

## **COMITTEE ON PERSONEL**

**April 23, 1996**

**7:30 PM**

Chairman Reiniger called the meeting to order.

Present: Alderman Reiniger, Domaingue, Robert, Hirschmann.

Absent: Alderman Cashin

On motion of Alderman Domaingue, seconded by Alderman Robert, it was voted to recess the meeting to allow the Committee on CIP to complete its meeting.

Chairman Reiniger called the meeting back to order advising that they would first hear a presentation by HealthSource; that they would address the insurance items first and then return to the full agenda.

### **Presentation by Healthsource**

Informational Packets were distributed to the members of the committee, one a rate proposal and the informational of the plan.

Susan Berry, Vice President of Marketing for Healthsource, addressed the committee stating :

This is not the first time I have been into here to present Healthsource to the city and I am hoping that this year will be the last time that, hopefully we will get in here as a HMO option.

I brought a packet of information, as well as some rates prepared, inside of the brochure in the back pocket is summary of benefits, a provider directory, and some other basic information.

Because it was late in the evening she did not wish to spend too much of the members' time, and appreciated having their time. She indicated she would briefly go over the benefits and then focus on the rates.

Ms. Berry stated if they looked at the summary of benefits she thought they would see that it was similar to the current HMO program that they offer now, Matthew Thornton. This program is designed to be offered as an option, it certainly not something that the city would just offer to all of its employees, and that was what they were interested in doing, just offering this HMO product as another one of the offerings to the city's current Blue Cross program, and to the Matthew Thornton program, this would be a third option. The reason she thought this program would complete the city's package of benefit offerings for health care is that our provider network is unique, it was very different than the Matthew Thornton health plan program that they offer, and she knew that last year the teachers started offering the Blue Choice program, and again they have some providers in their program that are only participating with Healthsource at this time, so she thought a lot of people would receive it very well in that they could use their providers, especially if they had to give them up because if they had to go to the Blue Choice program, and their providers weren't in that program then obviously they had to select different providers. Starting with the benefit package, most of the coverage in this program is covered at 100 percent including hospitalization, all of your out patient care, any x-rays, diagnostic work, anything like that. Any visits to the physician would be covered with a \$5.00 office visit co-payment, so that the individual would be responsible for the \$5.00 and then Healthsource would pay the remaining amount at 100 percent. I am not going to go through category by category, but would highlight some things. Some of the areas that are important to people, prescription drugs, that is an area widely used by most people, our prescription coverage is covered at \$3.00 for generic prescriptions, \$15 for brand name, and you have to use a participating pharmacy which were listed in the directory.

Ms. Berry continued stating the preventive care, was a strong focus of their program, they encourage the members to go in and have their yearly physicals, to bring the children for well child care, and essentially all of those types of services were covered, some of the unique benefits found in a lot of HMO packages, Routine Vision Care covered under the program yearly for children under the age of 19 and every other year for adults; preventive dental coverage for children under the age of 12, two visits, a new benefit offered. Ms. Berry stated that the other unique benefit covered by Healthsource was their "working wonders" program, a separate brochure outlining a number of health clubs they participate with, if they go to one of the clubs they can get a discount, and then if they work out x number of times per month (10 times now) you earn \$100 cash, if you do it again for another 6 months you earn \$100 cash. They instituted the program 4 or 5 years ago and it was very popular, they felt strongly that it encouraged people to exercise and think about being healthy. The other thing they do, some people don't want to belong to a club, there was a card for individuals who walked, played racquetball or did other types of things such as running, they could keep track of those activities and submit the info and earn fitness prizes.

The provider directory listed all of the primary care physicians, specialists, acute care hospitals they were affiliated with and the specialty hospitals, the pharmacies, and other ancillary providers. Healthsource currently participates with over 3,000 providers

throughout the state of New Hampshire and into northern Massachusetts. Ms. Berry noted that they were all listed by communities.

Ms. Berry noted that each family member could have his or her own primary care physician, and she thought most would select a physician for themselves and if they have children a pediatrician for example. Another important point was that women could go once a year for their annual exam without a referral from their primary care physician to an ob/gyn, which was a program instituted a couple of years ago received well by the female members. It was a typical HMO in that you select a primary care physician who is the focal point for the member and all care needs to be managed and coordinated by the primary care physician and that physician can refer to any of the specialists that are participating with Healthsource and then if an individual needs specialty care they can be referred. She noted that they had all of the leading Boston institutions included with the specialty care along with Mary Hitchcock in Hanover.

Ms. Berry closed her comments asking if there were any questions.

Alderman Domaingue noted that the basic package presented was offered with a \$5 office visit copayment, asking if the rates would change with a \$10 co-payment. Ms. Berry responded they would go down. Alderman Domaingue asked if that was something that they would offer. Ms. Berry responded the benefit design, she had come in using her own judgment as far as what might be attractive or what the city might be interested in, but changes could be made to the benefit package easily, including changes to office visit copayments, pharmaceutical, hospital benefits; that she had looked at the Matthew Thornton plan and matched it pretty closely.

Ms. Berry referred to the rate package provided noting the single rate was \$165.52, two person was \$347.59 and family \$446.90, which were competitive rates.

Ms. Berry predicted that 10 to 15 percent of the city's employees would take advantage of the Healthsource if offered, perhaps as high as 20 percent, and if they multiplied it out by the single, two person and family it would be a savings from the Blue Cross program.

Alderman Robert commented that the Board was embarked on something a little bit different, they were pursuing managed care, assuming the proposal was to adopt this as an option, if they did offer it as an option to what the city current has, the JW, Blue Choice, Matthew Thornton, and added this, what did it do to the overall picture. Alderman Robert asked if it would be cheaper.

Mr. Ntapolis stated that when they talk the Blue Cross products the city had they were talking indemnity plans in the JY and even Blue Choice is a little bit of a different plan as opposed to the HMO's being proposed tonight. The HMO would be compatible to the Matthew Thornton, it would be compatible to Blue Cross' own variation called HMO Blue, which would be a compatible program to compare. If he was being asked to do their rates as shown on page three, reduce the overall Matthew Thornton rates assuming that they pull people from Matthew Thornton, Matthew Thornton rates are less in those

three categories for the upcoming contract year. If they were making an assumption that they were going to attract individuals, and you may for their reasoning they may want to or feel comfortable in being in another HMO from the Blue Cross products those are more expensive, again the coverages are a lot broader, but if you attract people from that rank and file into say a Matthew Thornton or Healthsource you would save money on those rating structures.

Ms. Berry commented that Harry's points were well taken. The one thing about drawing people away from Matthew Thornton, generally speaking they have been in several accounts where they have been competing with Matthew Thornton, its rare that they are attracting people away from Matthew Thornton because those doctors Matthew Thornton uses are the Hitchcock Clinics, they don't have any Hitchcock Clinics in their program, they have all of the other independent doctors so they are a very attractive option and appeal very much to people that typically are on a JW or JY Blue Cross plan, many of those individuals are using the independent doctors, so if more and more people were moving into Matthew Thornton and Healthsource at these rates which were not much higher than the Matthew rates, the city would realize significant savings, when you look at the comparative working rates that she had seen of Blue Cross' they were significantly higher.

