

**SPECIAL MEETING OF THE
COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS**

March 24, 2010

Upon recess of the Special BMA

Chairman Lopez called the meeting to order.

The Clerk called the roll.

Present: Aldermen Lopez, O'Neil, Osborne, Corriveau

Absent: Alderman DeVries

3. Ordinance Amendments:

“Amending Appendix A of the Subdivision and Site Plan Regulations of the City of Manchester providing for the establishment of new fees.”

“Amending Appendix A of the Subdivision and Site Plan Regulations of the City of Manchester providing for the increase of certain fees.”

“Amending Chapter 155 Zoning Code, Subsection 155.02 of the Code of Ordinances, and providing for the increase of certain fees.”

Alderman O'Neil moved to approve these Ordinance amendments. The motion was duly seconded by Alderman Corriveau

Alderman Osborne asked does this include the poker machines?

Chairman Lopez responded no. This just includes Planning because we've already passed the poker machines.

Chairman Lopez called for a vote on the motion. There being none opposed, the motion carried.

New Business:

Chairman Lopez stated normally I honor a Committee member to bring in new business, and Alderman O'Neil asked me to bring in new business tonight because of the budget process, and I said that would be fine. I think something is being passed out.

Ordinance:

“Establishing a special purchasing procedure relating to the Employee Assistance Program and substance abuse counseling for City employees.”

Alderman O'Neil stated it might be appropriate to give everyone a chance to read the cover letter that is with the proposal. Just to summarize, it was brought to my attention some time ago that two very key people in City government were getting ready to retire, and that's Tom Jordan from the Employee Assistance Program and Judy Cooper who is our Substance Abuse Evaluator. I was very concerned about where that was going to leave us. My understanding in talking to some people of knowledge in the industry is that there is not really a great talent pool out there for people. I spoke to the Mayor and Chairman Lopez and asked if they might consider a proposal, and I worked with Tom Jordan to come up with the proposal that is before you tonight. The Mayor and Chairman Lopez have been briefed on the proposal, although I'm not sure they saw the cover letter, as Heather was assisting me at about 3:00 this afternoon doing it. It allows us to continue doing what we are currently doing. Tom and Judy would continue to do it as contractors to the City. They would also include Bob Kelley, who has been the Substance Abuse Professional (SAP), as well as Joe O'Sullivan, who is a Manchester resident and has been the director of the Employee Assistance Program for both Northstar (ComEdison) in Boston and Public Service Company of New Hampshire. I would entertain any questions after everyone has had a chance to look at the proposal. The bottom line is that it appears to save us somewhere around \$100,000 a year for the same service that we are currently getting. It's the same service, the same players involved.

Mayor Gatsas stated I commend you, Alderman O'Neil, for taking a look with what the task force on efficiency came forward with, and certainly making sure that Mr. Jordan and Ms. Cooper would be kept in place to make sure they supported the employees we have in the City. I applaud you for it. There are an awful lot of pages that are available in that task force report, so we can continue working on them as the months come forward.

Chairman Lopez asked Alderman O'Neil, could you basically go to the cost page, the total, and maybe just give a summary briefly?

Alderman O'Neil responded yes, the program, Mr. Chairman, as it currently exists today for Mr. Jordan and Ms. Cooper, the entire program throughout the City costs about \$192,000. The proposal as it's presented would cost about \$80,000 to implement.

Chairman Lopez stated I have a question for the City Solicitor. In reference to this proposal, are we within our legal rights to do this?

Mr. Tom Clark, City Solicitor, responded yes. This Committee and the Board have the right to waive the procurement process and do a direct contract.

Alderman Shea stated you said the services would still be available on a contractual basis. What does that mean?

Alderman O'Neil responded it means that regarding the Employee Assistance Program, Tom Jordan would still provide that service, but not as a City employee. He would be supported in his efforts by Judy Cooper. That's as it is today. Judy is his backup person. He would include Bob Kelley, who is doing some of the work regarding to the New Hampshire DOT. It's not testing, but if a person tests positive, they have to meet with Mr. Kelley. It would also include Joe O'Sullivan for some training that is not necessarily currently going on.

Alderman Shea asked would he maintain hours or would it be on a contact basis or how would that work?

