the usage of the rehabilitated City Hall and Annex as well as the space planning for the temporary space that we are about to suggest the Board consider leasing. Basically, my job is to manage contracts and leases and with that I'd like to turn the planning portion of this meeting over to Bob and once you view the presentations we'd like you then to consider the leases that we will propose this evening.

Mr. MacKenzie stated good evening, Mayor and Honorable Board Members. I have a few brief comments before we get going then I am going to introduce our architect team to give you a brief overview of the proposed renovations to City Hall and the Annex. I would like to give you a quick overview of where City Hall is going to be moving to in the interim because I suspect many of you will get questions on where are the City's departments going, when is it going to occur and whose involved. Dick has mentioned a couple of the people involved and I also want to mention that we now have designated a Relocation Coordinator, that person Paul Bergeron out of the City Clerk's Office is going to be working to make sure that things go as smoothly as possible. Things probably won't go perfect, I have to stress that there will likely be some bumps in the road, nothing can be ideal given that we are trying to do things quickly and at a fairly cheap cost. But, I'm hoping that you understand that even though there may be problems we're going to be working to solve these and in the long-term, I think the benefits of what we're trying to do are going to be very important to the City. We're trying to increase the safety of both the employees of City Hall and the Annex and the constituents of the City, we're trying to increase the convenience and the accessibility for the general public, we're trying to improve the image of the City which is very important for attracting businesses and other purposes and I think we're trying to improve the coordination between departments with this plan that we are developing. So, tonight I am going to introduce in a minute our architectural team who is working feverishly to work on the plans and then I am going to briefly overview the temporary location and then turn it back to Dick for discussion of the actual leases. Now, to give you an idea of the time frame though, things are going to be happening rapidly over the next couple of months. Already in process of fitting up some space or will after the Board acts upon the loses, hopefully. The architects are working very quickly on the plans and we hope to be able to go out to bid sometime later this spring. So, things will be happening quickly and we are going to have to be moving departments in a couple of months and that's always a monumental task, but I wanted to thank all of the department heads certainly because they have been very cooperative and I am now going to turn this over to Fred Urtz who is with the Architectural firm of Lavalley/Brensinger, Professional Association and he's going to take it from there.

Mr. Urtz stated, Honorable Mayor and Aldermen, the last time we met with you late last fall, we presented essentially a conceptual plan for the renovations of City Hall and City Hall Annex. At that time, we'd identified the departments that would be moved into the two facilities and generally how they would be organized. Since that time, we have worked through what we term the design development phase and with that phase we get into much more detail in terms of how those moves are going to take place, we refine all of the spaces in the buildings, we refine all of the systems, identify the materials, layout furniture in the offices, identify where outlets,

telephones, computer cabling is going and really put together a package that is really understandable by the departments that are going to move in there. So, we can present that back to them and they can make minor revisions or okay it and from that point on we move into our much more detailed construction document phase where we prepare the contract documents that a contractor will use to build a facility. This week we have pretty much concluded the design development phase and have made presentations to the Special Building Committee and have turned over complete packages to each of the department heads and over the next two weeks they will be reviewing those and getting back to us with any minor changes that they may have. The Special Building Committee asked that we make this presentation tonight to update the Board on some of the developments that have taken place through that design development phase. Joan Thompson the Project Architect from our office who has worked very closely with each of the departments will make a brief presentation that will highlight some of the design issues that we've uncovered over the last couple of months.

Ms. Thompson stated once again, I'd like to thank all the departments heads for being so cooperative in working with me over the last couple of months in making the project come together. As Bob said we're just going to do a brief presentation on where all the departments are, give you an idea of where we are with the project, give you some idea of what the buildings are going to look like on the outside with the connector that we are proposing and just give you a brief snapshot of where we are at this point. The agenda for tonight we're just going to go through the Annex floor plans and City Hall floor plans. We'll go through some interior perspectives of the Aldermanic Chambers, give you a brief description of how we're going to be doing the grand staircase that will be the main stair at the new location of City Hall, we'll take a look at some of the site planning issues and a more detailed look of what the plaza's going to look like in between City Hall and the Annex building. We'll take a look at the south elevation looking from NYNEX towards City Hall and the new infill from the alleyway looking towards the Annex building which is going to be new construction. We have some exterior perspectives of the building looking towards the infill and towards City Hall and the first floor plan we're going to take a look at is the lower level of the Annex building. Located at this level will be Personnel and the City Solicitor and there will also be some areas for archival storage for the departments within the building. On the first floor of the Annex building there is going to be the Tax Collector, Ordinance Violations and the Tax Assessors. One of the reasons that all of this group is on the first floor is because they need to have a public traffic flow and it will be related to the people who are on the first floor of City Hall who also have a high traffic flow and the connector between the two will bring it together as a single building and an ease of access for the public. Located on the upper floor, the second floor of the Annex is Planning and Building Departments and going into City Hall the lower level is mainly archive space, there's some areas for staff lounge area, staff bathrooms and there's also public restrooms down on this level. On the first floor of City Hall where the main entrance is going to be off of Market Street is Manchester Economic Development Office and also the City Clerk's and in the back at the corner will be where the connector over to the Annex will be located. On the second floor of City Hall, coming up the grand staircase you'll come into a general lobby and then the Finance

Department and on the third floor is the Mayor's suite, some executive conference area, and the Aldermanic Chambers which will go back into its original meeting room location. We're also proposing in the plan that there be an additional mezzanine level added for meeting space and also for additional seating for the Aldermanic meetings and an audio visual room located on this level which will be able to have direct tie-ins for TV and audio recording and there's some additional storage up here. This is an interior perspective of the Aldermanic Chambers where you can see the mezzanine level up here in the back and all of the tin ceilings that are up there in the Finance Department, right now, are all going to be restored so that you'll have tin ceiling up there.

Alderman Wihby asked how many seats in there.

Ms. Thompson replied it is planned for 14. There is 80 seats plus six press and up top there is room for an additional 50.

Alderman Elise asked is there room to have Channel 9 on one side and *The Union Leader* on the other side of the room.

Ms. Thompson replied right now it's set up with one side of the room, in the front, to have one large table that would have interconnections for modems for their computers, so they'd have a direct link back to their offices and then with the audio/visual will be permanently installed so it would go right back to the audio/visual room in the mezzanine level. Taking a look at the site plan indicated it included the entire site, the Annex, City Hall, the Bell Building with Stark Street, Elm and Market Streets and what is in the center is where the connector and the site work is going to be mainly concentrated between the two buildings and as Bob said they were hoping that what it did was to make the two buildings functional as one and also the site, what they were aiming for here was to give you a community area that you can be using for activities that could be focused for any number of things, just a nice outdoor space and it also functions as handicapped accessibility where there's a ramp built into the whole site plan which brings you into the connector building and would bring you into either of the buildings.