Alderman Robert asked Mr. Ntapalis when you are dealing with options or altering the health care program there were some things that they had to think of a lot of this stuff is written into contracts that they already have, they could offer it to non-affiliates if they wanted to they had two concerns. If they decided to take this on how would it affect our overall cost of health care, but also if they decided to take it on as an add on or a replacement for something they would have to look at it in that prospect. Alderman Robert commented that in going back a few years they offered Matthew Thornton as an enticement to come off of JW, asking if that was correct.

Mr. Ntapalis stated what happened was when Matthew Thornton when they were offered the recollection was good, for one thing the federal government had said that employer's of the city's size were to make available at least one HMO (health maintenance organization) option. He did not recall if it had ever been rescinded but they had honored often other than the richer products of Blue Cross that were around for a lot longer certainly than Blue Choice which was relatively recent, and Matthew Thornton had a tendency to draw from our rank and file employees, the younger folks who did not have an ongoing medical condition, the more healthier that were inclined to actively participate in wellness and take care of themselves. The reason that the HMO has been around so long is because there has been a good portion of our population and it has been growing that a lot of folks are switching over to and contractually some of the bargaining contracts offers certainly Matthew Thornton by name or as the HMO alternative to the Blue Cross plans as something that is available to the city employees. The only concern, we have been approached in the past by a number of insurance products, not so much in the recent future you don't have the Harvard's, or Tufts plans knocking at our door, there is a fairly limited group that have access to the southern NH medical community as well as Massachusetts, Healthsource is one, Matthew Thornton is another, Blue Cross'

product is a strong competitor at this point, the only concern he had as risk manager in trying to monitor being offered to the employee with hopefully a savings in the future is they further fragment the risk pool that we currently have. We can make a lot of planning assumptions as to where we may be drawing from and they are probably very valid assumptions, there may be some employees that don't want to go into Matthew Thornton because their physicians or pediatricians may be in Healthsource, they may say look I'll leave the more expensive plan and take the other option, we don't know that for sure, that was the only problem.

Alderman Robert asked we as a city as a board, where do we want to go. he was assuming cost was going to weigh very heavily on a lot of peoples minds. We seem to be attempting to shift from Blue Cross JW to Blue Choice. Mr. Ntapalis responded that was correct. Alderman Robert asked if our goal was to get everybody onto Blue Choice, and if it is was it the smartest, most cost effective thing to do, or should we always have options. Alderman Robert asked if they were better off having everybody on the same plan, or were they better off in terms of cost having an option.

Mr. Ntapalis responded ideally, some communities have done it such as Portsmouth as part of their bargaining arrangement they had comp 100, other products offered through Blue Cross, and everyone has gone now to the Blue Choice product because it offers a variety, it would offer and the employee would pick up the lion share obviously, not the employer, under the option 3 if people have a need for the richer medical attention that they may require for themselves or their families, but by and large it offers at the lower tiers an option 1, an option 2, you are in a managed care scenario, so the price is not only lower, the people that have bought into this particular concept, the employees and the employer know that they are both gaining through this managed care process and they also communicated back to us, we didn't want to run into situation such as the state of New Hampshire where there are so many offerings or Nashua, that not only was there some difficulty in them trying to monitor, but there was actually some difficulty in them containing costs in the long run as a result.

Alderman Robert stated he didn't mind offering choices, but they had to be sane and rational about it. He did not know if they wanted to attempt to swap one for another, pose it to the negotiator as potentially as a deferred extra benefit, he did not know asking if there was some way Mr. Ntapalis could put some numbers together so they could make sense out of it. Mr. Ntapalis stated he could do some comparisons, but to be mindful and fair with Healthsource or anyone else he would be comparing the HMO products, if he were to take their low costs and try to compare them to a richer plan they would not be on a level playing field, but he could take 3 HMO's and give them a good overview as to what they would be looking at. Alderman Robert stated that was fine, so long as there was a reference to the cost impact of the total health care program.

Mr. Ntapalis commented on the changes in the health care packages, noting that managed care was no longer a buzz word, that by the turn of the century there would be few if any indemnity plans, managed care would probably be the way that things are going, so the

ongoing look by the insurance committee would be appropriate and he would provide the information.

Alderman Hirschmann stated he thought that the way for the future for the city to be comfortable and healthy and vibrant program is that multiple offerings would get us to the cafeteria style program that they had discussed, and a policy and concept would have to come from the Board that to get to that concept they would have to have the offering 80/20, 90/10 whatever it is going to be, and then if they had this offering and other offerings, the employees could decide, these vendors could come in better and better and compete against each other, and give us offerings in the future, maybe today's proposal is even on comparable, but over time if we could get to this cafeteria plan he thought would be a benefit. Alderman Hirschmann stated he was not an insurance professional, he knew that if they took it to an affiliated group, and say if you work out the police union, I'll give you \$200 to work out. He thought there was some merit here and he wouldn't want to shut them out, he did not want to hurt the city and did not see how it would, but in the goal of the future for this plan that they had discussed there was some merit here.

Ms. Berry added that in looking at the Blue Choice program right now, those rates, certainly they are lower than JW but they are still very high, and getting back to this gentlemen's point if they can come in and offer a very rich benefit package at much better rates, what harm to the city is it, it was just another alternative offering, and it was just a competitive offering. She also thought they would see Blue Cross start offering more competitive rates.

Mr. Ntapalis stated that there was no harm in exploring the options, especially where the employer and the employee could likewise benefit from lower rates with the hopes that competition would create more comprehensive coverages and it would be beneficial to look at that on an ongoing basis.

Alderman Domaingue stated that Harry had a point when he talked about the risk pool and they needed to be mindful of that, but she was wondering that if they had enough employees that they need to get off the more expensive JW plan and this would appeal to them as an attractive alternative she thought they needed to at least explore that option so they could bring those numbers down. She thought it was an attractive enough plan that the employees would want to take a look at it and asked if the affiliated would want to avail themselves of this or was it something that the city would want to do.

Alderman Robert asked if Harry could put a report together. Alderman Hirschmann commented that if they saw merit with this plan did not see the need to play around with it. Alderman Robert asked what the insurance costs had gone up by in FY97. Mr. Girard commented about 2.6 million. Alderman Robert stated he just wished to approach it cautiously, he wanted to look at the big picture view. It was noted that these rates were significantly lower than Blue Choice. Alderman Domaingue felt they should look at the \$10 copay. Discussion followed where Ms. Berry noted that in trying to get people from the Blue Choice or JW, which was a \$5 copay, psychologically the \$5 copay was more appealing.

Mr. Ntapalis noted that there was a kicker with the rich indemnity plans JY, JW, and JW with charges, not that they are bad programs, but there is not a lot of willingness on the part of the employees seemingly that have been on it for a while even with offers of pay increases to change to something like Blue Choice, which was a little more comprehensive in coverage than the HMO plans, and they had seen a shift by those people that were effected more recently towards an HMO alternative, which was why Matthew Thornton had picked up some of that windfall, but was it reasonable that possibly a Healthsource being offered as an option may pick up some more it is possible.

Ms. Berry commented that the State of New Hampshire who had 10,000 active employees that were four years ago under Blue Cross JW, Healthsource and Matthew Thornton have both been offered as HMO options, they went to Blue Choice 3 years ago and at that point Healthsource 40 percent of that population or 4,000 contracts, they have no payroll deduction, and they through in a richer working wonders benefit which they would be willing to do if they were interested and it was that benefit design that drew people away, and since that time they have been in there for three years and picked up 50 percent of the population.

