

## COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS

**August 18, 2009**

**4:15 PM**

Chairman O'Neil called the meeting to order.

The Clerk called the roll.

Present: Aldermen O'Neil, Garrity, Lopez, Pinard, Osborne

Messrs: T. Clougherty, D. Preece

Chairman O'Neil addressed item 3 of the agenda:

3. Communication from Mindy Salomone-Abood, Public Works Purchasing Agent, requesting the Purchasing Division act as an agent on behalf of Southern New Hampshire Purchasing Cooperative.

On motion of Alderman Osborne, duly seconded by Alderman Pinard, it was voted to discuss this item.

Alderman Lopez asked what kind of revenue are we going to receive for doing this work?

Mr. Timothy Clougherty, Deputy Public Works Director, replied there would be no revenue received. It is a joint purchasing cooperative. As the letter outlines, we would be working cooperatively with the Southern New Hampshire Planning Commission kind of furthering some of the efforts that we have already undertaken through our purchasing division. There would really be no additional work or very minimal.

Alderman Lopez asked so this is something you have been doing?

Mr. Clougherty replied it is not something that we have been doing. It is something we have been meeting with Southern New Hampshire Planning on and it is something that has been looked into and it would give some other municipalities the opportunity to purchase based on cooperative agreements.

Alderman Lopez stated from the way I read this, it seems like you indicated that we are going to be purchasing everything for the other communities. There has got to be some administrative costs.

Mr. Clougherty stated that wasn't contemplated in the current agreement as far as I know, Alderman.

Alderman Lopez asked what agreement is that?

Mr. Clougherty stated well in the concept that is being brought forward, we merely act as an agent. We put out bids and utilize some of the bids that we have already structured for things such as office supplies. We would work with Southern New Hampshire Planning and the other municipalities to develop some strategies for region wide purchasing. Presumably our buying power would be greater as just a means of purchasing on behalf of these other 13 municipalities or allowing the opportunity to purchase for these municipalities.

Alderman Lopez asked we are not going to be delivering anything then?

Mr. Clougherty replied no, sir. It is strictly administrative.

Chairman O'Neil asked Tim, can you give an example of what a probable cooperative purchase item might be?

Mr. Clougherty replied it could be something like office supplies - for example, papers, toner, ink cartridges and things like that. We could do copier agreements.

Chairman O'Neil asked could it be road salt?

Mr. Clougherty replied we haven't entertained road salt. That is a real sticky issue. We are confident that the other municipalities are doing okay as far as road salt goes based on the statement that was recently awarded.

Alderman Pinard asked Tim, where would this stuff be stored or would it be delivered to the department as ordered?

Mr. Clougherty replied it would be on an on-demand basis. There would be no storage of these materials. It would be very similar to the efforts that our purchasing division is coordinating for other City departments. Where we are putting out a bid representing certain quantities for materials that would be potentially purchased and the other communities in the cooperative would have the ability to take advantage of those.

Alderman Pinard asked the company that you purchase from would have to deliver to each department separately, as ordered?

Mr. Clougherty replied that is correct.

Alderman Garrity stated Tim, you were talking about bids. Who in this department puts together the bids? Are the other towns and cities going to do that also or is it strictly Manchester putting bids together?

Mr. Clougherty replied I am sure there are individuals within the other towns and cities but the City of Manchester would work specifically with the Planning Commission in order to put those bids together on behalf of the other municipalities. We are talking about bids primarily that we have already put together on behalf of the City and other departments that is why I am saying the administrative costs would be relatively minimal.

Chairman O'Neil stated I will note that the Executive Director of the Southern New Hampshire Planning Commission David Preece is in the audience, as well as two of the commissioners, Ray Clement and Dave Danielson. I don't know if any of them have anything else they would like to add to this.

Mr. David Preece, Executive Director SNHPC, stated good afternoon, Aldermen. I don't know how much Tim gave you as a background but we started on the discussions of this last June 2008. All the municipalities within the state received a notice from the Department of Administrative Services and the Department of Transportation. They were going to be revising the request bids for purchasing road salts. In the past both the Department of Administrative Services and DOT have guaranteed that cities and towns could pay the same price for salt. With the implementation of this revised purchasing method, the cost of winter road salt would increase as much as 40% for all of our municipalities. In response to this the Southern New Hampshire Planning Commission decided to facilitate a discussion on the best ways to address this and other issues, which would decrease the cost to municipalities. Kevin Sheppard and the City of Manchester Department of Highways have been spending a lot of time on this and the Purchasing Manager, Mindy, came to our assistance and has been very helpful in the facilitation of these discussions. Since the first meeting in August of 2008, we have had several discussions with our municipalities. Even though the Department of Transportation revised their policy as it relates to road salt, there are other issues that we see that you can create a partnership or a purchasing cooperative. That is why we are here today. We think that the costs would be very minimal for the City of Manchester and again we would put you in the leadership position with the other municipalities.

Alderman Lopez moved to approve this item, Alderman Pinard duly seconded the motion

Chairman O'Neil asked will this be reported to the Board on September 1, 2009?

City Clerk Matt Normand replied yes, it will.

Alderman Osborne asked do we ever pre-buy salt?

Mr. Clougherty replied we explored that opportunity earlier this year towards the end of the budget cycle, between the April and May time frame. We had talked with our suppliers as well as several other suppliers and we didn't feel that the financial position that they had extended at that time for pre-buying was really advantageous to the City and it actually worked out significantly to our benefit to have waited.

Alderman Osborne asked would sandbagging salt work if you were to buy it ahead of time and store it ourselves?

Mr. Clougherty replied our salt is an inventory item so it really doesn't hurt our budget one way or the other when you are looking at it financially. It really goes to how much money the City has in the bank and the storage of assets. We can store salt and we do store salt. It doesn't hurt the product itself.

Alderman Osborne stated so we are storing enough. At a 40% increase I would think we would be looking to buy a little bit more to store. Wouldn't we?

Mr. Clougherty stated we don't have enough real estate to store the salt.

Alderman Osborne asked there is no area where we can store salt?

Mr. Clougherty replied the Dunbarton Road area is really quite inconvenient for us. We would have to have another loader operator during storms. We don't feel it would be cost effective to be storing salt there and we don't have a salt shed currently at that location. Covered salt storage is required.

Alderman Pinard asked is the salt going to be bought for all the communities as one bulk?

Mr. Preece replied no, it will not be.

Alderman Pinard asked so where are the cost savings going to be, if you don't do that, if the purpose is to get all the communities working together?

Chairman O'Neil stated salt is just one item and I think, as Tim said, that is not really even on the table right now. It could be office supplies, automotive equipment...

Mr. Preece interjected the items that we are considering and showing a need to combine our efforts for are things like tires and other road materials and it is not the salt right now.

Chairman O'Neil asked would it be possible, because we don't have any information, to get a list of possible items before the September 1, 2009 Board meeting?

Mr. Preece replied sure, we have a list already and we will make it available.

Alderman Osborne asked what was the cost of the salt last time around?

Mr. Clougherty replied the City paid roughly \$68 a ton last year.

Alderman Osborne asked how many tons were used?

Mr. Clougherty replied off the top of my head, I think it was between 12,000 and 14,000.

Alderman Osborne stated if you multiply that it would be quite a bit of money, you are talking about a 40% increase.

Mr. Clougherty stated there was a 40% increase...I don't want to quote a 40% increase right now. What David was talking about was increases, and I don't want to speak for him so please correct me if I am wrong, but there were increases between the winter of 2007-2008 and 2008-2009.

Mr. Preece stated also what the state did and what the individual municipalities do was together a 20% difference.

Mr. Clougherty stated I believe that David is referring basically to a change in philosophy on the way that the state procured salt and passed along those prices to municipalities or not or bid it differently during the winter last year. We did a lot of homework this year. Our salt procurement is different. We are very comfortable with what we believe to be the price that we are going to be paying for salt and I am hesitant to quote any numbers at this point in time because we haven't executed any contracts. Suffice it to say it has gone down.

Alderman Pinard asked how many are out there to bid on? Is it just that one place in Portsmouth or are there other places to buy salt?

Mr. Clougherty replied there are other alternatives.

Alderman Pinard asked have you gone to others before or did you just go to that one company?

