

SPECIAL COMMITTEE ON THE CIVIC CENTER

December 21, 1998

7:00 PM

Chairman Wihby called the meeting to order.

The Clerk called the roll.

Present: Aldermen Wihby, Rivard, Hirschmann, O'Neil

Messrs: S. Ashooh, B. Brensinger, J. Taylor, R. Pinard

Chairman Wihby addressed Item 3 of the agenda:

Discussion relative to the Manchester Civic Center Project Phase II process and budget.

Mr. Ashooh stated I can talk a little bit about what happens in Phase II. Phase I, if you recall, is the feasibility study and during that phase we had to basically bring before the Board and put in report form all the people who would be involved and their level of commitment in this project so that it was viable. I think the fitting cap to Phase I was the referendum where the City voted in favor of the proposal. Phase II is the organization and execution of legal documents that allow us to execute construction of the civic center according to the plan laid out in Phase I. So in Phase II we have a couple of key parts here. We have organized them and put under the realm of the Phase II budget the work that has to take place here and there are several key components. We have the architectural work which is probably one of the key pieces of Phase II. To actually have the architects go to work now that the Board and this Committee has identified a site that we can explore. The architects can now start their work in flushing out the skin and bones of this building. That allows us, or allows the other parties in this project to go ahead and do their contract negotiations because they are all based on how this building is going to function. So if we have the architects involved in the design of that, Ogden and Scheer Management would come before us and have their input on this building to assure that this building, as it goes forward, as a project of the City, is the proper building to execute the plan. Also during Phase II we have, for the first time, the generation or commitments of revenue. The term that you hear a lot is COI or contractually obligated income. Those are the revenue streams that we developed in Phase II. The deposits on the luxury suites, the club seats, naming rights, all of those things that make the building viable. In this case what

happened is our original plan was to have municipal bonds paid for by the City and then private bonds issued that would be paid for by the revenues of the building. If you substitute for those private bonds, Ogden and Enron's capital commitment to the building, the revenues then go to pay, instead of the debt on private bonds, this capital investment back. So we are at the same point. We have to now lock up the revenue streams that go in this building. That is probably the key part of Phase II. So when you see the budget for Phase II, it is going include a fairly significant sales effort to get the luxury suites sold, to get the club seats sold, season tickets, all those things that go into generating the revenue in the building itself. So this is really kind of an exciting part of it. The legal fees, all of the development of the contracts that go around that are also the same part of this process so that before we go to bonding, Phase II will present to this Board, and each step along the way you will have a chance to review and approve the contracts, it will present a complete package so that before the City bonds or raises the \$44 million to construct the civic center, all of those component parts are in place and written and approved by this Board. That is what Phase II is for. The budget that you saw, the start-up form, in broad terms delineates how that money is going to be spent. I did bring a sheet in that details a little better where those expenditures are. It is just for reference. All of these expenditures were in our Phase I feasibility study report. We simply broke out the expenditures that are appropriate for Phase II and presented them for you so you can see how the money will be spent. We have included in this budget all of those items that we think we need to bring Phase II to completion to give you a satisfactory plan and executed documents so that you can take it to Phase III. A quick review, you can see that the lion's share of those expenses would be in the architectural realm. That is the biggest job ahead of us at this point, getting this building designed to a level where we can take it to bid and start getting all of the construction components in line. Now some other things have come up that we hoped to deal with during Phase II and it has always been the goal of this Committee and I think of the City that this be a city-wide impact project. Part of that, I know Aldermen O'Neil mentioned it at the last meeting, and it is something that we want to explore and that is how do you do a project like this and include local people to do the jobs. We have learned in conversation that some of the major construction contracts through the City were done in such a fashion so that the jobs were broken up small enough so that local contractors could bid on them and do the work. That is something that we hope to explore while this process goes on. We hope to learn from those who have done these jobs in the past so that we can do the same thing here. If you recall, in Phase I we presented a construction impact of about 300 or 400 jobs that would take place in the City of Manchester in building this. It would be nice if those 300 or 400 jobs, the majority of them, came from the people who live and work in this City. That is pretty much where we stand at this point. If you would

like to take a look down this list and you have any questions, we would be more than happy to answer them for you.

Chairman Wihby stated I think it is important that we do have Manchester workers working on that project and I know that it is better if we do break down the jobs. I know the airport worked out well. I think the unions and everybody that worked on that appreciated what went on and I think they had enough jobs that were coming from that, that there were a lot of NH employees. I think that is one of the keys that we want to keep everybody on line and try to do as much as we can do. When does that get done though? When does that phase come about? When do you actually pick people? When do you actually work on that?

Mr. Ashooh answered fortunately we have the architect here who worked on the airport as well and we understand that process. Barry, could you talk about when we would actually go to selection of various contracts.

Mr. Brensinger stated as part of Phase II and in fact early in Phase II, there will be a selection process, as we understand it by the current agenda and schedule, for a construction manager. Once the construction manager is on board, then we can have open discussions about who are appropriate sub-contractors. Who will actually build the building at the level of various trades and everyone, I think, would make an effort to insure that those lists include all of the locally appropriately qualified candidates. That list will start to come together during Phase II. The documents will be prepared to the point, as Skip said a minute ago, as part of this phase where we can, the team can come back to the Board with a guaranteed maximum price for the construction of the project. That is the critical number and then shortly after that with your authorization things would actually go to bid based on those lists of qualified sub-contractors.

Chairman Wihby asked so the Aldermen would actually be voting on all of the projects that go forward.

Mr. Ashooh answered you are voting on major contracts as we go along, the construction manager, not necessarily the individual sub-contracts, but certainly the discussions that we hope to have with this Board lay the ground rules for how this is done and we hope to learn, before we ask you to approve any of these things, how it has been done successfully in the past. I have already got discussions set-up with Pat Duffy, Fred Testa and Barry who have worked on the airport as an example. That is the closest thing we have, I think, on this scale that the City did where they actually did try to break down the large construction projects into component parts so that local contractors could do it. We could, in

essence, freeze out everybody by making the job too big for any one company or sub-contractor.

Chairman Wihby stated I heard initially that they were happy with the way the airport had gone at the beginning. I don't know if there were problems at the end. Were there any problems at the end, Barry?

Mr. Brensinger replied in general, the airport went fine. Candidly at that phase in the economy where all of us vaguely remember at this point the recession and it was extremely competitively bid because people needed the work and I think it put a number of trades right on the margin of being able to manage the project and stay in business. I think that was a little bit of a challenge, frankly. The City got a heck of a deal because the prices were so competitive. In general, I think the process worked very well. What we do need to be careful of, however, is that while we can break the project into pieces and make them manageable and biddable to local folks, we also have to keep at some level the management of the project in a single entity. I think one of the challenges of the airport was that not only were the trades broken into pieces, but in fact the building itself was built by several different contractors in phases and that led to a lot of complexities in terms of, you know, the first guy made a mistake and the second guy has to live with it sort of thing. So I think we learned from that and we can avoid that in this building.