Alderman Domaingue asked what their copay was. Ms. Berry responded that they actually had no office visit copay, but their working wonders package was really what was very appealing to the people their, they can earn up to \$400 per year in the initial sign up, a one time offering just for signing up to commit to working wonders and living a healthy lifestyle and working out, and if the city was interested she could commit to that, they are very interested in getting into the city of Manchester. As a taxpayer she questioned why the city would not want to take advantage of lower prices, and noted the result would be more competitive pricing from all of the vendors.

Alderman Hirschmann noted that the ASFME and the police patrol were two large pools, and it was not in our interest to take anyone off of Blue Choice or Matthew Thornton but if they took this offering and said to two unsettled affiliations we have something new for you, those are the rich indemnity people. Alderman Domaingue stated she thought they needed to look at it. Mr. Ntapalis stated there were some considerations for the chief negotiator, it was more involved, they had bargaining agreements with things locked in and to this date they never had a union come and say this is what we want, it hasn't happened. Mr. Ntapalis stated that if there was an interest then perhaps they would come and ask to negotiate it in, but it hadn't happened to date. Alderman Hirschmann stated that his interest in moving it forward would be to see if they could move some of those people and wanted to move it out of committee into someone's tool bag to say we have something else that you haven't considered yet can we talk about it.

Ms. Berry asked if the teachers asked for Blue Choice, commenting that when you have JW she wouldn't ask for anything else quite frankly, if I could have an HMO package and not have to bother with managed care I'd be interested in that too but those costs are astronomical.

Mr. Ntapalis stated the point he had been trying to make was that if they were having a difficult time selling a Blue Choice at the bargaining table, which was a lessor blow to take to an employee. Ms. Berry noted that the Blue Choice was introduced not as an option but as the program.

Alderman Robert noted that the Board had set the direction that it would like to move to managed care, but with all the change coming shouldn't they stay on top of the change and develop a strategy to take advantage of the change, with a long term view of presenting it to our employees to negotiate or presenting it to the non-affiliated to try out.

Mr. Girard stated that the city's deal for the employees was we will give you a pay raise if you take Blue Choice, and there is resistance to Blue Choice for a number of reasons which he did not think were tied to the plan itself, but questioned Mr. Hodgen knowing he had been approached by unions asking about Healthsource, and its availability and the options and he wondered given that the police and AFSCME unions were at impasse now if the city were to come up with another potential health insurance option, in other words an addition to what has been offered, did he think that would be enough to bring back unions that are at impasse back to the table to discuss to talk about some of these options, maybe break the stalemate. Mr. Hodgen responded that no union in the city has asked for Healthsource yet. AFSCME got rate quotations from Healthsource for their HMO product and he had told them not to bluff with him over that or the city would say yes, and they blinked so he knew that the unions that he was having difficulties with don't want to go into Blue Choice and they see Healthsource HMO as a lessor product frankly than Blue Choice and we are having a hard time moving them from JW to Blue Choice and he thought it would be less likely that they would be able to move them from JW to Healthsource HMO. As Harry mentioned, some of them have looked at a new plan called school care with Healthsource is administering and offering and there will be some interest from some of them for school care, but Mr. Badolatti had an expression "never offer employees something that they haven't asked for, at the bargaining table it is something they get the impression you want to force on them or make them take and you just get more resistance, he thought that if they went to the employees and said we want you to convert to Healthsource the price of settlement would go up they would not be talking 2 percent they would be talking 5 percent. He thought it was a complication factor with Healthsource being pushed on the employees, he did not think it would be a problem if they offered it to them as an option, there were provisions of that in the contract. Mr. Girard commented that he did not think the unions were resisting because Blue Choice isn't what they fear in so much as it's the option that the city's trying to club them with for a pay raise and if there is an additional option that the city could bring to the table would that be enough to bring them back to the table, or if the non-affiliated were willing to take it as another offering would that peak the interest of the affiliated bargaining groups that they were trying to get off the indemnity plans that are killing us. Mr. Hodgen did not think so, perhaps school care but not Healthsource HMO.

Alderman Domainque commented that others were waiting to address the committee, and perhaps they needed to leave this in the hands of Harry to work with Healthsource and come back, but she wanted to note that she was getting a little impatient with an attitude

that says as a copartner in this health care process negotiated or not, we are expected to just continue to pay what has been paid in the past and she thought that the message needs to get out maybe in a trickle now, that that kind of 90 percent copay has got to be reduced as a best way to put it, but beyond that anybody they do business with the unions or the nonaffiliateds have to understand that they are going to do that at the most cost efficient manner that they can. Her patience has been running out as an alderman with that attitude.

Chairman Reiniger noted that the members had been told in the past if they offered more choices they would break up the risk pool asking if that were true, would it be more expensive. Ms. Berry stated that she did not think that Blue Cross would turn around and start charging them more, she thought the opposite would happen quite frankly with multiple players. In terms of a risk pool, she noted that there were roughly 2500 employees, they are offered on a self funded basis to many clients of that size and in many cases there are HMO alternatives, that is a consideration if your risk pool gets to a point where a death spiral situation occurs, but they had a long way to go; that about 500 people are with Matthew Thornton, if Healthsource got another 500 people or so, having a pot of 1500 people should be a sizable risk pool for blue Cross that should not be an issue. Mr. Berry stated that generally speaking if you have a pool of about 500 people in a self funded risk pool that should be a pretty well protected pool of people.

Chairman Reiniger thanked Ms. Berry for her presentation.

Chairman Reiniger addressed the Mayor's budget referrals, noting Mr. Ntapolis was here to address item 2.

#### **A-16 BOARD OF MAYOR AND ALDERMEN (Budget Referrals discussion)**

##### **Item 2**

##### **Elimination of benefits for all part time employees where the city is not obligated by contract (\$97,035, included \$4,000 for a Water works employee)**

Mr. Girard advised that the mayor did not include any of the projected savings from any of the items presented in the referral in his budget; that the mayor had asked the Board to refer it to the Personnel Committee.

Alderman Robert moved to approve item 2. Chairman Reiniger seconded the motion for discussion purposes.

Alderman Robert stated the reason he felt so strongly about it was that most organizations, having gone through a deep recession, have restructured, this is just not a benefit that can be had, almost nobody else does this, it was his view that that percentage of the city budget that is tied up in salaries is exorbitant, and if they were ever going to work that down they would have to address salary and benefit areas, and this was an area they could easily address, it was small change, he did not think they were being inhuman

by not doing it he thought they would be operating on a market level. It was a move he had supported in the past and supported now.

Chairman Reiniger questioned the projected savings. Mr. Ntapalis responded they were looking at \$104,000 for current part timers that had been grandfathered effective August 1, 1994. Mr. Girard noted that this number included some employees at health department that received their benefits through contract, and \$4,000 for a Water Works Employee which would not effect the tax rate so the overall savings they were looking at was actually \$93,000 on the tax side of the budget.

