

COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS

April 18, 2000

5:30 PM

Chairman Gatsas called the meeting to order.

The Clerk called the roll.

Present: Aldermen Gatsas, Pariseau, Thibault, O'Neil

Absent: Aldermen Hirschmann

Messrs: K. Clougherty, D. Prew, L. LaFreniere, F. Thomas, J. Taylor,
J. Porter

Chairman Gatsas addressed Item 3 of the agenda:

Ordinance Amendment:

"Amending the Code of Ordinances of the City of Manchester by amending §97.34, Encumbrances Prohibited, and §130.24, Public Drinking, providing for licensed establishments located in the downtown area to serve alcohol on city sidewalks, subject to additional conditions as necessary."

On motion of Alderman Pariseau, duly seconded by Alderman Thibault, it was voted to approve the Ordinance.

Chairman Gatsas stated maybe the City Clerk could tell us what fee we are charging.

Clerk Bernier replied \$10 for the season. It is in the Code of Ordinances, but if the Committee wishes we can address the issue.

Alderman Thibault asked is there a time that they must stop in the evening. I didn't read the whole thing. It seems to be that it was 10 PM or 11 PM.

Clerk Bernier answered they are regulated by the Liquor Commission.

Alderman Thibault asked do you know the time.

Clerk Bernier answered no.

Mr. Muller stated currently in 97:34 I believe the time limit is 11 PM.

Alderman Pariseau stated I think we should increase the fee.

Chairman Gatsas asked do you have a suggestion.

Alderman Pariseau answered a minimum of \$100 or \$500. I suppose it would have to depend on seating capacity.

Alderman O'Neil stated this is the first time the City is attempting to do this. Maybe it would be in everyone's best interest if we leave the fee as is for now and if it works maybe we can take a look at reviewing the fee for future businesses.

Alderman Pariseau replied I would say that we should look at all of the charges that we charge for licensing and increasing them.

Chairman Gatsas stated why don't we let this go the way it stands and ask the City Clerk to give us a list of everything we do for licensing and the cost and the last time it was increased or decreased.

Alderman O'Neil moved to have the City Clerk provide the Committee with a list of all licenses issued, along with the fees and the last time they were increased or decreased by the next meeting. Alderman Pariseau duly seconded the motion. Chairman Gatsas called for a vote. There being none opposed, the motion carried.

Clerk Bernier asked this is just pertaining to the City Clerk's Office, right.

Chairman Gatsas stated if you have some other fees that this Committee looks at that may be coming from another department, I certainly would like you to e-mail them, send them a memo or call them to get us that information. Can you think of any off hand?

Clerk Bernier replied I would have to talk with the Finance Officer. There is a Revenue Administrator and I am not sure if that position has been filled at this time. I will talk to the Finance Director.

Chairman Gatsas asked does anybody want to move anything off the table before we address Item 4. Mr. Clougherty, I guess we have a letter in here. I think you sent us something saying that we are coming. Christmas is and Santa Claus is getting older.

Mr. Clougherty answered as you recall, when I came before the Committee the last time my goal was to have this thing done and ready by the end of the fiscal year so that we could have these policies in place moving forward at the beginning of the next fiscal year. I left this Committee, went to the Systems Advisory Committee and was told that they weren't comfortable sending out an RFP and they wanted to go to the CIP Committee first. The CIP Committee decided that they wanted more detailed estimates of what the cost would be and without doing an RFP that was difficult. Now I am researching what other cities have done to try and give them a better justification of the cost. Stanford, CT did basically the same project and it ran about \$50,000 for the work and about \$30,000 to \$40,000 for the cost of printing and distributing the documents. We are trying to pull together something for the CIP Committee at its next meeting so that money will be available and at that point I am told I will be able to do the RFP.

Chairman Gatsas asked does the City right now have a policies and procedures manual.

Mr. Clougherty answered this City right now has policy and procedure manuals that are outdated based on the prior computer system. The policies haven't changed in a lot of respects. Some of the policies about travel and things like that are the same, but the procedures for how you do an invoice or do a purchase order have changed.

Chairman Gatsas asked there is no software system out there that would work with HTE to get us a system for less than \$100,000.

Mr. Clougherty answered basically what you don't want is to have HTE do it. We are looking to have more or less one of the accounting firms or a group of that nature to come in and take a look at it and make sure that the internal control pieces are intact versus the computer system.

