

BOARD OF MAYOR AND ALDERMEN

October 7, 2008

7:30 PM

Mayor Guinta called the meeting to order.

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

Present: Aldermen M. Roy, Gatsas, Sullivan, J. Roy, Osborne, Pinard,
O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Ouellette

Absent: Alderman Domaingue

3. Update on Customer Service Month by Mayor Guinta.

Mayor Guinta stated everyone received a copy of the survey that is being done. I just wanted to give a quick status update to the Board for your edification. Earlier this year I had announced that October 2008 was Customer Service Month. Really the focus was to try to get a temperature, get a gauge, of people in the community as they interact with different departments and try to identify what things we are doing well and how we can improve. The committee that was formed was headed by Jennie Angell. Also on the committee were Jane Gile, Leon LaFreniere, Joan Porter and Alderman Sullivan. They put together I think a real good program for the month of October to try to solicit information from people throughout the City. So you can either go online at www.manchesternh.gov/survey or you can go into different municipal buildings and pick up a hard copy of the survey. It is a very quick and easy survey. Once we gather the information at the completion of the month, we will provide a report to the Board of Mayor and Aldermen and we will try to see what the next steps are, based on that information. I do really want to thank the members of the committee for working so diligently on it. I am getting some positive feedback from people in the community that we are asking for

people's input and ways to improve. I just wanted to make mention of that to the Board.

4. Presentation of the Bright Ideas Award to Mark Foster and Kirk Ray, Environmental Protection Division.

Next we have members...as a result of our Bright Ideas Program we have some awards to give out. I would ask Mark Foster and Kirk Ray from EPD to come forward as well as Jane Gile.

Alderman Lopez stated for the record Kelly Domaingue asked me to mention that she is getting married and that is the reason she is not here this evening.

Ms. Jane Gile, HR Director, stated for the benefit of those who don't know, the City has a Bright Ideas Committee whose job it is to evaluate employees who make suggestions in improving City government. In January of 2008 we received a suggestion made by these two employees at EPD – Mark Foster and Kirk Ray. These employees stepped up to the plate in addressing a workplace challenge. Very simply, in the summer months at the Wastewater Treatment plant, there is a Nocardia bloom that occurs. This is a real nagging type of bacteria that gets into the plant and it takes numerous hours of staff time and lots of chemicals to treat it. It is an aggravation as well, and it can last a long time, up to a month per occurrence. These employees really showed their ingenuity and their creativity by addressing this workplace challenge by devising a process whereby not only were man hours decreased in addressing the problem...they didn't need anybody to really supervise it where in the past it took two men many hours a day to attack the issue. They also reduced the number of chemicals that were used in the outbreak and the amount of time from a month to maybe two or three days in which the occurrence could be under control. The committee really welcomed your suggestion and wants to thank you for your creativity, your ingenuity and also for saving the City thousands of dollars. Your plan has been instituted at EPD as a

standard operating procedure and I am sure that we are going to be saving money in years to come as well. So thank you very much on behalf of the Bright Ideas Committee. We want to present you with a token of our appreciation.

5. Presentation by the Mayor's Anti-Graffiti Task Force.

Ms. Nicole Rodler, Weed & Seed Coordinator, stated on behalf of the Mayor's Anti-Graffiti Task Force we would like to thank you for allowing us this opportunity to give you an update on our progress and what we are attempting to accomplish at this time. I am Nicole Rodler, the Weed & Seed Coordinator for the City but also the Co-Chair of the Task Force and Officer Jamie Gallant is the other Co-Chair. He is the Police Department's Graffiti Officer. Last fall the Mayor decided to put together an Anti-Graffiti Task Force. This spring we were able to pull that committee together. It was based on his five point plan. The first point of that plan was to develop the Anti-Graffiti Task Force. Communications and marketing was his next point on the agenda. Then awareness in the community, outreach to local businesses and retail and the final piece, which is a very essential prevention piece, is murals in the community. The development of the Anti-Graffiti Task Force was essential to the success of this process. We were able to pull in the community City staff from the Mayor's Office, Police Department, Weed & Seed, Highway Department and Office of Youth Services. We have a VISTA representative who is also our muralist, and we have the Art Commission. Local services providers and businesses included the YMCA, NH Property Owners Association and Picola Italia, which has been hosting our meetings for us. Representation from the residents is covered by the Neighborhood Watch Captains who sit on the committee, as well as community leaders who have identified this as a concern in their neighborhoods. The beginning process was to reach out into the community to start or actually extend the amount of education around the existing resources that we have. The Highway Department currently has a graffiti removal program so it was a matter of getting that message out to the residents and

trying to develop ways to get the website and contact information and paperwork out to businesses and residents and also making residents aware that private property can have graffiti removed from it. A lot of residents, as we have been sitting in watch group meetings, were unaware that they could actually access City services. We also have been in contact with the National Coalition for Graffiti Removal. They provided the City with a donation of a power washer and are in the process of donating products for 45 watch groups to actually do removal in their neighborhoods. That is a green product that we worked with Parks & Recreation and the Highway Department on. We were given a demonstration by the Coalition on the use of the power washer. Additional graffiti information has been placed on the Police website extending that outreach of resources for the residents to access.

Mr. Jamie Gallant, Manchester Police Department, stated since the inception of the Anti-Graffiti Task Force we took a multi-divisional approach, a coordinated approach that was delivered by the Chief. We have netted 44 arrests on graffiti related offenses. These range anywhere from criminal mischief to prowling and loitering – everything that is graffiti related. That entails a total of 44 arrests and counting. We continue the details and will focus on graffiti hot zones throughout the coming months. We have identified specific graffiti hot zones throughout the City that we will be watching. As you know, you have seen in the paper that we have had two successful arrests of two people claiming to be legends and we are continuing the prosecution of those two individuals. We picked a certain area for a hot zone pilot project to look at the recidivism rate in graffiti. That area was from South Willow Street to John Devine to March Ave to Driving Park Road and it encompassed numerous businesses in that area. What we did was contact the owners of every building in that area. We facilitated the removal of graffiti as you can see in the slide. On one building there were over 30 different tags. In working with the landlords we were able to get all of that removed and then I tracked the recidivism rate for those buildings. If you look at Sports Authority and

this is the one that had approximately 30 to 35 graffiti tags on it, we have only had a couple back on since then and they have been removed immediately in working with the owners. On Home Depot, we were able to remove approximately five tags and they haven't received any since. One problem area in that hot zone is Ski Market. We have been unable to contact the owners. The Mayor's Office is continuing to work with us to get that cleaned up. As you can see, that graffiti is all around the building as you drive down South Willow Street. That is the last building in that area that we need to focus on and get cleaned up, which we are working on. As the Task Force takes a multi-pronged approach, one of the prongs we are looking at is changing the current legislation at both the local and state levels for penalties for graffiti, sale of products and fines for negligent removal. Obviously it is a quality of life issue and that is what we are focusing on. We provided a sample of the City ordinance that will come in later in your agenda. Sean Thomas, Nicole and I met with representatives from the NH DOT. As you drive down the highways throughout the City you see that the overpasses and signs and behind the signs have graffiti all over them. We are working with them currently to get that removed immediately. I will now turn it back over to Nicole.

Ms. Rodler stated one of the other prongs is the prevention piece of this strategy and that is creating murals. We have been successful in identifying two locations in the community on the west side - Girls Inc. and Chez Vachon. Girls, Inc. is in the process currently. They have the actual sketch in process and we will probably start the application of that mural shortly. We are just in the beginning stages with Chez Vachon. I would like to encourage many of our east side Aldermen to look for addresses on the east side. If you happen to have businesses or residents interested in a mural, please let us know. We have two very successful artists as you have seen on the slide. We featured both artists' murals and they are Peter Noonan and Anthony Williams. You can see their murals in the community currently and that is at the Merrimack Restaurant and next to the YMCA. We weren't messing around when we picked muralists. We have been very fortunate

in receiving paint donations from Sherwin-Williams and Queen City Paints – unlimited amounts. Their graciousness is very much appreciated by the Task Force and the City itself. The last piece that we are currently looking at is the awareness. This is actually our biggest piece for this evening. The awareness in the community as I was stating earlier is that many residents are unaware of the resources that the City offers to them, not just around graffiti but other resources that we have such as the NET team. So the Task Force decided that the best way to get that message out would actually be creating a resource sheet for the residents. Each of you has a copy of that resource sheet in your packet. It is a listing of City departments and City services that are provided to the residents. What we are looking to do is actually create these sheets to go out with the water/sewer bills. We have been in conversation with the City departments. It would require 30,000 copies printed and as you can see we are trying to save as much money as possible. We have a current contract with Copy Express and it comes out to \$3,200. That is for 30,000 copies printed and it is double-sided, which actually gives all of the Aldermen's phone numbers and allows residents to know which ward and address and phone number. This is an excellent resource that residents do not have currently. The City has a small flyer that goes out to the residents currently which I know Tracy Degges hands out at every Neighborhood Watch meeting and every event that we have that has all of the Aldermen's numbers on it but it does not actually have a resource page to it allowing residents to see if I have graffiti or I have unsuitable neighborhood conditions who can I talk to or what can I do to reduce that? We put together this listing and we are actually looking to have the Aldermen approve the expense for the Mayor's Anti-Graffiti Task Force.

Alderman M. Roy stated thank you for this. I am looking at the City resources side of this and personally, not that we mind getting phone calls at home or whenever, but I find that when people look for their Aldermen they can generally find us through the Clerk's Office or newspaper or anywhere else. The resource

information in my opinion is what has been lacking in getting out to constituents. If we made this less about the Aldermen and more about the resources could you fill that page as well with additional resources?

Ms. Rodler responded most definitely. We are open to feedback. If you want to remove the Aldermen from the document...what we had decided as a committee is we have several landlords that live outside of the community but they receive their water/sewer bills so the mailer would include that information so if they needed to contact their Aldermen they would have that information accessible. For example, if they were down in Florida for the winter months they would know who to contact. If somebody called them and said do you know that your building back in Manchester just got tagged they would be able to contact their Aldermen or Highway or whatever resources listed on that sheet that they just received in the mail. We are very open to taking the Aldermen off and putting more City resources on there.

Alderman M. Roy stated in looking at this, it is a great source of information. I would much rather see a line about the Board of Mayor and Aldermen much like the street lighting issues. You know, if you need to find your Aldermen please call the City Clerk's Office at...and if it is an emergency after hours please call the Police Department at...and they will be able to guide you depending on your street address to your Alderman. That could be condensed into one paragraph, giving you an entire back page of additional resources, which I think would better help the constituents and further your cause. That would be my input towards the mailer. The other question is, where would the dollars come from? What are your thoughts? You knew someone was going to ask it so I might as well be first.