Alderman Domaingue asked if the part time employees were included in the risk pool. Mr. Ntapalis responded affirmatively. Alderman Domaingue asked how many employees they were talking about and was that going to affect the risk pool. Mr. Ntapalis responded 47 employees by and large the bulk being in the school food and nutrition area, there insurances are paid on a pro-rated basis so there isn't going to be a significant impact there, in other words the bulk of them pay 50 percent of their annual health insurance, the city picks up the other 50 percent if they are working around the 20 hour a week mark.. In response to further question, Mr. Ntapalis noted that the bulk were paying 50 percent of their benefit and some even more. Alderman Domaingue noted that she did not have a problem with saving the city money, but was not sure that the better answer be that the remaining employees set the same example and pay the 50 percent copay, because she thought the city as a whole was attempting to change the way that they do business, and while they could cut out benefits for all part time employees there was not question they could do that as a board, having worked in the private sector and seen what that does to your employee pool, a lot of people are willing to pay up to 50 percent for the advantage of being able to access the benefits, you may loose those employees if they no longer have that option and so she would see a benefit in having the entire bulk of part time employees pay 50 percent of the benefit and that would allow us to retain the part time employees that we have without having them jump ship, and it would also send a message as far as the two boards are concerned (aldermen and school committee) that we recognize the seriousness of the situation and are willing to make that concession. Alderman Domaingue noted that the full board may not agree with her but she had a little bit of a concern having worked in the private sector and seen what happens, it is very hard to difficult to retain part time employees when you do not offer those benefits and she could speak from experience cause she had seen what has happened.

Alderman Hirschmann commented that if that was a motion he would second it because he had seen department heads come before them in the finance meetings requesting full time positions based on this policy, they were afraid of key part time people going away completely unless they became full time, so a 50/50 copay was an excellent example of how to steer things and come out a win/win for both.

Mr. Girard noted that the part time employees now are paying 50 percent; that the mayor offered item 2 and 3 on the referral sheet without recommendation, the numbers were not included in the budget; that the points Alderman Domaingue raised were valid points,

he knew Mr. MacKenzie has spoken with the mayor and was one of the departments that came before them asking for full time positions, that was not precipitated by this referral to committee.

Alderman Hirschmann commented that he recalled when the department head appeared before the Finance Committee that he had indicated that he needed the full time positions to be offered to his employees because of the benefit issue..

Alderman Domaingue commented that she believed the issue was when the city of Manchester hires someone, you train them to do a job and are investing time in that individual and if the training is more specific than that you are investing money in the training as well; that if there is going to be a high turnover in the part time employees because of a benefit that one can feel good about giving away now that is going to come back and smack the city in the pocketbook later because you will have to continue to retrain employees then, she did not see that as a benefit anymore. Alderman Domaingue felt sending a message at the 50 percent level was clear to the rest of the employees in the city of Manchester, we take the issue very seriously, it's time to change direction without having to lose a significant number of part time employees because that benefit is no longer offered. She thought they had to consider that cost.

Alderman Robert stated it was his perception that they could not get this anywhere else. He did not think that they would have the turnover that some people think perceive, they wouldn't like it and make some noise, but he for one had a high percentage of cafeteria workers who live in his ward, this is consistent with philosophy or approach to governing that he had projected over his five years here. Alderman Robert stated he was not running a club here and was looking to cut someplace and this is an area he thought he could do it. He felt completely justified in doing it looking at the market conditions.

Chairman Reiniger advised that the motion on the floor was to eliminate the part time employees benefits and called for a vote. Alderman Robert was in favor. Alderman Domaingue was opposed. Alderman Hirschmann requested further discussion.

Alderman Hirschmann noted that Alderman Robert seemed firm in his action asking if there was any room to negotiate or discuss possibilities, commenting that they were already receiving a 50/50 plan, most of them. Mr. Ntapalis advised that there were 47 employees, the non-enterprise portion was \$93,000. the vast majority were paying at least half of the freight, some as much as 75 percent, but these were few in number.

Alderman Domaingue asked if they went to 50 percent for all, would it lower it for some. Mr. Ntapalis responded it would lower it for some, very few, one or two, and then there were one or two that the city was paying 90 percent on, the vast majority were paying the 50/50 and had been with the city for many years.

Alderman Domaingue asked if Alderman Robert would consider tabling this item until they had exact numbers from the risk manager.

April 23, 1996 Personnel

12

On motion of Alderman Domaingue, duly seconded by Alderman Hirschmann, it was voted to table this item.

#### **A-18 RISK MANAGEMENT (discussion) Aldermanic representative**

Mr. Ntapalis noted that this issue had been resolved.

Discussion ensued where Alderman Hirschmann noted that he was an aldermanic representative appointed by Mayor Wieczorek, he had not received notification of earlier meetings and had scheduling conflicts with the last meeting. He was looking forward to attending the next meeting and participating on this board.

Following brief discussion, on motion of Alderman Domaingue, duly seconded by Alderman Hirschmann, it was voted to receive and file this item.

#### **A-19 PERSONNEL DEPARTMENT (discussion) Non-affiliated Representative**

Chairman Reiniger noted that his understanding was that what was marked First Issue, Third Issue, and Fourth Issue was what was before them, as reflected on a memo dated April 18.

Bob Beurivage of Manchester Water Works address the committee, and introduced Connie Roy from Personnel, Jenny Bieniek from Info Systems, and Joanne Shaffer from Finance. Mr. Beurivage stated he did not think it would appropriate to get into a discussion about each of the points that were presented in the letter forwarded and Mr. Moran's response, he thought to summarize the concerns the non-affiliated people had was that the package that they agreed to was based on the fact that they were going to accept the Blue Choice as well as defray their step and longevity increases. Mr. Beurivage stated they had discussions with the Mayor's office and the Chief Negotiator and they agreed that if they made those concessions then in turn they could receive a wage increase of 2 1/2 percent in each of the two succeeding years, and that was the deal that was struck. Mr. Beurivage stated that what was of concern was that a short time after that there was another group that came in and they were able to keep their health insurance, Blue Cross/Blue Shield plan J, and there was no give back or non-retro towards their step and longevity increases. A short time after that they got into a situation where there were three ordinances that were prepared that effectively removed the step and longevity increases from the non-affiliated people, and that was recent, and it was his understanding that Mr. Moran is going to withdraw those three ordinances at the present time and is going to redraft them in some form for presentation in the future.

Mr. Beurivage stated that they would ask that if the aldermen choose from now on or at some future time to make any wage and benefit improvements to other groups that they

would also consider reinstating our step and longevity provisions as we had them about 11 months ago.