Chairman Gatsas stated certainly the internal controls have to be...we have an internal auditor. Now he should be able to structure the internal controls for every department because he is the one who is going to sit there and do the audit to make sure that they are there. My suggestion is that we do that in a timely fashion, that the internal auditor come back to this Committee and I think we have extended more than gracious time. The internal auditor should put some procedures in place

that he is looking for to make these internal audits a little easier. It shouldn't be like looking for a needle in a haystack.

Mr. Clougherty replied I understand and I will tell you that the internal auditor has been involved in the development of the RFP based on the exercise you just talked about. He has looked at that, but it is always nice to have an extra set of eyes look at it.

Chairman Gatsas stated I still don't know why we are doing an RFP and why we are spending the money when we can do it internally.

Mr. Clougherty replied you can't do it internally in terms of the development of the computer side of it.

Chairman Gatsas asked we can't do it why. Because of HTE or...

Mr. Clougherty answered I shouldn't say we can't do it internally because certainly we can do anything internally. If that is what the Board wants us to do, then that would be a full-time assignment for the internal audit staff to go ahead and do that type of review of the procedures and draft the current information off of the manuals from HTE to get that in place. We could do that.

Chairman Gatsas stated when you say full-time, I am sure that they have other duties but I don't think that this should take six months to create. We talked about it in January and not having something back to us until June.

Mr. Clougherty responded it wouldn't take that long if you have several people that you can throw at it at one time. If you have one internal auditor doing it, it is going to take some time with all of the directions that they are pulled in.

Chairman Gatsas stated I don't know if I am in favor of an RFP. I think we should do it internally. I think that the \$100,000 that we have experts in-house doing it which should be done according to our standards and not somebody else coming in that we can't blame if it is not right. I just think that it should be looked at in a different light. I don't know if anyone else has an opinion on that.

Alderman O'Neil asked, Kevin, is there someone besides the internal auditor that could work on this project.

Mr. Clougherty answered not really Alderman because our staff is so busy processing and doing what they have to do every day, we just don't have the luxury of saying to somebody go ahead and develop these manuals. I don't think there is anybody on Diane's staff that has that luxury either. That is why we were

looking at having somebody come in, throw some bodies at it, get it done fast and have it done so that people could move forward with the information. I will go back and consider doing it internally as part of the exercise we are going through here in terms of costing and give you a cost versus going outside.

Alderman O'Neil stated I am looking for some direction from you, Mr. Chairman, on what you want.

Chairman Gatsas replied I think it should be done internally. Anybody can come in here and put a policies and procedures manual together if you want to pay them \$100,000. I think that we have the people in house that can do it and it shouldn't take longer than a week to put it together if somebody sat down and did it.

Mr. Clougherty responded I think it is going to take considerably longer than a week. The other part of this is once you go through and have the procedure manuals developed there is a cost of getting that information out to the departments and the printing. That is what at least half of what the cost was here in terms of getting it out to the different people who need it. I will go back and take a look at that as well.

Alderman O'Neil asked should we recommend to the full Board or to the CIP Committee that...

Chairman Gatsas interjected no. Maybe we should just leave this on the table until the next meeting and let him come back with some more information.

Mr. Clougherty stated sure. At the same time I am developing it for the CIP so I will explore that and give you different options and a timetable for both. That will be the difference, I think, the timetable for getting it in.

Chairman Gatsas addressed Item 4 of the agenda:

Discussion relative to HTE issues.

Chairman Gatsas asked, Diane, do you have some reports that we are looking for or do you have something to pass out to us.

Ms. Prew stated I sent you the summation of the survey that we did. There is a great deal of information that was returned on the survey and we have not completed analyzing it in its entirety. I can give you an example of what we are doing. The Infisys module was the module that had the most comments. We had that analyzed by the Finance Department and we found that 18 of the responses were training issues, 8 of the responses were due to processing speed, there were 5

that were really requesting enhancements, there were 2 that were requesting assistance with reporting, there were 2 that were procedural in nature, there was 1 known bug that is being worked on, there were 4 items that needed further research and there were 2 items that weren't Infisys related. What we need to do is go through the entire survey in that fashion and then address the items.