Alderman O'Neil responded my understanding is that it would be as it is now where...if you look at the bottom of the very last page, it just gives a quick overview of this current year. There were 517 calls to the EAP line. They actually opened 320 cases where they actually met with people, and 125 of those cases were counseled internally by either Tom or Judy, and 195 cases were referred to specialists. I think it would kind of have to flow with the need. The key is they would be available 24 hours a day to respond, and for the most part, my understand is it is not regular office hours. When someone is in trouble that needs help, it can happen...it's a 24/7 business. They would maintain an office in downtown Manchester as part of their cost. I don't know if I answered your question. I don't know if they will hold regular office hours but I think it will be at the request of the employees calling them when they need to meet with them.

Alderman Shea stated I'm not sure if you want me to name names here or not, but an individual would be in charge of that particular operation so if someone were to contact that particular person for a particular need, that person in turn would contact Mr. Jordan.

Alderman O'Neil stated no. The intent would be that the current EAP phone number that we have would go with them. I think it is 624-6489. That's how it works now. You call that number and somebody responds to you right away. It goes to an answering service and there is a response time to it. That's how it is currently set up today.

Alderman Shea stated so there would actually be no change in how things now are actually conducted after they retire in June. It would be the same procedure.

Alderman O'Neil stated that's correct, and with the same people. They are adding Mr. Kelley as one of the backup people on the calls. The other part of this, Alderman Shea, is the substance abuse hotline that Tom Jordan, Judy Cooper and Dan Duval, who is still an employee of Youth Services, currently man. They rotate every week. That can be for anyone, somebody who maybe doesn't call the EAP line but does call the substance abuse hotline. It can be an adult; it can be a young person that calls it. That will continue. Mr. Duval would still take a week as an employee, and then Judy Cooper and Tom Jordan, who currently do the other two weeks, would provide those services.

Alderman Corriveau stated Alderman O'Neil, looking at the proposed Ordinance change, am I to understand...it mentions '...may enter into an agreement with Mr. Jordan and this program for a period of up to five years.' Is it your understanding that this will be a five-year contract?

Alderman O'Neil responded Attorney Clark and I spoke this afternoon about it. There is no definite time line in the procurement process, whether it's a three-year contract...we just did a contract with SMG which I think was 20 plus years. I don't know if Attorney Clark wants to jump in. We thought that up to five years was reasonable.

Mr. Clark stated generally when the City goes out for a service contract, they run somewhere between three and five years. That's the reason that number was picked.

Alderman O'Neil asked is your question, is it exactly a five-year contract?

Alderman Corriveau responded I'd just like to know the actual terms of the contract.

Mr. Clark stated this Board can set the length of the contract at whatever it wishes.

Alderman Corriveau stated maybe it's just me. I have a little bit of a problem leaving an open ended contract. If it is five years, it's five years. If it's three years, it's three years. If it's up to five years...I know I'm sort of babbling with language a little bit here but we could either just enter a one year contract or a three year or a five year.

Mayor Gatsas asked Alderman, would you like to make that for three years? Then we could...

Alderman Corriveau interjected I have not been involved in the discussions. I suppose I would at least initially defer to Alderman O'Neil.

Alderman O'Neil stated three years is certainly reasonable if you want to put a fixed number on it. I think Tom is right. We tried to come up with something. Three years is fine. Four years is fine. Five years is fine. If you're more comfortable with three years, let's make that as part of the motion.

Alderman Corriveau stated I just have a small concern in the sense that if this isn't going to go out to bid, we keep the term relatively short, whether it's three years...I suppose that's okay.

Chairman Lopez stated just to follow up on his question, if it's three years in the contract it will read that we can extend it. The Board of Mayor and Aldermen can extend it beyond that period of time like all other contracts. Is that correct?

Mr. Clark responded under your procurement code, you are always allowed to extend a contract for one additional year as long as the terms and conditions stay the same.

Alderman Osborne stated we're talking 'up to'. The words 'up to' means it could be one year to three years. It could be anywhere in that area. It's not a three year agreement, period. It's 'up to', right?

Alderman Corriveau stated that's sort of the way I read it too. I guess I'm just asking for a little certainty in the process. So whether it's a year, whether it's three years, whether it's five years we know how long this process is going to go before we put it out to bid ultimately.

Mayor Gatsas asked so your recommendation would be for three years, not up to?

Alderman Corriveau responded if that's fine with Alderman O'Neil.

Alderman O'Neil asked Tom, is that fine?

Mr. Clark responded that's fine.

On motion of Alderman Corriveau, duly seconded by Alderman O'Neil, it was voted to amend the proposed Ordinance by changing the words from 'up to five' to 'three'.