Alderman O'Neil stated there was a local firm, B.A. Roy who I think was brought in just to straighten out the building because there was some lack of coordination with the two generals involved. I have heard some stories. I certainly would agree and encourage, Mr. Chairman, that we try to create as many local jobs as possible. I don't know if there is some local firms that are big enough to handle different aspects of this, but I think it is more important that local people work on the job then where the company comes from. That is my personal opinion. Secondly, I would hope that we would encourage, for instance, for concrete we have two concrete firms in this City who pay property taxes in this City and I would hope that we would do everything we could to encourage one of those two firms to get the job as opposed to concrete being brought in from the State of Massachusetts or someplace else.

Mr. Brensinger stated you brought up a couple of very good points, Alderman O'Neil, and you reminded me of one other thing. Certainly there are materials suppliers and all of those things which are an important part of the job as well and we need to think about that as we specify materials and there are the trades that we already talked about, various sub-contractors will be involved. We already know, from calls that have been coming into Skip and to our office, that several of the

local, regional larger contractors are already starting to organize teams with national builders much like the architectural firms did so there is that possibility as well where this could be a great experience and business venture for a contractor teamed up with a national company.

Chairman Wihby stated sometimes they do that in disguise and you end up with more national people than you do local people so we still have to watch over that.

Alderman O'Neil asked, Barry, would it create more of a headache to try to come up with some guidelines for you folks to try to...certainly we hope this to be an economic development, not only the spin-off but the construction of the building itself. You know a little bit of a boom creating construction jobs and the spin-off of the construction suppliers. Would it be unusual to try to put some requirements in with regards to local...no matter whatever firm is selected that...

Chairman Wihby asked legally, can you do that.

Mr. Brensinger answered that is an interesting question. I think so, Aldermen. I am not certain of the legal aspect of it.

Mr. Clougherty stated the proper vehicle is the procurement code. As you know, the department heads and TQM are looking at the procurement code now and we just made some changes to get the dollar values up, but we have done the airport and we have got this and we are going to be doing a lot of bigger projects as we go forward so you really need to take a look at the procurement code. The code, if you take a look at the RFP process and I don't have a copy of it with me and the bid section may have it too, but it says that if you are a local contractor you are given preference so all those types of things have been in there and as TQM is looking at reconstructing and coming back to you with a change in the Ordinance, that is the proper vehicle to get involved with. Not just for this project, but for all these other things that we are going to be going forward with like CSO. We are going to have some big projects coming over the next 10 years that a procurement directive from the Board would be helpful. It would certainly be helpful for me in terms of trying to help and it would be good guidance for Barry. You can't go out and say we are going to do it just for this project. You can't discriminate that way but if you dropped it as part of the procurement code and put it right in place.

Chairman Wihby asked does the procurement code, right now, enable us to do that or are you saying we have to work on it. Alderman Hirschmann is saying it wasn't adopted.

Mr. Clougherty answered the RFP section of the procurement code does provide a weighting of criteria for selection. I don't know about the bidding section because I don't have it with me but I can look at that. If you wanted to take a look at the changes to the procurement code that TQM has been working on, I forget who the Aldermanic representatives are to that Committee, but I think it might be Alderman Shea and Alderman Pinard.

Alderman Hirschmann asked which committee is that, TQM.

Mr. Clougherty answered the Quality Management Committee that meets with department heads and they are taking a look at the concept of central purchasing and trying to change the ordinance along with the Solicitor so the timing is right for them to address that. If the Committee asked TQM to come up with some guidelines that could be used for large projects, you might be able to adopt that first and do the other pieces going along.

Alderman O'Neil stated we approved some changes.

Mr. Clougherty replied you approved the changes in the dollar amounts, but you didn't change...

Alderman O'Neil responded we only approved what was presented to us.

Mr. Clougherty stated and that is what I am saying. The others are still being drafted so now is a perfect time for this Committee to take it up.

Alderman O'Neil stated I guess the bottom line is I would just like to see as much local involvement, both physical help and companies supporting the project, as possible. I know it is not going to be 100% but 50% or 60% is better than nothing, I guess.

Mr. Ashooh stated one of the things that we do have a great advantage on here is that we are trying to learn from the projects that have gone before us to see what worked well. Before we spoke about requirements which may be inappropriate or make this project ineffective. The discussions that we are going to have in the next couple of weeks with people who have done the projects and our continued communication with this Committee will help us come together with a consensus on how to go about this project. We do have that and we intend to stay in contact with this Committee on just these types of things. The value of having local people work on this project, this is a big community project and I know in talking to Kevin the other day I know he made the statement and I hope he doesn't mind my saying this but it would be fun to, you know, in 20 years drive by the civic

center and point to your kids and say you know I worked on that, I helped build that. I think that is the value, to the great extent, of having local people working on a project of this size. I am sure there are people working in the trades right now who can point with pride to the airport and we would like them to do the same thing with this.

Chairman Wihby stated what we have to do though is we have to assure...I mean we can sit here and say we want to have something to happen but we have to find a way to make it work. Not just say it would be nice if we could do it and have something pop up and all of the sudden it can't be done. We have to find a way to make it work. We have to be on the cutting edge to get this developed by New Hampshire, and especially Manchester employees. We have to do that to make this work and I think it is a symbol that when somebody goes by there and sees that if they worked on it or they had a relative that worked on it, there is some pride there. They want to come to an event. I mean it just leads to more things and I think the more people we can get behind us in helping us and working with us I think it is better if we do that. So, we have to find a way to do it. If it means changing the procurement code, we should look at it to do it.

Mr. Clougherty stated the most important thing that people have to remember, and Barry touched on it, was that when we did the airport we kind of strung it out and strung it out and the most important thing about the airport the first time around was it was built in a recession. Yes we got low bids, but we got our own people working and one of the reasons you have a good credit rating is you were able to soften the effect locally. We are hitting that same cycle now. If it is going to take us a year to design this, you may be looking at some type of softening in the economy six or twelve months down the road. We may hit that window conceivably again. We are riding that same curve and it becomes more important, again, to have those pieces in place so not only are you going to get the good deals on the bids but you are going to keep your own people working during the recession.

Alderman O'Neil replied I just don't know that the airport is the best example because they did end up with quite a few problems there because it was chopped up so much and you want to make sure that you don't handcuff the construction manager on this project that he has five different electrical firms on the job. He or she still has to get this project done and on time and if it means the electrical contractor comes in and does the fire alarm...there is still jobs whether it is under one contractor or five contractors. We just have to make sure that we don't handcuff the construction manager, but I totally support what Alderman Wihby said.

Mr. Clougherty asked do you want us to get back to this Committee with some recommendations on the procurement code or meet with the TQM.

Chairman Wihby answered yes, as soon as possible. Maybe you can even present it on January 5. We are presenting something on January 5 as far as the other changes so if you could get something to us, maybe we could do it on the floor.

Mr. Clougherty asked the Clerk if that was possible.

Clerk Bernier answered yes.

Mr. Clougherty stated our problem is it is a tough week with people on vacation and stuff and you want to talk to Frank and you want to talk to Tom Bowen and there are certain key guys that you want to run this past because they have the expertise and I don't know if they are around. If they are around, we can certainly get it to you but I don't want to say that I will deliver it and then I can't make contact with these people that I really need to talk to.

Chairman Wihby replied whatever you can get us, I think that is the direction we want to go in.

Mr. Clougherty asked so you want something in writing dealing with the procurement code that will address the criteria for selection to try to make it as beneficial to local people as possible, is that right.

Chairman Wihby stated that is correct.

Alderman Hirschmann stated just to go further on that, I just took a tour of the renovated City Hall and while I was doing that there were four to five people that I recognized that were painting, laying tiles, saying hi to the good Aldermen and taking great pride in working on the renovated City Hall. I know that the architect was local and a lot of the workers, I think it was Harvey Construction, they are a big company and I just saw in the construction trade news that they are one of the players for the airport garage so I don't know that we necessarily have to mandate something. I think that the good people are going to show up anyway. That is my opinion.

Mr. Clougherty replied the combination of those projects during an economic downturn is what is going to provide jobs for people in this City and that is what we really have to do is time the airport and time the civic center so that we hit that trough if possible. It can't always be done, but we are close.

Mr. Ashooh stated if we agree that this is a laudable goal, we are going to move down this path and start to gather information on and if there is something that you can do on the procurement code that gives us guidance, that is terrific because

frankly I think the best way for us to keep that \$44 million in balance is to spend it on local labor. That is something we all want to move in the same direction on.

Alderman Rivard stated I have a couple of questions on the sheet before us. It appears that the activities that have been listed are going to be over a 10 month period, is that correct.

Mr. Ashooh replied the schedule you see before you is a nine and a half month schedule. All of the fees are prorated on that nine and a half months.

Alderman Rivard asked can you tell me what Lavalley/Brensinger is going to be doing in the first Phase for fees of \$37,000 plus 7% and 50%. Can you just give me an idea of what we are going to be getting there?

Mr. Ashooh answered we will get some really good drawings that will allow us to build this, but Barry is here and I will let him run down the list of tasks that he has.

Alderman Hirschmann stated it is \$132,000.

Mr. Clougherty stated it is \$37 million, not \$37,000.

Chairman Wihby stated it is \$1,329,825 for the first phase.

Alderman Rivard stated the second phase, I read in the paper as Alderman O'Neil suggested we get a lot of our information, was \$2.6 million, correct.

Mr. Ashooh replied that is correct.

Alderman Rivard stated so I look at this document and at the bottom it looks like, is that \$2.6 million down there. Yes. So I am assuming that all of these numbers above it are going to total \$2.6. Am I wrong?

Mr. Ashooh replied those are not the architect's fees. That \$2.6 million that you see at the bottom is for everything, including the first half of the architect's fees. If you take a look at the first line.

Alderman Rivard responded that is what I am saying. For \$37,000 we are just getting the tip of the iceberg. We are just getting started during this 10 month period.

Chairman Wihby stated the column before that, the \$1,329,825, it is that column all the way down.

Alderman Rivard replied, Mr. Chairman, we are talking about \$2.6 million tonight, am I correct.

Chairman Wihby answered yes.

Alderman Rivard stated well \$37,000 is part of that \$2.6 million.

Chairman Wihby replied no. If you look at the \$1,329,825 column, the first column, that is what that is.

Alderman Rivard responded well there is no dollar sign in front of that. I thought that was a file number.

Chairman Wihby replied that is part of the \$2.6 million.

Alderman Rivard stated I am not an accountant so when you have a dollar sign in front of \$37,000 that looks like \$37,000 and when you have 1329825, I thought that was a reference number. So there should be a dollar sign in front of that.

Chairman Wihby stated so the \$1,329,825 is the phase.

Alderman Hirschmann commented that it is \$37 million.

Alderman Rivard stated so we are talking about a lot of different things here tonight. I am trying to figure out how \$37 million figures into \$2.6 million.

Mr. Ashooh replied the \$37 million figure that you see is the project construction cost of the building that the architect is going to design. They bid based on the hard costs of construction, so what does it take in hard materials to put up this building. They get a percentage of that construction cost for their fee. What you see as an extension of that is that $\$37,995,000 \times 7\% \times 50\%$ which is what they get paid in Phase II, so one half of their fee is that Phase II number, that \$1,329,825 figure you see that didn't have the dollar sign.

Alderman Rivard responded in all due respect, for someone who doesn't have a background in accounting, we have dollar signs in front of some numbers and not in front of others so I am trying to figure out what is going on.

Mr. Ashooh stated I think perhaps when I printed this page I may have cut off that top column that made the dollar sign.

Alderman Rivard replied and I thought we were here tonight to talk about \$2.6 million.

Mr. Ashooh stated right.

Alderman Rivard stated so the \$37 million is not part of what we are talking about tonight.

Mr. Ashooh replied only for calculation of some of the fees. We use that \$37 million to calculate the fee, but that is the cost of building the building. The \$2.6 million that you see at the bottom is the fees for the architect and for everybody else involved in Phase II.

Mr. Clougherty stated half of the \$2.6 million is \$1.3 for architectural. That is really the important point that you have to know and that is why that is the first number. It is half the budget.

Alderman Rivard asked so half of this \$2.6 million is going to be for the architect's design of this project.

Mr. Clougherty answered for Phase II, right.

Alderman Rivard asked and the other \$1.3 million is for others.

Chairman Wihby asked the first phase, like we are doing site work right now or we are going to be doing soil samples or whatever.

Mr. Ashooh answered we are doing nothing until the Phase II budget is approved.

Chairman Wihby stated right, but is that one of the first things that you do.

Mr. Ashooh replied probably the very first thing we will do is as soon as we secure permission from the land owner is to do appropriate site testing to make sure that the site is indeed suitable.

Chairman Wihby asked and where is that on this sheet, under architectural.

Mr. Ashooh answered you can take a look in the architectural. The second line under expenses, you will see site testing and surveying. That is included there.

Chairman Wihby asked so is that done before he goes ahead and does any architectural stuff.

Mr. Brensinger answered maybe I can spend just a minute or two, Alderman, overiewing what will happen from a building design perspective in Phase II because as has been pointed out, it is a substantial portion of the dollars for Phase II. The first task to be undertaken, and we have already met with Skip and the Mayor and Mr. Alshuylar about getting permission to get on to the Staples site to conduct testing. We need to do borings, investigate the soils, we need to do some environmental assessments, we need surveys, accurate topographic and perimeter surveys of the property so that has to happen fairly quickly because while we can meet with Skip, his Committee, folks at the City, Ogden and others to talk about the program which is an ongoing activity, we can't really get into details of designing the building until we have information on the site. So by the current schedule, that information will, following your approval, come together in January and February. We will then have on board, ourselves and H.O.K., our partners who you have met, but also civil engineers, landscape designers, structural engineers, mechanical engineers, electrical engineers, acoustical consultants, technical consultants on audio/visual communications systems. There is a team of consultants that would fill this page, each of whom get a piece of that \$1.3 million. At the conclusion of Phase II, we will be far enough along, not only in the design but in the engineering of the building, that the construction manager can price the work and come back to the City with a guaranteed maximum price. So there needs to be enough detail in drawings and specifications so that the future builder can have confidence in coming back and saying this is the firm number I can build this project for.

Chairman Wihby asked now is this the whole plan. I mean the guy is going to look at it and go build it from there?

Mr. Brensinger answered no. We will try to accomplish that as quickly as possible, what is called fast tracking the project where we get enough documents finished so it can be priced and the work can begin, but there will be portions of the documents that will actually be executed as the work is underway.

Alderman Rivard asked what portion of the documents, is it going to be 50% designed for this or 25%, 75%.

Mr. Brensinger answered we break out work down traditionally into several phases. Schematic design which is kind of the creation of the building, design development where you take that and you assign to the design specific materials and systems and you start to engineer them but it is just basically adding some specifics to the design so we know what the materials are, what the systems are, and how the building is going to work. The next phase is construction documents

where all of the detailed construction documents are completed. Phase II of this project will take the construction documents about, not quite, but about halfway through their completion so we will complete schematic design, design development, get about halfway through construction documents which is typically in the industry the point at which there is enough information to create a GMP. What really defined Phase II and III from a fee perspective or architectural service perspective is what is the minimum amount of information we need in Phase II to create a guaranteed maximum price. That is what set the benchmark for how far along the documents are.

Alderman Hirschmann stated I am okay with the fee portion. What my question is related to on this whole budget basically are the expense columns. How would you anticipate spending \$237,000 expense wise?

Mr. Brensinger replied well there are a bunch of things that are in that number, Alderman. As I mentioned, the site testing.

Alderman Hirschman responded I saw that. The one line gives us site testing and surveying, but what besides that. I mean \$25,000 a month. How long would that take, two months?

Mr. Brensinger asked the site testing and surveying. Yes, that will be probably a six week activity.

Alderman Hirschmann asked is this number figured at the nine and a half month number. So, realistically the \$2.6 million to me seems a little bit puffy but I thought, if we could get it down to \$2.5 million. We already have a contingency, why do we have to have so much on the expenses?

Mr. Ashooh answered there are a number of things we have to plan on in this budget and not the least of which is we planned on one site but if for instance we get on the Staples site and find out that it is inappropriate and we have to go to another site, the contingency provides for us to go to a second site or Plan B so the project can keep moving along. This committee met last Wednesday and frankly our committee took the stand that one of our goals here is preserve that contingency and see if we can expand it by the time the process is done. What we want to avoid is giving you too rosy a picture of how cheaply things can be done, but the real goal here is to get it done for an effective price and plan for that contingency genuinely if there is a contingency so that we can continue to work.

Alderman Hirschmann stated where you are requesting funds to do something, we selected a site so I would say lets budget to do that site and if it didn't work out you would come back and ask for money to go to another site instead of pre-rolling in \$2.6 million. I am just trying to say for Phase II, and we got conservative on Phase I, it was done for \$180,000 and your corporation was kind enough to use their funds to do it, but I am just saying that we can do this phase but it doesn't necessarily have to cost \$2.6 million.

Mr. Ashooh replied I am not saying to you that I think we would spend all of that \$2.6 million but I think we can't be, I don't think we want to say that we can do this for \$1.9 million and then have to come back and say we need \$400,000 more because we guessed wrong. What we really did is we took the best estimates of the people who are going to do this work and have done the work, asked them what they thought they would do and gave them that number and they are also in the same position of once they give us a number it would be very difficult for them to come back to us and say we were wrong, we need more money. This may be a little bit thicker budget than we think we need to get it done, but our whole goal here is to get it done as we did in Phase I. We took a 120 day, \$180,000 budget and lasted 21 months with it. I would like to think that we are going to be as effective with this money. We do have to have, I think, the realization that these are estimates of what it would take to do the work. If it is better than that, this is money that would be turned back and then used to reduce the project.

Alderman Rivard stated I couldn't agree with you more. My 20 years of experience in the Highway Department in dealing with contracts and having somebody come in and say we are going to need a little less and find out that it comes out more, in the end run it takes time and it costs more money and the whole thing becomes an amendment process. You need to get enough money to do the job correctly the first time and not come back and slow the project down. I couldn't agree with you more.

Mr. Ashooh replied you will also have oversight, Alderman. You will have oversight on how these funds are expended on a periodic basis the same way we did in Phase I.

Alderman Rivard stated we are talking about the architect designing this building Phase II and I am assuming that all of the conversation we had at public hearings and things, we have heard 8, 9, 10, 11, 12 thousand. Have we decided how big we are going to design this for and if we did, who voted on it? I don't remember voting on a particular facility for 10,000 or 8,000 or whatever it is. Can you bring me up-to-date on that?

Mr. Ashooh replied very quickly, the building size is a function of a couple of things. First of all, it is the testing of what the market will support. What is it going to take to make this building viable and secondly how much seating do you need in a building to make an effective revenue generator so it is successful. That number, and you can ask Barry, may still be a little be fudgable. Maybe it is 9,700 seats for hockey, maybe it is 10,003 but the building really is a product of what will make this building work best in this market and I think that is what it reflects. Barry, I don't know if you want to add anything to that.

Mr. Brensinger stated I think that is a fair statement, Skip. The number has gone up and down from time to time, but in recent months it has been fairly consistent at 10,000 fixed seats and the origin of that number in the discussions I have participated in, is really as Skip said. It is largely, frankly Ogden's insight into what is the right number for this market place. What will make the building financially viable, what is the most appropriate number and to make us competitive relative to other sites in the region as well. I think one of the goals has always been to make this a more desirable facility from the standpoint of being able to attract feature events.

Alderman Rivard asked so we haven't firmed it up yet. We are looking at figures and we are trying to make it the most cost-effective and the most profitable type of deal. When we selected a site, the Board of Mayor and Aldermen selected the site and voted on it. When someone comes up with a number based on all the research we have done, is that a done deal or do you ask us for approval because a 10,000 seat arena equals X number of dollars versus, I would imagine an 8,000 seat arena would be less expensive wouldn't it?

Mr. Ashooh answered it would be less expensive, perhaps nominally, but I think what you also want to recognize is the fact that the seating, from the dashboards, from the ice up to the last row, really has its major function for us in its ability to generate revenue in the market that we are in. I think one of the biggest mistakes we could make would be to build a building that is undersized with no room for growth and not have the ability to generate enough revenue to make our exhibitors, the hockey team, the building manager successful.

Alderman Rivard asked but who is going to have the ability to make that mistake. You or the Aldermen?

Mr. Ashooh answered we have asked the Aldermen to approve every step along the way.

Alderman Rivard stated so if we make that mistake, it will be like if we make a mistake for the site, you made the recommendation and we approved it, if that is a mistake then we made the mistake.

Mr. Ashooh responded I would like to think that we are not going to make a mistake.

Alderman Rivard stated but I am just saying because you just said if someone makes a mistake so I am trying to figure out if we are going to have the same opportunity to make this decision.

Mr. Ashooh stated we will be entering, in Phase II, a fairly critical portion called value engineering. This is a term I have heard a lot about and we are going to be doing this pretty soon. That is where you take the whole program of the building itself and then you figure out what is the most bang for the fewest dollars you can put into this building. If it turns out that a 9,500 seat building is as effective as a 10,000 seat building and we can save enough effective dollars to do it, that is what we do. It may change what we use for the outside of the building but that whole process should develop and present to the Board of Mayor and Aldermen our recommendation for the most effective building as the architects go through their work so that when all is said and done we will make a recommendation to you on this is the optimum seating, this is the optimum design to accomplish that task and make the building work.

Alderman Rivard asked and that is going to be part of Phase II.

Mr. Ashooh answered yes.

Chairman Wihby stated that is like when you build a house and you go 25 feet and they tell you no and to get the bigger bang for you buck you might as well go 26 if you are going to go 25 because you don't have to cut off that extra foot.

Mr. Ashooh replied but if you put on that extra foot you can have a nice center hallway.

Mr. Clougherty stated it doesn't work like that. It would be nice if it did, but it doesn't. This whole thing is driven by economics, Alderman. What happens is you will have all of these parties coming together into a negotiation process. You will have the manager, the team, and they are all going to try and make enough money in this building to make this thing work to be able to come before you and say we can guarantee that there will be no operating losses. In order for them to do that, there has to be a certain amount of economic activity in the building.

Lowell, for example, built a stadium or an arena. It has about 6,000 seats in it and they are having problems. The problem is that you only get 1,000 or 2,000 people a night for a game and that is not untypical, but then when you bring in a big event, you only get 6,000 people. What happens is you have to have a sell out in a big arena in order to compensate for some of those times where you are just making a couple of thousand going by. If it is not big enough to do that, none of these companies are going to give you the guarantees that you really want. So a lot of the economics that you will get is in the form of a package. They will say all right here is the deal. It has got to be this size if you want this guy to guarantee this piece over here. As you get into the design of the building, a lot has to deal with concourses and things like that and it doesn't go down quite the way a house does. There are certain fundamental things that are going to have to be in there and the size differential in an 8,000 seat to a 10,000 seat as we have been told from people around the country, is not that big and the amount you jeopardize in taking down to the seats you put at risk that economic activity to make the sell outs for when the WWF comes in which helps to offset for some other civic function that you might have like a graduation or something like that. So all of these pieces come together and you have got to balance all of them and that is what we are going to be trying to do with the committee here. That is what Finance will be looking at is how do all these pieces fit together and can we assure you, when this package comes, that it will do what it says it will.

Alderman Hirschmann stated I am not confused, I am just questioning the philosophy where Ogden is going to be our partner, how come we are going to pay them fees in this stage. Why don't they do this pro bono to be part of the team?

Mr. Ashooh replied in Phase II frankly what we are looking at are a list of people who all have an agreement to go forward on this project but none of them are contractually obligated and all of this work that is being done, frankly, could be done not only by Ogden but any number of companies. Where they are not in the building at this point...

Alderman O'Neil asked Ogden is acting as a consultant same as Scheer Management, same as William Hough. The work they are doing is not absolutely guaranteeing them that they will be the facility manager.

Mr. Ashooh answered what happens in Phase II and what this whole Phase I process was about was to get the right people on board and a commitment to this facility so that we built this building with everybody having input on what is going to make it the best building. We have not completed contract negotiations with Ogden to make them the absolute building manager at this point, but we certainly expect them to come to the table and participate in this with an eye towards what

is going to make them the best building manager in this building. These are services that will be offered.

Alderman O'Neil asked but these expenses are, they are acting as a consultant at this point similar to anybody else listed here.

Mr. Ashooh answered that is correct.

Alderman O'Neil stated sorry, I just wanted to make sure that I understood that.

Alderman Hirschmann stated they are going to be our business partner. I mean starting now you are going to negotiate right?

Mr. Ashooh replied starting now we are going to start negotiations when the plans get to the right level but during this phase, there are certain professional inputs we need on this building and when we bid this out under the RFP process, the seven building management companies that came to us to bid all bid on the terms that we gave, plus gave us an estimate of what are known as pre-opening expenses and that is frankly what these are. This is part of the engineering that takes place prior to the opening of any building that assures this building is designed properly. One of the things we learned early on, we went down to the Lowell Arena last January and they did not have the building manager in place when they did the design of that building. Consequently, you have a building that is not well laid out for building management and has such practical errors in it as a Zamboni garage that doesn't face the ice. They literally have to back the Zamboni out, take a turn and then go out on the ice and as any ice grower will tell you, the tires, when they turn on concrete pick up gravel and take it out on the ice and you are going to see hockey players falling down when they hit the dirt. So early on we wanted to get the building managers involved in the design process, the sports consultants and marketing consultants of this building, during this phase is properly set-up and if we don't go forward with Ogden, if we can't make that agreement with them, we have a building that we can bring another building manager in on and know that it is a successful building. So, yes Ogden is operating as a consultant here. When they are contractually obligated to the building and they make their capital investment, they take on a different role. That is true.

Alderman Hirschmann asked, Kevin, why can't we ask for these fees back if they are, they are going to be our partner, that is the proposal that was put to the public. Them and Enron. Is Enron a consultant?

Mr. Ashooh answered Enron doesn't have a consultant phase at this point.

Alderman Hirschmann asked but they are going to have a power plant in the building.

Mr. Ashooh answered I think it is fair, Alderman, though that when you are asking for services to be performed that are peculiar to the building, this is a building that is being built in Manchester and if you are asking for professional services to be delivered, forget the second half of that because that has its own set of terms and obligations that Ogden or any other building manager has to deliver on. We are asking for professional consultant services and these people should get paid for the work they do. They may not end up doing it, but...

Alderman Hirschmann stated I don't mean to disagree with you. I am in favor of this project and I am in favor of what has happened so far but they are going to be our business partner and they are going to reap the revenues of the project. I just don't think that I want to pay them to do this work and then reap the revenue. This doesn't seem right to me.