Ms. Roy-Czyzowski addressed the committee stating that she was one of the folks that worked very closely with the non-affiliated group and met over a period of time with our employees and wanted to say that in our discussions with our employees that we represent we urged them not to come forward with a list of I wants; that they had said if given permission they would come up with a creative list of benefits that would not cost the city a great deal of money but address some of the needs that they had, so this was how they had come up with their benefit package. Aside from that there was a delay in providing merit and longevity steps that we were not planning on in terms of our package. With our package we tried to be leaders, tried to set an example, tried to say to the rest of the city look we know there is a crisis we know there is a problem and we are with the city, the people we represent are the city's managers, mid-level, high level, managers and the people who work in the support departments and some of the other mostly downtown departments. There are non-affiliated employees in every department in the city and mostly you will find them in the management area. We are with you and want to set an example. We want to do things that are going to save money and going to make the city a better place. We want you to know that is where we are coming from in terms of our philosophy. Ms. Czyzowski noted that this was kind of a rushed meeting, they walked out all having different impressions of what happened during the meeting and as they explained to the employees they represent, they had some different interpretations, so they were really here to seek some clarifications of some of the issues that were decided. One was number six, was an area where we had sought to limit the city's liability in terms of a benefit that they requested. It was a medical reimbursement account, through Section 125 of the IRS rules, employers can give their employees the option of putting aside money on a pre-tax basis in order to pay for medical things like a copayment, glasses, things that are not covered in the medical or dental plan, and they thought it was a nice fit to the Blue Choice product, because that would help them pay for the extras. Ms. Czyzowski stated that they had said to limit it to \$750 because if an employee decides they want to put \$750 or \$1000 into an account over a year's period of time, they can spend it all in January and leave in February, leaving the city with a bill of \$800 or whatever the balance is, so they had said limit that, and that this had not shown up in the final contract, so they wanted to make them aware that as a good faith that they were here to make sure that they are protected but that the city is protected as well. Ms. Czyzowski stated that the others are issues that just needed some straightening out. Ms. Czyzowski noted that the fifth item, where tuition reimbursement was placed on a fiscal year basis is something that was consistent with the city's budget, and they had wanted to see that done so that they would understand how much money the non-affiliated employees would have. Ms. Czyzowski noted that there had been questions as to whether the fiscal or calendar year was applicable and no one had the answers to that; that this was the spirit in which they were before the Committee to seek that clarification and to say that some of the folks represented by them were told that in good faith the aldermen said no longevity or merit steps and now our employees are asking how come the fire fighters received it, and we are not here to say we want equity, we want this, we

want that, they were here to say let's work together to clarify these issues so they are doing the best for the non-affiliated and the city as well.

Alderman Domaingue stated that the presentation was helpful and welcomed, and the best thing she could say was that they were not alone in terms of the number of city employees affiliated or non who have been saying of late that the fire personnel have a contract that was settled. Alderman Domaingue stated that that contract was settled by a Board that is no longer in existence, and while they recognize what they said she also had to deal with the realities, so she was not of a mind to say and was not hearing the mind that whatever the fire department got they wanted, she did not think they wanted it interpreted that way. Mr. Beaurivage concurred they were not asking that, as Mr. Hodgen had said to them a deal is a deal, and they had lived up to their end of the bargain but it was again, if other groups do receive improvements in the future, then they would like to see consideration given to the non-affiliated's step and longevity's.

Ms. Czyzowski stated that one of the things they had not anticipated as an interpretation was that new employees would have to wait 24 months to their first increase and that was placing a burden on department heads in terms of keeping new employees, they come and see the pay plan for 12 and 18 months for pay increases that aren't that large to begin with, and after they are here they realize that this is not the deal, and the concern was that they will lose some people that they have hired over the last year because they won't get an increase for two years, which was a long time to wait for a merit increase, so they were not here to say, those that have been here for a long time, that we expect the increase because they understood that they had put those on hold, but they did not expect then we employees hired after that freeze would be waiting. Ms. Czyzowski commented on two employees of her office that had been waiting for the merit increases and noted that it had been a long time since the city had done a classification and wage survey and they might be a little bit behind, and she did not think that they are asking that they would ever catch up to the private sector, probably realizing that that would not happen, however, new employees were taking a hit on this, and department heads are going to take a hit because people they have hired may not want to stick around.

Alderman Domaingue asked who the negotiator on this for the city was. Ms. Czyzowski responded that the four of them had worked with Mr. Hodgen

Mr. Moran stated his understanding particularly with the new employees in speaking with Mr. Hodgen was that this had been clearly addressed with the committee.

Mr. Hodgen stated he hesitated to start because frankly this contention baffles him, he did not understand how there could be any confusion on this subject; that the non-affiliated representatives met with the Board of Mayor and Aldermen last July 5, in an executive session, and the framework of the deal was spelled out by the Board of Mayor and Aldermen and then he thought pursuant to the vote he met with these folks a short time later to put the deal down on paper. Mr. Hodgen stated that before meeting with them, they had faxed him a document on the 11th of July and asked relative to the memorandum that he had sent them on the 7th of July, they asked with regard to this

paragraph that he had drafted relative to merit and longevity steps that they add a new sentence which would read "this applies to an non-affiliated employee who was working for the city during FY95 no matter what their B or L status. Mr. Hodgen said that he met with them on the 12th of July and told them that he did not believe that that consideration was consistent with what the Board of Mayor and Aldermen had decided because frankly there was no discussion with the Board of Mayor and Aldermen to distinguish new employees from old employees, and on that basis there was no reason for him to make any distinction that new employees would be treated any differently from long standing employees, and he would not agree to add that sentence and they had a discussion where the concerns for new employees, particularly those in information systems department, was raised, and he told the representatives that he would not agree with it, but that they were free to go back to the Board of Mayor and Aldermen and at that time and get a clarification if that was what they chose to do and they decided not to, and then their raises started on July 30, and steps started July 1. Mr. Hodgen noted that he had communications with Ms. Czyzowski since January and he responded that he respectfully disagreed and still did; that his discussion with them at the meeting was that they could go back to the Board of Mayor and Aldermen at that time for clarification and they declined and took the raises and a deal was a deal.

Ms. Czyzowski stated that there was two discussions, one that had to do with employees hired during fiscal year 1994 with Information Systems that they knew were hired during that year where the longevity and merit steps were frozen, but the discussion about employees hired after July 1, 1995 was that we felt that if they weren't here during that year where the freeze happened then they shouldn't be effected, and the matter of putting freezes on is real confusing to everyone in the city and she guessed that they did not understand it and were not sure that the rest of the non-affiliated employees understand it, what happens is because of the one year freeze everybody is delayed for their next step for one year, forever is the question they are asked, they are not sure for how long that goes, it is tough to administer, it was difficult for Personnel with salary schedules, it was difficult for employees to understand and it was difficult from a Personnel standpoint to explain it, so again they were asking for clarification. They were told by Mr. Hodgen to come back to the Board and they were here, in the spirit of cooperation and collaboration, and eager to get the issues resolved so they could go back to the employees and say this is what really happened, because they felt that the evening that this was voted on they felt rushed and that everyone was eager to get out of the meeting and walked out with different interpretations.

Alderman Hirschmann stated that they was apparently that it was an agreement, and he would take it that it is a signed agreement. Mr. Hodgen stated that it was reduced to writing but was not a labor contract. Alderman Hirschmann stated so there was nothing in writing to review. Mr. Beurivage responded that there was a memorandum of understanding. Ms. Czyzowski noted that this did not always cover the ifs, ands, or buts. Mr. Hodgen stated that there was a document he did not know if the committee had received a copy. Ms. Czyzowski noted that they had not received the final document until several months later, with a letter that said sorry we forgot to send you a copy of the final. Ms. Czyzowski noted that this final document had an example in it that used a

September 1995 date and had they seen that originally they probably would have attempted to clarify that at that point. Mr. Hodgen stated look, the reason he was here tonight was that he was quite annoyed with rewrite of history, for somebody to come here tonight and tell them they didn't see it until January, he hesitated to say its inane but it was pretty sorrowful, that is the document that he had faxed to these folks on July 7 and that they faxed back to him on July 11, and he had the original fax in hand, for someone to say they didn't see it, but suggested an amendment to it boggled his mind.