Alderman Wihby stated the street, the alley is still staying there and you can drive under the addition.

Ms. Thompson replied right now the alley is set up with a clearance of 8 feet which will allow public traffic through, at this point it will not allow emergency vehicles...cars and vans will fit.

Alderman Wihby stated originally when I looked at this last time there was parking over there, somewhere.

Ms. Thompson stated the parking you see in the site is in the back of the Annex.

Alderman Wihby stated I was told there would be some over there too.

Mr. MacKenzie stated I think one of the...you're correct, Alderman, one of the earlier sketches, I think, showed four spaces in that front section.

Alderman Wihby stated so what are you going to tell the handicapped person to do, drive in the alley, park there and go up the stairs.

Ms. Thompson replied, no, we are actually proposing that the parking spaces out in front of the Annex be designated "handicapped".

Alderman Wihby asked how about those other 12, are those 12 on the other picture for the public.

Ms. Thompson replied, they're not, right now they're just designated as parking spaces and not necessarily...

Alderman Wihby asked do we need all that gizmo there with the stairs and everything, that if we had parking there it could give the public some parking because we took a lot of area out of there to put something that looks nice.

Ms. Thompson replied we don't want it to just look nice, it's actually functional. It is the handicapped accessibility to the building and it's also...what we're trying to do is to make two buildings work as one and give you something that's functional as the City Hall really is and not just give it to parking.

Alderman Soucy asked is there any specific reason why we're keeping the street open, is it a safety issue or something.

Mr. MacKenzie replied one of the issues is that there is a major power conduit going through there and it's going to have to remain unencumbered, so since we're going to have to leave that, then providing some sort of car access through seems reasonable if we have to leave that conduit open.

Mr. Urtz stated we also felt it was important to preserve pedestrian access through there and if you look at any noon time there is a lot of traffic from NYNEX down towards the "Y" that uses the alley. To answer the Alderman's question about putting parking in this area, one of our concerns was that with the movement of so many publicly accessed departments into the Annex that this whole area in front of City Hall and the Annex becomes very public front yard, the front door of both the combined City Hall property, so we felt that it was important that, at least,

the edges that the public will be traveling through whether they're coming from parking and from the southwest or coming off Elm Street and down through City Hall Plaza be a pleasant experience, so we really did feel that it was important to have that "pedestrian friendly" if you will and we expect there to be a great deal of traffic in that area. Even today, if you go out there on a sunny day you'll find that one of the most popular areas for people to stop for a few minutes and chat is out in front of the Annex. It's a sunny spot and you will find a lot of people out on the sidewalk there.

Alderman Wihby asked can they come in the other door too, the back door.

Mr. Urtz replied, yes, they can.

Ms. Thompson stated the back door behind the Annex is accessible, but what we are proposing right now is that be left as staff access and one of the reasons for that is for security.

Alderman Wihby stated why don't you use those 12 for people to come in to use City Hall, but now you're going to tell them they have to walk all the way around.

Ms. Thompson stated right now, that parking isn't designated for public or for staff, but if it is for public then it would be an issue of using that rear door would have to be addressed. What we'd like to do is make the addition a focal point as an entrance, so that when people entered there would be directories inside that would give you information as to where you need to go and obviously, you can still use the main entrances into each of the buildings, but as Fred was mentioning we'd like to make this as a pedestrian way and give you some connection between the buildings, so that it is working as one.

Alderman Shea asked would the connector have both a north and south entrance.

Ms. Thompson replied the connector will have one entrance which would be the one on the south side.

Mr. Urtz stated you could come up through the opening, the alley and walk up through the plaza into that entrance.

Alderman Wihby stated there was no other way to put up a handicapped accessible way using the other doors and leaving all of the other stuff there and raising up that thing.

Ms. Thompson replied, sure, there's always other ways of doing it.

Alderman Wihby asked is it more money and did we look at that.

Ms. Thompson replied yes we did and it's been reviewed and this is where it's come to up to this point. The elevation of the infill at the Annex is a glass upper portion and some brick columns in between and what we're proposing here is that it be glass and then the columns (brick) would tie in with the buildings. The ramp would bring you up into the connector between the two buildings and there's some platform levels in here that could be used for activities or just general seating or gatherings and as an entrance between the two buildings.

Alderman Wihby stated I don't want to be negative, your Honor, but we do things in this City sometimes to make things look good and not look practical or be practical, it just seems to me that having that really looks nice, I don't know how many parking places you're taking that the public could use and they're always looking for parking and it just seems that we could have made something different and we could have had parking there for handicapped and for the public to use, it might not have looked so nice, but it would have been practical. I look at the sidewalks that we have with the bricks and they come out and I wonder why we even do things like that, it looks nice, we took, I don't know how many spots away on Elm Street and then we're doing something like this that is wiping out the whole parking on the side of the building. It looks super, they did a great job and it looks nice, but I don't know how many slots we have there, we must have 30 or 40 and we're going to end up with nothing.

Mr. MacKenzie interjected, I believe there are 27 spots there now.

Alderman Wihby stated we end up with nothing because we want to make it look good.

Alderman Elise stated in terms of employee parking temporarily that's been taken care of.

Alderman Wihby stated, I don't care about the employees, I'm talking about the public.

Alderman Elise stated, I think this will make the public want to use City Hall more and the adjacent building and I think that space will facilitate the public's interest and ability to use the building, I think the space is very nice.

Alderman Wihby stated so now we're going to tell the public to take a bus to go to City Hall because they won't be able to find any parking.

Mayor Wieczorek stated there's going to be angle parking on Elm Street and there's the Middle Street lot.

Alderman Wihby stated so we just filled in the lot, so we'll have to give more free parking because we're just taking away parking places and it doesn't make any sense, your Honor.

Mayor Wieczorek stated if there was a way to control the parking here, I'd rather not have any parking that we charge for. I'd like to have it all be free, but it's very hard to control.