Ms. Rodler answered well originally the committee obviously asked Weed & Seed. You all are very familiar with Weed & Seeds budget. We approached Sean Thomas who sits on the committee as the Mayor's representative and when we

started to price things out we realized the expense was \$3,200 and not actually what was in his budget so I guess we are looking for feedback from the Aldermen on where we can pull it from at this point. Seeing that it is a very accessible and usable resource for your constituents, it would be an excellent use of funding.

Alderman Lopez stated I have two questions. The first one is on the 44 arrests what did we do with them if you only convicted two? What happens when you arrest these people?

Mr. Gallant replied that was a misprint. We arrested 44 people who are in the court system now. I don't know the conviction rate. I don't have those figures. The two convictions was a misprint on there. This has all happened in the past six to eight months and it takes a little longer than that.

Alderman Lopez responded so it could be that you arrested them and then they have to clean it up through Youth Services and stuff like that?

Mr. Gallant answered yes that could be ordered by the judge.

Alderman Lopez stated well maybe we can get some data later. The other thing is, Nicole, I was wondering since you are going to send this out through Water Works if you approached the Water Works Director and the Commission to see if they could fund this or the Airport as a community service?

Ms. Rodler responded we have been in conversation with the Water Works Department. Sean Thomas coordinated that. That is how we got the number of 30,000 mailers to go out.

Alderman Lopez stated sometimes they can do something like this. They are an Enterprise system so it is a lot easier sometimes for them to do it.

Alderman Garrity stated when it comes to the funding for the \$3,200, I would suggest that we take a look at it in CIP. We could possibly find some federal funds for it or something like that.

Mayor Guinta asked is that in the form of a motion?

Alderman Garrity moved to look for funding in CIP. Alderman J. Roy duly seconded the motion.

Alderman M. Roy stated thank you, Your Honor, and I appreciate the willingness of the CIP Chair to look at that but I would be looking, to follow-up on what Alderman Lopez said, we have our Airport Director who has a very nice marketing budget. This is a great mailer. It is something that is going to hopefully end up on a lot of refrigerators around the City and a lot of people are going to keep this. I would be looking at some of our other Enterprises before we look at our CIP budget. They could possibly advertise like Parks & Recreation or Airport or something that people elect to use like the Airport.

Mayor Guinta responded I think that discussion can be had at CIP. I don't think Alderman Garrity was necessarily suggesting CIP money but to refer it there to identify funds.

Alderman DeVries stated Nicole, thank you very much for bringing this forward. It is a great use of information that I think the constituents of the City would appreciate. I guess my suggestion might be more of a failsafe. If there are difficulties getting this to print and finding the funds in a timely fashion, I was wondering if you had thought about approaching Water Works to ask if they had any room on their billing where they could break this down and one month maybe approach graffiti and then the following month unsuitable neighborhoods and give

the different resource information so it will scroll through during the year with reminders that go out and eliminate the cost. I didn't know if they had enough room on their billing to have a message that comes from the City or if they are even willing but if your other ideas don't come to fruition quickly it might be a thought, especially on the graffiti because I think there is more timeliness in trying to get that information out there before the weather gets bad.

Ms. Rodler replied thank you. That is an excellent idea. I don't believe we looked at that option.

Alderman Gatsas stated you cited four different places in here – the Sports Authority, Stop & Shop, Home Depot and Ski Mart. Can you tell me...the graffiti removal that we did from these buildings what would have been the cost if they had to go out and get it done on their own?

Mr. Gallant responded they did do that on their own. I first try to speak with the commercial owners and get them to do that on their own and all of these businesses did. They paid someone to come in and do that. They didn't use our City resources. I don't know the cost associated with that but I am sure it was pricey.

Alderman Gatsas asked has anyone touched base with them to participate in some sort of activity on this flyer that would get them an ad at the top if they paid the \$3,200 or if all four of them pitched in and paid \$800 a piece? Did anybody ask them that question?

Mr. Gallant answered I have gone around to those businesses and numerous others and due to the economic times not many businesses are willing to donate any money. Queen City Paints and Sherwin-Williams were willing to donate paint.

Ms. Rodler stated unfortunately the logos for each of these businesses would not be able to be mailed within a City mailer. We found that out when we received an opportunity to talk about funding. That was the first direction we went in to see if they would fund the printing for this and we would put their logo on and because it is a City mailer we can't place any logos, so sponsorship would strictly be outside of that, such as the paint or supplies that we could use.

Alderman Gatsas asked so if this Board delegated the authority to do that would they be interested?

Ms. Rodler replied that is a very good question since it would open the door. When we found out we weren't able to exercise that ability we...

Alderman Gatsas interjected I am sure this Board has that ability.

Ms. Rodler responded I would entertain that completely. I am sure the businesses would love the extra publicity.

Alderman Shea stated with all due respect, great minds think alike. She explained exactly what I was thinking.

Alderman Ouellette stated Officer Gallant, as you know, this past weekend the Kelley Street area got hit pretty hard with a lot of damage. That area in particular is starting to really be aggressively pursued by the taggers. There is a proposal from the Neighborhood Watch Group to mount cameras on top of the arches on both sides of Kelley Street. They are just starting to get into the process of what that would entail, the cost, the monitoring, etc. They are just starting to dabble into that at the Rimmon Heights Neighborhood Watch Group, which I think is aggressive and a good step for the neighborhood to get involved with and pursue.

What do you think of that idea, as an officer in charge of trying to reduce this crime and catch whoever is doing it?

Mr. Gallant responded I think it would be a great idea. Cameras in different graffiti hot spots throughout the City are an idea that we had that came out of this committee. Of course, the funding for those cameras came into question. We did have one resident donate a camera and we are attempting to facilitate where we are going to put it and how we are going to hook it up. That would be a great idea because there is nothing better than catching them in the act on video.

Alderman Ouellette replied I know the people at the Rimmon Heights Neighborhood Watch Group are really excited about taking on this massive project. I think it is pretty expensive to do that. The question that they had, and this would be for the City Solicitor, is are there any legal issues with putting cameras on top of the arches that they need to be aware of?

Mayor Guinta asked could you repeat that?

Alderman Ouellette answered this would be for the City Solicitor. The Rimmon Heights Neighborhood Watch Group is looking into trying to fund and manage putting cameras on top of the arches on Kelley Street. One on the west side and one on the east side to alleviate crime and a lot of the graffiti and nuisances happening in that area. The question that was proposed to me was are there any legal issues that could arise from that which the group should be aware of before they go ahead with the project or look into it?

Mr. Thomas Clark, City Solicitor, responded off the top of my head I would say yes, there probably could be some legal ramifications and my office would be happy to look that up for you and get back to you.

Alderman Ouellette stated secondly, Your Honor, getting away from that...and I have been in contact with Kevin Sheppard about this and I know that in your office Sean Thomas has been working on this but it's the sneakers on the wires issue. I find that to be very offensive and that is a big problem in my ward and in my neighborhood. The sneakers on the wire is just a total nuisance. I think we were having a problem with Fairpoint at one time to get those sneakers but I think we are starting to make progress with that. In my last communication with Kevin on that, I think once a week they will dispatch somebody to take the sneakers down. Is that correct?

Ms. Rodler stated that is what we have been told.

Alderman Ouellette stated I would like to thank Fairpoint for coming around on that issue to make sure that issues like that...it just makes the neighborhood look real rundown and people complain about it and complain about it and complain about it but to try to figure out whose wires they are, etc. takes some time before something is done. I want to thank Kevin and his department and I want to thank Sean in your office for being proactive on the issue. Thank you very much. I think you guys are doing a tremendous job.

Alderman O'Neil stated maybe Officer Gallant can speak about what happens when citizens call to report graffiti.

Mr. Gallant responded under the protocol of the Chief of Police what happens is when you call into the station to report graffiti we send someone out there to take a report. We actually look at it, photograph it and take an initial report. What happens is it is a multi-divisional approach. There is a representative in Detectives, a representative in the Juvenile Division and myself and we work to try to solve it. We take those pictures and we try to match them up to other tags in the City. If we know who is doing that tag, we investigate that and we know it is

their tag and we can follow-up on that. It is important that you report it because not only does it help catch people and associate other tags but we can get it removed as well.

Mayor Guinta called for a vote on the motion to refer the request for \$3,200 to the Committee on Community Improvement. There being none opposed, the motion carried.

Mayor Guinta stated thank you both very much for your work on this issue.

CONSENT AGENDA

Mayor Guinta 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.

Approve under supervision of the Department of Highways; subject to funding availability

- A. Sidewalk petitions:
 - 102-108 Putman Street
 - 554 Stark Lane
 - 39 Walnut Street
 - 337 Brunelle Avenue

Informational to be Received and Filed

- B. Monthly Bulletin from the City of Manchester Health Department for September, 2008.
- D. Approved minutes from the Commissioners meeting held August 26, 2008, August 2008 Financial Report, and August 2008 Ridership Report submitted by David Smith, Executive Director MTA.

REFERRALS TO COMMITTEES

COMMITTEE ON LANDS AND BUILDINGS

- E. Communication from Dick Anagnost, Chairman, Intown Manchester Board of Trustees, requesting the installation of decorative lighting on Granite Street.

REPORTS OF COMMITTEES

COMMITTEE ON ADMINISTRATION INFORMATION SYSTEMS

(Unanimous vote)

- G. Recommending that a request made by Frank Comeford, from St. George Cathedral, to hang a banner across Hanover Street to advertise an upcoming event from September 12th until September 14th be granted and approved.
(Unanimous vote via phone poll with the exception of Alderman Pinard and Alderman Domaingue who could not be reached)
- H. Recommending that a request made by Kate Pendigrast, American Heart Association, to hang a banner across Hanover Street to advertise an upcoming event from October 13th until October 30th be granted and approved.
(Unanimous vote via phone poll with the exception of Alderman Pinard and Alderman Domaingue who could not be reached)
- I. Recommending that a request made by the Manchester Marathon Association to hang a banner across Hanover Street to advertise an upcoming event from October 30th until November 7th be granted and approved.
(Unanimous vote via phone poll with the exception of Alderman Pinard and Alderman Domaingue who could not be reached)

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

Informational to be Received and Filed

- C. Communication from Thomas J. Brennan, Superintendent of Schools, providing information regarding critical issues facing the Manchester School District and the City of Manchester.

Alderman Shea stated this is a communication from the Superintendent of Schools regarding information on critical issues facing the School District and the City of Manchester. This letter was addressed to the Aldermen later than its original date of September 8 but because the Superintendent, according to what we were led to believe did not know the protocol, we received it later. I wondered, Your Honor, whether or not there has been any progress in terms of finding housing for the pre-school at the Easter Seals building or Wilson School or the warehouse or the new District headquarters. I am not sure whether we will be given this at another time.

Mayor Guinta replied what I can say...the reason this letter is somewhat vague is because they are under negotiations and obviously do not want to specifically state the location that is being considered. However, the location that is being considered would be a resolution to, I believe, every single issue with the exception of the warehouse, which you just mentioned. So I think probably within the next 30 days more information is going to be forthcoming to the Board of Mayor and Aldermen.

Alderman Shea responded it is the timing, Your Honor. In other words, if in fact they do come up with some sort of agreement, when would we then have to make a decision regarding funding for this particular project?

Mayor Guinta responded it would come to the Board fairly quickly and the expectation would be for the beginning of the next school year to have this purchase renovated and open for operation.

Alderman Shea stated they claim that the contract is running out so that would mean June of this year I assume. Would it be included in your budget presentation in March?

Mayor Guinta responded it will be before then.

Alderman Shea stated no, I am just saying the funding will be part of your budget for the next fiscal year, correct?

Mayor Guinta responded I believe it would be but I think something is going to come to the Board prior to then. As I understand it right now, the financial side...there should not be a tax impact but those details are still being worked out. If there is something that is required to be placed in the budget I would insure that that happens.

On motion of Alderman Shea, duly seconded by Alderman Pinard, it was voted to receive and file the communication.

COMMITTEE ON ADMINISTRATION INFORMATION SYSTEMS

- F. Recommending that a request made by Jennie Angell to allow Commissions to have authorization to update the city's website be approved.

Alderman M. Roy stated I have gotten calls from constituents and I just need possibly Jennie to come up and answer a few questions regarding her letter and the website and the changes. Jennie, as you know I was one of the first and a very frequent user of our City website on our Aldermanic meetings and I don't receive the paper that many of my colleagues do and that leaves me sometimes at a different place than some of my colleagues and the constituents know it. In your letter, the final line of your first paragraph mentioned appropriateness for the website. I know this has gone through Committee and unfortunately I missed that meeting but I just want you to give me an idea of what is considered appropriate for the website and what is not.

Ms. Jennie Angell, Information Systems Director, stated first of all what goes on the website... and the reason I sent this letter is departments are responsible for the content in their particular sites and this letter was for those sites that are commissions that might not be closely tied to a department. The content that goes on websites to be appropriate obviously we were putting information on events that are going on in the City and they are pretty much G rated. If it is not appropriate for family then it does not go on the website. Per ordinance, we are not allowed to use City resources for anything that is political. We did have a request for one of the I think it was "let no one be left behind" or something for health insurance and I didn't allow that to go on the website because it was by a political action committee. That is political and by ordinance we are not allowed to use City resources for anything that is political just like we can't send e-mails saying vote for somebody because that is political. It should be factual and

something that provides a service to the City. We have expanded it a little bit to provide information to constituents about what is going on in the City like road closures and some of the bigger venues like if there is something going on at the Verizon or Fisher Cats or at the Palace we do provide that information.

Alderman M. Roy stated the non-profits away from the PAC's...what information...our old website had a very specific area to go to for meeting schedules and our new one seems to have a lot more information.

Ms. Angell replied we are working on those calendars to try to streamline them and make it easier. It is a work in process and we realize that right now we have a lot of things out there so sometimes it might be a little harder if we have multiple places for you to find them so we are looking at that.

Alderman M. Roy asked do you differentiate between our Health Department, which is a City department, and the services they offer compared to like say the American Red Cross or Easter Seals or Goodwill in what goes on the website? Where do you draw that line as to what content is on the website?

Ms. Angell answered first of all what goes on from the Health Department is published by the Health Department so we don't monitor that at all. We consider that Tim Soucy's responsibility.

Alderman M. Roy stated I am just using them as an example. I don't want Tim to think I am cracking down on what he puts on the website.

Ms. Angell replied that is his responsibility.

Alderman M. Roy stated I am just trying to show the public/private or public/non-profit line and try to get a feel for what you monitor.

Ms. Angell responded we have been working with Intown Manchester so most of the events that are of an entertainment nature that you might see on the website are really coming from them so they are sharing their calendar with us. That is where most of that is coming from. Those things that may impact people's lives just being in the City like if we have marathons or parades the streets are going to be blocked and we figure that is something people are going to want to know so we try to get that stuff out.

Alderman M. Roy stated I appreciate this being on the consent agenda and I appreciate you doing the work that you do but again I don't want the City to be lost in the...

Ms. Angell interjected the events.

Alderman M. Roy stated not the events but opinion or speculation or other things. I think the City has a number of websites that accomplish that whether they are political or social or business websites. I think this is a great source for our constituents to find out City business and factual City business. I know the departments are each involved with their own pages but does anyone in your department oversee the broad scheme of everything or is it strictly up to the department heads?

Ms. Angell replied the Web Administrator and I have frequent discussions about what should be appropriate and what is not. As far as the departments are concerned, they do their own publishing and we help them with whatever they are trying to get out there but as far as content goes, the department heads are responsible for what is on their site. Where this letter came from is when we were getting into some of the commissions that are not sponsored by specific departments. That is where this question came in as to who would be sponsoring them and, therefore, monitoring what is going on because somebody has to be responsible.

Alderman Gatsas asked Jennie, back to where we are at in this budget process, we added about \$200,000 in the City Clerk's office for licensing of alarms and we heard that that glitch that was in the system was going to be corrected. My understanding to date is that there are two glitches in the system – one, we are not up and running yet so that the revenue will appear in the Clerk's Office and two, the system that the Police Department has hasn't met your expectations and you are holding some money. My question is how much are you holding and how long is the delay going to be? From some of the police officers that I have talked to, it is a paper nightmare to go in and do some of the paperwork. I know that is pretty broad and I understand that and I apologize.

Ms. Angell answered we are holding...I don't have the exact amount but we are holding about \$240,000 right now.

Alderman Gatsas asked out of how much?

Ms. Angell answered \$1.6 million.

Alderman Gatsas stated the next follow-up will be to the Chief since he is sitting there. Give me a little bit of information on the alarm software so that we can get some billing out so the revenue will come to the City.

Ms. Angell responded the alarm billing portion of the system is a very, very small portion. We have had discussions and whether there was alarm billing provided in the system or not probably would not have weighed into whether the system was selected. It is really more of a bonus that there is data that comes out of this system to provide information on alarm billing. The alarm billing process that is provided within the system does not meet the City's needs. We have gone back and forth with Intergraph. We are looking at it. I am not even going to spend time presenting it to Kevin Buckley because just looking at it, it does not provide checks and balances that are required for a billing system. We were talking with Police today. We are going to get the alarm bills out. They are going to get processed but we are also looking at alarm billing systems. We have started identifying options for us to look at and what the expectation is is that we will extract the alarm information out of the Intergraph system because that is where the alarm information is captured and then we will import it into a third party system that will meet the City's needs to do the alarm billing.

Alderman Gatsas stated Jennie, I think you know that I am always very time sensitive to things. What is an outside timeframe for getting a system in here that is going to make sense and allow the City to control its revenue destiny?

Ms. Angell responded some of that might depend...we only have about \$5,000 left in the project funds. A system will cost more than \$5,000 so I will have to come back and we will have to identify a source of funds for it. If I have to come back to the Board that will take a little longer.

Alderman Gatsas asked how about if this Board took a vote and told you to use the over \$200,000 that you are holding to move forward with a revenue source that would come into the City and then we can have discussions with the software people once I get the Chief up here because I understood this was the be all, fix all, end all to the problems we had based on what New York City was doing?

Ms. Angell answered we are holding this money. We have not just alarm billings but there are a few other items within this project that we say are not working as proposed by the vendor. As I said at the beginning, whether we did alarm billing or not I don't think it would have weighed at all on whether this package was selected or changed the price. We are putting a very comprehensive list together of items to see what can or cannot be done with them. What I can do as far as how long it would take to get something up, if you could give me a week I can report back. I would hate to commit something right now. I need to do a little more homework before I am ready to commit on that.

Alderman Gatsas asked can I ask the Chief some questions about the system that we spent \$1.6 million on that I am hearing is not any fun and not very easy for officers to enter their reports in?

Mr. David Mara, Chief of Police, answered as with any new system we did get a lot of complaints from the officers when we first implemented it. We trained them. It was more steps in the process to do reports. Initially there was a lot of time spent by the officers to do a report that took less time before under our old system. As time is going on, we are finding that they are getting use to it and there are fewer complaints. What is good about this system...and as you know I wasn't Chief when the decision was made to go with this company, but I can tell you that

what is good about it is when you extract information out of it. The information is very useful from a police standpoint as far as looking up reports and other information. When I first became Chief we had a couple of meetings with Intergraph. We were having in my opinion too many problems. I met twice with them and Jennie was there as well and we insisted that one of their representatives come to the station instead of doing everything by phone and for a week we had a representative there from Intergraph and we cleared up a lot of our problems and things have been a lot smoother since then. There are some things that I would still like them to do and we are working on that.

Alderman Gatsas stated my understanding is that a report that used to be two pages in actual paper is now seven.

Mr. Mara responded in some instances, yes, that is true. This is supposed to make it a paperless system but when you need to print it out, yes, it would be more paper. We are not filing all of those pages like we used to do. In theory, it is supposed to save the amount of paper that you use. The system we had before we would file three copies in three different places with our filing system so in theory it is supposed to cut down the amount of paper.

Alderman Gatsas asked so you are feeling that in the very near future the department is going to be happy with this new system or is it still going to be a pushback?

Mr. Mara answered if this system gets up to the point where everything that they said was supposed to do it does, we will be very happy with it. We are still working on it to make sure that happens. There are some things that I would like

implemented – things like the Crimeview program that wasn't initially in the package.

Alderman Gatsas asked how long do you give them before you say this isn't working?

Mr. Mara replied I think I will defer to Ms. Angell on that one.

Ms. Angell stated what we do is we have been having conference calls with Intergraph every other week going through those items that are what we call service requests. Right now we have a comprehensive list that we have put together that is down at Intergraph that are those things that we stated that they said in their proposal the system did and we don't see where it does it and that is where we are right now. It is really in negotiation and I have actually sent some of this information to Tom Clark's office to see what they think our position is on some of these items in general terms before Intergraph comes back and says they can or cannot do this. Right now, that is where we are.

Mr. Mara stated from my standpoint if they don't do the things they are supposed to do and if the system doesn't do what it was guaranteed to do then I believe if they try to sell this product to another police department they are going to come to us for references and that is one reason that I think Intergraph wants to make this work for us. It hasn't been as smooth of a process as we would have liked.

On motion of Alderman Lopez, duly seconded by Alderman Shea, it was voted to accept the report of the Committee on Administration and adopt its recommendations.

7. Communication from Lillian Duval advising of her resignation as Commissioner of the Senior Services Department.

Mayor Guinta stated this item I am sorry to say is no longer necessary due to the passing of Lillian Duval. Our collective thoughts are with her family. She was a wonderful lady and loved very dearly at the Senior Services Department.

8. Nominations to be presented by Mayor Guinta, if available.

Heritage Commission

Jeffrey Nyhan to succeed A. Joseph Dion as a member of the Heritage Commission, term to expire January 1, 2011.

June E. Trisciani to succeed Jessica Heavey as an alternate member of the Heritage Commission, term to expire January 1, 2010.

9. Confirmation of nominations made by Mayor Guinta:

Arts Commission

Anthony M. Williams term to expire December 1, 2008.

Linda Seabury, as an alternate member, term to expire December 1, 2009.

Leah Belanger, as an alternate member, term to expire December 1, 2010.

On motion of Alderman Osborne, duly seconded by Alderman Garrity, it was voted to confirm the nominations as presented.

10. Communication from Pamela Goucher, Interim Planning Director, submitting the Planning Board's nomination of Elias "Skip" Ashooh as a member of the Southern New Hampshire Planning Commission, term to expire June 30, 2011. The Board also submits nominations for alternate

members Robert S. MacKenzie, former Planning Director, and Kevin A. McCue, former Planning Board member, terms to expire on June 30, 2011.

On motion of Alderman O'Neil, duly seconded by Alderman J. Roy, it was voted to confirm the nominations as presented by the Planning Board.

Alderman O'Neil stated Mr. Ashooh would actually be taking Alderman Thibault's spot. Alderman Thibault served on the Southern New Hampshire Planning Commission for many, many years and maybe some kind of thank you from the Board for his service as such would be appreciated.

Mayor Guinta stated my office will work with the Clerk to send that acknowledgement.

Alderman O'Neil stated I know there is an event coming up for him but just to recognize him for his service on the Southern NH Planning Commission.

Mayor Guinta stated I do recognize Mr. MacKenzie, who for a second I thought was staff, but has come to witness this great decision by the Board of Mayor and Aldermen. Congratulations Mr. MacKenzie.

11. Communication from Mayor Guinta regarding the Recreation Enterprise Fund.

Alderman Pinard moved to approve the spending freeze as recommended by the Mayor. Alderman Shea duly seconded the motion.

Alderman O'Neil asked would it be possible to get from the Finance Office a history...I want to say the Enterprise system was created sometime in the 80's but I am not 100% sure. Can we get a history of where it stood and what was included? At one point all of the pools were included and those were removed

several years later. Gill Stadium was in it for many years. I want to see where it stood financially in each of those years.

Mayor Guinta answered absolutely, and just to make sure we will have a listing every year of what was included and what the financials were and when things were removed.

Alderman Gatsas stated I would like to see and I know it is very difficult to do because there is so much integration within Parks but I would like to see the JFK, the West Side Arena, Gill Stadium, McIntyre and the pools – a P&L statement on each one. Somebody is going to have to sit down and do some work on allocation for funding of where bodies are and the amount of labor that goes to each one of those so that we can see once and for all some sort of idea where we need to go with recreation in the City of Manchester, and also Derryfield Country Club, because unless we understand where these things are allocated...you know there is no question that pools don't bring in revenue and maybe the City shouldn't own the West Side ice arena. Maybe we need to sell it. Either that or we are going to absorb expenditures. Somewhere in here there has to be some sort of idea so you can look at it from a business point of view to understand what those costs are and whether it should be City owned or not.

Mayor Guinta stated without objection of Mr. DePrima and Mr. Riddle, they could work with Mr. Sanders. I suspect we could produce that document. Would it take more or less than a month?

Mr. Chuck DePrima, Interim Director of Parks & Recreation, stated we have that readily available.

Mayor Guinta stated okay, so we will have that document sent to the Board of Mayor and Aldermen.

Alderman O'Neil asked Alderman Gatsas, were you intentionally including the pools and Gill even though they are no longer in the Enterprise?

Alderman Gatsas answered I think we should see them because I think there is obviously an allocation of funding that comes from this department to maintain them and that is going to have to be passed on somewhere.

Alderman O'Neil asked wouldn't that be true of every City park then?

Alderman Gatsas replied I don't disagree with you. If somebody said Gill Stadium, the pools and all City parks this is what the cost is to maintain them...that should be something that we should see so we understand what we need to do and what is allocated as a revenue and what is not.

Alderman DeVries asked Mayor can you give the public and myself an idea of what your proposal actually means? What is your expectation on level of services and any disruption if there might be any? I notice that it is discretionary spending and an overtime freeze.

Mayor Guinta stated that is a good question. First and foremost, my goal here is not to reduce or minimize the offerings that we have in the City. I think we have wonderful assets that people enjoy in the City and I want to make sure that they are continued so that people will continue to enjoy them. The concern that I have is the operations themselves, the deficits, and how that can potentially impact the City. After consultation with Mr. Sanders, and we talked about it on numerous occasions as a Board, we need to move forward and do something here. My intention is let me draw a line in the sand and say let's take step one. Let's start the process like we have in other budget years of having greater discussion and oversight regarding the spending habits of the Enterprise system. It makes sense,

what Alderman Gatsas and Alderman O'Neil are asking for, so we can have a historical comparison analysis, as well as the actual cost. I think that is good for this Board to know and I think it is good for the public to know. I hope through looking at McIntyre and looking at the organizational review of the central administrative functions and looking at the fee structure, as well as other potential revenues we can start to reduce the deficit and at least make these, if they are not income producing, which would be wonderful, at least self-sufficient. Now there is a lot of dialogue and debate on what should be an Enterprise and what should not. I think as a matter of public policy we need to acknowledge that the way the policy under which these operations are running really no longer is the best policy to put forth by the Board of Mayor and Aldermen and that policy has to change. I think this is a first step. I did talk at length with Mr. Sanders about it. The intention here is to slow down this deficit and find a way to stop it and turn these Enterprises around from a financial standpoint. I want to make sure that people understand that these are great assets and in my view some of them are probably underutilized. I think many on this Board agree that there is under utilization. McIntyre is a great example. Let's utilize these assets and insure that people can use them every day of the year. Let's see if we can have a better fiscal balance sheet at the end of the year and insure that the taxpayers are protected because of the current policies that have put us in a deficit situation.

Alderman DeVries asked will there be a disruption in services?

Mayor Guinta answered in my opinion no. We didn't have a disruption in service in the City when we put in spending freezes. There is a dialogue and a discussion with Mr. Sanders and myself as to how to insure services. It is essentially making more informed and tighter decisions about how we are spending money and I hope that this will lead to new ideas and greater operational efficiency in the short-term and certainly in the long-term.

Alderman DeVries stated I would love to hear from Parks whether they agree. Will there be no disruption in services? I am seeing a nod 'no' so that is really what the public would want to know and that is of course what we get the phone calls on. Thank you.

Alderman Smith stated I think this is the fifth time since I have been on the Board in seven years that this has come up. I firmly believe that the department shouldn't be in the Enterprise system. I will go along with the freeze but I would like to address right now the fee structure. Most of the people that use these facilities are non-profit organizations and the School District uses Gill Stadium. So we are going to take it from one hand to pay the other. These youth groups like Pop Warner, Babe Ruth, American Legion, whatever can't afford to pay...as we presented two years ago, \$1,200 to play an event at Gill Stadium. I want everybody to realize that. We pay taxes for services and one of the services this department provides is leisure time. I know for a fact that we have problems up at Derryfield Country Club with the course. Everybody knows it when it rains. If we are going to increase the fees on the golf course, there are going to be fewer golfers. We have gone from 1,000 golfers down to 500 so I hope when they look into the fees that they take all of this into consideration and I will wait for the report in December.

Alderman Shea stated I know that we have other Enterprises in the City and my understanding historically is that this particular Enterprise did not have a revenue source – initially it did not as Water Works and the Airport do. It did not have a revenue source. So basically my thinking goes along the lines of should we separate this Enterprise fund from the Parks & Recreation Department? Should there be in a sense this kind of Enterprise fund affiliated with them because it has been historically, as Mr. Smith said, that recreation is not an Enterprise but a quality of life issue? The second point is, are we beating a horse to death? In other words should we think about possibly trying to take care of this deficit

without necessarily trying to keep inventing the wheel so to speak? In other words if we cannot find a means and a way of making this a profitable venture shouldn't we make a decision at some time and say look we are just pouring money down a hole here that is not really benefiting anyone at all including the taxpayers? Should we consider really resolving this problem once and for all without beating the bushes and saying we can make this go or that go? I think we have to make concrete decisions at a certain time and bite the bullet if we have to in order to make sure that we are not running a deficit that is going to be greater than AIG or Lehman Brothers.

Mayor Guinta replied the short answer to your question is yes. We have had general discussion as a Board but we haven't really changed policy in the last several years. This request is meant to finally agree at the very least that we have to address the deficit spending issue and that likely policy at this level is going to have to change in order to address that whether it is placing this in the general fund or whether it is changing the system of Enterprise as it currently exists. There are going to be a lot of different suggestions that come forward but this is meant to begin the process by which we as a Board look at modifying, altering and changing policy and the first way to do that is to get a handle on the actual accounting, as well as the balance sheet.

Alderman Shea stated in philosophy we talk about cause and effect. We are just treating the effects here. We are not treating the cause. We have to find out what the cause is.

Mayor Guinta responded I will tell you what the cause is. In part, it is Board policy. The Board, going back to when Ron Ludwig was head of the department and when I was an Aldermen, chose to allow this system to be in place, rightly or wrongly. What I am saying now is that in my view we can no longer allow that to happen. We have to make a decision as a Board. That is what I am asking this

Board to do and I appreciate...because there are different and varying views as to how to deal with this issue I appreciate everybody at least giving the Finance Officer as well as the others that are listed here an opportunity to make some recommendations.

Alderman Shea stated every aspect of this should be examined carefully because in the final analysis we have to come up with a decision and prolonging a decision is not going to help anyone.

Alderman Lopez stated I agree with you 100% and I agree with Alderman Smith. This is probably the fifth time we have gone through this process and it is a policy. The policy of this Board put debt into the Enterprise for the new Derryfield Country Club, \$1.7 million for JFK...I go back to the days when this first started and Bill Cashin and Alderman Wihby at that time, we used to subsidize \$300,000 to the Enterprise system. We took that away from them and we keep building up and building up more expense. I can tell you in my own personal opinion the Enterprise has done a lot for Parks & Recreation because if you go back to the old way everything had to go back to the taxpayers and you will never get any money from the Board of Mayor and Aldermen to do anything. It didn't happen for 18 years and people just don't give money out when it is out of the Enterprise. I welcome this report. I think they can provide that any time. I just hope there isn't a delay in providing the information. The other comment that I would like to make is Alderman Domaingue was involved as a liaison on the fee structure and I would hope that she would be involved so we are not having a meeting with this person and a meeting with that person and all of that. They should be included and the Parks & Recreation Commission should also be included if we want them to be. Is this strictly financial?

Mayor Guinta stated I certainly don't mind assistance and feedback from the Commission as well as Alderman Domaingue or other Aldermen but at least for

this evening I want to address it by saying we have to start looking at this issue. Everyone's feedback is going to be important because ultimately we are going to have to have a policy discussion and vote. I certainly would welcome that feedback.

Alderman Lopez stated the other comment I want to make is in reference to is the first item, the RFP. I don't believe anybody sent an RFP in for McIntyre other than the existing parties that run the ski shop there. Can somebody answer that?

Mayor Guinta replied there was another response I believe. There was a second response.

Alderman Lopez asked is that person still...they are shaking their heads no?

Mayor Guinta stated there was a second response but where it currently stands I don't know.

Alderman Lopez asked are they out of the picture now?

Mr. Rick Riddle, Parks & Recreation, stated we did get a second response but they did withdraw.

Alderman Lopez stated I think we ought to move forward with the existing RFP as I recommended four months ago and move fast on it.

Alderman O'Neil stated my intent is not to debate this tonight but you mentioned that it went back to some discussions and it might have been in that same timeframe that Alderman Smith was talking about when you were Ward 3 Alderman. In my opinion, this actually goes back to day one when the Enterprise was formed. That is, as Alderman Shea would call it, the cause. They tried to

include too many things in it that didn't belong in it and it was almost doomed from day one. The pools never should have been in it and Gill Stadium should have never been in it because they don't even come close to paying for themselves. I think the cause goes back to day one in my opinion.

Alderman Gatsas stated I would assume that the debt service of \$8 million can also be divided by project so that we know what the Derryfield expansion cost and what JFK cost.

Mayor Guinta responded they are all separate votes that were taken by the Board.

Alderman Gatsas replied I understand, but when you look at this debt service number it is \$1 million. How does that allocation happen by project?

Mayor Guinta asked can we include that in the report?

Alderman Gatsas asked so when you put your P&L together that is what you are going to show us?

Mr. Riddle answered yes.

Alderman O'Neil asked just to follow-up with Alderman Gatsas, can they try to put it in a format that will be clear for the Mayor and the Aldermen to understand? Alderman Gatsas is a lot smarter than I am looking at these things but keep it as simple and easy to read as possible and I think it would be helpful to the discussions as we move forward.

Alderman Lopez stated Mr. Sanders, I believe \$2.4 million in the last three years is the operation and not the bonding. Is that correct?

Mr. William Sanders, Finance Officer, answered yes that is correct. It is \$2.4 million of advance from the general fund and there is \$6.1 million of bonded indebtedness.

Alderman Garrity moved the question.

Alderman Ouellette asked the revenue from the restaurant at the Derryfield, where does that go? Does that go into the Enterprise fund or to the general fund?

Alderman Lopez answered they keep it.

Mr. Sanders stated it goes into the Enterprise fund.

Alderman Gatsas asked you mean the lease, right Alderman?

Alderman Ouellette answered yes. Will that be part of the profit and loss statement?

Alderman Gatsas stated it should be.

Alderman Ouellette stated I have not seen the lease agreement as a new Alderman. Can I ask for a copy of that? I would like to know how that works.

Mayor Guinta responded yes, we will have that included.

Alderman Shea stated I am primarily interested in the timing of these particular projects. I am assuming that you are going to give us the timing in terms of documentation regarding when a certain event happened and so forth rather than just giving the year and the type of projects that would be funded.

Mayor Guinta stated that would be included on the profit and loss statement.

Alderman Shea stated but from the initial time. In other words when you trace it back to whenever this particular Enterprise was formed and as Alderman O'Neil said the historical background concerning it. In other words when the first project was funded and by which means and so forth and so on. I think that is very important and significant because I don't think we want to find out in 2008 that certain things happened but we don't know when they happened. I think that is very significant.

Mayor Guinta called for a vote on Alderman Pinard's motion for a spending freeze in the Recreation Enterprise Fund. There being none opposed, the motion carried.

12. Communication from Chief James A. Burkush, Fire Department, requesting the Board approve the application for Fire Inspector Mitchell Cady to attend ATF training.

On motion of Alderman J. Roy, duly seconded by Alderman O'Neil, it was voted to approve the request.

13. Communication from James A. Burkush, Fire Chief, requesting the approval of the Elliot Hospital Medical Resource Hospital Agreement.

On motion of Alderman Pinard, duly seconded by Alderman Osborne, it was voted to approve the request.

14. Communication from Timothy A. Peloquin, Promised Land Survey, LLC, requesting the City to execute the attached release of easements and subsequent drainage and access easements in the vicinity of The Falls at Amoskeag Condominium complex.

Alderman Garrity moved to approve the request. Alderman Osborne duly seconded the motion.

Alderman M. Roy asked has the City Solicitor reviewed all of this?

Mr. Clark answered yes, I have seen these documents.

Mayor Guinta called for a vote on the motion. There being none opposed, the motion carried.

15. Communication from William Sanders, Finance Officer, regarding the proposed action to replace the Lehman Brothers Swap Contract on the 2001 Variable Rate Bond Issue for the Manchester-Boston Regional Airport, if available.

Alderman O'Neil moved to replace the Lehman Brothers Swap Contract on the 2001 Variable Rate Bond Issue for the Manchester-Boston Regional Airport. Alderman Pinard duly seconded the motion.

Alderman O'Neil asked can I assume Mr. Sanders and Mr. Brewer are in complete agreement on this?

Mayor Guinta responded yes.

Alderman Gatsas stated I believe we just exchanged a swap not too long ago and I think I had asked if there are any more swaps that we had in the system and I believe the answer I got was no. Is there a reason why this one has appeared when the answer I got was no?

Mr. Sanders replied this is the same swap. This is the same debt issue that was before the Aldermen back in May. The situation at that time, you may recall, was that the insurance company that was providing the insurance guarantee under the bond had been downgraded and we had been required to replace that insurance arrangement. Ultimately we replaced it with a letter of credit issued by Citizens Bank but the swap agreement with Lehman Brothers in May was continued on and this is the same swap agreement that we talked about at that time, Alderman.

Alderman Gatsas stated I thought the discussion that we had was that we were getting out of the swap and into a fixed rate.

Mr. Sanders answered no sir. We preserved the swap and the underlying variable rate bond issue.

Alderman Gatsas stated I guess we should have gotten into a fixed.

Mr. Sanders replied the reason that we didn't get out of the swap in the spring and why we are not recommending getting out of the swap today is because the swap has value to the counterparty, which in this case is Lehman Brothers or the bankruptcy court and is valued at approximately \$2 million. The City will at some point here be obligated to pay Lehman Brothers or the bankruptcy court approximately \$2 million. We don't know the exact calculation yet. So the proposal here is to terminate the swap, make the \$2 million to Lehman Brothers but to enter into a reasonably identical swap with another counterparty, which would be a Double A or better credit – a large financial institution like Citi Group or JP Morgan or Morgan Stanley and they would pay us \$2 million for that and that would be the \$2 million that we would pay to Lehman to get out of the agreement. Our goal here is to remain cost neutral and not cost the City any

money. If we just terminate the Lehman Brothers agreement without entering into another swap arrangement, it will cost the Airport \$2 million.

Alderman Gatsas asked so is that based on the judgment that nothing is going to change in this market place? For us to break neutral, what has to happen?

Mr. Sanders answered for us to break neutral we have to obtain hopefully two or three proposals in the next two weeks from Double A or better financial institutions proposing to acquire this swap for a \$2 million payment and then the City will remain neutral. Obviously in this current financial situation it is difficult to predict the future with any degree of certainty as long as the counterparty remains solvent, which Lehman Brothers did not.

Alderman Gatsas asked how much more risk other than the \$2 million could the Airport be at risk for? Let's assume you don't find another Triple A in the next two weeks because right now the entire financial debacle that is out there tells me that finding a Triple A that is going to do this deal might not be there.

Mr. Sanders replied if we do not find a quality financial institution to enter into a swap agreement with us, we will be forced to make a \$2 million payment to the Lehman Brothers bankruptcy trustee at some point in the next three months. That would be done out of the Airport's existing cash reserves and the indebtedness would immediately convert to a variable rate instrument and we would...well that would be the near term situation. We could of course try to refinance this into a fixed rate security at some point in the future when presumably bond markets and credit markets have stabilized somewhat and there isn't so much uncertainty and caution in the market as it exists right now. Now is not a good time to be going into the bond market so doing a fixed rate bond right now is not a recommended solution at this time.

Alderman Gatsas asked is there any more risk other than the \$2 million, should the financial institutions that are out there get into an even worse position than what they are today, or is that the most we would be at risk for?

Mr. Sanders responded the determination of the \$2 million is based on the market place and that is part of our RFP process with these financial institutions to have a pricing of the swap contract itself and what the value is to another swap party. It is conceivable that interest rates could fluctuate so dramatically that the value in the swap could increase or potentially decrease. I could not tell you. The \$2 million is the current estimate of what the market would value this swap at based on current interest rates.

Mayor Guinta asked but a fixed rate right now would be close to 7%, correct?

Mr. Sanders answered yes, it would definitely be over 6%.

Mayor Guinta stated if we sell the asset we have to pay \$2 million and we get into a higher percentage. This way we go to another swap, do we stay at the 4.38%?

Mr. Sanders replied 4.38% is correct, and we always have the option to go fixed if we want when the market is more stable and more receptive to borrowers.

Mayor Guinta stated I think there are three options. We can do nothing, in which case we are going to have to pay the \$2 million. We can go into a fixed, but we still have to pay the \$2 million and we have to pay a higher percentage, or we go to a swap. It sounds like you are confident that we can find another swap rate at 4.38%.

Mr. Sanders responded yes, it would be identical. They will purchase the swap at 4.38% and they will earn a variable rate. The question will be the enthusiasm that the banks have for the arrangement. We have been led to believe by folks in the bond market and by our outside financial advisors that there is interest out there. We are by no stretch of the imagination the only community, the only municipality, the only airport involved in trying to get out of Lehman swaps. To the extent it takes us time is more of a clogging of the marketplace and the selection of credits that banks are interested in. I would think...Barclay's Bank specifically already has expressed an interest in proposing on it in the near term. I would be optimistic that we would get a proposal.

Alderman Shea stated how my mind is working is earlier this evening we had someone articulate about voter education and what I am interested in finding out from the Finance Officer is what would be the impact of this interest rate swap if the tax cap were in effect? In other words, what options would there be? Could they do it or couldn't they do it once our budget was resolved? In other words, would they have to find resources as was suggested out of their reserve fund and they could do it that way? If they didn't have reserve funds could it be implemented? I would like some sort of a discussion...even though it is an Enterprise fund I would still be interested in finding that out because in the future people in the City would probably want to have questions answered for them and I think this might be a start of that. If you could do that in writing, I would appreciate it.

Mr. Sanders responded yes, I can do that.

Alderman Gatsas stated Mr. Sanders, I just heard the Mayor say that we have one of three choices and the three choices are get into a fixed bond, pay \$2 million to Lehman and have a fixed rate at 7%. The total amount of bonding is how much?

Mr. Sanders answered it is currently about \$30 million.

Alderman Gatsas asked the 7% over the 4.38%...what is the additional cost please?

Mr. Sanders replied it would probably be in the \$300,000 range. I am doing that in my head but \$300,000 or \$400,000.

Alderman Gatsas stated let's use your high number of \$400,000. For how many years?

Mr. Sanders responded there are 14 years remaining.

Alderman Gatsas stated so that is about \$5.6 million, and if I add the \$2 million that is \$7.6 million of additional cost. Is there a position that if you don't find in the next two weeks a rated company to take this swap at 4.38% how much the additional risk could be to the Airport?

Mr. Sanders answered I would only be speculating. I couldn't estimate. If we just cancel the swap with Lehman and pay the \$2 million, the Airport would then have a variable rate on a \$30 million bond. The current rate on that is about 7.5%. That gets set weekly and the last weekly setting was at 7.5%. I would hope for many different reasons that that sort of interest rate environment is not going to continue for a prolonged period of time. Presumably by the January/February timeframe the markets will have settled somewhat so it makes it difficult for me to say what the cost would be in the future to the Airport. I can speak on a fixed rate financing but I couldn't say on a variable rate whether it would be higher. Conceivably it could be lower if variable rates go low over the next 14 years.

Alderman Gatsas stated Mr. Sanders you weren't here when I had these very serious concerns with the Board that was here when we got into swaps. We were told, don't worry, we can't get hurt. It would never happen. There is no way the taxpayers would be at risk. Let's get some legislation in Concord and allow the municipalities to do this. I believe the vote that came out of that Board, and some of the members on this Board weren't here at the time, but it was 13-1 because I said it is too risky. We are in a position right now where we are not sure what the future is going to bring.

Mayor Guinta stated any time you bond there is a risk though.

Alderman Gatsas responded no. Only with swaps are there risks, Your Honor. It is only with swaps and derivatives. We don't even know what the outcome of this might be if the derivatives are much different than what Lehman is telling us.

Mayor Guinta stated the City to this point has enjoyed a favorable rate. I don't recall...What was the rate back in 2001?

Mr. Sanders responded it probably would have been 5.25% to 5.5%.

Mayor Guinta replied so it has fluctuated between there and 7.5% since then. Has it ever gone below 4.38%?

Mr. Sanders answered it may have but I don't know exactly. The 4.38% was a very attractive rate back in 2001 and it is an attractive rate today. If we could borrow at 4.38% that is a very good rate.

Mayor Guinta stated so up to this point it has actually been cheaper for the Airport to bond through this method.

Mr. Sanders stated yes.

Alderman Gatsas stated not if you plug in the \$2 million it isn't.

Mayor Guinta replied that is an "if" that is not happening.

Alderman Gatsas responded it absolutely is happening.

Mayor Guinta stated you are assuming there is going to be a loss of \$2 million to the Airport and that is not what the Finance Officer is saying. I want to make sure that the public understands that there is no loss to the Airport if we go from one swap to another. We are paying \$2 million to Lehman from the \$2 million in revenue that we get for a new swap, so there is no impact to the taxpayer or to the Airport.

Alderman Gatsas responded today.

Mr. Sanders stated the Mayor's explanation is correct.

Alderman Gatsas stated and tomorrow is a different story.

Mr. Sanders responded the risk going forward...and I say this with some hesitancy because the markets are very unusual right now, but as long as we have a high quality counterparty to the swap that is going to honor the terms of it and is financially capable over the next 14 years of paying on the swap, there would be no additional risk because the City would be guaranteed a 4.38%. Now on the other hand, it would always be at the option of the Airport and the City when fixed rates return to more predictable and attractive rates that we could always refinance these bonds into a fixed rate and get out of the swap. It may be in the money at that point and we may have to make a payment. If the swap works and this

proposal that we are putting forward works, there would be no incremental cost to the City.

Alderman Gatsas stated it was supposed to work in May.

Mr. Sanders replied well May was a different situation.

Alderman Gatsas responded and it didn't work.

Mr. Sanders replied it did work. We still do have a letter of credit with Citizens Bank and we still are supporting that bond issue. It is a completely different situation with Lehman Brothers.

Alderman Shea stated it is after 9 PM and most of the people have switched the station watching the new heavyweights go to town but anyway I would like the public to know, those who are going to be watching the replay as it were, what a swap means so they can understand what the term swap really means.

Mr. Sanders replied a swap arrangement is a contract between two parties. In this specific case what it provided for was that the City of Manchester would pay a fixed rate to Lehman Brothers of 4.38% for the term of this loan. In return, Lehman Brothers would pay us a variable rate, the variable rate that was on the underlying bonds. The effect of that was that the City swapped a variable rate bond issue and turned it into a fixed rate bond issue because our liability is expressed in a fixed rate of 4.38%. So a swap is a contractual arrangement where you swap the variable risk or the fixed risk to the other counterparty to the agreement.

Alderman Shea asked so a variable rate means that it could go up or it could...

Mr. Sanders interjected it fluctuates every week. These bonds are set every Wednesday. They are actually remarketed or reaucted every Wednesday at a new interest rate.

Alderman Smith asked do we do all of our banking with Citizens? Who do we bank with?

Mr. Sanders answered we have a significant relationship with Citizens Bank, which is a subsidiary of the Royal Bank of Scotland. It is owned by a UK bank but we have a substantial relationship with Citizens Bank and have had for many years. They pay us very attractive interest rates and provide a variety of services to the City. We also have a relationship with TD BankNorth and Centrix. We also invest money with a trust in Concord as well. Most of our money is invested with Citizens. Some is with TD BankNorth and the rest is with the public deposit trust in Concord.

Alderman Smith asked are these banks substantially solvent right now with the market being what it is? I haven't been to Scotland lately.

Mr. Sanders answered based on everything I know as I sit here this evening, they are all solvent and solid.

Alderman DeVries stated Mr. Sanders, you had mentioned that possibly the interest rates, and I realize it is speculation but there may be a difference come January or February, I believe was your determination, if we had to go out with the \$2 million to bond. Did I hear that correctly? Today it is at 7% I think you said.

Mr. Sanders responded yes, today and what has occurred in the last two months has been very extraordinary obviously.

Alderman DeVries asked but it might be more favorable for the City...

Mr. Sanders interjected you would hope that the interest rates starting with the new year would begin to return to some sort of level field, particularly where quality creditors, which the Airport is and which the City is and a number of institutions in the United States are, are not going to be subjected to this fairly...

Alderman DeVries interjected I guess that leads me to my question because I recall and I don't know if I heard it from you but at least our past financial director used to indicated that we would group our bonding, collect up to a certain point and then go out and actually bond. Sometimes it would be quite a bit later from when we actually passed our bond resolutions. Is this \$2 million that we are talking about here likely to put us into the bond market immediately anyway?

Mr. Sanders answered no it would not and the Airport and the City would have the option of deferring that for a considerable period of time. The Airport does have the financial resources if necessary to pay this \$2 million out of its existing cash reserves. When rates got favorable I think the Airport and I would like to get out of this situation entirely.

Alderman DeVries stated then my final question is do we need to authorize this tonight because you are not sure if you are ready to finalize this deal? You are not sure if you have somebody who truly is interested in the swap arrangement, a Triple A firm, and we will be back here in two weeks. Could we not have more concrete information before we are asked to finalize the agreement?

Mr. Sanders replied obviously it is up to the Aldermen. I would prefer to have the authority to proceed with all deliberate speed to get this swap arrangement resolved and that there would be no contingencies with these financial institutions

as to how they would value the swap and that I and the Airport would have the authority to execute the appropriate agreement. I would be absolutely fine with reporting back in a few weeks as to where we are and you could always withdraw your authority but I am working under the advice of Bond Counsel. I am working with the Airport. I am working with our financial advisors. We are doing something that a number of Lehman counterparties are doing right now – in the thousands. We are not proposing to do anything strange or bizarre or exotic honestly. This is fairly straightforward.

Alderman DeVries stated you said right now there are quite a number of firms because of the bankruptcy of Lehman so it is making it a little tougher for you to go out in the market and look for another swap agreement. Would that scenario improve say at the beginning of the year? I am just wondering if the urgency is truly to do this today where we might not get the best terms.

Mayor Guinta stated I am not sure that is the point you were trying to convey. You did use the phrase ‘flooding the market’ but I think you are saying that we have a better position than other municipalities.

Mr. Sanders responded right. We are a good credit. We have an attractive contract that there will be value to in the marketplace. We are writing the same contract that we had with Lehman, with a couple of changes due to the passage of time, but it is a pretty straightforward contract for the market to assess. When I said it was flooded, that is just the processing of documentation. I don’t think the overall value of it would be one single bit different in January than it would be today. It is going to be a 4.38% fixed rate with a variable rate being paid on the other side. I think they would value it the same today and it would eliminate, if we could achieve this in the next three weeks, an issue right now where we have a counterparty to a swap contract who is not performing and they are bankrupt so

they are not going to be paying us the variable rate and it is going to push the Airport's interest rates up. I would like this to be promptly done.

Alderman M. Roy stated Mr. Sanders touched upon the fluidness of the market. I would look to...I mean he is taking quite a bit of responsibility in asking the Board to trust him and do this so I would look for us to support our department head because the market is quite fluid and he is working in the best interest of the City to protect us so that the time does not come that we will have to pay that \$2 million. I would look for a passage of this.

Mayor Guinta called for a vote on the motion to replace the Lehman Brothers Swap Contract on the 2001 Variable Rate Bond Issue for the Manchester-Boston Regional Airport.

Aldermen Gatsas requested a roll call vote.

Aldermen Gatsas, Shea, DeVries and Smith voted nay. Aldermen Sullivan, J. Roy, Osborne, Pinard, O'Neil, Lopez, Garrity, Ouellette and M. Roy voted yea.
The motion failed.

Alderman O'Neil stated can I appeal to my colleagues. We have a strong recommendation from our Finance Director. It is my belief, and we can bring him up that our Airport Director is fully supportive of this. At some point we have to trust staff here.

Mayor Guinta stated the alternative is...I am not sure but the people who are opposing this, what would be the alternative? Do you have a suggestion? The alternative is this is going to bankruptcy court and we are going to have to pay \$2 million to Lehman and you are going to be here a few months from now saying why didn't we address that issue. If we don't vote on this and pass it there is a

huge liability that we are undertaking and it is the asset going to bankruptcy and the bankruptcy court forcing us to pay \$2 million to Lehman.

Alderman O'Neil stated I don't know if there is anything Mr. Brewer may want to add.

Mayor Guinta stated I would like to hear an alternative.

Alderman O'Neil asked if we don't do this and it goes to bankruptcy my understanding is we hit Airport reserves, correct?

Mayor Guinta replied I would like to hear an alternative from someone in opposition as to what you would prefer to do.

Alderman Gatsas asked would you like to hear it, Your Honor? I don't think that your ability or my ability is any better than what Wall Street's has been in the last few days. I don't know if you have been watching the market but I have been watching it very closely. There is absolutely nothing out there that tells us that credit is any better today than it was yesterday. It is probably worse. For you to have me try to make a decision on a \$31 million bonding exercise without the Finance Officer giving us some documentation of here are your choices, this is what it could be...I tried to do it simply saying that if it is a \$7.6 million exposure...Is that right? Close. It is not exact. We are saying it is \$400,000. I can't tell you that that \$7.6 million is our only exposure on the \$2 million because there is nobody in this room that knows where that derivative or swap has ended up. So if you want me to make a decision then somebody from Bond Counsel or somebody else has to come in here and explain a better deal than what was just given to me for \$31 million and what the risk is. I will tell you that nobody on Wall Street can tell you what that risk is today and I don't think we have a Finance

Officer - and I know he is a very good Finance Officer - that would put his name on that swap.

Mayor Guinta responded what your Finance Officer is telling you is that if you don't...

Alderman Gatsas interjected it is a gamble and I am not too sure I want to gamble.

Mayor Guinta replied wait a minute. It is a loan that we have to...the Board of Mayor and Aldermen has to deal with this loan. It is a loan that exists.

Alderman Gatsas responded there are other options. We could take a fixed.

Mayor Guinta stated you could take a fixed but that is going to cost more money.

Alderman Gatsas replied you don't know that, Your Honor. You don't know if the \$2 million...if those numbers don't change in the next week and the market drops another 2,000 points...

Mayor Guinta stated the worst case scenario is, you give him the authority to do this and if he can't find a buyer, he comes back to the Board. Right?

Alderman Gatsas responded and that rate could go from 7.5% today that he is quoting us to 10%.

Mayor Guinta replied that is not a variable.

Alderman Gatsas stated a fixed could change.

Mayor Guinta stated I am not suggesting he go to a...I am suggesting that we follow his recommendation and the recommendation of the Airport Director, which is go to another swap at 4.38%.

Alderman Shea asked what is the timing of this? In other words, is the timing urgent?

Mayor Guinta stated I will ask the Finance Officer.

Mr. Sanders stated Lehman subsidiary is in bankruptcy. It would be very helpful if we could get out of this swap before we get embroiled in a bankruptcy proceeding that enables us not to get out of the swap.

Alderman Shea asked what is the timing?

Mr. Sanders answered we are hoping to have this concluded in two to three weeks.

Alderman Shea asked so two or three weeks from now the same decision could be made then as we are making tonight? Is that correct?

Mayor Guinta answered no, then it would take another two to three weeks.

Mr. Sanders stated I won't be able to tell the financial institutions that I have the authority to execute the swap. Until I have the authority to execute the swap, I am not sure of the quality of the bids that I would receive.

Alderman Shea stated but we are meeting in two weeks. Would you have a definitive answer for us within that timeframe?

Mr. Sanders replied I would have no more information than I have this evening. All that is being proposed this evening is to replicate the existing swap with the same interest rate of 4.38%, with the counterparty taking a variable rate. It is the same swap that you approved or your predecessors approved in 2001. The issue of the counterparty and the Lehman bankruptcy and the risks that Alderman Gatsas has gone through, I don't deny any of them. I acknowledge them, but if we can find a quality financial institution to make the same commitment that Lehman Brothers made, and they are doing it out there...these swaps are being refunneled and put back together again. I feel confident that we can make this work.

Alderman Shea asked could you make inquiries for us in terms of whether or not something could be done with a "swap" within a two week period so that when you come back you would have either three...you mentioned there were three different people you were going to check with? It is getting complicated.

Mayor Guinta asked do you mean the potential buyers?

Alderman Shea answered yes, potential buyers. Could you come back and by way of inquiry say, yes I have found someone or no one is available out there?

Mr. Sanders stated I believe just through my office I have the ability to continue with an RFP process. I just don't have authority to execute a contract. I will continue to do that although I will have to disclose to them when they send their bids in that I don't have the authority to execute them. That is the problem.

Alderman Shea asked can you proceed without an RFP?

Mr. Sanders answered no. We are talking about a significant 14 year financial obligation that requires an RFP and a formal contract to be entered into. It is not just a promise to pay. This is a contractual undertaking.

Alderman M. Roy stated this somewhat perplexes me. We are all sitting here looking at the economy and looking at an \$850 billion bailout and we have the opportunity to take the advice of two of our professionals and all they want to do is replace a faulty company with a quality company that has been approved by our Bond Counsel. We have a swap that has a value to it equal to our termination payment. This is a no cost change. I don't understand the no's. I understand Alderman Gatsas' aversion to the swaps in the first place. I think that has been duly noted over the three or four years since we did it. The vote was 13-1 and we accept that, but now what we need to do is not have a \$2 million payment fall on the Airport's reserve accounts. This isn't about the \$31 million. It isn't about what will happen a month from now or ten weeks from now or who will get money in the bailout. We don't want to be in bankruptcy court. We have a swap that has a value to it. If our Finance Director can put that out to bid and get the money that it costs us to terminate the existing swap with the failed institution, we all should be doing the proactive thing and taking the advice of our Bond Counsel and Finance Director. My question to the Solicitor is this: We are not actually going out for bonding. We are just approving a resolution authorizing termination of the swap agreement. Does that take ten votes? Is that considered the same as the initial bonding?

Mr. Clark replied Bond Counsel has advised the Finance Department that it does take ten votes.

Alderman Lopez stated I think that Alderman Shea mentioned could we wait and I think that the Finance Director and Bond Counsel will be looking at this and if they have to make a decision they are not going to be able to make that decision. They are going to have to say, wait I have to see the Board of Mayor and Aldermen in two weeks and in two weeks he goes back and all of the sudden it is in bankruptcy court. The way I understand it, and correct me if I am wrong, but

the \$2 million will kick in and we are out the \$2 million. I don't think we are doing anything here that we haven't done in the past as far as giving authorization for the Finance Officer to move forward. He is not moving forward by himself. That is why we pay Bond Counsel and that Bond Counsel is going to help guide us through this swap. It could be on the other end that he comes back in two weeks and says it is going to cost us \$2 million and then it is our fault. Let's give him the authority to try to save \$2 million and move forward. That is all I ask and that is why I voted for it.

Mayor Guinta stated unless someone has changed their mind, I am not going to debate an issue that is dead.

Alderman DeVries stated the motion that we voted on previously was only to exchange a swap for a swap. If, in the course of the next two weeks before we meet again, the bankruptcy proceedings go forward and they call in the note or requiring the \$2 million and the financial markets had changed so dramatically that straight refinancing or bonding would have been more advantageous to the Airport and to the City, your hands would have been tied would they not have? You would have only been able to execute for another swap agreement. So if the market changes dramatically, as it has recently, and interest rates on that note would be more advantageous with a straight refinancing for the \$2 million, your hands would have been tied. Am I reading that right or is it maybe not that simple, that things could change in your mind that dramatically in just two weeks?

Mr. Sanders replied I don't think we could do a fixed rate formal new bond offering in two weeks. I think that would take a couple of months. This arrangement that we are talking about with the swap contract is really just with one bank, one financial institution. To issue fixed rate bonds we would have to go through Standard & Poore's and bond rating agencies and documents would have to be filed with the securities regulators and it would take an extensive period of

time. All this proposal was intended to do was to minimize the cost to the Airport at the present time and insure that they did not have to pay \$2 million, plus or minus. We would always have the opportunity to take it to a fixed rate later. This would not have tied our hands if I understood your question correctly, Alderman.

Mayor Guinta responded you are saying if there is a better rate down the road we can take advantage of that.

Alderman DeVries stated I was thinking even in the next two weeks, because our motion is only authorizing you to go and swap vehicle to swap vehicle.

Mr. Sanders stated it would take much longer than two weeks for us to issue fixed rate indebtedness.

Alderman DeVries replied I understand that but if they called this in...the level of urgency I am hearing from you is that any day now we may hear from the bankruptcy court saying that they are looking for their \$2 million and that is why we have to act on this.

Mr. Sanders responded I am sorry to interrupt but there is one other aspect of this. Part of this RFP process in valuing the swap is to provide us with a surety as to what the value really was so if we get into a dispute with the bankruptcy trustee about what the value of this contract is because Lehman now has an interest to make it not worth \$2 million but something higher than \$2 million, so this would have also crystallized the value as it relates to the settlement.

Alderman DeVries stated once again I would ask the Airport Director if there is anything he has to add. Has the FAA weighed in on this? Have you been given advice from others that this is the best avenue?

Mr. Mark Brewer, Airport Director, answered I am in agreement with the Finance Director.

Alderman Smith asked Bill, who is our Bond Counsel?

Mr. Sanders answered the name of the firm is Hawkins. The gentleman's name is Bob Binefield.

Alderman Smith asked and who is he associated with and where is he from?

Mr. Sanders answered the law firm is in New Jersey, northern New Jersey. The first name of the firm is Hawkins. I can't remember the second name. It is a law firm in New Jersey that specializes in municipal bond issues.

Alderman Smith asked and have we dealt with them in the past?

Mr. Sanders replied yes. He has been under contract with the City for at least two years.

Alderman Smith asked do you recommend that we proceed right now because the risks are out there? I know that I have Morgan Stanley and it has gone down. I want assurances somewhat if I am going to switch my vote that we go to a fixed rate and not a variable rate.

Mr. Sanders answered I agree with you 100%. I would prefer that this be a fixed rate security and the swap achieves that in the near term and maybe for the remainder of the term of the bond, but it gets it into a fixed rate. Without a new swap, it is a variable rate bond guaranteed. If it is not with a Double A or better credit and if it is not the same terms as the 4.38%, I will not be executing the agreement. It will be identical to the Lehman swap. It will leave the Airport in

the identical position that it is in, and it will be with a Double A or better credit. I would support the notion that we should get this to a full fixed rate issue in the next year.

Alderman Lopez asked can I ask for reconsideration of the vote?

Mayor Guinta stated the original vote failed so I believe I can accept a new motion.

Alderman Lopez moved to replace the Lehman Brothers Swap Contract on the 2001 Variable Rate Bond Issue for the Manchester-Boston Regional Airport.

Alderman O'Neil duly seconded the motion.

Alderman Gatsas requested a roll call vote.

Aldermen Gatsas, Shea and DeVries voted nay. Aldermen Sullivan, Jim Roy, Osborne, Pinard, O'Neil, Lopez, Garrity, Smith, Ouellette, and Mark Roy voted yea. Alderman Domaingue was absent. *The motion carried.*

TABLED ITEMS

16. A Majority report of the Committee on Bills on Second Reading recommending that Ordinance:

“Amending the Zoning Ordinance of the City of Manchester by extending the General Business District (B-2) into an area currently zoned Residential One Family District (R-1B), being a portion of Tax Map 381, Lot 47 with an address of 466 South Willow Street and abutting South Lincoln, South Willow and Parkview Streets. A majority of the property is currently zoned B-2 and the petition would extend the B-2 to include the entire lot.”

be denied at this time.

The Committee notes that the business owner should work with the neighborhood and may return with a petition after addressing issue as noted in a communication from Alderman Garrity enclosed herein.

(Aldermen Garrity, Pinard and Duval in favor. Aldermen Lopez and Gatsas opposed.)

(Tabled 06/05/2007)

A Minority report of the Committee on Bills on Second Reading recommending that Ordinance:

“Amending the Zoning Ordinance of the City of Manchester by extending the General Business District (B-2) into an area currently zoned Residential One Family District (R-1B), being a portion of Tax Map 381, Lot 47 with an address of 466 South Willow Street and abutting South Lincoln, South Willow and Parkview Streets. A majority of the property is currently zoned B-2 and the petition would extend the B-2 to include the entire lot.”

ought to pass.

The minority advises that the proposed zoning, in its opinion, is consistent with the highest and best use of the property and that neighborhood concerns can be best addressed through the development process at the Planning Board level; therefore, that such rezoning should be considered subject to the Planning Board approving any plans for development of the property.

S/Alderman Lopez

Note: Available for viewing at Office of City Clerk; previously forwarded to Mayor and all Aldermen.

(Tabled 06/05/2007)

On motion of Alderman Garrity, duly seconded by Alderman Lopez, it was voted to remove Item 16 from the table.

On motion of Alderman Garrity, duly seconded by Alderman Smith, it was voted to receive and file this item.

17. Recommendation from the Special Committee on Riverfront Activities receiving unanimous vote that the City purchase a certain .2633 acre parcel of land located at 2 Line Drive under the terms and conditions identified in the attached purchase and sales agreement.

Note: The Board voted to accept and adopt the recommendation of the committee and it was then vetoed by Mayor Guinta. Additional communications have been provided by Pamela H. Goucher, Interim

*Planning Director and Leon L. LaFreniere, Building Commissioner,
Forwarded to Board on September 8, 2008.
(Tabled 09/16/2008)*

This item remained on the table.

NEW BUSINESS

Alderman O'Neil stated first of all, on behalf of my sister Kate and my brothers Pat and Brian and myself, we want to thank you, members of the Board and our extended City government family, for all of the prayers and thoughts during my mother's declining health and her passing. It is greatly appreciated by my family. Hopefully we will get some formal letters out soon but I just wanted to say that tonight we appreciate everyone's prayers and thoughts. Secondly, there should be a report from the Committee on Administration. I don't know if you want to take that up now. The Committee met this evening. We had a request back in the spring by the ward officials regarding their pay. We met. The Clerk presented a couple of different options to the Committee and we voted on some recommended changes. It has minor impact on the City Clerk's office this year. Matt, correct me if I am wrong, but can you absorb the increase in the pay within your budget?

Deputy City Clerk Matt Normand responded that is correct.

Alderman O'Neil stated we know this is a continuing issue about the pay for elected ward officials. With that, I would like to move on the committee report so that the Clerk can get going and get it implemented for the November election.

Alderman O'Neil moved to accept this report of the Committee on Administration and adopt its recommendations.. Alderman Pinard duly seconded the motion.

Alderman Gatsas asked can I get a clearer understanding? Is this a two phase proposal?

Alderman O'Neil answered the recommendation that was adopted by the committee was to phase it in over two years. We did discuss if it could all be implemented in one year but full implementation...and again this was the Clerk's recommendation based on information he gathered from other municipalities. He was comfortable that they could absorb it this year but trying to absorb the full increase in one year might cause some hardship for the department so it was recommended that it be phased in over two years.

Alderman Gatsas stated I am just looking at the bottom line of this chart that we were given and the hourly rate is \$6.05. That is the hourly rate?

Deputy Clerk Normand responded that is Option #2. What the Committee passed was Option #1. What has been passed out is the ordinance amendment that is attached to the committee report, which would encompass the green section on Option #1.

Alderman Gatsas asked so the additional \$20 brings it up to a \$7.50 rate.

Deputy Clerk Normand answered that is correct. That is in the blue, and unless there is another motion we would look to bring that forward to the Committee again next year for FY2010.

Alderman Gatsas stated I guess I am confused. The green is what is going into place now. It is going from \$110 to \$130?

Deputy Clerk Normand replied correct.

Alderman Gatsas asked what is the hourly rate on \$130? It can't be \$7.50.

Deputy Clerk Normand answered no, and I don't have a calculator in front of me. It is based on 20 hours.

Alderman Gatsas stated 20 hours and it is based on a \$20 increase so it is at \$6.50 and that is below minimum wage.

Deputy Clerk Normand responded yes, it is below minimum wage by five cents.

Mayor Guinta called for a vote on the motion. There being none opposed, the motion carried.

Deputy Clerk Normand stated if we can suspend the rules and place the ordinance on its final reading we can get this done for the November election.

On motion of Alderman O'Neil, duly seconded by Alderman Osborne, it was voted to suspend the rules and place the ordinance on its final reading by title only without referral to Committees. Alderman Gatsas was duly recorded in opposition.

“Amending Chapter 30.09: Salary of Officers of the Code of Ordinances of the City of Manchester by increasing the salary of certain election officials.”

Alderman O'Neil moved that the ordinance be Ordained under suspension of the rules. Alderman Pinard duly seconded the motion.

Alderman Gatsas requested a roll call vote.

Alderman O'Neil stated this is a two year implementation. Alderman Osborne brought up the same issue about whether this is going far enough to get it away from minimum wage. However, the agreement was to get something moving

forward this year, and the Committee would actually take a look at the second year and may come back with a change to the second year to get it up a little bit. We wanted to get something moving forward. I don't know if that helps you, Alderman. I agree with you. It is teetering on minimum wage for some poll workers.

Mayor Guinta stated I don't mind doing the roll call.

Alderman O'Neil stated we did recognize that issue.

Alderman Gatsas stated I don't think the City budget is going to break for \$3,400 for the 172 people who are working.

Alderman O'Neil replied it is actually \$6,000 if we went...correct Matt?

Alderman Gatsas responded isn't the first one coming out of his budget?

Deputy Clerk Normand answered correct.

Alderman Gatsas stated so the City would have to finance the other \$3,400.

Mayor Guinta stated the intention here is to do the right thing and acknowledge the hard work of people who are essentially volunteers who do this because they care about the election process in the City. We are recognizing that commitment this year and we will recognize it again next year. I think it is a reasonable proposal by the Aldermen. A roll call has been requested.

A roll call vote was taken. Alderman Gatsas voted nay. Aldermen Sullivan, J. Roy, Osborne, Pinard, O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Ouellette and M. Roy voted yea. Alderman Domaingue was absent. *The motion carried.*

Alderman J. Roy stated Matt just passed out a letter that I asked him to give everyone. In recent weeks there have been various discussions regarding the proposed merger of the Planning & Community Development Office and the Economic Development Office and possibly the Building Department. While I do not support the inclusion of the Economic Development Office in this proposal, I fully support combining the Planning and Building Departments to create a more efficient department that more effectively meets the needs of those who come to do business in our City. With that said, I would like this Board to direct both Pam Goucher and Leon LaFreniere to come back to us with a proposed organizational plan for the new department at the first meeting of the Board of Mayor and Aldermen in November. I believe that if we include these two department heads, they know the inner workings of those departments better than any of us and they should have a part in developing the new combined department.

Alderman J. Roy moved that the Planning and Building Departments be combined and that Pam Goucher and Leon LaFreniere develop a proposed organizational plan for the new department at the November 12th BMA meeting. The motion was duly seconded by Alderman Lopez.

Alderman O'Neil asked should it include the Human Resources director as well because of the personnel structure?

Alderman J. Roy answered what I was thinking was they could come back with an organizational structure and then it is going to go to one of our committees anyway and it can be looked at then. Whatever they come forward with would not be set in stone.

Alderman O'Neil asked so are you asking for a draft proposal?

Alderman J. Roy replied yes, to get the ball rolling.

Alderman Lopez stated I have one clarification. I hope that we are not talking about someone coming in and taking over.

Mayor Guinta stated it will be their proposal, so I don't think they will propose that. I could be wrong.

Mayor Guinta called for a vote on the motion. There being none opposed, the motion carried.

Alderman Lopez stated November is right around the corner. I wonder if you could update the Board in reference to the bus station.

Mayor Guinta replied yes. An RFP by the Economic Development Office was issued for people to consider managing that facility. I have met with MTA who have explained to me their interest and willingness to operate the facility in the short term. We are still trying to work out the financial structure. I am fairly confident that I can have by the next meeting in October a final recommendation to the Board.

Alderman Lopez stated I received a letter addressed to Mark Roy, myself, Dan O'Neil and Peter Sullivan, which I will send to the Traffic Committee in reference to the Palace Theatre. There seem to be a lot of problems in that particular area in closing off the streets and I will forward that to the Traffic Committee.

Alderman Sullivan stated in the middle of last week there was a report on NH Public Radio concerning runoff of the icing solvent at the Airport. I would request that at our next meeting we have the Airport Director and maybe the Assistant Director come to give us a briefing on the status of that situation, where we stand

in terms of the EPA and what the potential ramifications are going forward from here.

Alderman Ouellette stated as Alderman O'Neil alluded to earlier, I want to invite the public on October 18th for the dedication of the Alderman Hank Thibault field down off of Douglas Street Extension. The parking lot, I would like the public to know, is located at the West Side Arena and it is a short walk down the path to the field. The public is invited and obviously all of the Aldermen are invited. I think it is going to be a great day to honor someone who has given many years to this City, not only on Southern NH Planning Commission but many years to the City on this Board and to the community as well.

Mayor Guinta replied thank you very much. I will certainly be there.

There being no further business, on motion of Alderman Smith, duly seconded by Alderman Pinard, it was voted to adjourn.

A True Record. Attest.


City Clerk