Alderman Domaingue stated she did not want to see anyone get annoyed. She had to tell the non-affiliated that if they were verbally given the opportunity to go back to the Board of Mayor and Aldermen and did not choose that option that was their responsibility from her position, if they had a question about the wording, the timeliness or the arrival of any agreement at that point they should have raised that issue at that time. There seems to have been a time lapse and a delay, and maybe it was because they were having discussions with their own membership, she did not know. Ms. Czyzowski stated she thought they had not seen how it played out. Alderman Domaingue responded she appreciated that, she would not say a deal is a deal but thought they were all adults and when they get a question and get an opportunity to raise the issue with the originating body that is when you take the opportunity, she was not comfortable taking an action on something she was not a participant in. She did not know if Alderman Robert or Alderman Reiniger could shed some light on this but that time delay in and of itself speaks to the issue of the responsibility of the non-affiliateds.

Chairman Reiniger commented that one option if the non-affiliateds would like would be to refer this to the full Board and further address this negotiated item with the full Board.

Ms. Czyzowski stated that they were asking was the interpretation that was made, one of the reasons they did not go back right away was because it didn't play out until several months later they saw its effects on the employees and heard back from them.

Alderman Domaingue stated that whether or not it was understood that was the understanding.

Ms. Czyzowski stated that they were saying the "i's" weren't dotted and the "t's" weren't crossed and if that was the way the Board wished to interpret it then that's what they say, but the committee was encouraged at one point to come back and get the issues resolved by a different body and they took advantage of it.

Alderman Robert stated that this was part of a larger overall mess that past boards had gotten them into and he thought they should refer it to the current Board and let them do as they wish.

Alderman Robert moved to refer the issue to the full Board of Mayor and Aldermen. Alderman Hirschmann seconded the motion.

Alderman Domaingue asked that it be referred to non-public session. Mr. Hodgen stated he didn't think that this passed muster as negotiations, this was not a bargaining unit or an association, these are the people in the city who don't belong to a union, so in this case meeting with the Board in a non-meeting for negotiations did not apply.

Alderman Robert stated that perhaps this was part of the problem, it was all right to him if it was not against the law have them come just like all the rest of them do, and they would talk in closed session.

Mr. Hodgen stated that he would say that they had met with these folks on July 5, 1995 in closed session by voting to go to executive session, he guessed it could be done again but there had been some debate over that.

RSA 91-A:3II(a)(a) was referenced as relating to compensation to a public employee. Mr. Hodgen noted his difference of opinion with Tony Simon stating that these people were not an employee, they were employees, plural, however the board did it before and could do it again as far as he was concerned.

Ms. Czyzowski stated that they were not encouraging them to send it to the full Board, they were just there to seek clarification, it was easier to go back to the employees and say this is what they wanted, this is what was voted on and this is the end of it, because when they left the meeting some of them had different interpretations so if they were willing to say this evening that the way it is being interpreted is it.

Alderman Domaingue stated that if the full Board had that understanding, she did not think that it would be appropriate for a committee of that Board to make that determination.

Alderman Robert concurred that he did not think the Board would want the committee to make that decision and felt it should be sorted out by the full Board.

Mr. Girard stated that this committee could not speak for the Board, it could only make recommendations as any other committee.

Chairman Reiniger clarified that there was a motion on the floor to refer this issue to the full Board for discussion in non-public session. Alderman Robert and Alderman Hirschmann so concurred. Chairman Reiniger called for a vote. The motion carried.

Chairman Reiniger moved to tabled items, noting that the items had been tabled pending the Mayor's budget presentation. Mr. Girard stated that the first four items on the tabled agenda were tabled at the Mayor's request pending review of the budget and presentation and he could relate based on the Mayor's presentation to the Board the Mayor did not have an objection at this time to filling those positions; that the departments are aware that any new hires resulting are probationary employees and if the Board ultimately

April 23, 1996 Personnel

18

decides to cut funding for them as part of its process there is no obligation to the city. Mr. Girard noted that all four of those positions were funded in the Mayor's budget.

Alderman Hirschmann stated that he did not think they would be doing departments justice knowing what is in store for us.

Alderman Robert moved to remove those four items off the table for discussion stating he was curious as to the impact on the departments if the positions were not filled.

Mr. Girard noted representatives were available for all but the Library and noted that the position there was a part time position that resigned, they were not operating with a lot of staff there and it was funded in their current budget and the mayor had recommended the funding continue, he was of the understanding that it was a necessary position for the library.

There was no second to remove the first four items from the table.

Alderman Robert moved to take the Library item off the table for discussion. Alderman Domaingue seconded the motion. The motion carried with Alderman Hirschmann recorded in opposition.

LIBRARY: (PC 2-96) Account Clerk position P/T

Alderman Robert moved to approve the position. Alderman Domaingue seconded the motion. The motion carried with Alderman Hirschmann recorded in opposition.

Alderman Robert moved to remove the Highway item from the table for discussion.

Alderman Domaingue asked if this was in reference to the dispatch position. Mr. Girard advised that the mayor's recommendation only dealt with the dispatcher position. Alderman Robert noted he was moving to remove it and fill it as long as it is made known to the person that he will be very polite to any citizen who calls and asks for any assistance.

Chairman Reiniger seconded the motion to remove the item from the table.

HIGHWAY: (PC 2-96) Dispatcher position.

Mr. Thomas noted that the previous dispatcher retired, and he was looking to replace him, and was requesting it be filled now because the position now would not be doing dispatching but will be out doing construction activities, the dispatcher during the summer months is not a 24 hour operation, this position would be filled by a construction personnel, most likely an equipment operator, and he would be doing street reconstruction work and over the summer they would be training him on the dispatch operation.

Chairman Reiniger called for a vote on the motion to remove the item from the table. Alderman Domaingue and Hirschmann being opposed to the motion, Chairman Reiniger advised the motion had failed and the item remained tabled.

Alderman Robert moved to remove the Fire item off the table. Alderman Domaingue seconded the motion for discussion.

FIRE: (PC 2-96) Firefighter position.

Chief Kane stated that the two positions one on the table and one a new position, they were going through the process of looking to fill those positions but as everyone knows the Fire Department is in a situation where they were analyzing their budget and these positions were part of the budget they were reviewing and the filling of those positions at this point in time was probably not going to occur because of the budget situation the department was in, it did not make a lot of sense for them to put the people on at this time and get into a budget situation where they would have to lay them off. Chief Kane noted that one of the positions was a Lieutenant position, and in the budget process they would be looking at that because the positions may allow them to save some money during the summertime, and rather than hiring a firefighter but allowing the filling of the officer's position.

In response to questions, Chief Kane advised that in not filling the firefighter position a station would not close; that the officer's position may effect closings during high vacation periods, specifically during the summer, because typically the officers are the people that usually take vacation during that time, if he did not have the money to hire an off duty officer then the station would be effected, which had happened a couple of years ago.

Following brief discussion the motion to remove from the table was withdrawn.

Alderman Robert moved to remove the Planning Department item from the table. Alderman Domaingue seconded the motion. The motion carried with Alderman Hirschmann duly recorded in opposition.

PLANNING: (PC1-96) Planner position and temporary position.

Mr. MacKenzie stated they had a vacant full time position that was authorized, it had not been filled for a couple of months; that they currently had a temporary planner that was part time and that person is working on at least one important project; that he would like to move that person into the permanent planner position on a part time basis, his concern was that they had been working temporary part time with no benefits or accruals and he would hate to loose the employee, there is as had been mentioned before a training issue, this is a fairly complex area that the individual is involved in and it was just that much harder for him to get the job done if they had a high turnover rate. He recognized the

budget issues and the budget had not been resolved yet, and if the Board had authorized the position he probably not offer it to the employee until the budget was settled down, and he hoped that the committee would fill the position when they felt the time appropriate.