Chairman Gatsas stated let me stop you right there. I was assuming that you were going to be prepared to give us those surveys and those comments or procedures to be worked on and not just continuing this flow. I thought we were going to have some direct answers today, not just taking a look at the surveys and analyzing them and coming up with some ideas. I think we have had enough ideas and enough surveys and enough conversation for three years and enough hassles with this system that either we get the correct answers and get the problem resolved or somebody step to the plate and say you know what, we made a mistake and we need to fix it either by fixing the system or getting a new one. We can't continue down this road saying we are going to analyze surveys. I have one question. The Tax Collector's Office. Are the drawers fixed?

Ms. Prew replied yes. If I could add, the issues in Tax Office have been addressed.

Chairman Gatsas responded but we keep doing these surveys, we keep getting answers and I keep looking here and the response count by departments I don't think should be that high.

Ms. Prew replied the issues with the processing speed, the correction to that is underway. The first step was done this weekend. There are two more steps that have to be taken and those will then be taken care of. The training issues we talked about that last time. There is a need for internal training.

Alderman O'Neil stated, Diane, I have to agree with the Chairman. I thought that to be helpful to us we were going to get the exact information. I don't think any of us were looking for a solution today, but I would have liked to have seen what you just read to us.

Ms. Prew replied I can provide you that and I can provide you with the entire survey. At the last meeting, I thought I heard Alderman Gatsas say that he was looking for summary information and I apologize if that is not the case. We can certainly send you copies of the entire survey and the comments that people made. We are distributing the various modules in different areas for analysis.

Alderman O'Neil asked couldn't you just summarize as you just did saying that 18 were training, etc. I don't think we need the exact comments, but it would be interesting to know if it is a training issue or any other issue. We need to know what the issues are and then we can work as a group to try and resolve them. Some may be easy to fix and some may not be, but I think we need to get an understanding of where we are at with this system. We continually hear complaints about HTE. We heard them last night. If the system is not...this isn't to go back and bash anybody but if it is not working we have a responsibility to correct that and if it means doing another system, so be it. If this system is not serving our needs, we have to admit it and move on. Having been back here two and a half years, I am not convinced that it is serving our needs.

Chairman Gatsas asked did you tell us that the system when you are running reports is at 45% capacity.

Mr. LaFreniere replied at one time last week, that is correct.

Ms. Prew stated that is what is being corrected right now, Alderman. The new hardware that is going to address that issue is on site. The first step was taken this weekend. Two weeks from yesterday the new hardware should be installed and then there is one more step in bringing it up to current levels. That is in process right now.

Chairman Gatsas replied so what you are saying is when those two processes are done that everybody should be happy with HTE.

Ms. Prew responded the processing issue should be taken care of. The reporting capabilities should be vastly improved. People should not have to wait the times that they are waiting for reports. At that time, we will be able to give greater reporting capabilities to the departments that they are asking for. Of the 42 issues of Infisys, at least 10 of them will be resolved when that is taking care of.

Chairman Gatsas asked what about the other 32.

Ms. Prew answered as I said there are training issues. Internal training needs to be done. That needs to be addressed. The procedural issues need to be discussed with the departments involved. I covered the reporting issues. The enhancements...there is a process for enhancements and they would have to be analyzed. In some cases, some of the things are people aren't use to something different from the old system so the City needs to look at is it appropriate for those changes to be made or not. That will have to be reviewed with the people involved and knowledgeable on the system. We have every intention of following up on this and working our way through these issues.

Alderman Pariseau asked, Diane, do you really feel that this system meets our needs.

Ms. Prew answered the system is working. The financial portion of the system, I think, is settling down. We have modules that have just recently been installed like the tax system. We are still working through some issues, although most of those are being resolved. Utility billing still has a number of issues that need to be taken care of, but these are new modules. The Building Department brought up one module just recently and is working on the conversion of another so a number of comments come from those new systems.

Alderman Pariseau asked are people going to continually compare the old system with the HTE system or are they going to get to some point and say to themselves there is no old system. I think that would eliminate half of the problems.

Ms. Prew answered I think that for those people with new modules it is natural that you compare to the old system because it is what you are familiar with. I think in time people do, if the systems working properly, adjust to it. I think what you are seeing in some of the financial modules is definitely a need for training and if people aren't confident in what they are doing they are feeling uncomfortable.