Alderman Osborne asked isn't it better to leave it open? I have to ask the City Solicitor this. Leaving it open in the first place up to five years. You're going to change it to three years, but why not leave the 'up to' in there? Why are we making a definite three year term?

Mr. Clark responded it's completely up to this Board. I haven't been in negotiations with Mr. Jordan. Alderman O'Neil has spoken to him. I have no problem at all with saying it shall be a three year contract.

Alderman Osborne stated it's up to the Board, like you say. The City Solicitor says it's okay with him either way, that's fine. I can understand his position. It's all in how you want to attack something. If you have a three year, then you've got to stick by the three years. If it is up to three years you don't have to stick to three years.

Chairman Lopez stated let me add to that, and the City Solicitor can correct me. Even if it's three years, they have to comply with certain things in the service contract. If they're not complying with what we approve, the City Solicitor can bring it back to us under those circumstances. That's all our contracts, like Intown. We just extended theirs, and they've been around for five years. We always have that option if they are not complying with the service contract.

Alderman Osborne stated I have no problem with one to five years then, one to three or one to five.

Chairman Lopez stated well, we just voted on it.

Alderman Osborne stated 'up to' ...I'm just saying 'up to'. It doesn't mean anything. It could be up to 100 years. You can always bail out of it. It's just the way you want to read it, I guess.

Chairman Lopez stated Alderman, if you want to say something I'm not going to shut you off.

Alderman Osborne stated let's have Alderman Arnold give us his opinion.

Chairman Lopez asked what do you want to do?

Alderman Osborne responded they've already made their motions, I guess.

Chairman Lopez stated they made the motion and it passed, but you are still part of this Committee. If you have another motion, let's get it on the floor with the rest of the members here hearing this, so that's the reason to bring it up tonight.

Alderman Roy stated let me ask you this first, Alderman Lopez. Is this the time for just general questions or are we going to wait till we come back to the full Board for that? I have several questions here.

Chairman Lopez responded that's fine. The Committee is here. Alderman Corriveau just brought something up and we took care of it.

Alderman Roy stated I went through the agenda for tonight and I didn't see this on there. It's one of those pet peeves of mine. We get these things dropped on us at the last minute and it's the first I've seen it. Pardon my ignorance if I ask some questions that I should know, but I just looked through this briefly. Why isn't this going out to an RFP?

Alderman O'Neil responded I can only speak for myself. I was on this Board 20 years ago when Alderman Cashin and Alderman Wihby thought it was important to have an in-house employee assistance program. I think through the firefighter's contract we had an agreement with a firm up in Maine, but there was some question about the level of service. That may still exist in their contract, although Mr. Jordan could probably give us numbers on how many firefighters he sees on a regular basis. This came out of a discussion about trying to do the budget and whether or not Mr. Jordan and Ms. Cooper would retire. If they didn't their salaries and benefits would have to be carried over in the next fiscal year. They both were looking to retire. So this came up. I think the first discussion on this came up formally about a week ago. The Mayor showed an interest and asked me to do some work. As late as this afternoon we were trying to get numbers to confirm salary and benefits for both individuals. It's been moving. I don't want to speak for the Mayor but I think he was trying to get as good information for the budget as we could have and have a proper budget number for these services for the proposed budget that will come out next week. That's why it kind of happened quickly. Regarding the RFP, I'm of the opinion that the in-house program has

served us very well. I have asked Mr. Jordan for probably better than a year when he has talked about retiring, to identify some people. This LADAC certification, there aren't a lot of people around that have it. After some research he just could not identify people that might consider applying for the job that was posted. We could go out with an RFP and contract with...my only experience is an out-of-state firm that would do this. The one thing I can tell you is if you talk to the employees, Tom Jordan and Judy Cooper have a lot of credibility with the employees and it has worked and that's why this came forward in this fashion. I think I indicated that in my letter, Alderman Roy, about time on trying to do an RFP or recruit some qualified people in the time period. We know these individuals work and the public is comfortable in using them.

Alderman Roy stated thank you very much. I agree with you 100% that an in-house program is needed and my hat is off to these two individuals because they have done a great job. I know they've done a great job over the years. I haven't been involved with all of that but at first blush I'm just sitting here thinking we could probably get an RFP out and still decide it pretty quickly because there may not be many other people. This would be the best option to go with. It would just make me feel better if we did that.