Mr. Clougherty replied we have publicly bid salt in years past. We have received more than one price quotation. One vendor has been successful over the passed several years. I don't know exactly how long. I certainly could get that history but it has been publicly bid, competitively and as a matter of fact. This year when we were talking about pre-buying salt and a discounted offer was extended through our current supplier, we checked those price quotations with other suppliers to verify that they were in the ballpark.

On motion of Alderman Lopez, duly seconded by Alderman Pinard, it was voted to approve the request for the Purchasing Division to act as an agent on behalf of the Southern New Hampshire Purchasing Cooperative.

Chairman O'Neil addressed item 4 of the agenda:

4. Communication from Frank C. Comerford, St. George Greek Orthodox Cathedral Board of Directors, requesting permission to hang a banner across Hanover Street from September 18, 2009 until September 20, 2009 for Glendi.

City Clerk Normand stated the letter that is attached in your agenda also addresses parking issues. This will be referred to the Committee on Public Safety, Health and Traffic to take up that issue.

On motion of Alderman Osborne, duly seconded by Alderman Garrity, it was voted to approve the request to hang a banner.

Chairman O'Neil addressed item 6 of the agenda:

6. A report of the Committee on Administration /Information Systems recommending that the municipal taxicab rates be raised to \$.40 per one-sixth of a mile.  
*(Note: This report was referred back to the Committee by the Board of Mayor and Aldermen on July 7, 2009 at the recommendation of Chairman O'Neil for further discussion with the taxicab owners.)*

Chairman O'Neil stated it would be my recommendation to go as recommended here. I sat down on two different occasions with one of the owners and that subsequently led to the meeting with all three owners. The first meeting was with Mr. Kincaid and Mr. Bodulc and the second meeting was with Mr. Normand and Mr. Bolduc. There is not necessarily a consensus. All three owners don't agree on everything but they and the drivers do agree that this is a reasonable rate. They have not had an increase. I am concerned that they may price themselves out with some potential customers but they are asking us to consider this. As Alderman Osborne recommended the last time, we should look at these rates every six months. We have also asked them to provide reports similar to reports that we get from the Transit Authority on ridership that will help us in determining future decisions regarding the taxi service. It is an important part of all transportation in the City. Again with some caution I am concerned that they are going to price themselves out but they truly believe they need these rates as recommended. With that I suggest you move on it.

On motion of Alderman Pinard, duly seconded by Alderman Garrity, it was voted that the municipal taxicab rates be raised to \$.40 per one-sixth of a mile.

City Clerk Normand stated Mr. Chairman, this will be reported in tonight to the full Board.

Chairman O'Neil addressed item 5 of the agenda:

5. A request to discuss the revocation of a Taxicab Driver's License.

Alderman Garrity move to enter into non-public session under provisions of RSA 91-A:3 II, Alderman Pinard duly seconded the motion.

A roll call vote was taken. Alderman O'Neil, Garrity, Lopez, Pinard and Osborne voted yea. The motion passed.

City Clerk Normand noted the sole discussion in non-public session was regarding the revocation of the taxi driver's license and that I believe the intent of the Committee is to issue a probationary license to the driver with some follow up requirements.

On motion of Alderman Pinard, duly seconded by Alderman Lopez, it was voted to grant a probationary taxi driver's license.

## **TABLED ITEMS**

7. Recommendation from Matthew Normand, Acting City Clerk, regarding a policy for street closures and license events.  
*(Tabled 03/16/09)*

This item remained on the table.

8. Communication from Thomas Clark, City Solicitor regarding a Naming Rights Policy.  
*(Note: Referred by the Board of Mayor and Aldermen on 2/3/09. Tabled 03/16/09)*

This item remained on the table.

9. Communication from Barbara Potvin, New England Sampler, requesting the City hold a public forum to discuss the process of closing off city streets and the impact that these closings have on local small businesses as well as the benefits drawn by the City of Manchester and its local citizens.  
*(Note: Referred by the Board of Mayor and Aldermen on 10/21/08. Tabled 11/24/08 recommendation to be submitted by staff)*

This item remained on the table.

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

A True Record. Attest.

Clerk of Committee