Chairman Gatsas asked on the Response Counts by Issue Type, how many people or how many...it says feature does not work as documented. Now is that six departments who reported that or six people out of how many?

Ms. Prew replied six people.

Chairman Gatsas asked out of how many that were surveyed.

Ms. Prew answered there were twenty somewhat departments that responded and you have 216 responses. So, six people put it in that category. Now what you have to remember, which is why we need to analyze, these are raw numbers. When we went through and looked at the Infisys modules, you found that the problems that were being described were not necessarily in the proper category. I mean something might have been attributable to the speed of the system. In some cases things that they said were hard to use, it was determined that it really was a training issue and that people weren't familiar enough with it.

Chairman Gatsas stated the one that really concerns me is when you look at the number that says would make my job easier if...and you have 50 people responding or 25% of the employees that were on this responding to that question that tells me that we are not running efficiently.

Ms. Prew responded again, a number of those were processing time and the need for additional reporting capabilities.

Chairman Gatsas asked so we didn't separate them between it takes too long to process. That 29 is what?

Ms. Prew answered the numbers you are looking at are strictly what people entered and then when you read the individual comments it turns out to be because it takes too long for them to have to wait for the reports, which is true. It is taking too long for them to have to wait but that is really a processing issue that will be taken care of. There are other people saying if I just had this information on a sheet of paper it would make my job so much easier. That is a reporting issue. Those are the kinds of things we are reading through to put them in the proper area. Now, I can go through and do that for you and send you that summary, but I want to assure you that people are working on these things.

Alderman Pariseau asked what would be an example of other.

Ms. Prew answered an example under other and this was listed under the building permit module, "report information format – would like to be able to customize reports for specific information, hand reports are not easily understood." That capability will be there to customize reports. Another one was "systems generated reports are hard to understand. Do not give clear and concise information. Would like the ability to query for information." Again, that is a reporting issue.

Chairman Gatsas stated we are not into this system two and half or three years. How long has it been?

Ms. Prew replied the financial portion of it was installed in July of 1997, but other modules have been added since then.

Chairman Gatsas stated so as of July of 1997, and Kevin maybe you can answer me, is the module that you are working with up to capacity for your department.

Mr. Clougherty replied the software is, but again the capacity of the system because of the size of the computer that we have been using, is not. That is what is the drag.

Chairman Gatsas asked how long has that been a drag for.

Mr. Clougherty answered since its inception.

Chairman Gatsas stated so we have been sitting here for three years with a hardware issue and are we just going to continue with a hardware issue or maybe you could help me.

Ms. Prew replied the hardware is on site and during that period of time when we were having problems...

Chairman Gatsas interjected okay the hardware is on site and when is it going to be installed.

Ms. Prew replied the hardware will be in place and operational if all goes well two weeks from yesterday. That is the schedule. IBM will be coming in over the weekend to install the hardware. Now I say if all goes well because when you have complicated equipment being installed there is always a chance for some problem in which case we would have to roll back and we would still be running on the old system. We have two IBM engineers that are coming in to do that for us and we are quite confident that it will be proceeding as anticipated. I would also add that during this two and a half-year period there were additions made to the hardware. There was additional storage capacity that was added twice and we still had difficulties and we finally worked that out with HTE. HTE has picked up part of the cost of that to bring the system up to where it should be.

Chairman Gatsas who gave us recommendations for the hardware that we should have in use when we bought their software.

Ms. Prew answered HTE did.

Alderman Thibault asked is it because some of this hardware wasn't installed on time that we are having this problem.

Ms. Prew answered no. What we feel occurred when the system was sized is HTE has two financial modules. It has something called GMBA and then it has Infisys. Infisys has the large accounting number capabilities for the chart of accounts. They did not anticipate what that account structure would do to the system when they sized it for us. On that basis, they have assisted with the cost associated with replacing that system.

Chairman Gatsas stated I guess after two and a half years I would assume that by May 1 or how about June 1 that if I should ask Kevin that question on June 1 we shouldn't have a problem.

Ms. Prew replied the hardware should be installed and the system should be running much faster.

Chairman Gatsas asked and if it is not.

Ms. Prew answered if it is not then HTE has a problem because there software is not...

Chairman Gatsas interjected what is your recommendation if it is not.

Ms. Prew stated we will be talking to HTE.

Chairman Gatsas asked is that your recommendation, just to talk to them.