Mayor Gatsas stated the sensitivity of these two positions is very concerning to the City. The information they receive about employees or students that have problems...what I didn't want to see is all of a sudden June 1st get a letter saying they are retiring and now we're scrambling and trying to find somebody by July 1st to pick up these spots that could be called at any time of the night. So, the sensitivity of it was such that...and I didn't want to put money into the budget for two positions that were going to retire effective July 1st, and the money would have been there, and then we would have had to go out for an RFP, find new funds to fund it...I agree with you that with the process here, because of the timing and the sensitivity of the information that comes to this department is a little different. I agree with you that...if this was something else to go out to an RFP, I would say fine, but the problem I see with it is the sensitivity of some of the clients they may be still working with and all of a sudden there is a change and a new body comes in, I'm not too sure the employees would be comfortable with that change. So that's why it has been moving as quickly as it has been.

Chairman Lopez stated and I did allow this to come in because they had to get the final numbers today.

Alderman Roy stated you said this new program was going to cost \$84,000 a year. I don't see that on the cost sheet.

Alderman O'Neil stated I think we are missing a page. There is a page in what Mr. Jordan sent. I believe it's just missing, Alderman Roy, and I can get the actual...this is similar. Heather and I tried to reformat it, just to clean it up a little bit. But I think on the EAP budget description on page six there are about six bullets, I believe...and I apologize for that...Your Honor and Alderman Lopez, I think the first draft I showed you two said, \$80,000. Is that correct?

Chairman Lopez responded right, and I think that figure ought to be on the table.

Alderman O'Neil stated I apologize. I think it was just an oversight by me not to include it here. It's \$80,000 they thought they could do the program for.

Alderman Roy stated I don't want to insult anyone, but another pet peeve of mine is...let me get this straight. City employees are going to retire. They are going to collect their pension and they are going to perform the same job that they were performing before they retired.

Alderman O'Neil stated correct.

Alderman Osborne stated I just want to say I have no problem with the program and I have no problem with saving \$100,000. Those two little words there, 'up to', I'd just as soon leave in there, whether it's three years or five years. It doesn't make any difference to me in the Ordinance itself. It's better to leave a little slack here somewhere. A solid three year lease...if I were to take out a three year lease where I am, it's three years. If I don't stay there three years, I'm liable for the difference in what I owe. So it's the same thing. Those two words are put in there for a reason, 'up to.' If they weren't put in there then it would just reads 'for a period of five years'. Why put 'up to' in there? 'Up to' can be anywhere from one day to five years.

Chairman Lopez stated the motion was made and...

Alderman Osborne interjected so I will go along if it's 'up to' in there, and if it's not, I will not go along with it.

Alderman O'Neil asked Mr. Chairman, can we fix that at the full Board level? We are still in Committee.

Chairman Lopez responded sure.

Alderman O'Neil stated and I'm stuck on what that is. I will yield to my colleagues on what it is.

Alderman Craig asked just getting back to the estimated cost of \$80,000, are you going to be providing an overview of how we get to that?

Alderman O'Neil responded I guess I don't understand the question.

Alderman Craig stated what the savings are or what will the new salary line items be.

Alderman O'Neil stated I apologize, Alderman Craig, if that line is left out. I think it's just missed from page six that has the six bullets on it, and then when Heather and I were trying to rework it, I think we accidentally left it out. But I believe I can safely say \$80,000 is the right number.

Alderman Craig stated but in looking at the page that provides the cost estimate of what the program costs today...

Alderman O'Neil interjected that's the existing today.

Alderman Craig stated it's hard for me to see...I'd like to know where the cuts are coming from, because when you look at the bottom portion, that's about \$17,000 and I'm just curious about how you are going to get to the \$80,000.

Alderman O'Neil stated that's the number they provided.

Mayor Gatsas stated let me just help you. The first column you see that has the numbers totaling \$216,000 includes a grant-funded position. One of the positions is grant-funded, 50% of one of the positions.

Alderman Craig asked that's retiring or not?

Mayor Gatsas responded that's retiring. The other side are General fund dollars that we see in our budget that's in the Office of Youth Services. Included in the \$167,000 are additional costs that they pick up in the budget process that takes you to \$192,221. If you subtract \$80,000 from that, it's \$112,000 savings to the City on the General fund side. There is another \$50,000 on grant positions that we are looking at now to see if we could incorporate that \$50,000 in grants into a new position that may be funded through General fund dollars in the Office of Youth Services now. So there could be an additional \$50,000 reduction in the Office of Youth Services if there is a position that we can fund with the grant dollars that are here.