Mr. Ashooh responded, Alderman, let me clarify the fees first of all. What you are talking about being Ogden, in this case is a total of \$66,000. \$47,500 plus \$19,000 and \$2,000 a month for expenses for nine and a half months. The marketing, sales and materials, frankly we put that in there as convenience because we are not sure where that is going to end up yet. Those are basically the sales items and I will explain to you why those may not be Ogden fees and Ogden doesn't necessarily want them. So really, you are talking about paying Ogden, over nine and a half months, \$65,000 for their professional advice on building a building in Manchester that as a percentage of the whole \$2.6 million budget works out to be 5%. It is not a big number but their advice is very valuable at this point.

Alderman Hirschmann stated well if it is not very much money we can ask for it back if they become our partner. It just doesn't seem right that we are paying our business partner, potential business partner, it is kind of a conflict. I don't want to use that word. If I was ever paid to consult and design a project and then I was the known bid recipient I mean people would be looking at me pretty strong.

Mr. Ashooh replied well they would if you are the building manager and the consultant at the same time but we have two different schedules of services and the professional services they render during the pre-opening, during the design phase, are things that a food and beverage guy has to give us at this point. If we don't pay them to Ogden, we are going to pay them to somebody else for the same information and I think that has to be recognized. You need to know how to design or how, in this building, concessions are going to work properly and that is

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professional advice that we need before the building manager gets into the building.

Chairman Wihby stated I guess I read that too, Skip, and I had a concern earlier but the more I thought about that, if Ogden thinks they are going to get the project and that is where it looks like we are headed, the more that they do for getting the concession and the facility manager and that stuff, I mean it seems like if they want the project done they are going to work twice as hard to do some of that stuff to make sure that the revenues are going to be there. I could see probably why it should be them and not somebody else only for the fact that they will probably work harder than somebody else because they want it to work and knowing that they probably have the best chance of getting it down the line.

Alderman Hirschmann stated but on the other hand if we tell them you are going to be our business partner, you should be designing this part for us anyway.

Mr. Ashooh replied these fees were all part of their original bid to us and all seven building managers presented us with the same schedule of fees. We accepted this as part of the bid process and there is nothing unusual or unstandard about it.

Alderman O'Neil stated I certainly don't have any problem with Ogden consulting on this part, you know, whether it be where the Zamboni gets parked to lay out of concessions to this is the best spot to bring in the tractor trailers, etc. I don't have a problem with that. I just want to make sure and I want to make sure I am clear, we are not guaranteeing them by being the consultant on Phase II that they are necessarily, because I think based on the brief discussion we had one night, I want to make sure we are not giving away the bank to them for their \$11 million investment. I don't want to hold up going forward, Skip, but they are a consultant with no guarantee that they are going to be the building manager.

Mr. Ashooh replied they are the ones that have made the successful bid that guarantees them a place at the negotiating table to bring this contract. If we make a contract with them, that is where we stand.

Mr. Clougherty stated I think the other point too that you have to look at is the more that they invest in the building and get involved in the building, the harder it is for them to say that this building isn't going to work because they have been incorporated. I think you have to take a longer look down the road. If we are going to have them as our manager for a number of years, you want to make sure that they have no excuse to come back to you and say well this didn't work because we didn't design it. You want to make sure that they are given every opportunity to fully participate, to get involved, to actively make their ideas work so that this facility has every opportunity to be as completely and totally successful as possible.

Alderman O'Neil stated I think the big point that I was trying to make the other night and I guess this goes to the MDC Civic Center Committee as well as City staff, communication has to get better. It really has not been very good, gentlemen and I used for Kevin the example of how the Hackett Hill project has been handled. We have met two or three times in executive session to talk about negotiations, we have been given support material from Jay, Kevin or Bob MacKenzie with regards to the project. I encourage, I don't know who works that out and who is going to take the lead on that, whether you folks need to give something to Jay to be the lead or to Kevin to be the lead, but really communication has to be a little better than it has been and if it has to be marked confidential, it is marked confidential. I have no problem with that. We get items like that on a regular basis. The second, and this has nothing to do with you guys, is we as members of the Board of Aldermen have to continue and not forget about the parking issue and the blueprint for the area so that the people who own property in the surrounding area know is it worth putting money into a building to try to bring some new, whether it is a restaurant or something else in or should I just let the City take it by eminent domain because they are going to tear it down. We need to lay out some kind of blueprint so that folks know what to do.

Alderman Hirschmann stated I was going to recommend that one line item be a parking consultant or a study in relation to this stage because this is where you are designing everything. I don't know if Ogden or whoever was going to be part of that.

Mr. Ashooh replied I am not sure, Alderman, that even if you put that line item in there whether we would have the authorization to do that. It was not part of our original scope.

Alderman Hirschmann stated but you are doing a feasibility study.

Mr. Ashooh replied we had a traffic consultant, a parking consultant who said that we had enough parking inventory in the City to handle it now but to take on lets say the oversight or the project of assessing future parking needs and developing a plan for that, that is not within our scope but Ray Pinard who is a member of this committee and also Chairman of the MDC has written a letter to the Mayor which I believe is in the Mayor's hands now where the MDC has offered to recognize the parking situation in town and offer our services to the Aldermen. If you choose to do something on parking, we would be more than willing to be involved in that process. It is just not part of our civic center charge at this point.

Alderman Hirschmann stated I think it should be because any project shepherded through the Planning Board with Bob MacKenzie and his people, part of the impact of going through the Planning Board is they do the traffic, parking, those types of studies or feasibility reports.

Chairman Wihby asked don't we have a Site Committee that does that.

Alderman Hirschmann answered I thought it was with Planning. If we don't do some sort of a study, lets just say, and we go ahead and we build a civic center and then there is inadequate medians or turning within 1,000 foot area of the civic center, don't we have to do a one block impact of infrastructure or something like that.

Alderman O'Neil stated may I suggest, and I don't want to throw this to Skip and his committee, but maybe to Kevin and Jay, somebody come back to us in a period of time with who should be responsible for that. We will figure out where to come up with the money. If it is an expansion of, aren't they going out for a consultant for down in the Millyard, maybe it is an expansion of that. Maybe it is an expansion of National Garages and what they are currently doing in the City but can somebody come back with several options on how we can address it. The parking issue, although it is related to the civic center, as the general manager of the Center of New Hampshire said, there is a problem today so it is an issue, but it is not an issue. Somebody has to take a lead on this. Maybe Kevin and Jay can sit down and figure out who is appropriate to take a lead on this parking issue.

Mr. Taylor stated there is a couple of things working here with this whole issue and I don't want to belabor the point. I agree with what Alderman O'Neil says. If we have a parking problem in downtown, lets address it but lets not dump it on the top of this.

Alderman O'Neil replied that is what I am saying. Jay.

Mr. Taylor stated we have a whole different issue and I think there is a number of things and it plays to a meeting we had this morning concerning development of Bridge and Elm Street and there may be some role that the City can play to assist that kind of a development and that may take place in the Pearl Street Parking Lot. Now that isn't going to solve the problem at the Center of New Hampshire, but I think we need to look at this as a totality, figure out the options we have available to us, figure out what some of the costs might be associated with these things. For example, I know somewhere in the Planning Department there is a study that shows what the cost of putting a deck over the Pearl Street Lot is. I have seen it. I

don't know where it is at the moment. There is also a study that talks about a parking garage on the Federal Building Lot. So we know these options are there and we need to find out what these costs are.

Alderman O'Neil stated thank you for taking the lead on that. I will make a motion that Jay Taylor take the lead on the downtown parking situation.

Mr. Taylor replied I wasn't volunteering. I was simply telling you that some of these resources have been done and we need to take another look at them.

Alderman O'Neil responded you are absolutely right and I just want to be clear. I am not trying to throw it at these folks. It is an entirely separate issue. It all ties in, but we have to at least get going to try and figure out who is going to take the lead, do we need a consultant, don't we need a consultant, etc.

Chairman Wihby asked, Jay, can you just get together a group of department heads that you think could do that and at the next meeting we will just make it a formal proposal so that way we can look at the traffic issue. I know that Bob MacKenzie should be on it, Finance for financing, yourself. I mean five or six different people.

Mr. Clougherty answered we had talked about doing it as part of the budget process and trying to get, rather than rushing out with something, try and give it some thought, put it into the CIP process and get that funded for maybe the next budget cycle. We have some things going on here and we have some time to devote some thought to this and that is the approach that we had talked about internally. If you want to formalize that, we can give you the list of names and ask us to get together and put something into the CIP, we will do that.

Alderman O'Neil stated I just think we have to keep this moving. I am not saying it has got to be at full speed.

Chairman Wihby stated why don't you give us the list of names and Alderman O'Neil will make the motion at the next meeting to make it a formal committee.

Alderman O'Neil stated in the same light, about the blueprint, and I talked briefly to Bob MacKenzie about this. The concern of some of the people who own property adjacent to or across the street, I guess, from the civic center is do I put money into my building or is a year or two down the road the City going to come along and say we are taking it by eminent domain. They don't want to go through all that and I have talked to several people about that and Bob says that it is not out of the ordinary and he was going to try to do some research on what other

cities have done with regards to laying out a blueprint. If we ever had the opportunity to put a major hotel across the street, do we want that to the north, the west or the south. We should lay out some sort of game plan that if that ever came forward that is where we would go. I just think we need to get that part of it, again, maybe crawling, walking and then running.

Mr. Clougherty replied one of the things that Tom Clark and Jay have talked to me about is at some point in time we need to put in place a mechanism to deal with all these things and sequence them. When the City has done these successfully in the past, they were done through the vehicle of the Housing Authority. Now one of the things we have talked about as a staff is getting Bill Craig involved because he knows all of that stuff. The site that we have down there is a previous development area. We are trying to tap into some of the experience that the City has and build a structure for that.

Alderman O'Neil stated my point would be that if the O'Neil Hotel chain came to town and said we want to build a 500 or 1,000 room hotel somewhere near the civic center that there is a plan that says this is where we would recommend it go and this is the mechanism that we can use to do it instead of they come in and now this whole process repeats. You know either you can build it on the corner of Merrimack and Chestnut or whatever.

Chairman Wihby asked don't they just build it wherever they get the best deal. Don't they just go to the owners and whatever corner they want to put it on they put it on?

Alderman O'Neil stated other communities have plans laid out where everything is going to...step 1, step 2 and they follow-through. I don't think that is very difficult for us to do.

Mr. Ashooh replied I think, Alderman, one of your points is a good one is that we are in the process of doing a project that we expect to attract investment in the downtown and not only have a plan for how it should go but it wouldn't hurt to see how we could encourage the right types of development in certain neighborhoods and part of that may very well be to take the fear of eminent domain away from some of the property owners who might want to make an investment in the properties they currently have. That is something that, I think, concerns all of us. So it is kind of two-pronged. We want to make sure that the wrong thing doesn't happen, but we also want to encourage the right thing.

Mr. Clougherty stated the Board has already taken some actions too along those lines. With the development of Singer Field and the River walk and this site you are starting to see some type of a direction going.

Alderman O'Neil replied but if there is an exact plan, I haven't seen it. I think it is kind of piece meal. Maybe we need to put down a plan. That is my opinion.

Mr. Clougherty stated if we can get the right people to the table, I think that is what you need to do first.

Mr. Pinard stated on our trip to Peoria, that type of planning was evident but what was the negating issue there was that the city of Peoria, itself, was very, very active itself in leading the acquisition and in negotiating to buy properties. They had to take over properties that were empty or belonged to somebody else and we, here, have selected a risk free environment for the most part. So I think to engage down that road would require somewhat of a shift in the way we look at the overall project over five or ten years.

Alderman O'Neil stated we used to, I worked for them one summer, the Housing Authority had a redevelopment wing that probably had 20 full-time employees who handled everything from maintenance to property acquisition to relocation and I don't think they have anybody in that wing nowadays.

Mr. Pinard stated as far as the current businesses and tenants that are in that area, I would like to ask Barry, at the end of this Phase II we will have a schematic of that area to show what will be encompassed by the civic center and what we plan to take, correct.

Mr. Brensinger replied yes. In fact, before the end of Phase II, Ray, we need to have clearly defined what properties will be taken for the civic center.

Mr. Pinard stated so from that those business owners will be able to make a decision based on what they see on paper at that time. Now if the City would want to, to use an example, the property across the street where there are fourteen different owners, if the City saw that that was something they wanted to get involved in and take that land for some specified development, some planned development, then that would be a major decision on the City's part to move in that direction. I don't disagree, as a matter of fact I agree that I think that kind of forward planning would be very good, but it is a little bit different, I think, than what we have been accustomed to seeing here.

Alderman O'Neil stated well we used to do that here. I mean that is, the Center of New Hampshire is a good example of that. They had a game plan laid out, this is where the hotel is going, this is where the office building is going, etc.

Mr. Pinard replied and then the City took action.

Alderman O'Neil responded right and that is maybe where we have to head back to. Specifically, we know that we are limited to the north one block because we are going to get into Veteran's Park on the other side of that. We have on the northeast side, elderly housing so we know that one block to the north is all we can deal with to the north. Lay out some blueprint. Is it big enough for a possible hotel? Maybe, maybe not. We know the property to the west is the biggest chunk. Maybe that is a possible site for the hotel. Just kind of lay out something so that businesses know. I know we have had some discussion about that four, that small block with the four or five buildings on it, whether or not that should be part of the civic center property. Lay out some plan and I don't think that is necessarily your job. We certainly would encourage your input, but I think it is all of us in this thing together that have to come up with this plan.

Mr. Ashooh replied right now, our one job is to spend as little money as possible taking property.

Mr. Taylor stated there used to be, as Alderman O'Neil points out, a substantial redevelopment capability at the Manchester Housing and Redevelopment Authority and I worked there myself for five years so I was part of all that, but starting from about the mid-80's on, that capability has been diminished to the point where I don't think that they have more than one or two people who have any idea about redevelopment at all. They have zero capability there and in order to get back into this redevelopment project mode, they would have to recreate a staff to deal with all of that. I am not saying that this is good or bad, I am just saying that this is the fact and if we are going to go back into the redevelopment mode, then that staff capability has to be recreated and there is going to be some expense accompanying that.

Alderman O'Neil replied but it need not be as big as it was in the 70's.

Mr. Taylor stated the redevelopment project went out of vogue, I guess, during the Shaw administration.

Mr. Brensinger stated I would like to make just one comment if I may. I will take my civic center hat off for a minute and not to speak specifically to our redevelopment authority, but I think your comment is very similar to one I have

been hearing from a number of folks around the City who are saying we have got some promising opportunities on Bridge and Elm, we have got the civic center, the Riverwalk, there are a lot of good things happening with the storefronts downtown, there are things happening in the Millyard and yet these bits and pieces of things are happening and I don't think any single person or group of people have a cohesive image of what all that is leading to. I sense precisely the same thing you do and as I said I have had this conversation on a number of occasions in the past to the point where I know a number of Millyard property owners have gotten together and said we will chip in some dollars. I have spoken to Amoskeag Industries, whose Executive Committee has agreed to fund a portion of such a plan. I think what we need now is the City to come forward and say, yes, we agree we need this and we will fund a portion of the plan and we need that vision plan for the City as a whole. Kind of not the master plan in the traditional sense, but a vision plan of what all these pieces might mean and where they might take us. I suspect that that will be a very useful tool in encouraging additional investment. I know some mill owners who have come to me and said we want to invest money in our properties but frankly we don't know what to do. We don't know, you know what is the Millyard going to be in five years and if we put money in are we investing it in the right way. I think it is time to take a serious look at a plan like that.

Alderman Hirschmann stated I was just going to ask, Skip, I was prepared to move the \$2.6 million but before I make that motion do you want to discuss site acquisition at all right now. It says here TBD and it says if quick take, entire sum to be appropriated and escrowed in Phase II.

Mr. Ashooh replied you will notice that there is no provision in here for the actual price, the actual purchase of the property. We first of all have to verify that this is a variable site through the testing that we do. At that point, as it goes along we will go to the Aldermen to approve the site.

Alderman Hirschmann asked and amend the Phase II number.

Mr. Ashooh answered I don't know if we would amend the Phase II number or simply arrange for the closing of that site to take place when the contracts are signed and everything else.

Mr. Clougherty stated and again you want to make sure that you are doing the taking when you have got a lot of these other contracts in place. We don't want to acquire the land if we are not going to be able to get some of these other things done. So it is a timing, sequential type of thing. So we would probably come back to you, Alderman, and ask to amend Phase II budget for the amount of the

acquisition, but we would do that in non-public session as we did with Hackett Hill so we are not telling somebody what the price is and we would have to do it based on the appraised value. It would be a similar exercise that we would go through and you would understand what was going on there.

Alderman Hirschmann moved to recommend that Phase II be approved.
Alderman O'Neil duly seconded the motion.

Alderman O'Neil asked don't we have to recommend it to CIP.

Mr. Clougherty answered CIP also recommended it to the Board.

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

Mr. Clougherty stated one item on the budget involves site visits. One of the things that is recommended is actually going out to Bakersfield or...

Mr. Ashooh interjected, Kevin, there are three sites that are proposed and these are to take a look at the inner workings of the buildings. Bakersfield, CA has a building very similar to Manchester. I believe there is one in Colorado and possibly the Bilo Center in South Carolina. Those three buildings have been recommended, but it hasn't been finalized. The idea being, and Barry you have probably been on these things, but the idea is to actually take a look at how these buildings work, what is good and what is not so good about them so that as part of this design process, the building manager takes a look at these comparable facilities.

Chairman Wihby stated there probably should be a sub-Committee that goes.

Mr. Clougherty replied that is why we are raising the question.

Chairman Wihby asked all fourteen Aldermen.

Mr. Ashooh answered we don't have the budget for it, Alderman, but if you choose to, I think we can certainly accommodate you.

Chairman Wihby asked if you had this sub-Committee going is that a problem.

Mr. Clougherty answered that is what we were trying to figure out. Would the sub-Committee be interested? Do you want some of you or all of you? We will

go back and cost that out and make sure that it is included. If we have to move some money from contingency up to do that, then we would.

Chairman Wihby replied look at it and get back to us.

Mr. Ashooh stated the sense of this is really to...we know the benefit of the Peoria trip and that was really on the economic development phase. The benefit of this trip, really, is to understand how these buildings work. I think that is valuable for this Committee to understand.

Alderman O'Neil stated Bakersfield we know is Ogden. Does Ogden run either of the other two?

Mr. Ashooh replied no. As a matter of fact, Volume Services runs Bilo and I am not sure who runs Colorado.

Alderman O'Neil stated I don't believe that Barry designed any of the other ones, but did your partners, H.O.K. design any of those three.

Alderman Hirschmann replied I just read their brochure and I think Pensacola was one of theirs.

Mr. Brensinger replied I am not sure.

Mr. Clougherty stated we are not specifically tied into those sites, Alderman. Those are three that have been put out but we need to get out and take a look at some buildings to make sure we understand the mechanics.

Mr. Ashooh stated we are looking for the broadest sampling of information on these sites so we can learn from different sites and the good parts and the bad parts of all of them. We will have a list and as we develop this, we are looking at clearly an approximate period of time possibly the end of January to mid-February. Because it is a valuable portion of this process, it has to be done relatively early.

Chairman Wihby asked so you are talking a two week period to go and see three sites.

Mr. Ashooh answered no, we are talking about three days to see three sites.

Mr. Clougherty replied it is pretty intense. You fly, you come, you look at the stuff.

Chairman Wihby asked can you make them at least next to each other.

Mr. Ashooh answered it be perhaps Bakersfield and then Colorado. I think we need to take this conversation off the table.

Alderman Rivard stated with all due respect, Mr. Ashooh, I think the Chairman has great skill and experience in getting the schedule. We will defer to his experience.

Mr. Ashooh replied I certainly will accept your recommendation on that, Alderman.

Mr. Pinard stated we can learn a lot from the observations we make. While we were watching the Zamboni in Lowell making his turn and picking up the dirt, we also observed the janitorial staff emptying the trash from inside the civic center in Lowell outside and I don't know much about construction so maybe my sizes are off, but we had a three foot wide door through which this gentleman was trying to push a three and a half foot wide container and he made it eventually because the container was rubbery. I bet he must have spent 20 minutes doing this and they said the design was because they had to cut down on some of it to save money.

There being no further business to come before the Committee, on motion of Alderman Rivard, duly seconded by Alderman O'Neil it was voted to adjourn.

A True Record. Attest.

Clerk of Committee