Ms. Prew answered well we have a performance bond and we have a retainage.

Chairman Gatsas asked how much is that.

Ms. Prew asked the performance bond.

Chairman Gatsas answered the retainage.

Ms. Prew stated the retainage is about \$50,000 or \$60,000 at this point.

Chairman Gatsas asked how much is the bond.

Ms. Prew answered the bond is just under \$1.5 million.

Chairman Gatsas stated I don't know about the rest of you, but certainly by June that is a three year period and if it is not moving or working and Kevin can't get financials out by June 30...

Ms. Prew replied well he is getting his financials out.

Chairman Gatsas stated I said June 30. I am giving him an extra 30 days but somebody should start talking about the performance bond and talking about a system and a software package that we might have made a mistake with. Do you agree that we could have made a mistake?

Ms. Prew replied I think that is more a question that you have to ask the departments.

Chairman Gatsas asked, Mr. Thomas, do you think we made a mistake.

Mr. Thomas answered no.

Chairman Gatsas asked, Mr. Taylor, do you think we made a mistake.

Mr. Taylor answered no.

Chairman Gatsas asked, Mr. LaFreniere, do you think we made a mistake.

Mr. LaFreniere answered we are pretty new on line so I can't answer that.

Chairman Gatsas asked, Ms. Porter, do you think we made a mistake.

Ms. Porter answered we are also pretty new to this.

Chairman Gatsas asked how about the Mayor's Office or HR.

Mr. Tawney answered the payroll system is working fine. I do quarterly training with my payroll clerks so that if there are issues, they are resolved.

Mr. Scannell stated as far as the Mayor's Office, I would say it is more of a training issue than a software issue.

Chairman Gatsas stated and Kevin I guess you are the most important guy because you churn the numbers.

Mr. Clougherty replied as I said, the biggest problem that we hear from the departments in all honesty is that the system does not give them the information they need on a timely basis. It is too slow and one of the reasons that people haven't been trained is because if you train them to come on and run a report it slows them down even more. Once this additional capacity is put on there, there should be an emphasis on getting out and training people so that they can go through a period of getting the reports they want and you will be able to customize and provide them things. I am optimistic that will happen, but as far as the Infisys module, it is providing us with what we need right now.

Alderman O'Neil stated, Diane, my biggest concern is I think we have let HTE off the hook on some of these things. We have let their responsibility to correct some of these issues go too long. Where are we with issues that are the responsibility of HTE?

Ms. Prew replied the tax issues that we had, we were given a timetable and the Mayor was also keeping tabs on that. They have followed through on that schedule and we are satisfied with what they have done in that regard.

Alderman O'Neil asked that is the only outstanding issue with HTE.

Ms. Prew answered well we are still installing other modules and as we are seeing in the survey, there are some areas where people are having problems and there may be some other items that we determine are not functioning properly that will have to be taken care of. There are open logs, which is what problems are called to HTE. HTE has been making an effort to go through those logs and get them closed. There are some issues that have been open for awhile that they are working on.

Alderman O'Neil asked could we get a list of those.

Ms. Prew answered yes; you can get a list of the log. I might warn though that they are very sketchy, but I will get those to you.

Alderman O'Neil stated I would like to know on these modules the date they were installed and their status. Are they operating at 50%? Are they operating at 100%? Put some value to them.

Ms. Prew replied if I might ask for some clarification, the tax system is up and running. Actually the second billing was done with the new system. They will shortly be running the first bill of this year. How do I determine...

Alderman O'Neil interjected well if there isn't any problem with the module, then it is 100%. If there are problems then it can't be 100%. Just put some value to it. I just need to know where everything is at.

Ms. Prew responded but on some of the things, until you go through the entire cycle or until you actually run it live for a particular requirement that is the proof that it is functioning properly. As with the tax system, until we get through the entire year, not everything will have been tested.

Alderman O'Neil stated I don't disagree with what you said, but utility billing, we haven't run through that yet.

Ms. Prew replied we have been running utility billing. There is a problem that is going to be resolved. Right now, the meter readings for water drive the wastewater bills and because of that, the two systems were designed in one library. This is rather technical, but because they are in one library they have problems with stepping on each other. When the new hardware is installed, they will be separated and they will be independent. Water will be sending over the consumption to EPD programmatically for them to use in their billing. Once they

are separated, a good number of their issues will be gone. That was a design issue. We did take that up with HTE and the additional costs that were associated with that they credited to the City and I believe it has been resolved to Water and EPD's satisfaction.