Alderman Craig asked getting back to my request, is there a way that the person who is putting the proposal together for the total cost of \$80,000 could provide this level of detail to see where they are getting to?

Alderman O'Neil responded we can ask, Alderman. I don't remember that they provided it but we'll see what we can provide to see how they came up with that.

Alderman Ludwig stated first of all let me say I have the utmost respect for Tom Jordan and I'm sorry to see him leave, but I guess he is kind of staying, so that's not a bad thing. Maybe I'm the only one sitting here who doesn't understand what's going on, but going really quickly here, is this coming forward as a result of the recommendation from the Consolidation and Efficiency Committee report or is this coming forward just because it is?

Chairman Lopez responded it's coming forward because of the budget and two people are retiring, and come around June and the first of July we won't have anybody on board. We have to go out and find these people in the event that an employee would need their services. It's a service contract and that's what you have to look at in my opinion. It's a service contract that we are providing for services. I think to answer the question, if you look at the back page, there is \$192,000 that the Mayor has indicated. The service that we are providing today is the same service that we are going to be providing for \$80,000, and that number of \$80,000 is what you have to look at as the budget aspect of it. Alderman Craig had a point about the details as to what they will be providing, but the service contract is what they are providing, so to answer your question, it has nothing to do with efficiency. It has to do with two employees that are going to be leaving us.

Alderman Ludwig stated I think we're in a great position. Maybe it's just that we are fortunate that a group of people seem to be playing right along in terms of what the task force recommended. I think that's what they kind of recommended in some way. And that is okay. I don't really understand it totally, in terms of going out to the private sector. I know there are companies out there who certainly can perform these duties. But I want to go a little bit further before we start to vote so quickly again on something like this. I support it, but does it mean that we are eliminating positions in the Office of Youth Services?

Mayor Gatsas responded yes.

Chairman Lopez stated yes, to answer your question, because we are not going to be...

Alderman Ludwig stated so once we vote on this, and I'm just going to call it Tom Jordan and his crew for lack of a better term because I'm not sure what this is. I guess it's a privatization of a program. So there is no turning back then. In other words, once we vote on this, the positions in the budget are gone forever and when

these people leave, whether it's one year, three years, five years, ten years, or whatever, we then have bought into a program that says we will always use outside groups to administer this program. Is that so?

Chairman Lopez responded not necessarily. In my opinion, and the Mayor and the City Solicitor can chime in, this is a service contract. If we want to go back to the old system two years or three years down the road because we weren't getting the same efficiency that we have today, we might turn around and come back and hire somebody on the City side. But those benefits would have to be paid as they are today. And I think that is where the savings are. They are going to do the same job they are doing today. Anytime a Board of Mayor and Aldermen wants to change something, they can change something as they move forward.

Alderman Ludwig stated I totally agree, any time they want to, but I think that everybody sitting around this table knows that typically once those positions are gone...and here is my issue with it. I'm fine with these people. I'd like to sign a contract with them for 100 years but I don't think they will be alive. They are going to move on, and I don't think this Board or future boards are going to say they want to go back and put somebody back on the payroll. I just want to go on the record to say that I think it's extremely important for the job that Tom Jordan did over the years as a person, because he connected with families, he connected with people, and I'm not sure, although I don't know, maybe we will get the same service, once these people are gone from a private sector concerns, being recommended in that report, down the road. And that's a concern of mine because I don't see us bringing people back in here at that level to be hired ever again. And then we are going to be...now, if someone can tell me...and I honestly don't understand, that there are people out there and there are firms that will come on and say they will do this for three years, so you are always talking to the same person; they buy in; they know who the City employees are. They get to know who the families are. I guess I could be comfortable with that. But we've been fortunate to have someone...I'm of the opinion that the Tom Jordan type of person is better for the City and we are very fortunate to have this going forward and I will support this project, but I just want to be on the record to say I'm not sure how I feel about it going forward.

Alderman Long stated I'm still trying to grasp this. We are going to have the same service. Ms. Cooper and Mr. Jordan are going to be forming a corporation or an LLC and they will deliver the same services that they have been delivering. Mr. Kelley and Mr. O'Sullivan have already been doing what they are doing now. They will be doing the same thing. They are not employees, correct?

Alderman O'Neil responded that's correct.