Mr. MacKenzie stated if I could make a couple of points on the parking...one, is that we are trying to increase the parking in the Downtown, the Elm Street reconstruction project which we're looking forward to and designing now should have an considerable increase on parking directly on Elm Street and that's where people want to park. Second, I believe, that's there's an ability to increase the parking on Stark Street and we're going to be looking at that in the near future by going to diagonal parking which we believe works. Stark Street is a relatively wide street. Third, is that we would still be looking to have employees at the Canal Street Garage. Basically, that will free up on space and enclose parking by having employees at the garage, it'll have the close up parking for our customers and fourth, there is zero parking for City Hall customers right now on the City Hall site. People park on the streets or they park in the Franklin Street lot. I still think that I'd like to take a look at ways to perhaps find some public parking even if it's a few spaces somewhere on the site and we'll be taking a look at that.

Alderman Reiniger stated I have been told by persons with disabilities, particularly wheelchairs that the present arrangements are bad, very bad and this to them is very appealing, I don't know, I guess before we start saying we should get rid of that we ought to be careful.

Alderman Wihby stated I'm not saying we're going to get rid of that, how is it appealing when somebody is going to have to wheel a mile to get into a building, that's what they have to do with this thing. They have to park somewhere where we don't know where they're going to park, they're going to wheel all the way into a middle to get to one of the two buildings, we haven't made it easier for them with this. I'm not saying we shouldn't do something with it, I just think that there was another plan that we could have looked at where we didn't have to take away all the parking in the middle and we could have come in through a door.

Alderman Reiniger stated the problem is not so much the distance, it's actually getting into the doors presently.

Alderman Wihby stated we could have changed the entrance, made it wide enough for them and have them go through a tunnel that went under the street and still had parking for them right there for the handicapped. What we've done is taken...parking's a problem and we've said that it is and we made employees not park Downtown, to park in the garages and now we're taking 27 more and telling them you go park in the garages because we need more parking and where's it going to end when we're going to take away parking places and the employees are already moved over there and now we just add another 27 to the parking garage and pretty soon we're going to kick them out because we're going to need the parking spaces.

Mayor Wiczorek stated that will be a pleasant problem because that will mean there is a lot of activity that is taking place. I think we should give the Planning Director and the architects an opportunity to take a look at that, as he said he just got it today, so he hasn't had a real good chance to look at this in depth.

Mr. MacKenzie stated, certainly, if that's the consensus of the Board, it's something that I was going to be looking at anyway, but if the Board wants us to look at that...I do want to comment on some of the points raised in terms of handicapped accessibility. The Annex is a very difficult building to provide handicapped accessibility. You can see that the City's current attempt to provide it doesn't work, there's a large rise between the actual ground elevation and the first floor, I think there's probably six feet which with handicapped requirements it's very difficult to develop a ramp that will get you up to the first floor, so the current City attempt at providing handicapped accessibility to this building (City Hall) and the Annex have not been really successful and we want to make both buildings fully handicapped accessible, that's one of the goals of the project. Providing a tunnel between the two buildings is not possible, again, because of that major Public Service conduit that goes just underground down along the alley, so even though we did look at connecting the two buildings with an underground access point, it simply wasn't possible.

Alderman Domaingue stated hopefully with the economy headed in an upswing, we're going to see more of the garages being filled which is really going to underscore the need to address the parking issue and I don't want to take anything away from the presentation because it is very well done, but I think the Chairman of the Board makes an excellent point. We can't afford to wait until we have a parking problem, we have to plan for it now. The Traffic Committee did hear tonight that two of the garages currently have a waiting list and I think that that is a reality that's creeping up on us very quickly, so hopefully when they go back to the boards they will keep that in mind.

Alderman Robert asked in these plans what remedies were provided for the conditions that seem to be festering in the Solicitor's Office, the spores and the must, is that problem being rectified.

Mr. MacKenzie replied, yes, the buildings will be fully gutted inside, there will be totally new heating, ventilation, air conditioning systems which will, I'm sure the architects will say, will rectify that problem. There are several problems with both buildings now in terms of codes, life-safety codes, fire safety codes, I believe the architect is going to correct all of them.

Mr. Urtz stated those air quality problems are currently the result of no fresh air being introduced into the buildings by the mechanical systems and as Bob said those are being completely replaced with code compliance systems, so there should be ample fresh air to eliminate those air quality problems.

Alderman Hirschmann stated currently the elevator situation...elevators are expensive, but can you talk about the elevators of the two sites and what's going to happen with those.

Mr. Urtz stated there will be a new elevator located in each building that will serve all levels, the central connector that we have been talking about between the buildings provides the

handicapped accessibility to the connected first floors of both buildings with the elevators then allowing you to travel up and down to all levels of each facility.

Mayor Wieczorek stated that will certainly make it a lot better because I hear people and see people having a lot of difficulty trying to get in and out of here, trying to get in especially.

Alderman Soucy stated just one quick question and I know it's not part of this conference right now where we're talking about trying to find out places for departments, what about the Health Department situation and looking into moving that into where Welfare is and trying to consolidate for customer service, is that issue still out there.

Mr. MacKenzie replied I think that's still an outstanding issue, I think there's been discussion before about having some type of human services center that we had several years ago in the Franklin Street School which worked fairly well. It's something that probably should be addressed, I think the main issue is funding for that, we can certainly look at it sometime in the future.

Alderman Soucy stated I was just bringing it up because while we're trying to move things together that seems to be the one department that sort of like is left out of the mix and if there's anything we can do, even in looking towards the future at an option like the Bell Building or any future expansion to try and bring the departments closer together. I think that was one of the departments that's necessary for a lot of small businesses that are starting up to go to. So, they'd make a stop a City Hall and then it's still separate, so anything that could be done to keep that issue in the forefront would be good.

Alderman Wihby stated I thought they had decided and they told us they didn't want to be at City Hall.

Alderman Soucy stated I'm not suggesting City Hall, but I'm suggesting while we're looking at temporary space for various departments that we keep that one sort of on the front burner and see if we can do something.

Mr. MacKenzie stated if I can just continue with what's going to happen to the departments in the interim. Construction we would see as starting sometime later this spring and progress for about 12 to 14 months which means it will not be done until about roughly June of 1998. So, the next question is where to put the departments in the interim. We had, of course, looked at phasing it where we worked on City Hall and then shuffled departments around in the Annex. Basically, there would be a lot of inconveniences, but it was also a cost factor, it perhaps amounted to close to \$500,000. So, what we're intending to do is to move out all of the departments, the move would be staged over the next couple of months and all of them would be going into Hampshire Plaza. City Hall would be moved to three floors of Hampshire Plaza. Dick Houle has been working in terms of negotiating leases with two groups (Citizens Bank and

Spaulding & Slye) and we've gotten what we feel are excellent rates for some lease space for about 14 to 15 months. The three locations are the 5th floor of Hampshire Plaza where we would get most of the floor with a portion for Spaulding & Slye with the center core area on all the floors of the tower is basically the utility core, elevators, restrooms and stairwells. On this floor we would have four departments - City Solicitor's Office on the north wing which would take a large portion of that area. In general, the fifth floor has private offices around the perimeter and a large area in the middle. The next department on this floor would be the Building Department who would take the center section with five offices along the wall which would be a conference room, the Building Commissioner, Assistant with the staff in the middle and each will have a separate doorway from the main hallway for Solicitor, Building, Personnel and Assessors. We will be working to set up partitions/work stations and Citizens has also agreed to provide the actual work stations which will make all the moving easier, and we won't have to move all existing furniture over there and then move it back, we will be setting up on a temporary basis. The remainder will be Personnel and the Assessors. The Assessors will be set up as they are now with a front desk area where people come in looking through records and there will be temporary counter space set up with active files and have lined up temporary off-site storage for a lot of the older archives and other junk we've collected over the years and some of it will be disposed of. On the second floor of the complex, we'll have four more departments and this floor is actually smaller than the top floor but we get the entire floor in this case. On the north wing would be the Finance Department, the middle section would be the administrative offices of the Tax Collector and I'll show you in a minute that the actual public customer activities of the Tax Collector and the City Clerk will be happening on the mall level where we want to encourage the traffic. There will be the administrative offices of the City Clerk and in the southwest corner will be the Mayor's Office. On the mall level we wanted to make it fairly convenient for customers to come in, do their business and we will be leasing a store front in Hampshire Plaza and within the storefront we will have the operations of the Ordinance Violations, Tax Collector and the City Clerk's. In order to save money, we will be doing things like moving and reusing the existing counter space which does work pretty well, although the Tax Collector will be sort of cramped, it will actually be a lot more convenient for people because right now you come to the Tax Collector and if you want to register your car, but you have outstanding fines you have to run over to Ordinance Violations in the other building. Under this scheme they will be right beside each other and can take care of most of your public functions between these three departments. We've also proposed a wall for a private section with an area blocked off for critical files and other things for each of those three departments in a more secured area and this will be in the mall which will be more convenient, it handicapped accessible from Elm Street and public parking and employee parking will be at the Canal Street Garage. For a temporary location, this is probably the best we can do in terms of keeping a Downtown location, one that is convenient for the public and one that we can afford. We are working with some of the critical elements over the next six weeks in providing the computer and telephone systems with Information Systems helping us out in those areas and we're actually going to be running fiber optic cable from City Hall up to Hampshire Plaza to

accommodate those needs. At this point, this is all I had for a brief presentation on temporary quarters.

Alderman Hirschmann stated accessibility after 5:30, I read the Spaulding & Slye sheet and it said that the building gets locked at 5:30 from the garage to the mall, most of our meetings are at night.

Mr. MacKenzie stated we are also working on space for the Aldermen, the full Board meetings and Committee meetings. Carol Johnson is the one responsible for lining up that, we have several good options and she's exploring those for Board and Committee meetings and those are not quite lined up yet and I believe Carol is still working on those, but we'll be letting the Board know where those will be.

Mayor Wieczorek stated we did receive a letter from the University of New Hampshire and asked the Clerk if a copy had been distributed to the Board.

Clerk Johnson replied, no; that we also have received a similar offer from the State.

Mayor Wieczorek asked the Clerk to pass out the letter. What they're doing is asking us if we would like to use their space during the renovations "to provide a comfortable and convenient location for the Aldermanic meetings. We only ask that the City reimburse us for the cost of security if meetings are to be held outside of our normal hours of operation. Our rate is currently \$10.00 per hour." It says, "we hope that you and the Board of Aldermen will join us during the summer of 1997 and we look forward to hearing from you." Mayor Wieczorek stated that will be one of the items that will be under consideration along with others that Carol is going to be evaluating.

Mr. Houle stated with the exception of a lease or arrangements for meeting space for the Aldermen and its Committees, we're talking about a sublease of the fifth and second floor in Hampshire Plaza at a rate of \$150,000 for 15 and 16 months and that breaks down to \$6.45 per gross square foot and includes heat and electricity, air conditioning and a great deal of furnishings. We would anticipate this lease to be approved subject to the review of the City Solicitor's Office.

Alderman Wihby asked do we have any problems with not taking bids or anything like that or is this allowable.

Solicitor Clark replied, it's not a bid situation, you don't have to go out to bid for this.

Mr. Houle stated the intent was to try and keep all of City Hall in one location; that would be one lease. Secondly, what we expect to do is to move a lot of furnishings that we don't need immediately into a location that may...some of the material may be returned to City Hall, others

may be auctioned. We're recommending a minimum 5,000 square foot lease with Danais Realty in a building on Commercial Street formerly known as Anchor Electric. The rate there would be \$2.00 a square foot and that includes all utilities. As much as 20,000 square feet could be available to us all on one floor, if we needed it.

Alderman Wihby asked why not use the FIRST building for storage, where US FIRST is going to be.

Alderman Clancy asked can you beat \$2.00 a square foot.

Alderman Wihby replied, yeah, it would be free.

Mayor Wieczorek stated this includes utilities and whatever else you need in it.

Alderman Wihby asked isn't it just storage.

Mr. Houle replied I'm unaware of the availability of that building. What we anticipate doing is sectioning/partitioning off the open floors with chicken wire and doors and providing individual departments their own security.

Alderman Wihby stated I know with the Heritage Commission they have tons of room they were going to give the State to put in a museum there, but nothing's come of this.

Mayor Wieczorek stated that's still underway. As a matter of fact, they're working with the Manchester Historic Association in kind of a joint venture now.

Mr. Houle stated one of the other things, I may have the wrong location...

Alderman Soucy asked what do we presently use the Brown School building for, is that presently being used for storage.

Mr. Houle replied, yes, it is.

Alderman Soucy asked is it full.

Mr. Houle replied, yes, very much with furnishings.

Alderman Soucy asked if there are things that we are not using, why aren't we auctioning that off and using that existing space for storage.

Mr. Houle replied that building is under the control of the School Department, the building is not heated. The building we're looking at for space is fully sprinklered, meaning it's heated and

that's important. I know that Brown School is not heated and when buildings are not heated they tend to deteriorate. I do recall the Mayor tried extensively with a number of people and I believe including First NH to secure space for the School Department and was unsuccessful and I know that's why they didn't go there.

Alderman Wihby asked are these supplies that we won't have to get into all the time like desks and anything...you're not going to go there every day.

Mr. Houle replied generally that's it, but I would expect that some departments will have routine needs to get in there once or twice a week. Whatever is not needed to go into the new location will go there. Once the City Hall and Annex rehabilitation are complete, we would expect to have an auction at that location and invite everybody in the City to bring in what they want to sell and auction it off.

Alderman Wihby stated something like the Pandora building that's been sitting there empty that he owns and that he has to own anyway, he tells us, something like that if he was to give us and put our stuff in there, wouldn't work.

Mr. Houle replied, I don't know, Alderman. I certainly can look into it.

Alderman Soucy stated it just seems silly with all the vacant space around like in the Millyard to be paying any money for space.

Mr. Houle stated I kind of took my lead from the School Department who, I think, spent a great deal of time looking for space and I think we got a pretty good rate.

Alderman Wihby stated it's an excellent rate, but I guess if you have to have heat and lights and all that stuff and these places don't have it, then this is a super deal but if they have that stuff, I don't know why we would want to pay for it.

Mr. Houle stated I would be happy to look at First NH.

Alderman Wihby asked is it going to mess up something with this, does it have to be done tonight.

Mr. Houle replied, I think you could approve this subject to my working out a better deal and if they can give us a better deal, we'll go with it. Lastly, would be the space what was formerly known as Lauriat's Book Store on the first floor of the mall, a little over 3,300 square feet. The rate there would be \$6.00 a square foot plus electricity. I'm advised that the past 15 months the tenant's have paid about \$1.65 per square foot per year and we'd budget \$2.00 to be safe and that would be a \$20,000 a year lease and we'd run about 18 months over there. What we are

requesting tonight is consideration of approving these leases, subject to the approval of the City Solicitor and subject to a better deal for storage at US FIRST.

On motion of Alderman Wihby, duly seconded by Ald. Robert, it was voted to approve the sublease agreement with Citizens Bank for second and fifth floors of Hampshire Plaza; approve lease agreement with Spaulding & Slye for approximately 3,397 square feet of space in the Hampshire Plaza Mall; and approve lease agreement for industrial warehouse space at 400 North Bedford Street; all agreements subject to approval of the City Solicitor and warehouse space subject to review of potential space at FIRST building.

Ordinance relative to compensation to commissioners to be provided  
by the City Solicitor, if available.

Mayor Wieczorek asked is this a complete list, Tom.

Solicitor Clark replied it's supposed to be.

Alderman Wihby stated the Parks Commissioners got some money and was sure the Water Commissioners were part of it too, they were included in that original list and Planning and Airport don't get paid, and I don't know who else is missing.

Solicitor Clark stated this is the complete list that was sent to us from the City Clerk's Office, these ordinances cover everything that was sent to us, if there was another one that we missed, we'll take care of it.

Mayor Wieczorek stated let me ask the City Clerk's what the list that you have, there was a list that was put out, is it on there.

Alderman Soucy asked are they by ordinance.

Solicitor Clark stated presently there is no ordinance on Parks, you don't have to repeal an ordinance to delete, all you have to do is take care of the budget which you did.

Alderman Wihby asked what about Water.

Alderman Soucy stated we don't vote on their budget, so they can still do it if they want, there's no existing ordinance and we don't vote on their budget.

Alderman Wihby stated if we're going to do it, we should do it to all of them, that was the intention and asked is there anybody else, Mayor, on this list you didn't see here, just those two (Parks and Water).

Mayor Wieczorek stated we're going to go through a process here when Tom takes a look at that. One will be to accept the motion to suspend the rules so that we can have a third and final reading without referring it to the Committee on Bills on Second Reading or to the Committee on Enrollment, then we will be requesting a motion to read by title only and then, I think, my personal feeling is that when we're talking about the Board of Adjustment even though we're going to eliminate their pay, I think the mileage there that they put on because they are looking at these properties is something we ought to give some consideration to. To ask them to not pay them and still have them use their cars checking out 20 or so different buildings that they're going to be looking at, I think is something that we ought to reconsider.

Alderman Domaingue stated first of all, I guess the answer to that will lie in where the money is going to come from, but I guess I need to emphasize that we've had this discussion and all of what you have just said could have been discussed over the periods of months and it was not, if there was such a concern over the expense of these people. If the Board wishes we can certainly refer to Committee on Accounts whether or not there is any money anywhere to reimburse them on mileage. But, I just want to hear for the record the City Solicitor's Office tell the Board that the ordinance before us that we're voting on, in fact, does designate that the money will not be paid and that those who are not showing on this piece of paper, those departments or those boards are not there because it is not required to do so by ordinance, is that correct.

Solicitor Clark replied the only one I'm checking on at this point is Water, the others, to my knowledge, there are no ordinances authorizing payment when the Board deleted the money from the budget there shouldn't be any payments.

Solicitor Clark stated the question that was raised was whether or not these ordinances repealing various compensations take care of all of them that were on the list. There were two here on the list (Elderly Services and Parks) that are not being paid by Ordinance now, it was done basically through the budget process. They budgeted for it and paid them. A question has come up as to Water Works...again, that is not done by ordinance. There is no ordinance on the books providing for payment that's done through the budget process. What I would suggest to the Board to ensure that no compensation is paid, is that the Board send a directive to any and all departments who may be paying their commissions through the budget process to cease to do so and that is a proper practice for this Board if it wishes to do it. In addition to the ordinances here it will take care of the other ones.

Alderman Soucy stated a question for Tom in the case of the Water Department since they're on a calendar year and they've just started a new budget in January where they have already budgeted for it, are we asking them to...

Solicitor Clark interjected this Board still has the authority to issue them a directive whether they've budgeted for it or not.

Alderman Cashin asked am I right in my understanding that all departments can absorb this in their budget with the exception of Planning, is that right, isn't that what we've heard.

Alderman Hirschmann moved to suspend the rules and place the ordinance on its third and final reading at this time. Alderman Robert duly seconded the motion.

Alderman Soucy asked, your Honor, what was decided about the issue of expenses; that was sort of left out there hanging. If we're repealing them, then are we not compensating them for expenses.

Mayor Wieczorek replied if we're going to do this, then I'm going to have to have a read by title only and if we want to amend it, we can amend it.

Alderman Wihby stated why don't we vote this way and see how it comes out.

Mayor Wieczorek called for a vote on the motion to suspend the rules. The motion carried with Aldermen Soucy and Cashin duly recorded in opposition.

Ordinance:

“Repealing ordinance providing for the compensation of the Board of Fire commissioners, the Board of Police commissioners, the Board of Registrars of Voters, the Board of Adjustment, the Board of Health and the Highway Commission.”

On motion of Alderman Wihby, duly seconded by Alderman Reiniger, it was voted that the Ordinance be read by title only, and it was so done.

Mayor Wieczorek stated the one item that concerns me is the one with the ZBA because they do have to travel around to 20 locations because they have a full slate every month and I think that's probably asking them to do something here to serve.

Alderman Hirschmann asked, your Honor, could you build that into your next budget, Sir.

Mayor Wieczorek asked Mr. MacKenzie, you don't have any money in your account for that.

Mr. MacKenzie replied in terms of the travel allowance, yes. It looks as though I would have, it's about \$1,200 per year. It does look like I would have enough money for that and just for the record as I had responded to the Committee on Bills on Second Reading in terms of the rest which is about \$7,200 in total, I can't guarantee that I would have that money. I would certainly work hard if the Board directed me too, but I can't say right now I would have that money at the end of the year, just to be clear on that issue.

Alderman Shea asked is that the only commission that uses their cars, do the others require the use of their...

Mayor Wieczorek replied to my knowledge that's the only one, on official business has to go around and take a look physically at properties.

Alderman Shea stated I think it was brought up by Alderman Cashin at the last meeting that that was, in fact, a concern that he had, I thought. So, I think we're addressing it properly.

Alderman Cashin in addressing Mr. MacKenzie asked how much time does the Board of Adjustment and Planning Board spend.

Mr. MacKenzie replied, I know both depending on individual members, certainly a majority of them spend quite a bit of time reviewing the cases, going to the sites and looking at each...the Zoning Board of Adjustment has about 20 cases a month, Planning Board may have less than that, but they're much more complex cases. They do, I have to say, the Board members put in a lot of time for the City.

Alderman Cashin asked if you were sitting on this Board how would you feel about not paying them.

Mr. MacKenzie replied, I think that's somewhat subjective and a policy issue, I'm not sure I want to get into.

Mayor Wieczorek stated I don't have to amend this, Carol just told me that with the mileage we don't have to do that because we're talking about pay and you can do that without making that a part of the motion.

Alderman Cashin stated before you vote...one, every department has said they could absorb it in their budget, so it's not going to adversely affect the tax rate with the exception possibly of the Board of Adjustment and Planning. Bob has just said that they spend many, many hours in meetings, deliberations and sites and we're going to say to them we're not going to compensate them for it. I don't think it's reasonable, I really have a problem with this. This just isn't right. You've asked people to donate their time, to give up their time and when we try to get people on the Zoning Board, frankly, we have a hard enough time to find them anyway and now we're telling them thank you very much, but we're not even going to compensate you for it. I think it's wrong.

Alderman Domaingue stated the time for that discussion was at the start of the budget process...

Alderman Cashin interjected I made the same statement then, your Honor.

Alderman Domaingue stated I do remember it, but the vote at the time was very strong and very clear and we were looking to cut costs and save some money in that budget process and I believe we are going to be able to review it again. This is not a forever thing, this is a this budget process thing. So, if the Board changes its mind in the next budget process and we feel that the departments have enough money to compensate those boards, I'm sure the Board will take whatever steps it deems appropriate. But, to have said back in the early spring to the public, we find this to be an expense that can and should be cut and now to say to the public well, we really think if we have the money we ought to spend it, sends the message to the public how much more of they really have the money and they're spending it, what are they doing when they make a commitment to save us money and that's why I'm sticking with the original proposal because that was the directive of the Board to cut this expense for this budget year.

Mayor Wieczorek asked if there was a motion to adopt the ordinance.

This Ordinance having had its third and final reading by title only, Alderman Wihby moved on passing same to be Ordained. Alderman Domaingue duly seconded the motion. A roll call vote was taken. Aldermen Cashin, Sysyn, Clancy, Soucy and Shea voted nay. Aldermen Robert, Hirschmann, Wihby, Elise, Reiniger and Domaingue voted yea. The motion carried.

Mayor Wieczorek stated what was needed next was a directive to all departments indicating that they are not to pay any salaries.

Alderman Wihby moved that a directive be sent to all departments indicating that they are not to pay any salaries to boards and commissions. Alderman Domaingue duly seconded the motion. The motion carried with Aldermen Sysyn, Clancy, Soucy, Shea and Cashin duly recorded in opposition.

Communication from the Finance Director, City Solicitor and Industrial Agent seeking the Board's approval of the Preliminary Plan for Aggregation.

Mr. Clougherty stated the Board will recall that as part of the State legislation there is a Pilot Program that's been implemented and the City, pursuant to that has set up an Aggregation Program for those people that are participating in the Pilot Program. The same time that the Pilot is operating there is still discussion to the Public Utilities Commission about full deregulation and taking the concepts of the Pilot and spreading it State-wide. In anticipation of the Public Utilities going down that path what we're proposing to the Board is that we be prepared to go out with an Aggregation Plan rather than as we did just for the Pilot members, but for everybody in the City. What's before you is basically the same plan that we have for the Pilot members, only it would apply to everybody City-wide if, in fact, that's what we end up as a result of this deregulation proceeding in Concord. We would propose and we would go the same path as we did the same time. We would have a public hearing on this plan to inform people and talk about it at the appropriate time, it's not something that we'd run out and do

necessarily tomorrow, what's going to dictate the pace of the implementation of this plan is the proceedings and legislation at the State level. But, we do want to have something available so that if there is a determination by the State that there is going to be deregulation that is going to come soon that we can move forward and we're not caught coming back to you all and having to set up a procedure then. So, this gives us a leg up to go out and get something implemented that, I think has shown to be pretty successful on a limited scale, but again would have to be discussed City-wide before being finally adopted would have to come back to this Board and we'd give you a final report on the public hearing. So, that's all really we're asking for as part of this motion. There will be some discussions later on with respect to deregulation, generally. But, all we're asking for under this item is that you allow us to take this Preliminary Plan and have it in our hip pockets so that if we see things moving at the State more rapidly we can expedite our local process in terms of how citizens might or might not like to participate in a City-wide Aggregation effort and then report back to you expeditiously, so that you'll be in a position to take advantage of different options as they may become available.

Mayor Wieczorek stated you need a vote, I take it.

Mr. Clougherty stated this Preliminary Plan is pretty much what we have in place now for the Pilot, it's been proposed by the Solicitor's Office, Jay and the Industrial Development sector and our office, so again, we're just trying to anticipate what might come and try and get an opportunity to do a hearing if we need to to move it along faster and not lose our competitive position. But, the final plan would have to come back to this Board as a result of a hearing later on.

Alderman Elise moved to approval the Preliminary Plan for Aggregation. Alderman Wihby duly seconded the motion.

Alderman Domaingue stated this is pretty comprehensive for a Preliminary Plan, but as I looked through it, I did notice that in Section 4 which is the third page into the plan itself...4.03 and 4.04 refer to the fees that will be assessed and collected as part of the monthly billing for service, 4.04 "the enterprise fund will be allowed to establish and maintain an adequate retained earnings to offset further revenue shortfalls", what I did not see there and perhaps you could clarify it for me was where there was a provision for any kind of a quarterly report to the Board of Mayor and Aldermen regarding the status of the total of the fees that were collected or where the enterprise fund would be at any given time, so that we're aware of just how much money is sitting there.

Mr. Clougherty replied we would see this as part of the City's entity and our requirements under other Statutes and Ordinances to report to you quarterly cover this, this would be a City operation and just like anything else it would be part of your financial statements and you get your Airport, EPD and there would be another entity there perhaps that would relate to this item. So, this is covered.

Alderman Domaingue asked it doesn't need to be spelled out.

Mr. Clougherty replied, I don't believe we need to add, I think it's covered in what we already have.

Mr. Sherman stated it doesn't, but if you feel more comfortable having it in there, we certainly can add a 4.05 and have that there.

Alderman Domaingue stated, I would, your Honor. I think quarterly is reasonable.

Mayor Wieczorek called for a vote on the motion. The motion carried with Alderman Reiniger duly recorded as abstaining.

Communication from Victor Goulet advising the Board that, in his opinion, the legal process would be interfered with if the Board of Mayor and Aldermen were to conduct a public hearing on a recommendation to amend the Charter which is not yet in effect.

Mayor Wieczorek asked if there is a Statute, I know that you had said publicly, Tom, that the Board could do this, is there a Statute that says, in fact, the Board can do.

Solicitor Clark replied the Board is following the Statutory process set out by RSA 49:B, it's well within it's power, in my opinion.

Alderman Elise asked has anybody looked into the legitimacy of Lloyd Basinow's claim that conflicting questions can't be on the ballot.

Solicitor Clark replied in my opinion these aren't conflicting questions. What I understand he was saying and I only saw it in the paper is that when you have someone running for election and you're also voting to eliminate that position is a conflicting question and that's just not true. I did have a question in my own mind when this question first came up and I sought the opinion of the Secretary of State's Office and they informed me that this happens all the time. Not so much in the cities because there's really not that much Charter amendment provision going on, but it happens quite often in town elections where someone is running for a post that is being eliminated by that warrant and it's not an uncommon practice.

Alderman Wihby moved to receive and file the communication from Mr. Goulet. Alderman Cashin duly seconded the motion. The motion carried with Alderman Elise duly recorded in opposition.

Resolutions:

“Amending the 1992 Community Improvement Program, authorizing and appropriating funds for the 1992 2.10604 Cultural Awareness.”

“Amending the 1996 Community Improvement Program, authorizing and appropriating funds for the 1996 2.20710 HIV Education Services.”

“Amending the 1997 Community Improvement Program, authorizing and appropriating funds for various School Department Projects.”

On motion of Ald. Reiniger, duly seconded by Ald. Wihby, it was voted that the Resolutions be read by titles only, and it was so done.

On motion of Ald. Sysyn, duly seconded by Ald. Shea, it was voted that the Resolutions pass and be enrolled.

Mayor Wieczorek presented nominations as follows:

**Building Board of Appeals**

Jeffrey Trexler to succeed himself, term to expire January 8, 2002.

**Manchester Development Corporation Board of Directors**

Bobby Stephen to succeed himself, term to expire March 11, 2000.

John Snow to succeed himself, term to expire March 11, 2000.

Rick Loeffler to succeed himself, term to expire March 11, 2000.

Mayor Wieczorek advised that under the rules these nominations would lay over to the next meeting.

**NEW BUSINESS**

Alderman Elise stated, your Honor, I do have a question I'd like the City Solicitor to look into regarding the Heritage Commission. The Heritage Commission has absorbed the duties of the Historic District Commission which was to regulate development in the historic district area and I'm just concerned at this time without a functioning Heritage Commission that development going on in the historic district be protected or regulated as to statutes, so I'm just concerned if there is development going on at this particular time, we might have to direct the Building Department to not issue permits or something for a period of time until the Heritage Commission is up and functioning that we need to do that.

Solicitor Clark replied we'll certainly look at it and get back.

Mayor Wieczorek stated the Chamber Dinner was tonight for the Citizen of the Year, but it will be interesting to see who the new Citizen of the Year is. You're all invited to go to Currier's at the Center of New Hampshire after this meeting is over provided it's not midnight and I assume the Citizen of the Year will be there. Also, Kevin, you have something that you wanted to talk about regarding the CenterPlex.

Mr. Clougherty stated several weeks ago, I asked the Board to authorize me to go out and investigate the interest of underwriter's. We've done that, we went out and issued an RFP process. We had nine of the larger firms respond and they all responded with what might be considered their first teams, in other words they didn't send us a salesman, they sent us the people who had the experience in building in civic centers, representing the major athletic clubs around the country. So, we got a very good response. We've narrowed that down to a short list of four firms and what basically asked for was if we have all this high-powered experience and knowledge out there, let's ask them what they would see as the best way to accomplish this project from beginning to end and see if they'll give us a blueprint and unexpectedly that's what we got. So, we're going through due diligence proceedings now to check the companies and make sure that what they're saying in their proposals will make sense. We would like to come back in the middle of February and anticipate that the process will be done and we can bring to you the one that we feel presents the best blueprint and we can explain to you the entire process, there's a lot of similarity in what was presented to us and some unique differences and we'd highlight that for you and layout a proposal going forward so that the Board would know what its options are and what a sequence would be. Every one of the firms have come back and said that they feel that the project is viable and can be done within a year. So, we want to make sure that when we come to you we have all of this information compiled, that you've got the necessary information that you need to make some decisions on a phased-in basis so that you'll feel comfortable with the process. As soon as we can wade through all of these proposals and come up with a recommendation, we'll be back to the Board and I think at that point in time you'll have a blueprint that is defined in terms of time and dollars and you can make some decisions that you're comfortable with. So, I appreciate the opportunity to update you on this, it's taken a little bit longer than we thought, but the response has been a little bit better than we thought it would be and that's what's taking some time.

Alderman Wihby asked do we have a report from the Solicitor on the budget, Water Works, that they were supposed to get back to us at this meeting with; that Assistant Solicitor Arnold was supposed to look in to see if, in fact, when we appropriate the budgets why we don't do Water Works and he thought there was some State law or something.

Solicitor Clark replied I had had the same question about two or so months ago from the Mayor's Office. The question has come up periodically over the last 15 or 20 years and the last time it came up was about four years ago, I believe, by Tammy Carson when she was working in the Mayor's Office at that time. We've reviewed the Statutes authorizing the City to have a Water Works and setting them up. They have, under those Statutes, the authority to adopt their own budget and historically have done so, it's been that way for the last 120 years and they've sent informational budgets to the Board after that time. By State law they are given the right to adopt their budget because their budget is such that they set the rates to equal their expenditures, they cannot make a profit and any out-of-town rates are set by the PUC.

Alderman Hirschmann stated I have a piece I would like to send to the Personnel Committee, your Honor, it's something that I think we should talk about in Committee and refer back to the full Board.

Mayor Wieczorek read the communication into the record as follows:

Personnel Committee referral request:

Honorable Board Members:

I hereby request a review for the purpose of changing the existing Personnel policy for Police officers which allows new hire officers to come in at a wage of pay higher than that of existing officers on duty. I request that all existing Patrolmen be given the rate of pay that any new hire is given. There currently is an inequity which is being blamed on step increases. I also ask that the Personnel Committee report back to the full Board by February 4, 1997.

s/Keith Hirschmann  
Alderman 12

Solicitor Clark stated presently we've got a claim against the City on this same issue and we're defending it. In addition, this involves the labor union contracts and the City just can't change these by changing the policy. You've got a past practice and you've got what the contract states, you have to negotiate it.

Alderman Wihby asked how did it happen though, how did we...just because they didn't get their step how when they come in do they get higher.

Mr. Moran stated what has happened over the years is that the Police Department has recruited senior Police officers from other communities and as I understand it, the Police Department by recruiting these officers because they were certified and had attended a Policy academy that it was their intent to start them at a higher rate which allowed the City to put those officers on the street sooner because they did not have to go to the academy. We started this back in early 1991 and have been carrying it on through as a matter of policy through the intervening years with the approval of the Personnel Committee and I assumed the Board acting on the Personnel Committee minutes.

Alderman Wihby stated so based on number of years, if somebody had four years in another department they would come in based on four-years being here.

Mr. Moran replied that is correct because based on their service in another department they would just start...

Alderman Wihby stated so new hires are only getting more money if they have more experience than the people that are here.

Mr. Moran stated that was the intent and also that there were savings because they didn't have to go to the Police academy.

Alderman Clancy asked how about the Fire Department, they come in, they're certified from other departments and come to Manchester, why can't they start the same way.

Mr. Moran replied because they never asked for that process to be processed through the Committee and the Board.

Alderman Clancy stated I know they've hired many people from other departments with just as much experience as the Police Department and they should be compensated also.

Mr. Moran stated as far as the regular process for the Police Department I've never had a request from the Fire Department to do this.

Alderman Domaingue stated a point of clarification and hopefully someone can give us a little more insight on this, I was under the impression that the differential between what the new hires are being paid and what the existing Personnel and the Police Department are getting is a result of the freezing of the wage and not necessarily payment for the increased experience coming in from another district and that was my understanding. If the City Solicitor's Office would feel more comfortable by changing the word in this "purpose of changing" to "purpose of examining". What I see here is a request from the Alderman to have the Board pass onto the Personnel Committee to review this particular Personnel policy with respect to the Police Department and I...are you telling this Board that that will come in conflict with our current legal situation.

Solicitor Clark replied, no, what I'm telling this Board is that we have always taken a position and I believe it is a legally correct position that wages paid to union members are governed by the collective bargaining agreements and the bargaining agreement itself is what will cover how people are paid. I have no problem, at all, with the Aldermen wishing to discuss how to handle things in the future, I just wanted to bring it to the Board's attention that you just don't take this and think, okay, if we adopt it tonight everything's going to change because it just can't happen that way.

Alderman Domaingue stated, I thank you for that, it doesn't appear that that's what he's intending to do, but if Mr. Moran is telling us that there is a policy there for this particular department, I don't see any harm in having a discussion about how we got to that point and how we resolve it for future negotiations and then pass on the results of that discussion from the Committee or from the Board level onto the City Negotiator's Office because that, in fact, is what we're supposed to be doing, negotiating the Board's position on behalf of the City.

Solicitor Clark stated, I agree with you, Alderman Domaingue, and I think the Committee if it's going to do something of that nature should call Mr. Hodgen in and probably meet with him on a strategy session to see how he feels about it, I have no problem, at all.

Mayor Wieczorek stated, I think that those that have not received their step is because of the contract expiration, they don't have a contract and that's the reason why they're upset.

Alderman Domaingue stated part of the difference here is that the new hires are coming in with all of the experience at a higher level while the others haven't earned it.

Mayor Wieczorek stated, I know what the problem is and it isn't right.

Alderman Hirschmann stated I just wanted everyone to know that I'm really not trying to negotiate here, I'm just trying to address a policy problem that I see exists and that's my only intent.

Alderman Cashin stated correct me if I'm wrong, but weren't the steps taken out during the budget process, your Honor.

Mayor Wieczorek replied, yes, they were taken out because we didn't have the contract settled.

Alderman Domaingue asked what budget process was that, your Honor.

Mayor Wieczorek replied the last budget process we're in.

Alderman Domaingue moved that the communication from Alderman Hirschmann be amended by changing the word "changing" to the word "examining" and be referred to the Committee on Personnel/Insurance. Ald. Elise duly seconded the motion. There being none opposed, the motion carried.

Alderman Elise stated before the first of the year, I had proposed a "business friendly" plan which was referred to the Committee on Administration and at that time I didn't send the exact proposal and I would like to send the proposal, outlined at this time to the Committee on Administration for information purposes as I am working with other groups in the community and I do want to point out that this is the outline and that there is none of the backup material with this and when it does come before the Committee it will have all of the backup material with it and I would like to ask the City Clerk to hand this out to the other Aldermen not on the Administration Committee for their information.

Communication from the Deputy Finance Officer requesting to meet in executive session with legal counsel.

Communication from the Chief Negotiator requesting to meet with the Board for a negotiation strategy session.

On motion of Ald. Shea, duly seconded by Ald. Domaingue, it was voted to recess the regular meeting to meet with legal counsel and the Chief Negotiator.

Mayor Wieczorek called the meeting back to order.

There being no further business to come before the Board, on motion of Alderman Shea, duly seconded by Alderman Soucy, it was voted to adjourn.

A True Record. Attest.

City Clerk