Alderman O'Neil stated, Diane, I don't want you to get the impression that the Committee is here bashing you or the project, but I think where we get frustrated is for two and a half years I have heard HTE this and HTE that. We purchased a product and it has to be resolved at some point. Now, if we are continuing to install new modules, that is fine, but some of these issues are not new issues and we need to resolve the old issues and I think that is where the Committee is coming from. If the system doesn't work for us, we have to move on. We have the business of the people to take care of and if it is not doing the job for us, we have to say it is not doing the job and let's get a product that will do the job.

Chairman Gatsas stated I certainly commend the three colleagues to my right because I have only been here for three and a half months and I am certainly very frustrated so only God knows how frustrated they have been listening to this for two and a half years. My suggestion would be to follow Alderman O'Neil's path because I think we need to make a decision and somebody needs to say it works or it doesn't work. Now obviously you didn't run parallel systems in the beginning and that certainly was a big problem.

Ms. Prew replied it was Infisys that was not run parallel. The other modules were. Payroll was run parallel and we were standing by with the old payroll system should it not have functioned.

Chairman Gatsas asked on Infisys what systems are on there that we didn't run parallel.

Ms. Prew answered Infisys is the general ledger.

Chairman Gatsas stated so we ran parallel for payroll, but didn't run parallel for the general ledger.

Ms. Prew replied that is correct.

Chairman Gatsas stated payroll is not important enough.

Mr. Clougherty replied payroll is very important. What we had was back-up systems from LGFS and other systems that were available to be used in the event that we needed to go that route. The approach that this system has is different from the previous systems that we had been dealing with. We had five systems

and none of them were Y2K compliant. We were having horrendous problems with them and trying to get them to run. The decision to go with the different modules was to run them parallel and have them come into Infisys. The problem we had with Infisys, the only problem we had with Infisys was that as items came in from payroll, particularly those related to School, they didn't match up with some of the accounts and we had to go back and change them. During the first year, we were able to close the system, have the audits completed within the time frames that we were talking about. I think we were only 60 days late. The next year it closed on time and we generated successful documents. During the period of time that we were installing the system and bringing it up, we were able to generate reports and we were able to get information out to people. We always met the payroll items and the tax items.

Chairman Gatsas stated could I just ask a simple question. Why wasn't a parallel system run for the general ledger? I don't think that any company today that was going to change software with their general ledger system exposed wouldn't run a parallel.

Ms. Prew replied the chart of accounts was not finalized with the School Department until the latter part of May. We were going live the first of July. The system was built and it ran. There was really no time.

Alderman O'Neil asked, Diane, so you are going to give us a breakdown of the modules, when they were installed and their status. Within the responses from departments are their specific issues and I will pick on Highway, they had 18 responses, were they leaning towards one particular area or does it vary? I don't know...it sounds like some of these are going to be addressed almost weekly and instead of waiting for the next meeting is it possible that at the end of the week and Jay Taylor might be able to help you out on this because he is excellent at weekly reports, could we get a weekly summary saying we have addressed this issue in this department or this hardware issue or whatever?

Ms. Prew answered we can give you weekly reports. Some weeks may be slower than others depending on the issues. You asked me about the Highway Department. "We have an accounts receivable and after an invoice is printed and a correction has been made to the invoice a report is generated but the ability to reprint the invoice is not available." I would have to defer that to the Finance Department as to what that means. We have another...there was a problem "inquiry menu, accounts payable inquiry – add scheduled date too screen." That is probably a request for an enhancement. There is another one, "would like to be able to see user ID when journal entries are made to be able to direct questions to the right person." That is an enhancement request.

Alderman O'Neil stated so it sounds like on the major problems, those will be resolved some time soon.

Ms. Prew replied the processing speed, yes.

Alderman O'Neil stated and some of these others can be plugged away at.

Ms. Prew responded yes. One of the first things that the...the HR Department just received the comments that were made about the payroll system for them to take a look at and see what needs to be done. We will be going through them. There are a number for some of the newer modules and we will be working with the departments.