Mayor Gatsas stated let me just clarify that. However, we are paying for some of those services through Human Resources. If you take a look on that breakdown, you will see that Bob Kelley gets paid \$5,000. That comes out of HR. If you take a look at the Manchester Fire Department local EAP, it's an \$8,000 charge. So those are part of the \$80,000. That's why you are seeing those savings. Mr. Kelley would no longer be paid by the City. If he performs based on being referred from Mr. Jordan, it would be paid for by Mr. Jordan and not the City.

Alderman Long stated the same with the Employee and Supervisory Consultations and Presentations, Mr. O'Sullivan would still be doing that.

Mayor Gatsas stated through Mr. Jordan.

Alderman O'Neil stated he hasn't been doing that. He is a recent retiree from Northstar, which used to be Boston Edison. He lives in Manchester. He was the unpaid consultant when the City set up. We had a private EAP at one point 20 years ago. Mr. Jordan was the Substance Abuse Evaluator in Youth Services and the Board determined at that time...I happened to sit on the Board at the time when the City set up the in-house EAP. Mr. O'Sullivan had worked at in-house EAP's both at Public Service Company and then Boston Edison, and he helped advise us on this. Out of that \$80,000 amongst the four of them, he's going to receive a stipend to do the Employee and Supervisory Consultations and Presentations.

Alderman Long stated with respect to the Ordinance, I question '...may enter into an agreement with Tom Jordan'. God forbid something happens to Mr. Jordan, where is this Ordinance?

Alderman O'Neil responded I think the intent is, if we approve this, there has to be a contract drafted. They are not going to go out and set up this organization and spend money on attorneys until they know there is actually an assignment for them with the City.

Mayor Gatsas stated just for clarification, they don't take effect until July 1st. They are here in the same capacity that they are in for the next three months. I think the sensitivity of where we are in the budget process is why you are seeing it come forward now. So, there are three months to set this up to make sure all the documentation is in place. If it's not, and if they can't oblige what we are looking for, then certainly we still have the time to go out for an RFP, if someone is out there doing it. I think we are going to have a tough time finding someone who is going to provide the services and have the confidentiality that we are expecting for our employees in this City. You have to realize that this didn't come about two months ago. This came about because Tom Jordan came in to me and said he was thinking of retiring. I asked him when he was thinking of doing it because I was

worried he was going to tell me it was next week. He said he thought it would be June, and when he retired Judy Cooper would too. When you hear that you have a problem on looking forward and saying the choices are do you retire and how do we fill it and where will we find those people? I asked him if there was someone around that he could put in those positions and he said there is nobody on the bench that would fit the bill and move forward.

Alderman Long stated I understand we could do a sole source, but my question to the Solicitor is can we have an exclusive agreement with somebody in an Ordinance? Can we have an Ordinance with exclusivity to a particular person? Mr. Clark responded yes, you may.

Alderman Long asked we can? So, if something were to happen to Mr. Jordan and he wasn't able to enter into an agreement with us, where would we be?

Mr. Clark responded if we don't enter into a contract with Mr. Jordan because he is no longer around or he can't do it, then it would come back to this Board and you would have to put out an RFP or find someone else to do it.

Alderman Long asked would we have to change this Ordinance to allow ourselves to do that?

Mr. Clark responded if he is no longer around to sign a contract, the Ordinance will have no effect. He has to be around for the Ordinance to take effect.

Alderman Long stated so if he isn't around this Ordinance isn't an Ordinance. Is that what you are saying?

Mr. Clark responded it's an Ordinance authorizing the City to enter into a contract with Tom Jordan. If he cannot enter into a contract, then it doesn't matter what the Ordinance says. You'll have to come back to the Board and either pass a new Ordinance or go out for RFP's.

Alderman Long stated okay. I agree with Alderman Ludwig that we are sending this out. This is now going to be outsourced. I don't have a problem with it with Mr. Jordan and Ms. Cooper; with all these cases it makes sense to retain these two people, but we should look at a transition time. If one of them weren't able to fulfill this, we would need a transition time. When you go out for an RFP, you're going out after somebody that's dark. They're coming in here blind, and that's what would happen when this agreement is done, when they want to move to the Bahamas or whatever and don't want to fulfill this anymore. We're going out for an RFP. We're getting a private company to take over.

Chairman Lopez stated very good. I want to end the Committee meeting and get this to the full Board tonight. If we have any other questions, I'd appreciate it afterwards.

Alderman Corriveau stated I have a couple of questions for the City Solicitor. The procurement code, back to the language of the proposed Ordinance, what are those provisions of the procurement code? Are there some specific provisions in there that we should be aware of? The reason I'm asking is we are saying, not withstanding the procurement code we are going to do this. I'm wondering what is the notwithstanding.

