

## SPECIAL COMMITTEE ON THE CIVIC CENTER

**March 19, 2001**

**5:15 PM**

Chairman Wihby called the meeting to order.

The Clerk called the roll.

Present: Aldermen Wihby, Pariseau, Cashin, Hirschmann, O'Neil

Messrs: K. Clougherty, P. Levy, D. Butler, B. Brensinger, S. Ashooh,  
S. Dunn, T. Bechert

Chairman Wihby addressed Item 3 of the agenda:

Referral of three (3) outstanding issues remaining from the Mayor's Civic Center Alcohol Policy Partnership as follows:

- 1) neighborhood concerns about parking;
- 2) specifics regarding Police presence before, during and after events; and
- 3) proliferation of secondary parking lots.

Alderman O'Neil stated these were some issues that came up during the discussion of the alcohol policy and the Committee agreed that the discussions belonged with the Civic Center Committee. I would like to make a few points that are really starting to come to light. The City hasn't done anything, to the best of my knowledge, on addressing some of these issues such as parking. I am hearing scuttlebutt about meters going all the way down to Hayward Street. I haven't seen any documentation with regards to what we are doing in the garages, in the lots or on street with regards to hours and rates. There was some talk at one time about an ordinance with regards to private parking lots. Other City services such as Highway with sidewalk maintenance and garbage and the Police Department with walking patrols...if we are talking extended hours and days for meters are we talking more parking control officers, signage. My biggest concern is that this thing and this has nothing to do with SMG, these are City responsibilities and on November 15 or whatever our opening day is going to be, that the City is not going to be ready for this and all it is going to take is one bad experience for someone coming out of the City and they will never come back again. I was disappointed to hear that there has been no discussion. I was talking to the MTA the other day and people keep talking about shuttle service but nobody has ever

contacted the Transit Authority with regards to that. I just think we need to direct the City staff to, in a very short period of time, address these concerns.

Mr. Levy stated I do know that this Friday at 9 AM there is a meeting here at City Hall with a large number of people. The Transit Authority is included as well as several departments of the City and the issue that will be discussed...

Alderman O'Neil interjected who organized that meeting.

Mr. Levy replied I believe Jay Taylor did.

Alderman O'Neil stated it is sad that I have to hear about this tonight. Again, this has nothing to do with the people building or operating the civic center. These are City responsibilities. We need to put numbers in the budget to address some of these concerns. I don't think it is fair to the departments that they get this dropped on them. I am must afraid that come November the City is not going to be ready to address these issues.

Alderman O'Neil moved that the City staff respond to the Special Committee on the Civic Center regarding the various issues.

Alderman Pariseau stated I believe there have been ongoing discussions with different people as mentioned last Thursday at a neighborhood meeting dealing with these issues according to Tom Lolicata of the Traffic Department. There were issues that I wasn't aware of but he did say that his time was involved in working out these problems associated with the civic center.

Clerk Bernier stated there is a meeting tomorrow afternoon with the Mayor to discuss some of these issues.

Alderman Hirschmann stated I think that we should have Chief Driscoll, Jay Taylor, and Robert MacKenzie interact with this Committee so that rates for parking are set just like Alderman O'Neil said, police details are outlined, where the crosswalks are going to be...get that all cast in concrete, traffic flow...I know that there is another Committee and I don't know if they are going to make a recommendation to us, but this Committee should be working on it. Traffic flow, parking and Jay Taylor could be interacting with the Center of NH. I don't know if we are going to set rates or have people waving flags. We need details like Alderman O'Neil said and it should be done by June. You can't let that stuff drag. The last thing was the signage program. That was in our previous budget. The signs should be up so that everyone knows where the civic center is.

Alderman O'Neil stated this all has to flow. Where they park, the shuttle buses need to be there to pick them up. If they are going to walk as we discussed from Canal Street or the Victory Parking lot, they need to feel safe walking down Elm Street. All it is going to take is one incident and the people will never come back. They are talking about feeding the meters seven days a week until 10 PM. This is what I hear anyway. Has any member of the Board seen this in writing? In order to enforce that we are going to have to have additional parking control officers. I am just afraid...what do we have seven or eight months to go before this opens and the City is not going to be ready.

Chairman Wihby asked Chief Driscoll if he was aware of any of these items being looked into.

Chief Driscoll answered from my perspective there are many outstanding issues. They are starting to focus a little bit. I am meeting with Sandy Dunn tomorrow. We have been having ongoing conversations about inside the curb line police staffing for the civic center. I think that will come together. The level of policing outside the curb line is a significant issue. I agree with everyone that if, in fact, that is not addressed and it is not a real enjoyable affair for people to come from out of town on the first or second or third time that we are going to develop a poor reputation and none of us can afford that to happen so I think that is something that absolutely has to be addressed.

Chairman Wihby asked is it being addressed.

Chief Driscoll answered not yet. We have developed a couple of plans and circulated the plans a number of times. There has been no one really willing to step forward and take ownership of those plans so that still needs to be addressed either by this Committee or by the full Board of Mayor and Aldermen.

Chairman Wihby asked this meeting that is taking place on Friday, is that basically to deal with traffic and parking.

Chief Driscoll answered it is my understanding that it was the Mayor who organized that. I was invited to attend by the Mayor's Office and that, in fact, the purpose of that was to look at what type of City services would be required and to start thinking that whole thing through so that we would be prepared by the end of the summer.

Alderman O'Neil stated the person who brought this to light for me was Wayne Robinson and he has stepped forward to try to facilitate some of these discussions. I think we need someone like the Mayor's Office or Board of Aldermen to look at the big picture, not specifically and the Chief and I have had discussions about

police related issues but to the best of my knowledge the Chief does not get involved with garbage pick-up, etc. All I am saying is that to Wayne's credit he is the one who has facilitated some of these discussions.

Alderman Lopez stated I know that I am involved this Friday at 9 AM with Jay Taylor and a bunch of other people. I have been asked to serve with Jay Taylor and two other Aldermen, I think Alderman Levasseur and Clancy I think. That will take place. Tom Lolicata and the Traffic Committee have been working on this. In the Traffic Committee we saw a 10 hour parking meter that they want to put around the civic center so things are coming forward to the committee and I assure this Committee that whatever comes out of Jay Taylor's committee because we were concerned with the signage as Alderman O'Neil said, we are concerned about people coming into the City of Manchester. I have talked to Ray Pinard in reference to this and there is money that they are willing to give to put up signage and we will talk about contracts and all of that stuff to try to get something in place by July. There are committees working on this.

Chairman Wihby replied it seems like there are too many committees working on this.

Alderman O'Neil stated my whole point tonight is there has been a lot of discussion but we have eight months to go before this thing opens and there is no plan. You are right. There are all kinds of committees looking at this. My point tonight is let's get a plan, let's get it brought to the Board of Aldermen and let's approve it.

Alderman Hirschmann stated I had a discussion two weeks ago with Bob MacKenzie. Last summer we all received a traffic flow colored map from him and it hasn't been accepted or adopted by the Board on how the one way streets would work and how to get to different parking lots. Bob MacKenzie, being the Planning Director, has to give us the plan.

Chairman Wihby asked, Wayne, where are we. Are all of the concerns that Alderman O'Neil expressed going to be discussed at Friday's meeting.

Mr. Robinson stated that is correct. From a budget standpoint, as you know we are in the process of putting together a budget and with the civic center coming on-line it will have impact from a revenue standpoint. I have been meeting with the Traffic Department to have them put together a proposal that will deal with some of the surface lots and parking in garages and what have you. Things are moving along.

Chairman Wihby asked what is the name of that committee.

Mr. Robinson answered it is just the Traffic Department. There is no committee.

Chairman Wihby asked it is a committee though just dealing with traffic downtown concerning the civic center.

Mr. Robinson answered that is correct because in their initial budget...

Chairman Wihby asked how many committees do we have out there anyway. I got a phone call asking if I was coming to the civic center meeting and I said I am the Chairman of it how can I not know about it. It turned out that it was some other committee downtown. What was that about? Does anybody know?

Alderman Hirschmann stated it was the Planning Board. David Boutin and a few others created a committee to discuss issues but I thought they would be brought to us.

Chairman Wihby asked do you know what issues they are discussing.

Mr. Robinson answered I do sit on that committee.

Chairman Wihby asked what is the name of it.

Mr. Robinson answered it is dealing with the civic center from a neighborhood standpoint.

Chairman Wihby asked are recommendations from that committee coming to this committee.

Mr. Robinson answered they will be coming. I believe there is one more meeting scheduled. I believe something may be coming forward in April.

Chairman Wihby asked Alderman O'Neil are you happy with them having a meeting on Friday and getting back to us and we will go from there.

Alderman O'Neil answered I don't care what committee meets. I just want this done and I want a game plan put together so that on November 14 you and Sandy Dunn are not putting up the sign on 293 saying civic center this way. Maybe you can be doing it in July but we have to get going. That is my point.

Chairman Wihby stated it sounds like Wayne's group that is going to meet on Friday will be doing that.

Mr. Robinson replied plus there are some internal things also. As I stated trying to put a budget together there are some revenue issues that you have to deal with, as well as some expense issues that you have to deal with.

Alderman O'Neil stated I just see extending where meters are on various streets, the hours and days of operations for those, those are going to be controversial and it is probably going to take some time to work out. We can't be discussing it in October. From a budget standpoint, are we going to add a couple of police officers walking between Bridge Street and the civic center? Are we going to have to hire additional parking control people? Who is paying for the shuttle? That kind of stuff. That is what I am worried about.

Alderman Hirschmann stated when the contracts were put together Kevin Clougherty and Jay Taylor were the pivot guys. Can we keep them right in it because they got us to this point?

Chairman Wihby asked as far as parking and traffic flow. I think Jay Taylor is probably the main one who is going to do that. I don't know what Kevin could have to add to that.

Alderman Hirschmann answered costs are going to come into play. We have to participate with the management group on parking revenues.

Chairman Wihby asked Mr. Clougherty if he is still involved with the revenues and everything.

Mr. Clougherty answered yes.

Alderman Cashin asked, Chief, you said you had a plan. Did I hear you right?

Chief Driscoll answered about two years ago when we first started meeting with Ogden we developed a plan that we thought would be a first attempt at getting traffic in and out of and pedestrians in and out of the civic center. We took a second look at that about a year later. We have a couple of drafts that are certainly a good starting point for discussions with anybody that we can interest in talking to us about it.

Alderman Cashin asked what was the cost of the plan.

Chief Driscoll answered \$135,000.

Alderman Cashin asked you had this two years ago you said.

Chief Driscoll answered I don't think we had a price tag on it. Back in March of 2000 we put a price tag on it when we were looking to forward it to the City.

Alderman Cashin asked March of last year so you have had it for a year.

Chief Driscoll answered yes we have.

Alderman Cashin asked how come it never surfaced.

Chief Driscoll answered I don't know. I have been trying to get people to address this issue for better than two years.

Alderman Cashin stated my question for you is that the additional \$135,000 was never discussed when we talked about the civic center. I am concerned that a lot more of this stuff is going to come up that we weren't aware of and that bothers me.

Alderman O'Neil asked, Chief, what you are talking about are police services that probably, I don't want to say for sure, are part of the operating cost of the building. You are talking detail inside and then some traffic detail in the immediate vicinity of the civic center, correct?

Chief Driscoll answered yes. I think if I were to look at it the majority of it is outside the curb line for major events with something in the area of 35% or 40% inside the curb line.

Alderman O'Neil asked but these discussions that I remember before this Committee with Ogden, those traditionally are part of the operating expense of the building, correct.

Chief Driscoll answered yes. We are going to address that tomorrow.

Alderman O'Neil stated the items that I am talking about are not part of the operating expense of the building.

Alderman Cashin replied that is not true I don't think. I am sorry, Chief, but I never recall a plan coming in from you to this Committee that I can remember and I certainly don't remember a price tag of \$135,000 from anybody.

Chief Driscoll responded okay.

Alderman Cashin stated I don't think it ever came in, quite frankly. I am concerned. Now we are talking about one-way streets and adding parking meters,

etc. It seems to me that all of this should have been discussed prior to even breaking ground for the civic center. This Board should have at least had an idea of all of this. It seems to me now that we are trying to close the barn door after the horse has already left.

Alderman Hirschmann stated before you table this, at our full Board meeting what was really referred here...I don't remember these three items but what I do remember is we were supposed to be here today talking about a non-alcohol section of seating and to hurry up and vote on it because they are out there selling seats and Mr. Eisenberg and SMG...

Chairman Wihby interjected I thought we voted on that at the full Board.

Alderman Hirschmann stated we are supposed to be discussing the non-alcohol section and how many seats there are supposed to be.

Alderman O'Neil replied I thought we voted on that at the last meeting.

Alderman Hirschmann asked how many seats were there.

Alderman O'Neil answered those were the two issues that still needed to be worked out.

Alderman Hirschmann stated it was supposed to come here and we were supposed to talk with the management group. They should give us a recommendation.

Alderman Gatsas stated the \$135,000 was talked about because it was talked about for installing meters. That was a cost that I believe...

Alderman Cashin interjected, Chief, does your \$135,000 include meters.

Chief Driscoll replied no it doesn't. Just for the record too, I don't think that the figure ever came forward to this Committee. If it did, it didn't come through me because I was never given clear direction as to whether or not that would be a City expense or an SMG expense or an Ogden expense depending on what the case may be.

Alderman Cashin responded you know whose expense it is going to be.

Chief Driscoll stated that figure came forward in March of last year when they were trying to get an agreement relative to the amount that it would cost for police services. That is the figure that I provided.

Alderman Cashin asked the \$135,000 that you are referring to is for police services and has nothing to do with meters.

Chief Driscoll answered yes.

Alderman Cashin stated so if it is another \$135,000 for meters, then that is \$270,000.

Alderman Gatsas replied I know that was part of the package that we talked about for meters when I had a concern about parking.

Alderman Cashin stated well now we are up to a quarter of a million dollars.

Mr. Clougherty stated you may recall that the Desmond Study broke out what would be necessary for support services for parking, traffic and safety. They had figures in there of I think \$70,000. There was also a piece, which is what Alderman O'Neil is talking about, which was the curb inside. Together, you have to take a look at those pieces. I think part of the reason that we haven't been able to firm up or the City hasn't been able to firm up a plan is that we didn't have a manager for the facility. Now that we have that, we can sit down and start to put into place some detailed plans about the budgets and the costs and how they are going to be included in either the building budget or on the City side. Some of these things will be one-time expenses that will be needed. My recollection of the \$135,000 was that you wanted to have a presence for the first number of events up front and then once that presence was in place and things started to quiet down you might be able to ease back on the number of police. So, there needs to be a phasing in based on some of the experiences of these other buildings and a budget in that regard. That is what the purpose of these meetings is. To come to some sort of consensus as to what is going to be in one budget or the other.

Alderman Cashin asked, Kevin, are you saying that the \$135,000 is an amount that the Chief has budgeted.

Mr. Clougherty answered no. What it was is when Desmond came in...

Alderman Cashin interjected Kevin is it or isn't it in the budget. That is all I am asking. The \$135,000 that he says he needs for police, is that in the budget?

Mr. Clougherty asked which budget. I am not trying to be flip. Let me answer it. When you ask is it in the budget, it is not in the budget for the current year.

Alderman Cashin asked it is not budgeted, right.

Mr. Clougherty answered well it wouldn't be until next year's budget.

Alderman Cashin stated if it is not in the current budget, then it is not budgeted, right.

Mr. Clougherty replied it shouldn't be.

Chairman Wihby asked was it budgeted when we originally did the plans for this.

Mr. Clougherty answered the feeling of the consultants was that you could adjust the parking fees, the parking rates, in order to raise the revenue to be able to cover the expenses for the services and that would be in the upcoming budget because that is when the project would open. In answer to the Alderman's question, it isn't in this year's budget. It would be in the next year's budget and it would be based on some decisions about parking fees and parking meters and parking rates to raise the funds necessary to carry out and support that.

Alderman Cashin stated so in this year's budget the \$135,000 isn't there.

Chairman Wihby asked what do you mean by this year's budget. The City budget?

Mr. Clougherty answered it wouldn't be in the City budget. There are some understandings that there are some costs that have to be associated with the building and there are some monies that have been set aside in the proformer budget for the building, which may help contribute to the overall cost.

Alderman Cashin stated Alderman Gatsas just brought up another \$135,000 for meters. Now is that going to be in next year's budget too?

Mr. Clougherty replied if the decision of the Board is to go ahead with that then it would have to be in next year's budget.

Alderman Cashin stated let's say the Board says no. What do we do then?

Mr. Clougherty replied I assume if the Board made that decision it would be because they didn't feel that the meters were needed.

Alderman Cashin asked then what do we do.

Chairman Wihby asked is there additional revenue coming from those.

Mr. Clougherty answered yes.

Chairman Wihby stated so the revenue is going to offset the expense of the meters. Is that the way it was planned?

Mr. Clougherty replied right.

Alderman Cashin asked you are saying that the meters were going to offset the cost. Is that what you are telling me?

Mr. Clougherty answered what you have to do, Alderman, is take a look at it over time. Again, there is going to be a one time up front cost for the installation, but you are going to get that revenue for the rest of the time. You have to look at that.

Alderman O'Neil stated we need to determine what expenses are with regards to SMG and the building and what expenses are not. That is not clear yet and we can have 100 committees studying it. The committees have to get off their butts and bring some information back to this Committee.

Mr. Clougherty replied I agree, Alderman, and now that can be done because all of the players are at the table.

Alderman O'Neil stated we can't blame this on whether SMG has named or not named a general manager. It has nothing to do with that. Whether we are going to extend the hours in the parking garages and they need additional staff has nothing to do with whether there is a general manager for SMG. Whether parking meters get put up at Hayward and Elm has nothing to do with SMG.

Mr. Clougherty replied but you do want their input and expertise in that area.

Alderman O'Neil stated we can't blame this on...

Mr. Clougherty interjected I wasn't trying to do that. I was just trying to say that you want that experience.

Alderman O'Neil stated these are items that the City has to make a decision on and we haven't focused in on them and we have to get going. Time is running out and that is my whole point.

Alderman O'Neil moved to table this item. Alderman Pariseau duly seconded the motion. Chairman Wihby called for a vote on the motion. There being none opposed, the motion carried.

Chairman Wihby stated as soon as you can, Wayne, bring forward whatever proposal you have to this committee. We will schedule a meeting when you have a proposal ready.

Mr. Robinson stated that is one of the questions I had. What is the process? For example traffic and parking. Does it go through the Traffic Committee or does it go through your Committee?

Alderman Pariseau replied the Traffic Committee.

Alderman Hirschmann stated it is already on the agenda for tomorrow's Traffic Committee meeting to change to 10-hour meters.

Mr. Robinson replied I am talking about the civic center. For example, parking. I am sure that is not on the agenda for tomorrow but does that go through the Traffic Committee or does that go through the Civic Center Committee?

Alderman Pariseau stated send it to both.

Alderman O'Neil stated I think what is going to happen is this Committee is going to have to fine tune and if we need changes in the ordinance with regards to parking obviously the Chairman of the Traffic Committee is here, but it is not going to be up to the Traffic Committee to decide garbage pick-up on the sidewalks or snow removal on the sidewalks or whether or not we have a couple of cops walking the beat or additional parking control officers. That is not the Traffic Committee's job.

Chairman Wihby asked do you want Wayne to report back to us.

Alderman O'Neil answered I would ask that everything come back although there are specific items with regards to rates and locations but parking meters is the responsibility of the Traffic Committee.

Chairman Wihby stated I thought that all of the reports of the Committees, like for instance the Traffic Committee, comes to the Civic Center Committee just like the alcohol came here and the zoning is coming here.

Alderman O'Neil moved that everything related to the civic center from other committees be forwarded to the Civic Center Committee. Alderman Pariseau duly seconded the motion. Chairman Wihby called for a vote on the motion. There being none opposed, the motion carried.

Chairman Wihby addressed Item 4 of the agenda:

Review of Change Orders 22, 23, 24, 25 and 26.  
(Reviewed and authorized by Peter Levy.)

Mr. Levy stated Change Orders 22, 23, 24 and 25 were zero cost change orders, which I have executed within my authority. Just a brief review of Change Order 22. It was a small change of \$2799. We did some galvanized door frames on the interior of the building, which weren't required and it provides for some light gauge framing for in fill of some gaps on the exterior of the building that had drawing coordination. Change Order 23 was a no cost change order. It was basically a housekeeping change order. There were a series of allowances at the time of the GMP. All of these allowances have been addressed now and brought into the GMP in each specific category. Change Order 24 is basically creating a new contingency. If you will look behind my memo, there is a new contingency draw down, which has a new column on it called the Owner's Reserve. Within the GMP, the construction manager had carried a contingency. We have prevailed with the construction manager to allow him to set that up within the GMP as an owner's reserve to draw down on for change orders and take the pressure basically off the owner's contingency. It provides another \$1 million worth of contingency.

Alderman Pariseau asked where does that \$1 million come from.

Mr. Levy answered that was in the GMP, the guaranteed maximum price contract.

Alderman O'Neil asked that number is what, Peter.

Mr. Levy answered \$45 million. I don't have the exact amount. Wait, yes I do. It is \$46,040,938 plus the balance of contingency. The \$1 million is already in their GMP.

Alderman Pariseau asked why is it just coming forward now.

Mr. Levy answered under normal circumstances the construction manager leaves that in his contract. That is for his protection for errors that he makes or may make in a take-off or an estimate within the GMP. The buy-out is now complete on the project. It came in within his guaranteed maximum price so, therefore, he felt willing to release that \$1 million so we could use it to cover change orders.

Alderman Gatsas stated I think the next sentence though Peter says usually that is not done until the project is 90% complete. Are we 90% complete?

Mr. Levy replied no. We are about 55% complete, but he has set-up the owner's reserve.

Alderman Gatsas asked why.

Mr. Levy answered to help the project.

Alderman Gatsas asked so if there is a catastrophic, what do we do.

Mr. Levy answered then we would have to cover it.

Alderman Cashin asked who is we.

Mr. Levy answered the project would have to cover it if there is a catastrophic and most catastrophics today that we are going to encounter would be under a general liability and under our insurance. If we had a collapse of some sort it would most likely be covered under our insurance. I can't really think of anything that we would have catastrophic at this point in time unless we get a big snowfall.

Alderman Gatsas asked like the ones we have had.

Mr. Levy answered yes.

Alderman Gatsas asked so the \$174,000 that you took off of this \$1 million would have normally come out of contingency.

Mr. Levy answered out of the owner's contingency, yes.

Alderman Gatsas asked or the contingency that you have left of the \$1.2 million.

Mr. Levy answered that is correct.

Alderman Gatsas stated I have a real problem that you are moving that \$1 million when this project is only 55% complete.

Mr. Levy replied any way you do it...you know we can still draw down from the owner's contingency and then draw the balance from there. The fact remains that we are going to be very tight on this project in finishing it. I still can't say with any certainty that we are going to complete it within the given budget, but I am feeling more comfortable about it and I think the construction manager is also feeling more comfortable in his willingness to set up this owner's reserve. Change Order 25 was strictly an accounting function to change a code number within the construction manager's accounting system. Then we get to Change Order 26, which is an add of \$174,401. What we have done is covered this out of the owner's reserve. These were various issues like field coordination and drawing

coordination. Also we added some high impact drywall down the service corridor for greater protection of that area.

Alderman O'Neil stated I am lost on this owner's reserve. That \$1 million before this account, for lack of a better term, was set-up would have been added on to the \$46 million.

Mr. Levy replied no.

Alderman O'Neil asked where was it. That is what I am confused about.

Mr. Levy answered that was in the GMP. I broke it out just to show you, to be up front about it that here is this \$1 million. It is already in the GMP and that is why they are really zero cost change orders but I didn't want it to look like we were burying it or what have you. I wanted to keep it up front so that all change orders that were taken from this owner's reserve were really no cost change orders although it did have a value of \$174,401, which leaves then the owner's reserve down to the \$825,599. It already is in the GMP. It has no cost impact and that is why the change orders themselves say zero cost.

Alderman O'Neil asked is it set-up because the contingency figure is already established and there was a dollar value put to that of \$2.7 million.

Mr. Levy answered yes. That was the owner's contingency, which was \$2.7 million. That was outside the GMP.

Alderman O'Neil asked what is the criteria for drawing down on the owner's reserve.

Mr. Levy answered the criteria was that we would draw that down as change orders came in to take pressure off the owner's reserve towards the end of the project year as we get into some issues that potentially with the FF&E or any added scope might be needed.

Alderman O'Neil asked to not draw down on the owner's contingency because of the FF&E and all of that.

Mr. Levy answered yes.

Mr. Butler stated Peter is absolutely correct. The money that forms this reserve was in the GMP already. It is not money that the owner has to come up with. It was largely generated from savings during the buy-out of the job and partially funded by releasing a piece of the construction manager's contingency. There

were two funding sources for this \$1 million. The construction manager still has a contingency of over \$1 million even after this reserve is established, which is why we felt confident in releasing it to the owner.

Alderman O'Neil stated I am just trying to put all of the numbers together.

Mr. Butler stated what you are getting is essentially the benefit of the buy-out.

Alderman O'Neil asked is this owner's reserve in that \$46 million.

Mr. Levy answered yes.

Alderman Gatsas stated correct me if I am wrong. I believe that Mr. Charest sat in that seat right there where you are sitting Peter and said that that would be money that would come back to the City if there were no catastrophics and we were within budget.

Mr. Butler replied it is the City's money. At the end of the project if there are any funds left within the GMP they will be returned. Right at the moment, the job is at a position where we felt that there needed to be some additional funds available for these change orders.

Alderman Gatsas asked the total that you had was \$2.3 million in that contingency of which you have \$1.3 left and you put \$1 million over.

Mr. Levy asked what contingency are you talking about.

Alderman Gatsas answered the one that you just moved the \$1 million from.

Mr. Butler replied no. The \$1 million came from within my budget for the GMP. It is not anything to do with the owner's contingency.

Alderman Gatsas asked how much more is left in your contingency fund.

Mr. Butler answered I have about \$1.2 million.

Alderman Gatsas stated I said \$2.3 million was what you started with.

Mr. Butler replied actually I started with \$1.3 or \$1.4 million. We generated about \$750,000 worth of savings when we went through the buy-out process so what you are seeing here is mostly buy-out savings when we bought the contracts and a piece of my contingency.

Alderman Gatsas stated and the OCIP.

Mr. Butler replied it has nothing to do with the OCIP.

Alderman Gatsas stated so that would be an additional savings that we would see.

Mr. Butler replied the OCIP is outside...

Mr. Levy interjected that is in the master budget.

Alderman Gatsas asked is there a particular reason why the \$174,000 was not itemized as most of your change orders are.

Mr. Levy answered I didn't itemize it basically because you got a copy of the change order itself, which has the itemization on it.

Alderman Gatsas stated they had the items as zeroes and then handwritten was \$174,000.

Mr. Levy replied yes they did and I have asked them to correct that and I will get that out with each individual item on it.

Alderman O'Neil asked what is the criteria for drawing on this fund. Your approval, the Committee's approval, what is the criteria?

Mr. Levy answered again I would like to leave it the same way we have done it. If it is over my authorized amount, then it comes back to this Committee for approval. We will still have the approval process with this money. It is still City money.

Alderman Pariseau stated you said that the change orders had a value of \$174,401 but had no cost effect. What do you mean by that?

Mr. Levy replied it had no cost effect because the money already is in the GMP contract. It is already in the contract. We are using that money that was picked up through savings and buy-out in the contract. It doesn't impact the overall cost of the project.

Alderman Pariseau stated but you didn't spend the money. You just assumed...

Mr. Levy interjected the money is spent. The money will be spent. It is going for these changes and Change Order 26.

Chairman Wihby stated the bottom line is that it does not affect the price of the civic center. The price has not gone up.

Alderman Cashin asked am I right. What do we have, two contingencies here? One for the owner and one for the contractor?

Mr. Levy answered yes.

Alderman Cashin stated I have never heard of such a thing.

Mr. Butler replied you may recall, Alderman, this is a construction management contract. Within our guaranteed maximum price, which we gave at a very early stage, there was a contingency that was budgeted to cover against unknowns at that time.

Alderman Cashin asked that was the owner's contingency wasn't it.

Mr. Butler answered no. There was an owner's contingency, but in addition there was a contingency within the GMP for the construction manager's use.

Alderman Cashin asked, Barry, is this something that is done all the time. We have a guaranteed maximum price and then we have an owner's contingency and a contractor's contingency?

Mr. Brensinger answered in a construction management format, that is correct, Alderman Cashin. It is absolutely routine in the industry. Probably nearly 100% of the work that we do today, in fact, is construction management and this is the case on every project. Let me just explain in a little more detail how it works. As Doug said, back when the GMP was put together for the civic center, at that point our drawings were probably about 30% complete through construction documents so it is impossible for anyone with 30% complete documents to go out and bid them and get absolutely firm prices. It is true in construction management that part of the benefit of construction management as a process is that you can get the manager on board and do budgeting and start construction before our work is complete, but in order to get anyone to guarantee the price of the project with 30% complete drawings means 70% of our work is left to be done, they include in addition to the owner's contingency, in this case the City, the construction manager includes some contingency of his own because he knows that as the drawings come together and the work is coordinated and all of the bids go out that there are going to be things that he didn't know existed at the time that need to fit into his GMP budget. What normally happens is as the job goes along we approach the 90% point and if some of that construction manager's contingency plus savings if there are savings from buying out the work, those left at the end of

the job come back to the owner of the project and as you may have heard in some instances there are shared savings clauses where the CM gets some of that and the owner gets some. In the case of the civic center all of that money would ultimately come back to the City. Given the tightness of this budget, what has happened in this case is that Gilbane has come forward and said we are not going to wait until the end of the job to give you back some of this contingency and the savings if we can use it now to keep some pressure off of the owner's contingency to help us get to the end of the job and have everything be within budget. It makes sense to return some of that now and that is why it is coming back early, but there is nothing here that is unusual in any way in a CM process. It is normal for the construction manager to carry his contingency in addition to an owner's contingency.

Alderman Gatsas asked can it be by the choice of this Committee or the full Board that the money comes out of the straight contingency and that \$1 million stays there in case there is a catastrophic. I guess I am confused. You have \$2.2 million. What difference does it make if you are drawing off of Column A until that goes to zero and you have an additional \$1 million that Gilbane was so gracious to give us.

Mr. Butler answered the advantage and rationale for doing this is contingency is that the owner's contingency actually is set-up to cover things beyond the GMP. In other words, if there are FF&E overruns or any other issues within the overall budget, his contingency is available to cover those. This owner's reserve is only available to cover things that are within the GMP so we felt that it would be better to apply that \$1 million to things that are within the GMP and let Peter's reserve be available to cover things that are in the broader scope.

Alderman Gatsas stated really it doesn't matter.

Mr. Butler replied it is a bit of bookkeeping.

Mr. Brensinger stated I think it does matter, Alderman, in one respect. Everyone on the civic center has been working hard as I know you already know to produce the best possible building we can and by best I mean functional, enduring and a building that is going to serve the City well and that is going to look good and that we can be proud of and do it within the budget that we have. That is a clear mission that we have and I can assure you that everyone here is trying very hard to do that. One scenario would be that Gilbane just kept this contingency money and nobody knew about it until the end of the job and money comes back to the City and everybody is happy. The problem with that is that there could be compromises to the building that you wouldn't have made had you known that money was available. A good case in point is Change Order 26. When we did the

original design for the building, because everybody was concerned about the budget, we made all of the corridors down at the service level sheetrock. There was an open discussion about that. We said this isn't a great choice because they are going to get beat up when carts go through there and the hockey team goes through there. Sheetrock partitions aren't the best possible choice, but no one was confident at that point that we could afford a higher quality material. What Change Order 26 is saying is now we are realizing that we have some savings from the buy-out and Gilbane is prepared to come forward with some of their contingency so it makes sense to upgrade that sheetrock to a more durable product. It is not frivolous. It is going to produce a corridor that is going to last a longer time. Had you not been aware that this money was available, you might not have made some of those choices. I think it is important that you have the big picture on how much money we have to spend so we can make intelligent choices about how we are going to finish this thing on budget with the best possible building.

Alderman O'Neil asked which items do you need actual Board approval on.

Mr. Levy answered I need Board approval on Change Order 26.

Alderman O'Neil asked you don't need Board approval to set-up the account.

Mr. Levy answered technically I should have that also.

On motion of Alderman Pariseau, duly seconded by Alderman Hirschmann, it was voted to approve all of the change orders.

Alderman Gatsas asked in your budget is there a basketball court.

Mr. Levy answered yes.

Alderman Gatsas asked so the facility will be equipped with a basketball court.

Mr. Levy answered yes; a basketball court and three portable backstops.

Alderman Pariseau stated I have received a number of complaints about vehicles parked along Elm Street between Cedar and Lake Avenue and was wondering why the civic center people can't stay within their own property. When it snows, they are out in the middle of the street. The City does have ordinances relative to overnight parking. The trailers you have parked along Elm Street between Lake Avenue and Cedar Street, one of them has steps or whatever and has been sitting there since last summer.

Mr. Levy replied it may not be the same trailer. The trailers have been rotated in and out of there. That is the precast section for the risers and the steps and they do get rotated in and out of there. There have been some that have been sitting there for quite some time because they were for the hold out area, which is now in the process of being done.

Alderman Pariseau asked why can't we put them back on the property.

Mr. Levy answered we don't have any room for them. We are trying to get them off as quickly as possible. That is progress for us.

Alderman Pariseau stated you had only one there for awhile and now you have three if not four.

Mr. Levy responded there have been four at one time but most of those have been rotated. They haven't been the same ones the whole time. We are trying to get them off.

Mr. Ashooh stated I would like to introduce Sandy Dunn. We have a major event as far as staffing at the facility and Sandy, why don't you take over.

Ms. Dunn stated late last week I called Skip in the absence of Jay and told him that we had found our general manager candidate and we wanted to roll him out as soon as possible so that he could hit the ground and starting running. Tim Bechert, who is with me tonight, has 15 years of industry experience. He has recently been at the 18,000 seat Nassau Veteran's Memorial Coliseum, which as you know has an AHL affiliate with the NY Islanders, arena football with the NY Dragons and a lacrosse team with the NY Saints. If anybody was watching the NCAA basketball tournament, you certainly saw them on television. They have done some very premiere events there. It is a highly competitive marketplace. They have done a lot of extensive branding of that facility in the last year and they are in a number one media market, so there is a very strong executive team there, which Tim is a member of as Director of Advertising, Marketing and Sales and he has accepted the position here and we welcome him and know that he will do great things for Manchester and we couldn't be more excited.

Mr. Bechert stated thank you very much for letting me introduce myself to you this evening. As Sandy and Skip said, I have graciously accepted the position and look very much forward to the challenge of being here in Manchester and making this facility a premiere facility for the northeast. Personally, I was born and raised in Dayton, Ohio. I do have roots, however, in New Hampshire. My wife, Mandy, is from Hampton, NH and with the acceptance of this position it gives her great pleasure in moving back home. I did spend some time here myself for three years

at the Hampton Beach Casino Ballroom years ago as the talent buyer, booker and production manager there. This has always been a place where I wanted to come back and live and that dream is now being fulfilled. If there is anything I can do to assist, as I am sure there will be, I look forward again to the challenge in making this a premiere facility and being part of the community.

Chairman Wihby stated welcome. We will probably see you quite a bit.

Ms. Dunn stated for your information, his official start date is April 2, but because we looked at the schedule of meetings that were taking place this week, including Friday's meeting about parking, Tim is working the entire week in the area this week. He will then take a few days to try to pack his bags next week and then we will back up for a partial week next week and is officially on-site on April 2. He will have a local phone number by Monday, April 2 and we are investigating six temporary office locations and expect that to roll out within two to three weeks. In the meantime, I am sure he will find somewhere to steal some office space.

Alderman O'Neil asked where do we stand with naming rights and all of that. We were supposed to come back at some point and inform the Board, even in executive session if necessary, where we stand with all of that.

Ms. Dunn answered as soon as we have something to inform you of, you will be the first people that we will notify.

Alderman O'Neil moved to have SMG come to the next civic center meeting to let the Committee know where they are at. I made this motion last month and we still didn't do it. I will try it again and see if I can get it right.

Mr. Ashooh stated as soon as we have something that we can show you, I think executive session is appropriate.

Alderman O'Neil asked so you are telling me that there aren't one or two companies out there that are being spoken to.

Mr. Ashooh answered I think what you want to see rather than wasting your time and knowing what your Committee schedule is like is when we have something substantive...

Alderman O'Neil interjected this is not wasting my time, Skip. This is a very important part of this and I would like to have this at our next meeting. I would like to know where we are at with specific names.

Ms. Dunn stated I understand and will respond accordingly.

Alderman Pariseau duly seconded the motion to have SMG come to the next meeting of the Civic Center Committee to go into executive session and discuss naming rights. Chairman Wihby called for a vote on the motion. There being none opposed, the motion carried.

Alderman Vaillancourt stated I want to congratulate you. I understand from Kevin Clougherty's Office that you have 61 new luxury seats there, however, I do also understand that some of the checks were dated back in December and they didn't get them until the middle of March. I hope we can initiate a process where those checks come to the City without a three-month lag time.

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

A True Record. Attest.

Clerk of Committee