Chairman Gatsas stated let me ask you the million-dollar question and you have no lifeline. That question being when do you think that the 14 people on this Board and I don't mean the next Board, that you can come and say HTE has been installed, the modules have been updated, we have all of the hardware, we have all of the memory that we need and it works fine or it doesn't work.

Ms. Prew replied today it would be very difficult for me to answer that question because we still have modules that have not been installed. Those need to be scheduled and we need to work with the departments involved. To say that everything is complete...

Chairman Gatsas interjected give me an example of a module that hasn't been installed.

Ms. Prew replied there is a planning and zoning module.

Chairman Gatsas asked why hasn't that been installed.

Ms. Prew answered part of the reason, I think, is because of the issues that we have had with the system. Some of them are scheduling times that we have to work out with the department. Our staff can only handle so much support at a time and then there are issues with schedules with HTE. One of the things that has been very difficult throughout this entire project is that HTE, when we signed our contract, has 850 customers. During the period of time that we were signing our contract, there were many, many people who signed contracts with them. They have over 1,600 customers. They did not grow during that period adequately to provide support.

Chairman Gatsas responded I am not looking for somebody else's problem. Maybe we should start on the performance bond now and not wait.

Ms. Prew stated we have been reviewing those issues consistently with the Solicitor's Office.

Chairman Gatsas replied but reviewing them and taking action...if you are in a service industry and you are selling somebody a product, then you either perform on your service or you provide the product. Obviously, what you are telling me is that because of their growth, we have been impaired and I don't think that is fair. Have we paid them? All except \$50,000?

Ms. Prew responded we still owe them about \$200,000 in addition to the retainage.

Chairman Gatsas asked on a contract for how much.

Ms. Prew answered the original contract was about...

Chairman Gatsas interjected what have we paid them so far other than \$250,000.

Ms. Prew answered we have paid them well over \$1 million. Maybe \$1.3 million.

Chairman Gatsas stated probably closer to \$2 million. \$1.7 or \$1.6 million.

Ms. Prew replied the \$1.7 million that we are talking about includes data entry.

Chairman Gatsas stated I am just asking you what we have paid them. That is my question.

Ms. Prew replied I am trying to answer.

Chairman Gatsas stated it takes too long for answers here. It is either \$1.2 or \$1.7 million.

Ms. Prew responded it is neither.

Chairman Gatsas asked how much is it.

Ms. Prew answered I would say \$1.4 million at this point. I can give you exact figures.

Chairman Gatsas stated so we paid them \$1.4 million and we didn't tell them you grew too fast and you only had 800 clients and now you have 1,600 so we are going to hold money back and we don't need to pay you. I am not looking to beat the messenger up. You are an employee of the City. What I am saying to you is that you haven't received the product and if you haven't received the product you have 14 people who will stand behind you and say let's go at the performance bond if that is what you say, but until we can get you on our side and not HTE's side then we can't help you. I am saying to you that there is a problem. There is a major problem and somebody gave us a service and a product and they haven't delivered. We shouldn't be waiting three years for delivery. They didn't wait three years for the money.

Ms. Prew replied for a large portion of the money they did wait quite some time. I am not on HTE's side, Alderman. We paid a number of bills at the direction of the Solicitor. I met with the Solicitor and explained to him what the issues were and where we were on the contract and he indicated that contractually as the work was completed that we should be paying certain bills and we have done that. Anything that is in question we have not paid. All of the bills that were associated with the utility billing we did not pay that until we worked out the issue with HTE and got the credits that we thought were appropriate.

Chairman Gatsas stated so we still don't have the million-dollar answer and your lifelines are gone. Can you get me a date please? I am one of those date people.

Ms. Prew replied I really can't. I can't give you a date for everything.

Chairman Gatsas stated could you give me an outside date. Give me a wild guess.

Ms. Prew responded then I am going to see it in the minutes and you are going to be asking me. We can prepare a schedule that we think is appropriate.

Chairman Gatsas stated I think this Committee has given everybody an opportunity to come up with something that is equitable and fair, but I don't think that anybody has given us a response back to where we can feel comfortable. As I said, I have been frustrated and these gentlemen have been on the Board a lot longer than I have. The frustration is terrible on my side and it has to be worse on theirs. I am just saying if there is a problem with HTE let's get it resolved.

Ms. Prew responded that is our desire too, Alderman. We will go through the survey, we will give you...if I understand correctly we will analyze the problems and give you the numbers based on the analysis that we do. Do you want the details on it?