Mr. Clark responded the provisions of the procurement code state that if you are going out for professional services, which this would be, and it's over \$25,000, you generally do it by RFP process. That's what the Ordinance says. This Ordinance states that you can do a direct contract rather than go through the RFP process.

Alderman Corriveau stated I think Alderman Long was asking some good questions and there was one that I was thinking of right as he started asking. I understand that this doesn't mandate that we reach an agreement with Mr. Jordan and others, but I am somewhat concerned in the sense that Mr. Jordan has not yet retired. He has not yet established this business, and I certainly understand Alderman O'Neil's concerns that he wants to start the business because he will get this contract. My concern is from the City side, flipping that around, we are entering into an agreement with someone who we know is good. It sounds like we all commend him for doing his job well, but we're entering into a agreement with someone who as of right now is a City employee, has not yet started a business. Maybe it's because I am an attorney, but it seems like a little bit of a slippery slope to enter into contract negotiations with a non-existent business and someone who is actually still an employee of the City.

Mr. Clark stated I'm not sure I would call it a slippery slope. It is unusual, and the unusual aspect of it is that the Mayor and this Board are trying to put together a budget and determine the numbers. Normally in a perfect world, you would have negotiated the terms of a contract. You would have a written contract in front of you to look at, and you would have the entity set up. That hasn't been done yet. As Alderman O'Neil mentioned to you, these discussions came up within the last week or so. I didn't see the term sheet that is in front of you here until this afternoon.

Alderman Corriveau asked is there any sort of...entering into a contract which hasn't been drafted yet...I understand that, but once that contract is drafted, once Mr. Jordan is retired and has this business, is it my understanding that this contract

isn't coming to this Board? We're actually voting right now to enter into that potential contract.

Mr. Clark responded you can do that in a couple of ways. You can take the term sheet that you have in front of you and instruct me to draft a contract including those terms in addition to the normal protections I would put into a contract such as insurance and indemnity language and other provisions that he has to meet in order to provide the services. You can authorize the Mayor to execute it or you can ask that I draft the contract, review it with the Mayor, and bring it back to the Board before it's executed.

Mayor Gatsas stated I would tell you that before it's executed by the Mayor, I would present it to this Board so that they had an opportunity to see it.

Alderman Corriveau stated thank you, Your Honor. I want to give some deference to my colleague Alderman Osborne as to why I didn't want to include the 'up to'. It actually has a lot to do with what Alderman Ludwig spoke about. Once this contract is finalized, I don't see this position coming back either. Mr. Jordan, as a long time employee did build up a lot of good will and does know how city government functions, so I prefer the certainty of knowing the terms of the contract and the length of the contract so that just in case maybe we can go out three years from now and bring that other person in or if Mr. Jordan's business is doing very well and we want to continue that contract, maybe we do that. I suppose that's why I prefer having the term of this contract, and I understand right now there is no contract. I'm just looking to get as much certainty into this process as possible. If we are not going to go out to bid, if we are going to avoid these provisions of the procurement code, I personally just want to get as much security on the City side as we can, know what the length of this contract is going to be so that planning ahead three years from now the next Board can say, here is how well Mr. Jordan has or has not done his job. Are we going to renew the contract or are we going to refill the position? I think it provides a little bit of flexibility a little later on down the road.

Mr. Clark stated Alderman Corriveau and Alderman Osborne, maybe I didn't speak this clearly enough before. The Ordinance says up to five years, for a person. I haven't negotiated or met with Tom Jordan. When the contract is developed it is not going to be for 'up to' a certain term. It's going to be for a set term. That's what would come back to this Board, whether it be for two, three, four or five years. It would have had a set term in it.

Alderman Corriveau stated I'm still fine with the proposal I made in the sense that if we are not going to issue an RFP, I would prefer knowing that we are looking into going a period like...

Chairman Lopez interjected I'll take one more question and then we'll vote on it.

Alderman Shea stated I guess this goes with Alderman Craig, the \$80,000. May I address Alderman O'Neil? In drawing up this contract my understanding would be that the difference in salaries would be because they are not receiving any kind of health benefits, any kind of other amenities. They are just getting a particular amount of money for services being rendered. Could you comment on that?