Alderman Domaingue asked if he was willing to wait. Mr. MacKenzie stated he needed the position, he did not want to loose the individual based on experience and education that the individual has, she could go to the private sector and get a job, he is hoping to tell her in the next month or so whether or not she would get the permanent position.

In response to further question, Mr. MacKenzie stated that if the Board elected to do a 3 percent cut he would not have the funds to fill the position full time noting that the person was presently working on the zoning ordinance update for the city, and review of projects such as Wallgreen and OSCO.

Discussion ensued where Mr. MacKenzie concurred with Chairman Reiniger that if the position was approved this evening, he would not be filling it until the budget was settled but could then advise the employee of the intent to place her in the position in the hopes of keeping the employee.

Alderman Robert moved to approve the position. There was no second to the motion.

Following brief discussion, on motion of Alderman Domaingue, duly seconded by Alderman Hirschmann, it was voted to table this item.

**A-1 BOARD OF MAYOR AND ALDERMEN**

The Board of Mayor and Aldermen requested that the Personnel Committee review the request for the Environmental Protection Division to fill a vacant Wastewater Treatment Plant Operations Supervisor position.

Chairman Reiniger noted that this related to a “mystery” letter sent to the board members.

Mr. Thomas addressed the committee suggesting that the letter be taken with “a grain of salt” as it sounded like a disgruntled employee. With regard to the position Mr. Thomas noted there were two immediate supervisors under the superintendent, the operation supervisor being requested heads up a crew of 15 employees, the other supervisor heads up maintenance. Mr. Thomas noted the city was required to have a person with a Class IV operators license responsible for the treatment plant at all times. The superintendent had a Class IV license, the operation supervisor was required to have a Class IV license. Mr. Thomas commented that if the superintendent were to drop dead, retire or found another job in a hurry the city would have serious problems if they did not have a back up person with the license. Mr. Thomas noted in looking at the management structure there were basically three supervisory staff, with two major areas -- maintenance and operations - a minimal supervisory staff with a critical need for license back up in his opinion.

Alderman Domaingue asked who set the requirement for the license. Mr. Thomas replied the State DES. Alderman Domaingue asked how many other towns/cities had a situation with one operator with a Class IV license. Mr. Segal responded that there were only four Class IV plants in the state; that there were Class I, II, III and IV licenses depending upon the complexity of the treatment plant the determination was made on the type of license required. Mr. Segal noted the other three communities but could not comment on how they were staffed with regard to the license.

Following brief discussion relative to the funding of the position under the enterprise fund, on motion of Alderman Robert, duly seconded by Alderman Hirschmann, it was voted to recommend approval of this position

**A-2 FIRE**

If approved by the Personnel and Finance Committees the Fire Department shall be approved to fill a Fire Lieutenant position and any subsequent positions.

On motion of Alderman Hirschmann, duly seconded by Alderman Domaingue, it was voted to table this item.

Chairman Reiniger stated that items A-3 through A-15 had been approved by the Mayor's office. Alderman Robert noted that all were regular budgeted positions except for the Highway Utility Foreman Laborer II. Mr. Girard noted that the latter position was part of an addendum which the Mayor's office had requested time to further review.

**A-3 HEALTH**

If approved by the Personnel and Finance committees the Health Department shall be approved to fill a part time 17.5 hours School Nurse position.

On motion of Alderman Hirschmann, duly seconded by Alderman Robert, it was voted to approve this request.

**A-4 HIGHWAY**

If approved by Personnel and Finance committees, the Highway Department shall be approved to fill a Building and Grounds Custodian II position.

**A-5 HIGHWAY**

If approved by the Personnel and Finance Committees the Highway Department shall be approved to fill an Engineering Tech II position and any subsequent vacancies.

**A-6 HIGHWAY**

If approved by the Personnel and Finance Committees the Highway Department shall be approved to fill two Equipment Operator II positions and any subsequent vacancies.

**A-7 HIGHWAY**

If approved by the Personnel and Finance Committees the Highway Department shall be approved to fill an Equipment OPERATOR III position vacated by William Chauvette.

**A-8 HIGHWAY**

If approved by the Personnel and Finance Committees the Highway Department shall be approved to fill a Laborer I position and any subsequent vacancies.

**A-9 HIGHWAY**

If approved by the Personnel and Finance Committees, the Highway Department will be approved to fill temporary Laborer positions for the remainder FY96 and for FY97.

**A-10 HIGHWAY**

If approved by the Personnel and Finance Committees the Highway Department shall be approved to fill three Laborer II positions and any subsequent vacancies.

**A-11 HIGHWAY**

If approved by the Personnel and Finance Committees the Highway Department shall be approved to fill a Utility Worker I and any subsequent positions.

With regard to these items Mr. Girard advised that the Mayor, himself and Public Works Director had a lengthy meeting regarding the overall situation at the Highway Department; that as a result of the landfill closure and private contracts Highway will have in excess of 20 employees laid off. To try to take care of severance issues and not loose working bodies, the department has gone for several months now not filling vacated positions; that the requests before the committee represent the department's efforts not to fill positions allowing for the laid off employees to be moved into the positions, saving the city money in severance and unemployment costs. Mr. Girard noted that as it was understood the department has gotten to a critical point and the number of vacant positions has retarded their ability to perform efficiently, and the Mayor is recommending that the positions be filled, the department feels that it has attrited all of the employees it's going to in accomodating the lay off situation, and if the Board decides to cut the budget further these will be employees with no standing, under probationary status within the six months and there would be no severance or unemployment costs for the city.

Alderman Robert moved to approve items A-4 through A-11. Alderman Domaingue seconded the motion.

Alderman Domaingue commented in the communication from Mr. Thomas of April, three of the requested positions are required to meet our minimum refuse collection complement as defined in our bid for these services, asking why they were mandated to put three men on the refuse collection trucks, asking if it was part of the union contract, was it a mandate or something they had to meet.

Mr. Thomas responded they submitted a bid for collection service in competition with Waste Management, BFI, for those services; that the bid that was put together by Highway in coordination with labor based it on three men on a truck. Mr. Thomas stated that three men on a truck is not the nation's standard anymore, it was basically two, however, if they check the weight that is collected with Highway's three man crew it far surpasses a lot of municipalities that have two man trucks. Mr. Thomas stated that Portsmouth has gone to two man trucks, Manchester's three man truck does more than Portsmouth's two man trucks, so Waste Management if they had been the low bidder would have come into the city with two man trucks, however, they were not low bidder, Highway was low bidder based on the scenerio of having three men on a truck collecting

x poundage a day. Mr. Thomas stated that they were awarded the bid to perform those services, and based on that there were certain parameters that they had to follow that made up the bid, three man trucks, some temporary labor to fill in for vacancies, etc. Mr. Thomas stated that three of the positions were to bring that complement of people in the bid number. Mr. Thomas stated as far as a contract, no, the city did not have a contract, there was nothing that stipulated that there had to be three people on a truck, however, if they go to a two man truck they would have to buy more trucks.

Alderman Domaingue stated that she would raise an issue with that but not at this time. She noted that was the most frequently asked question, why Waste Management can do recycling with two and the city used three men. Mr. Thomas noted that the recycling used one man, and the yard waste used two; that when the city was doing yard waste they had two man trucks as well. Mr. Thomas noted that Waste Management was not in town collecting trash, and the bottom line of a response to constituents was that Highway bid head to head with Waste Management and BFI and the Highway bid was cheaper for those services the way they proposed the bid with a three man truck.

There being no further discussion, Chairman Reiniger called for a vote. The motion carried with Alderman Hirschmann duly recorded in opposition.

#### **A-12 HIGHWAY - EPD**

If approved by the Personnel Committee the Highway EPD shall be approved to fill two temporary employees to work at the Wastewater Treatment Plant and Pumping Stations for the summer months.

Alderman Robert moved to approve the request. Alderman Domaingue seconded the motion.

Mr. Segal stated that they typically hired two college students to work the treatment plant for the summer months; that they used them to help maintain the pumping stations and treatment plant with such things as cutting grass, painting, filling in for laborers on vacation.

Chairman Reiniger called for a vote. The motion carried.

#### **A-13 MANCHESTER ECONOMIC DEVELOPMENT OFFICE**

If approved by the Personnel and Finance committees the Manchester Economic Development Office shall be approved to fill a Secretary position and allow for a two week training period. The current Sr. Secretary position shall be reclassified to Secretary on the incumbents departure.

Alderman Robert moved to approve the request. Alderman Hirschmann seconded the motion noting they were downgrading a position and saving the city funds.

Mr. Taylor stated they were basically asking to replace their clerical person, retiring after 28 years, and the Personnel Director's recommendation was to reclassify the position from a grade 15 to a grade 13, based on the removal of financial/booking activities that the new person would not have to do. Mr. Taylor indicated that he had agreed with the assessment and was requesting to fill it at a grade 13 level, and was asking to have a two week overlap to allow for training.

Alderman Domaingue questioned the grade level asking why it could not be a grade 12. Mr. Moran stated when he reviewed the position, there was a significant amount of research and responsibilities that the incumbent was required to do for the office which was one of the reasons why he had recommended it at the grade 13. Mr. Taylor felt it was a secretarial level position rather than a clerk typist. Alderman Domaingue noted that with the current job market they might get someone skilled at the clerk typist level and felt they needed to look carefully at the 97 budget.

Alderman Hirschmann commented that it was a high profile office, and Mr. Taylor was agreeing to reduce the position by about \$10,000., hiring a new employee who was not going to have a raise for about 24 months, and felt it should be at the \$20,000 level, getting someone with the skills to carry the job.

Chairman Reiniger called for a vote on the motion to approve the request. The motion carried with none recorded in opposition.

#### **A-14 PARKS AND RECREATION/CEMETERY**

If approved by the Personnel and Finance Committees the Parks and Recreation/Cemetery Department shall be approved to fill a nine month seasonal Laborer position.

Alderman Robert moved to approve the request. Alderman Hirschmann seconded the motion.

Alderman Robert noted that in the past Parks had struggled with mowing lawns and he felt it was important, particularly for people utilizing the parks to have them mowed and cleaned up. Alderman Hirschmann commented that he was surprised they had not asked for more. Mr. Girard noted that this was a replacement and that there were three positions in parks that work for cemetery nine months a year.

Chairman Reiniger called for a vote on the motion to approve. The motion carried.

**A-15 POLICE**

If approved by the Personnel and Finance Committees the Police Department shall be approved to fill a Building & Grounds Custodian I and any subsequent vacancies.

Alderman Hirschmann moved to approve the request. Alderman Robert seconded the motion.

Mr. Girard noted that the Mayor's office had requested they look at privatizing and going out to bid and received a letter back, and that for several reasons including the type of activity that the Police Department is involved in and they are a 24 hour operation they did not feel it a viable option.

Chairman Reiniger called for a vote. The motion carried with none recorded in opposition.

**A-20 PERSONNEL DEPARTMENT - Ordinance Submission**

Mr. Moran stated that one of the ordinances that the Board returned was establishing David Hodgen as a regular employee of the city and he wished to have this go forward.

Alderman Robert moved for discussion. Alderman Domaingue seconded the motion.

Alderman Robert stated that he had been unsure that this was the right thing to do because he was a contracted person working for both the School Department and the City, questioning if this was the right thing to do financially and for him. Mr. Moran responded that Mr. Hodgen reported directly to the School Committee and to the Board of Aldermen; that the fact that he was assigned the task to deal with the non-affiliated was an additional assignment; that his primary focus by the ordinance required that he support the School Committee and Board of Aldermen.

Mr. Girard stated that Mr. Hodgen had been the city's negotiator for about eight years, and was under contract with the Board for about \$45,000 a year and had received no increase in the contractual price and the determination of the Board was to bring him into the classification system so he could have the benefit of accrued time, and with this move he goes from a contractual salary of \$45,000 to a salary as non-affiliated at \$51,000. he does become part of the classification system as a non-affiliated employee and therefore would benefit from any pay raises, benefit changes, accrued time that would come to the non-affiliated group. Mr. Girard stated that he understood the Mayor was recommending the position.

Mr. Moran stated it was important to note that they were updating the section of the ordinance that previously existed; that the Board in previous action had processed through the Personnel and Finance Committee and through adoption of the ordinance had

placed Mr. Hodgen in the non-affiliated group as an employee, this was to update the one section of the ordinance that is in conflict with his current situation.

Brief discussion ensued between Mr. Girard and Mr. Moran, following which Mr. Girard stated that this was something that in FY1995 when the mayor consolidated the Negotiator's position into the Personnel Department apparently ordinances did not follow, and with all due respect this didn't belong in this committee it belonged in Bills on Second Reading.

In response to question from Alderman Hirschmann, Mr. Girard stated that he had explained a situation with regard to the negotiator thinking it was before the committee, and apologized noting that it had already been acted on.

Alderman Hirschmann stated that he wished to go on record in opposition to this as he felt the negotiator would now have a conflict of interest, and the Board would have to hire another negotiator to deal with them.

Discussion ensued where Mr. Girard noted that this was a housekeeping issue, not what the committee was discussing; that the ordinance presently put the negotiator out of the mayor's office and this would place him in Personnel which was where he was placed under the consolidation that took place in 1995. The other issue of classified employee could be brought up at the Board level if they wished.

After some discussion surrounding this issue, on motion of Alderman Domaingue, seconded by Alderman Robert, it was voted to refer the ordinance to the Board of Mayor and Aldermen.

Alderman Robert moved that they recommend that Mr. Hodgen be returned to contract status. Alderman Hirschmann seconded the motion.

Alderman Domaingue noted that she had great respect for Alderman Robert but could not do that because they would be suggesting they absolutely all of the benefits that have been accrued to this gentleman since the decision was made, and before doing that she would want to know what the impact was on this individual regardless of who was in the position.

A brief discussion ensued relative to the city's compensation system relating to merit increases and evaluations where Mr. Girard noted that there was nothing in the present system that allowed a department head to evaluate an employee and make recommendations of pay raises based on that performance.

Chairman Reiniger called for a vote. The motion failed with Alderman Robert recorded in favor, Alderman Domaingue recorded in opposition, and Alderman Hirschmann recorded as abstaining.

April 23, 1996 Personnel  
28

There being no further business to come before the Committee, on motion of Alderman Domaingue, seconded by Alderman Robert , it was voted to adjourn.

A True Record. Attest.

Clerk of Committee