Chairman Gatsas stated yes, I would like them and can you also give us a timeframe as to when you think modules will be in place. The ones that aren't. Does everybody want to take a look at that and have somebody give us an answer?

The Committee responded yes.

Alderman O'Neil stated I would welcome, and I think we talked about this last time...

Chairman Gatsas interjected Diane, and I didn't mean to interrupt you, Alderman, but I am sure that if the gentleman who sold us the product would love to come and sit in that hot seat, I certainly would invite him and I am sure that this Committee would like to ask some tough questions.

Alderman O'Neil stated that is where I was going. I would love to see the representative from HTE sitting there.

Chairman Gatsas stated, Diane, I will even let you sit on this side and ask him the tough questions. I am sure you are better versed than we are on this subject.

Ms. Prew replied I would say that Mayor Baines gave the gentleman an ultimatum when he was here.

Chairman Gatsas asked do we know what...

Ms. Prew answered that was the schedule that was put together and they have responded to that absolutely. Those were the major problems with the Tax Office.

Alderman O'Neil stated the schedule is fine, Diane, but if we are not getting a quality product with the schedule that is another issue. It is fine that they are meeting the schedule and I can only relate it to what I do. People can tell me to install electrical equipment but if it is not right...I may meet the deadline for installing it, but it may not be installed properly.

Ms. Prew responded again the proof to that is in the running of it. Those items that were done for the Tax Office we need to process through. Certainly all of the testing is going on, but the proof is when the systems are run live.

Chairman Gatsas asked do you want to repeat exactly what you are going to send to this Committee so we have it in the minutes and we all understand where we are.

Ms. Prew answered you are asking for a summary of the survey based on after we analyze and put them into the appropriate categories.

Chairman Gatsas replied that is one. That is correct.

Ms. Prew stated you would like to see the entire survey. Do you want a copy of this?

Chairman Gatsas responded if you are summarizing it, then we are fine.

Ms. Prew stated then you are looking for a schedule for module completion.

Alderman O'Neil replied or a status. We have run them with no problems or we haven't run them.

Ms. Prew responded I can tell you where we are and how well they have run.

Alderman O'Neil stated I think the Chairman was also looking for future modules and approximate dates when those would be installed.

Chairman Gatsas asked how many do we not have installed yet.

Ms. Prew answered we have a couple that we are looking at that we may not use HTE for. Voter registration is one that we are looking at where we may not use HTE because the module doesn't meet the City Clerk's requirements. We will have an alternative solution to that.

Chairman Gatsas asked so we are going to have to get something for the City Clerk because voter registration is a very important issue.

Ms. Prew answered absolutely.

Chairman Gatsas stated that is one. Planning is two. Zoning is three. The Assessor's are in.

Ms. Prew replied the Assessor's is not an HTE module. That is a separate package that they purchased. That is the appraisal system. I can't off the top of my head think if any others.

Chairman Gatsas stated so there is probably three or four and we should be able to get those in in the next two or three months.

Ms. Prew replied not all of them, depending on the solutions, will be done in three or four months. There is a lot of work to some of these, particularly if it is something that we are looking at alternative solutions for. We may even be handling some of it in house with our own staff and then it takes a little bit longer. We will lay that out for you.

Chairman Gatsas asked did somebody want HTE to come in.

Alderman Pariseau moved to invite a representative from HTE to the next meeting.

Chairman Gatsas stated if we are going to get somebody here, let's get somebody that signs the checks and not just a representative.

Ms. Prew replied we can go with the Senior Vice President.

Chairman Gatsas stated everybody has those titles.

Ms. Prew replied this is the gentleman who met with the Mayor.

Alderman O'Neil duly seconded the motion. Chairman Gatsas called for a vote. There being none opposed, the motion carried.

Ms. Prew asked when is your next meeting.

Clerk Bernier answered May 16.

TABLED ITEM

5. Item 7 (Formalize Administrative Regulations) and Item 8 (Revise Finance Policy and Procedures Manual) of Melanson Heath & Company Management Letter dated 1/11/00 referred to Committee by Board of Mayor and Aldermen.
(Tabled 3/21/00 pending submittal of revised Policy and Procedures Manual.)

This item remained on the table.

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

A True Record. Attest.

Clerk of Committee