Alderman O'Neil responded I believe you are absolutely correct on that, Alderman Shea. If the Board wants to write this down, I think Mr. Sanders and the HR Department have worked on a number and I had an email when I got home at about 4:00. I think on that page, the cost estimate, where it said the total cost was \$216,706. Per Finance and HR, I believe that number should be \$216, 278.89. When we say this is fluid, this was fluid through this afternoon, trying to get exact numbers.

Alderman Shea stated I'm sure with the sheet that you are going to get for us, you are going to kind of break down how the expenditures are going to go. Is that what you intend to do?

Alderman O'Neil responded I believe that was Alderman Craig's request. That was never presented to me, a breakdown. They reached a number based on the number of clients they have seen, both with the AP and the Youth Substance Abuse evaluation.

Alderman Shea stated so \$80,000 is going into a pool, so to speak, and out of the \$80,000 they are going to draw from that. Is that what you are indicating?

Alderman O'Neil responded they are going to do everything they said in the scope of services that they are going to provide is what they are going to do for the \$80,000.

Alderman Shea asked but it won't be broken down by individuals? Will it just be cost analysis? In other words, if someone answers a need, they will draw a certain amount of money from that pool?

Alderman O'Neil responded amongst the four of them, I believe that is correct.

Alderman Osborne asked so this Ordinance here is not in stone? Is that what you are saying?

Mr. Clark responded it's an Ordinance that says what it says. The contract will be negotiated, the Mayor will bring it back to this Board, and the contract will have a set term in it.

Alderman Osborne asked this is the way it's going to read when it comes back to the full Board, the way it reads right now?

Mr. Clark responded no, the contract is going to have a set term.

Chairman Lopez stated it's just giving the authority to move forward.

Alderman Osborne asked who is going to come up with the set term?
Mayor Gatsas responded the City Solicitor and the people he is negotiating with.

Alderman Osborne stated so it will be a set term. It won't say 'up to'?

Mayor Gatsas responded it will be a set term.

Alderman Long asked is the insurance pay liability currently on these two professionals?

Mr. Clark responded they are City employees covered under City policies.

Alderman Long stated so they will have their own liability once they are on their own. I've dealt with the AP's before with respect to the Ironworkers. I'm wondering if a master license in alcohol and drug counseling is enough to form an EAP corporation or do you need...Can you form a corporation with two master license alcohol and drug...

Mayor Gatsas interjected I'm sure if you and I tomorrow wanted to go out and open up an EAP program, we probably could. I don't know how many clients we would get.

Alderman Long asked is there any added liability from the City if we agree with this?

Mayor Gatsas responded if we are employing these people to serve under our liability clause...

Mr. Clark interjected there would be no added liability to the City. In fact, the City would have less liability because they are going to carry their own insurance now.

Alderman Long stated but with respect to our employees, our hands will be out of this if somebody hacked into their computer system or what have you. That's a question I would have.

Chairman Lopez stated I'm sure, Alderman Long, that the City Solicitor will protect the City in all aspects in the service agreement as he has on many occasions. Once we see that...this is just the first step to move forward in the budget process here. If something falls through the cracks, God forbid that Tom Jordan leaves tomorrow and goes to the maker of us all; something else is going to happen. It's just a problem at the time of the budget process here that we are trying to solve. It doesn't mean we aren't going to have a problem down the road.

Alderman O'Neil stated I have just one final comment about that. That's why Tom purposely has Bob Kelley and Judy Cooper with him. If something ever happens to him, they are the backups. Bob Kelley, Alderman Long, hasn't been involved specifically in the EAP, but Judy Cooper now is the backup for the EAP. If something happened to Tom tonight, Judy would step in and provide that service. I think they've strengthened it by adding Bob Kelley who is already providing services with the Substance Abuse program as part of the federal DOT testing.

Mayor Gatsas stated just one point to clarify for everybody so everybody knows. The only thing that is going to come out of the Office of Youth Services, the two positions will remain; they will be there. The funding is going to come out. So if something happens to Tom Jordan and Judy Cooper simultaneously, we'll have the ability as a city, if we want to bring it back in house, that it's there. So it's not like...all we are doing is taking the money out. We're leaving the positions, so it's not like we can't come back to doing it in house. The money won't be there. We would have to fund it. But the positions would be there

Chairman Lopez called for a vote on the motion to approve the amended Ordinance establishing a special purchasing procedure relating to the Employee Assistance Program and substance abuse counseling for City employees. There being none opposed, the motion carried.

There being no further business, on motion of Alderman O'Neil, duly seconded by Alderman Corriveau, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee