COMMITTEE ON COMMUNITY IMPROVEMENT

March 1, 2010 **6:30 PM**

Chairman O'Neil called the meeting to order.

The Clerk called the roll.

Present: Aldermen O'Neil, Ludwig, Shea, Craig, Greazzo

Messrs: K. Sheppard, W. Desens, F. McNeill, B. Varney, J. Laliberte, B. O'Neil, S. Maranto, C. DePrima, L. LaFreniere, T. Clougherty, D. Webster, T. Arnold, J. Burkush, J. Angell

Chairman O'Neil addressed item 3 of the agenda:

3. Presentation of the Combined Sewer Overflow (CSO) Program.

Chairman O'Neil stated I would like to welcome our colleagues who are here for the presentation on the Combined Sewer Overflow Program. With that, I'll turn the microphone over to the Public Works Director, Kevin Sheppard. I would ask any speaker to identify themselves for the record, please.

Mr. Kevin Sheppard, Public Works Director, stated thank you for allowing us to come before you tonight. I'll do a quick introduction. To my right is Fred McNeill, our Chief Engineer for Environmental Protection Division and Willy Desens, from CDM, our consultant for this project. With him is Joe Laliberte who is sitting behind me, as well as Bob Varney who works with Normandeau Associates who are working with us on this project as well. I think it is important to note that Bob Varney used to be the Commissioner for the Department of Environmental Services for the State of New Hampshire under three governors. He was also the regional administrator for the Environmental Protection Division. He has been a big asset for us in working through this process and I'm sure he'll be helping us move forward as we move into negotiations with the EPA. With that said, tonight's presentation is Manchester's Phase Two Combined Sewer Overflow Program. For some Aldermen who may not be familiar with what sewer overflows are, sewer overflows occur…for many years up until the 1950s, pipes were designed to carry both storm water and sewer water. Both those flows are carried in one pipe in many areas of the City. During heavy storm events, that pipe

capacity cannot handle that storm water so at times it does overflow into the Merrimack River. That is what the Combined Sewer Overflow Program is about; eliminating or minimizing those overflows into the Merrimack River. This program started back in 1999. We worked with EPA to negotiate a consent decree. At that time, it was a ten year plan which addressed mostly the west side. I'm sure many Aldermen have seen all the work that has occurred on the west side over the past yen years. Over the past ten years we have done that work at about $58 million. The second part of the consent decree was for us to present a plan to the EPA due this March for our second phase of CSO, which pretty much addresses the east side of Manchester. We will be presenting tonight a little of the history as well as our plan for the second phase of the CSO. I'm going to ask Willy Desens of CDM to make that presentation and then we'll open it up for question.

Mr. William Desens, Senior Associate with CDM Associates, stated I would like to give you the history of the problem in Manchester, the reasons for the problem, a quick overview of what was done on the west side of Manchester and what needs to get done on the east side, and what we are proposing to EPA and New Hampshire DES that should be done over the next 20 years. As Kevin said, the basic problem is that in many cities in the northeast, there is a combination of runoff and sewage going in one pipe. Unfortunately, when it rains and in Manchester's case, it doesn't need to rain very heavily, it overflows to the river. Basically, the waste water treatment plant at the bottom of the pipe cannot take the entire flow. There are 11 outflows on the east side of Manchester that overflow on a regular basis and that causes water quality violations in the Merrimack River. In addition, because you have combined pipes, and the way the brooks meet the flow from the east to the west of the Merrimack, there are five brooks that actually go into the combine system and end up at the waste water treatment plant. We estimate that almost 20% of the capacity of the waste water plant is used by the brooks which basically have clean water most of the time. In addition to having the overflows, because of the age of the system, many are failing or are low or do not have enough capacity to take the entire flow. Many of the City's combined pipes are over 100 years old and have serious capacity problems. I'm sure you have heard about them, seen it in your Ward or heard from your residents about sewer backups and flooded streets. In addition to being a problem and a public health problem, they are very costly to repair when done on an emergency basis. It is not as efficient to jump on a problem and have to fix it in the middle of a crisis. As Kevin said, the City entered into a compliance order with EPA and New Hampshire DES about 11 years ago to solve these problems on the west side of Manchester. Most of that system has been separated. The overflows have been eliminated and full infrastructure has been constructed. In addition, a supplemental environmental program, you may remember the acquisition of land at Hackett Hill, was implemented with that program. The $58 million program was completed ahead of schedule and under budget; it included 30 miles of new or

rehabilitated sewer and drain lines; 24 miles of reconstructed streets; 50,000 feet of new or reset curbing; and 35,000 feet of new sidewalks. While this work was going on, both Water Works and the gas company came through and replaced their lines under the street. As part of the study over the last year of what needed to get done, the City sent out a survey to all of its sewer customers. In fact, it was sent out twice to make sure we got good response. We did get very good response; 12,000 surveys were returned. About 1,700 of them reported street flooding in their neighborhood and 1,100 reported sewer backups. That is a very high number and it is very significant that there are that many problems in the system, but it is not surprising given the age of the system and given that it is a combined system. As an aside, there was very positive feedback given in the survey returned from the west side where the construction work had been nearly completed and the majority of their problems had been solved. What is the long term solution? We are trying to tackle two problems. One is the failing infrastructure, the capacity problems and the sewer backups. The other one is the overflow to the river that EPA would primarily be worried about.

Chairman O'Neil asked when you say east side that is anything east of the Merrimack River as opposed to what we would geographically call it?

Mr. Desens replied yes. It was a simple way of describing the rest of the City. All the work going forward would be east of the Merrimack River. The plan that we put together focuses on five key objectives. One is to maximize the use of the existing system, particularly the waste water plant and the large pipes in that system that at times may not be being used up to capacity. The second is to remove the brooks from the system and ultimately from the plant. The third is to separate sewer and drainage pipes in some areas to relieve the system so you don't have the combined problem. Fourth is to add some storage for relatively large storms to store the overflow volume until it can be processed at the treatment plant, and lastly is to integrate it with every other development initiative that the City has so it is consistent with those other objectives. If you can imagine, as large as the east side of Manchester is, this project would be very significant and would take a long time. We estimate that it could take 40 years to do all this work. The City just completed phase one, the $58 million ten year program, and in the report we are proposing that we move onto phase two and then reassess where we are at that point. Phase two would include the things that were on the prior slide and this slide. It would cost about $165 million. We are proposing a construction period of about 20 years. It would eliminate about 70% of the overflows and solve about 40% of the system problems like the overflows upstream, the sewer surcharges, and the sewer backups. It would then leave, after some assessment, room for phase three to be completed over the next 20 years. As I said earlier, it would be a 40 year program overall to solve the entire system. The phase two program, the $165 million 20 year program, would be paid by the sewer enterprise fund that EPD

runs. We assume that it could be supplemented by grants from the State or the federal government, but for the purpose of these calculations, we have not assumed any of that is coming in. In addition to other projects that EPD has to implement, like upgrades to the waste water plant and a brook sewer system, it will require sewer rate increases that will peak at 6% per year. In the earlier years it will be less than that at 3%, 4%, and 5%, but at its peak it would be 6% per year for the 20 years of the program. At that rate, Manchester's sewer's rate will still be below the State average. If the City were successful in obtaining grants from the federal government or the State as have been available in the past, the sewer rate increases would be lowered. We would turn in a report that we have in draft form to EPA and DES by mid-March. It will continue studying the alternatives and ways to implement the work. It will commence negotiations with DES and EPA as soon as they have had a chance to review the report. My guess is that it would likely be sometime this summer. Depending on how the negotiations go, and it is hard to predict, the City could have an agreement some time next year and would begin construction sometime in 2012. I need to repeat that this would be subject to the renegotiations and how the agencies review the report. With that, I'm ready to answer any questions you have.

Alderman Shea stated thank you very much and that was an excellent presentation that was well delivered. Are there any stimulus funds that might be available for this project?

Mr. Sheppard replied current stimulus funds are already committed. If there is another program that comes out we will chase those. I believe we just recently received some money.

Mr. Desens stated we received $3.75 million for a project that we are doing at the treatment plant, but the state has already allocated all of their stimulus funds at this time.

Alderman Shea asked when this is developed and done, are there going to be holding tanks or a filtering plant for the water that is coming from the sewerage now? How is that going to work? In other words, at one time there was discussion about having holding tanks down where the ballpark is, filtering it there and then sending it. What is going to happen to the sewerage material?

Mr. Sheppard replied there are two ways of approaching CSO plans. One is to put in large holding or storage tanks down by the river where the entire overflow could go into and be stored until the treatment plant has the opportunity to treat it. We felt that wasn't the best option for the City. When you are doing that, you aren't fixing the flooding or sewer backup problems in the homes in the City. We felt that it was important as part of this program to solve the problem so people

could see the actual improvement happening and see the streets being reconstructed as part of our program. This plan that we are presenting to the EPA has one small holding tank and that will be down by the river, but other than that, it consists of separation of the sewer and drain systems within City streets.

Alderman Shea asked so the separation, but how is it going to be filtered? In other words, once you separate both, aren't you going to do some filterization of the storage so when it goes into the Merrimack it isn't going to contaminate that water that the federal government said you can't?

Mr. Sheppard replied sure, that's a good question. When we separate, the storm water will make it to the river, but the sewer water will go to the treatment plant itself. We'll have one pipe strictly for sewer which will go to the treatment plant and the other pipe will be strictly for drainage which will go into the river.

Alderman Lopez stated when you completed phase one of the plan, which was $58 million, and you are going into a $138 million and you mentioned something about grants and all that stimulus money that Alderman Shea…do you know how much money we received under the $58 million of any stimulus money? I'm trying to get to the point of calculation for your 6% tax increase over a period of time. Have you calculated any grants into that?

Mr. Sheppard replied no. The number we are using we feel is a conservative number. We felt it best to come forward with that.

Alderman Lopez asked do you know, under the $58 million that we spent on the west side, how much of that was grant money?

Mr. Sheppard replied I'll let Fred answer that, but I believe we received quite a bit, maybe 20% grant money from the State.

Mr. Fred McNeill, Chief Engineer for Environmental Protection Division, stated I would say almost $10 million of the $58 million was grant money. We got an initial earmark of $5 million to kick off the project. We have been getting steady earmarks from EPA of about $500,000 a year. We just got another one last month. I would say about $10 million of that was grant money.

Alderman Corriveau stated my question is about geography. I understand east of the Merrimack. What particular locations are we looking at? I know, for example, in my Ward, there is a pretty sizable chuck that doesn't even have sewer. I'll let you go from there.

Mr. Sheppard stated your Ward, I think it is important to note, as Willy mentioned, is part of that 6%. It is not just increases due to the CSO program. It is due to increases in other programs that we have, such as the Cohas Brook area, which is in your ward. That is part of that number that we are talking about. Fred can show you geographically.

Mr. McNeill stated you can see the different color coding up there. The green area is area that we are going to focus in on first. You can see major piping down through there. That would be the area of focus in phase one. Again, the term we always use is the biggest bang for our buck. That is what we are looking for. We are removing a major problem area, which is what we call Cemetery Brook, and for those of you familiar with the Valley Street Cemetery that floods over every rain storm, we will be removing that out. That basically goes from Steven's Pond, which is at the intersection of 93 and 101, all the way down to the Merrimack.

Alderman Corriveau asked upon completion of phase two, will the City be at 100% sewage?

Mr. McNeill replied yes. At phase two, we are anticipating close to 40 years, but yes, at the end of phase two we will have complete separation of the entire system in the City.

Alderman Roy stated you talked about having a 6% increase per year for 20 years. Is that correct?

Mr. McNeill replied no. At the peak it will be a 6% increase. It will be more like 2%, 2%, 2%, 3%, 3%, 3%, 4%, 4%, 5%, 5%, 5%, 6%, 6%, and then 5% back down. At the peak it would be 6%.

Alderman Roy asked have you compounded that to figure out how much it is going to be as a total increase? My other question that blends into that is if it could be higher than that if other costs associated with EPD go up? Could it actually be higher than that? Instead of 2%, 2% could it be 3%, 3%?

Mr. McNeill replied it potentially could, but I would like to think that the numbers that we ran were very conservative. I would like to think that this plan is pretty solid. It is conservative, but you're right; there may be other costs that go up but this does include the expansion of the sewer system into the Cohas Brook area and upgrades at the waste water treatment plant. A lot of those factors are already in here, but it could.

Alderman Roy stated are people who have septic systems going to be billed or are they not billed until they hook into the system?

Mr. Sheppard replied the only people billed are people on the City sewer system. Chairman O'Neil stated Alderman Roy talked about the estimates and projecting out. Could someone touch on the successes of phase one on the west side? Willy, I think you had that as a bullet that it was done on time and under budget.

Mr. Desens replied the end result when we submit this report to EPA will be a legal agreement, a consent decree, that will have milestones in it. Within those milestones, are specific dates of when we…we looked at trends to eliminate CSOs and get the pipe out of the river that discharged combined flows. We had a similar one for phase one. As that slide said, we beat the schedule on that and two years before, we estimated that it would be close to $60 million. We actually came in under that. Again, Chairman, to build on that we have been using the term urban revitalization or urban renewal with this project. We have been talking with other City departments and what we hope to do is have multiple benefits out of this. As Kevin mentioned, we're putting in new roadways, curbing, sidewalks, street scaping, landscaping, and things of that nature. We are going to talk to Parks and Recreation about a bike path through our main conduit. Those are some of the successes that we started to realize in the west side and we hope we will mature and fully realize on the east side.

Alderman Greazzo asked Mr. Sheppard, how much is in the Enterprise fund for EPD?

Mr. Sheppard asked are you asking for the cash balance? I think the existing cash balance is somewhere around $8 million.

Alderman Greazzo asked when we actually engage in this work…I saw a different part of your presentation that the utilities have also been upgraded. Are you getting any financial contributions from them while you are doing this or are they just taking advantage of you having the road open?

Mr. Sheppard replied we work with the utilities. At times they have worked with the Highway Department, not specific to these projects, but they work with us when we are resurfacing the street. If they do work in the City's right of way, we get reimbursement from them. As part of this project, we look at it as a positive step. They can replace their utilities while we have the street open so that street won't have to be open for quite a while for any emergency repairs.

Alderman Greazzo asked could you explain what happens to the treated water from the sewage system and the solids, just for the benefit of the public and what you are actually doing with it after it is treated?

Mr. Sheppard responded sure, I'll give a quick synopsis. The sewage comes into the treatment plant at one end and at the other end it goes back into the Merrimack River. What goes into the Merrimack River is potable water, really something that someone could drink. The water quality meets or exceeds the current water quality standard in the Merrimack that we discharge into it.

Alderman Greazzo stated I just wanted that clarification because some municipalities actually put it back into the system.

Alderman Shea stated on page five it says proposed phase two plan and then one of the bullets, which would be the third one, states that it eliminates about 70% of overflows. I'm assuming that this meets the federal mandates or guidelines. Am I correct in that assumption?

Mr. Sheppard replied we just completed phase one. That would be our phase two for the first 20 years. The second 20 years would bring us to that final plan that would hopefully meet the EPA regulations.

Alderman Shea stated so they are not really insistent that the mandate, when we first began discussing this in 1999, would be met by the criteria or the outlines that you have set for the phases that you are going to be implementing. They are not going to come back and say wait a minute here, 20 years is a long time. We gave you millions to clean up 97% of the Merrimack at the time, with the mandate that we would in turn do the rest of what was required to make sure that whatever we are putting back into the Merrimack isn't going to be detrimental to the salmon and whatever else is in there. What you are saying in essence is that this will fulfill our responsibility.

Mr. Sheppard stated I think this will fulfill our responsibility. They've asked us to prepare a plan. We prepared a plan. What their reaction will be we're not sure, but if you don't mind, I'd like Bob Varney to respond to that. He had a good insight into the EPA vision.

Mr. Bob Varney, Normandeau Associates, stated your question is a very good one. You are getting to the crux of the negotiation that will take place with the State and federal agencies. Their goal is to eliminate all of the raw sewerage that's getting into the river and for it to consistently meet water quality standards, whether it rains or not. The negotiation that will take place will involve how quickly we move and how quickly we spend the money. In the last go around when I was the state environmental commissioner, I went to bat for the City and we were able to convince EPA that we should move forward on the items that were affordable at that time, that were within a reasonable timeframe where we could achieve significant environmental benefit and gave a good bang for the buck

as we moved ahead. We would then come back with a plan for the rest of it. As you know, technology and products change along with science over time so by taking it in segments over time, we can take advantage of any of those changes in technology or science that will help guide our efforts and hopefully reduce the cost. In some cases, we have had instances where there have been agreements in place and more cost effective solutions then came to light and there were renegotiations that would then take place as a result of that. For example, when I was head of the EPA for New England we renegotiated the agreement with CDM in the City of Nashua and there was substantial savings that occurred by using a different approach. The other item that I think is important is the funding. I was involved in creating the grant program in 1990, which shows my age, when I was state commissioner and that provided 20% to 30% grants for communities for waste water treatment. That was a significant benefit over a very long period of time. That funding has been curtailed due to the current State budget problems, but I am very hopeful that that funding will be reestablished and put back in place as it has been for the last 15 or 20 years to provide significant benefits. The City will be looking for all sources of federal money and State money to lower the burden on the rate payer.

Alderman Long asked the estimated cost of $165, 210,000, is there a percentage that we could put in for the years going on? Do you put in 3%, 2%?

Mr. Desens replied yes. That is built into the rate calculations. There is an inflation rate and an escalation of operating costs. All of that is built into the sewer rate estimates.

Alderman Long stated so that is built into your 2%, 2%, 3%. The project, if it were to begin in 2012, would have to be bid in 2011. Is this a project that is one contractor or is it multiple contractors?

Mr. Sheppard replied a project this size I don’t think any contractor could handle. We would anticipate this being broken out into many different projects. There would be a lot of large projects, but there would also be a lot of smaller projects running off of that.

Alderman Long asked with that being said, those projects that are broken out, are they broken out into sessions where they don’t overlap? Would you still believe that in 2011 we would still be getting a good price? There is not much construction out there so we ought to be getting the best prices right about now. Is that incorporated into this $165 million?

Mr. Sheppard replied CDM put together the estimate. I believe it is a conservative estimate. I'm not too sure that it is based on today's construction numbers that are coming out. We have discussed this with the Mayor as well and I know if and when we move forward on this, he wants to move forward as soon as possible and take advantage of the current economy and get people to work. That is one of the things he has stressed. He wants to get people to work and he would like to get local residents to work so we talked to him about a possible program that could work like that.

Alderman Long asked is it all 20 years that is bid out?

Mr. Sheppard replied I'm sure the contractor would probably go out at least until year 18.

Alderman Long stated once we bid out the 20 year construction period, is the whole 20 years bid out or do we bid out one project at a time?

Mr. Desens replied there are multiple contracts over different durations over that period, so it isn't one big contract going on for 20 years.

Alderman Long stated so we would be biding one year at a time.

Mr. Desens stated two to three year pieces would be typical for a contract.

Alderman Roy stated I have a question looking forward and it is back to rates again. It made me think of something. You may have heard me talk about it before. People are capturing their effluent from lavatories, kitchen sinks and washing machines and then reusing that, filtering that, dying it and then they could reuse it in a toilet. Essentially, you pay for the water coming into the house once and you use it twice. They aren't going to have a monetary savings, but it is going to help the environment. They can do that with rain water. Is there going to be any consideration given to people who do that so they don't get overcharged for the amount? What I'm saying is that right now, you look at the water usage and then you go off of that and say okay this is how many gallons are going down the drain, but if that person is actually using it twice, are you going to look into that? If your answer is that you haven't I'm going to ask you to do it in the future. It is nothing that has to be done right this minute.

Mr. Sheppard stated that is something that could be looked at. I think it would be difficult to monitor to determine what type of flow or volume people are using. We do offer what is a deduct meter if people aren't familiar with that…

Alderman Roy interjected for irrigation?

Mr. Sheppard replied it is for irrigation systems or uses outside the home. With a deduct meter, there are two meters on a home. When you get the deduct meter, you get the water flow plus the deduct, which monitors the flow that is going to the irrigation system. You are not charged a sewer rate on that water system. That is something we could take a look at.

Alderman Corriveau asked to direct your attention to the second page and the second slide down, could you give me a little detail about some of the system capacity programs we are running into and tell me how this will help Manchester's public health?

Mr. Sheppard replied sure. I'll let Fred answer that question. One thing I can touch on is a project we have going out to the streets right now; it is not only the capacity issue, but the age of our infrastructure.

Mr. McNeill stated if you are looking on page two, the picture above it, is a picture that was taken in January of this year of the Cemetery Brook outfall that is right below Fisher Cat Stadium. That is all surcharge from the system escaping the system. We have many areas in the City where we have to weld down manhole covers to keep them from popping up because of the capacity surcharges and it will lift the manhole covers up and over. These are all actual pictures. If you go on to page four, this is in Mr. Shea's Ward and near me on Revere Street where flooding happens. Again, it was surcharging the manholes. Unfortunately, it is common place throughout the City.

Alderman Corriveau stated in terms of some of the repair work, actually the last bullet point on page two says recent failures have resulted in costly emergency repairs. What have been some of the repairs and what will be some of the steps that we will be undertaking that will be remedying them?

Mr. McNeill stated that picture is a picture of the ramp into the Police Station. Unfortunately, the floods seem to merge in my mind, but this was the flood from Hurricane Katrina two years ago. Again, that was an emergency fix that cost EPD about $500,000 and caused over $1 million worth of damage to the City Police Department. We estimate that when we do emergency work it costs three to five times more than when we repair it in a proactive manner. With the results from our survey and also from the City's GIS system we have categorized all the pipes of the system based on age, material and size. In a proactive manner we are going to start replacing those pipes. One thing I would like to point out that is on the first bullet is that we literally have 100 miles of pipe over 100 years old within the City. It is only a matter of time before those failures start to come in a more rapid

manner. We want to get out ahead of that and start replacing those. Within this project, we have budgeted to replace 50% of all the existing sewer pipes within our work areas.

Chairman O'Neil stated I had asked that if you put phase one into today's dollars, I think you and Joe came back that it would be about a $65 million program.

Mr. Joe Laliberte replied a little more. I have to estimate, but it would be in the $70 million range.

Chairman O'Neil stated if we take the east side, I know the distance in various piping is not exact, but phase two is somewhat similar.

Mr. Laliberte stated it is double in size and double the time period. We were thinking 20 years.

Chairman O'Neil stated an important factor in phase two, over and above those costs is approximately $65 million just to addresses Cemetery Brook. Correct?

Mr. Laliberte replied that is the major project in the whole package, the Cemetery Brook drain line, correct. It is part of the $165 million.

Chairman O'Neil but it is over and above the $77 million that you identified.

Mr. Laliberte stated comparable to the west side.

Chairman O'Neil stated there is some minor $3 million work and then about $20 million identified at the waste water treatment plant and that makes up the program's $165 million that has been suggested. Am I correct on that?

Mr. Laliberte replied that's correct, yes.

Chairman O'Neil stated I think this motion would be in order. We really don't have to take a vote on this, but I think it would be helpful if we recommended to the full Board that the BMA go on record of supporting Public Works and our consulting team in submitting a report to the EPA and the New Hampshire DES that is due in mid-March regarding our phase two CSO abatement plan. I would entertain that motion.

On motion of Alderman Shea, duly seconded by Alderman Greazzo, it was voted to support Public Works and the consulting team in submitting a report to the EPA and the New Hampshire DES regarding Manchester's Phase Two Combined Sewer Overflow Abatement Plan.

Chairman O'Neil stated this will be presented to the full Board tomorrow night. I think we had 11 Aldermen here at one point, so I don't think there is a need for a full presentation tomorrow night, but if someone could be here just to answer questions just in case. Thank you, gentlemen and nice job. I appreciate the Aldermen attending who are not on the CIP Committee.

Chairman O'Neil addressed item 4 of the agenda:

4. Presentation of the Airport's 5-year CIP summary.

Chairman O'Neil asked Brian, would you give an overview of the importance to the Airport of having a five year CIP?

Mr. Brian O'Neil, Assistant Airport Director, replied sure. We're required by the FAA to produce a five year CIP for their funding allocation. It just makes it a lot easier for us as far as having flexibility and having the opportunity to prioritize for unforeseen opportunities and unforeseen challenges if we are able to mirror that FAA's five year CIP by having a five year City CIP. We are certainly willing to come back every year and discuss it with the Aldermen, but having a five year CIP allows us to shift projects between the years. If our funding isn't available, the FAA funding is available. Certain projects are FAA funded and certain projects need Airport money. Right now I can tell you that there are economic challenges out at the Airport so we are probably going to be looking to frontend load some of the FAA funded projects in the next couple of years, but having a five year CIP certainly gives us the flexibility to work within the FAA guidelines and prioritize projects.

Chairman O'Neil asked could you review our discussion? In the Airport Improvement Program with the FAA there are actually two different pots of money.

Mr. O'Neil stated there are two different pots of money available. One is AIP, Airport Improvement Program, discretionary money which is available on a project by project basis. The FAA will look at projects across the region and determine which projects aren't being funded under entitlement, which is the second program, and they will fund those through a special allotment of money through a separate program. That would be through discretionary funding. The Airport each year gets a set amount of funding based on our claimants through the entitlement program. As our claimants go down our entitlements go down. As our employments go up our entitlements go up. Depending on how successful the

Airport is from year to year, our amount of money that we get from the FAA can fluctuate significantly.

Alderman Craig stated I'm assuming that there is a document that goes along with these numbers that explains what the increases represent. Is there a way we can get a copy of that?

Mr. O'Neil replied there is, sure. I can provide that for everyone. Typically in the past, we've just provided the overall dollar amounts and if you see in the subsequent pages, it will show you which are funded by the federal government, which are funded through state amounts and which are the responsibility of the Airport. We keep those in fairly broad categories, but we can certainly share with you the FAA five year CIP that we submit so you can see the individual projects listed in each. Again, keep in mind that based on the availability of federal funding and Airport funding those projects may switch from year to year.

Chairman O'Neil stated just for clarification, each year you would come back before the Committee anyways with any revisions that may be required.

Mr. O'Neil stated I think the benefit for us is being able to have that five year window to jockey projects back and forth on. We certainly wouldn't want to come here for one five year CIP and then not see it for five years. What we envision is much like the federal program where we will have a rolling five year CIP so some of the projects in 2011 may not appear next year, but we may have new projects in 2015.

Chairman O'Neil asked can I get a motion to recommend this to the full Board?

On motion of Alderman Craig, duly seconded by Alderman Shea, it was voted to recommend this item to the full Board.

Chairman O'Neil asked Matt, most of these are going to come up tomorrow night?

City Clerk Matt Normand replied if that is your desire.

Chairman O'Neil stated I think it would be helpful.

Chairman O'Neil addressed item 5 of the agenda:

5. Discussion relative to Neighborhood Stabilization Program.

Mr. Sam Maranto, Planning and Community Development, stated I have been asked to provide some information to the Committee relative to what the NSP is. I sent you a memo and I believe it is pretty self explanatory. I can either briefly describe it or answer questions, whichever your preference would be. I can give a basic summary of where we are as well, too. As noted in my communication, we ended up writing three different so-called sum-recipient agreements with Families in Transition, Manchester NeighborWorks and The Way Home for processes entailed in here. Today, three of the organizations have programs underway. Manchester NeighborWorks has purchased, I believe, five properties and they have committed approximately 22% of their funding. The Way Home has one project on Spruce Street and they have had some obstacles in getting the project on the budget, but they recently got it approved so they will be beginning demolition in the next few weeks. Construction should be starting in the early spring. Families in Transition had purchased a property last month on the corner of Belmont and Valley Streets and they intend on razing that building and building a new facility there for what they call permanent supportive housing. As noted, they have approximately $2.5 million. The City itself, to date, has purchased four properties, two on Lake Avenue, one on Hosley Street and one at 165 Manchester Street. We also have a purchase and sale on 401 Spruce Street. Right now we are undergoing some exploratory environmental research relative to the existing hazards such as gasoline, etcetera. They have done some preliminary research and that looks pretty good. We anticipate closing on that in the near future. In terms of what the future is doing, we recently put out a RFP - request for proposals - for developers to come into the so-called Hollows area to come up with some projects for us. We had a walk through with four different housing developers and they will be getting back to us on March 17th with their proposals for projects. Right now we approximately have $1.7 million remaining of our initial funding from CDFA. In addition to this communication, I sent a request from MB3 Construction Company.

Chairman O'Neil asked did everyone get that? Yes, okay.

Mr. Maranto stated this particular property, 6365 Malvern Street, was initially looked at by Families in Transition for purchase. CDFA came down and they very much like it. They thought it would be a great improvement for the neighborhood. Unfortunately at the time, it was a HUD foreclosed property. We were trying to identify who had control of the property. This went on for a considerable amount of time. We tried all different avenues. They kept saying that it would come up

eventually, but Families in Transition could not wait and they ended up buying the place on Belmont Street. Subsequently this property came up and this organization purchased it last Friday. As such, they have come to the City requesting that we consider providing them funding so they can rehabilitate the property to the tune of $360,000. In turn, they will end up with six units there. I believe that by looking at the pictures, they are going to raze the barn. They don't deem that to be worth repairing. The footprint will end up with a greater space than is there now. There will be more open area on the property. In terms of the per unit cost, it is $60,000 and that is significantly under what we have been paying currently for subsidized housing in the City. You may be familiar with them. They rehabilitated a property on Kelley Street where our Police sub-station was a tenant last year and was one of the major projects when we made the effort over there to revitalize that neighborhood. They own several other properties throughout the community. As such, we are looking for consideration to move forward with this. The City does not have to charge any particular interest rate. We can charge whatever we deem prudent. However, because this is NFP funds, any interest we do charge would be going back to the State. I have had discussions with them relative to looking at this little bit different route. They might be willing to establish a neighborhood improvement fund where they would put money in lieu of interest into an account for the City's use for neighborhood improvement at basically our discretion. That is something if the Board finds of interest that we could explore. That is something that would approximately be the same amount of interest. They would essentially get a tax write off and the City would have funding coming to it. I'm not sure if you want me to investigate that or not.

Chairman O'Neil stated I would like to hear from Alderman Roy because this is in his Ward. That property has caused a lot of problems over the years. This neighborhood improvement fund…are you suggesting only for this project or would we use it for anytime we put NSP money out?

Mr. Maranto replied once this fund came to the City, it would have no strings on it actually, Alderman. It would be like what we did with the Central Business District Fund. The money was utilized for the downtown at the discretion of the Board of Mayor and Aldermen. It would have no federal ties to it.

Chairman O'Neil stated I understand. You said specifically it would be almost equivalent to if there was interest. For any development projects or these Hollow projects moving forward would we use it? I like that idea to be honest.

Mr. Maranto replied I would anticipate that we would like to do that.

Chairman O'Neil stated because Alderman Roy is the Ward Alderman there, so Alderman Roy…

Alderman Roy stated thank you, Mr. Chairman. I talked to Sam about this this week. As you can see by the picture, this building is blighted. It has been a problem for quite a while. People live in there even though they are not supposed to be in there. It is not only an eyesore, but a danger to that area and community because on these cold days when they are trying to keep themselves warm they could start a fire. It is pretty tight down in there. As you can see by the information they gave us, it is going to look a whole lot different. The important thing to me is not only is it going to improve the neighborhood, but it is going to get this back on the tax roles and it will benefit all of us. I'm all for it.
Alderman Shea stated Sam, you mentioned something on the corner of Belmont and Valley Streets. Is that the large building on the southwest corner?

Mr. Maranto replied there are two buildings there.

Alderman Shea stated that's my Ward. When something goes over at 6365 Malvern Street, is this predicated for people who can afford to live there or are they charged high rent to live there? Could you explain that briefly? I'm for it, of course.

Mr. Maranto replied this is HUD funding and they have allowed us to have an individual in there with 120% of the City's medium income. The majority of our programs, CDGB and HOME, allows 80% so essentially you could have higher income going into those properties. They are eventually going to have a lien on the property for 20 years of our mortgage so anyone going in there would have income no greater than the 120%.

Alderman Shea asked what does that mean in dollars?

Mr. Maranto replied a family of four for instance would probably make about $96,000 where under CDGB that would be about $65,000.

Alderman Shea asked would they purchase these?

Mr. Maranto replied no, these are rental units.

Alderman Shea asked so these people make $90,000 a year? Is that what you are saying?

Mr. Maranto replied a family of four. The majority of the City can get into those properties. I do want to point out the funding of $360,000. Right now, the funding that came to the City was designated for the Hollows area. Like we did on Manchester Street, which wasn't part of the Hollows, we utilized part of that

amount of funding to purchase that. I have spoken with CDFA. They have approximately $1.1 million additional funds available at the State and right now no other community is looking at those funds. They are not in a position to request those funds. Although we may be reducing the cost to the Hollows, I anticipate going back, especially if we can encumber some of the funds, going back and get additional funding.

Chairman O'Neil stated just for clarification on this…the recommendation tonight that we would be making to the full Board would be on the proposal for Malvern Street for the cost of $360,000 out of the NSP funding and that would come out of our remaining balance of $1.7 million that we have. There is also the possibility that we may be able to get additional funding from the State. CDFA is what?

Mr. Maranto replied Community Development Finance Authority.

Chairman O'Neil asked and they are the state managers of this Neighborhood Stabilization Program?

Mr. Maranto replied correct.

Chairman O'Neil stated I think our only action is on the Malvern Street property.

Mr. Maranto stated they are very much eager to get going on this. If this could go to the Board tomorrow night…essentially they asked for certain terms. We still need to sit down and discuss what the terms will be with them. I want to get approval from the Committee to move forward with that.

Chairman O'Neil asked will it come back to the full Board after the terms are agreed to?

Mr. Maranto replied yes.

Chairman O'Neil asked so tomorrow night would be just to allow us to proceed and then it would come back to the full Board?

Mr. Maranto replied right.

Chairman O'Neil stated the City has two properties on Lake Avenue, one on Hosley Street that is Habitat for Humanity and 165 and 167 Manchester Street. Is that the right address?

Mr. Maranto replied 167 and 175 Manchester Street.

Chairman O'Neil stated you mentioned one other.

Mr. Maranto stated 401 Spruce Street.

Chairman O'Neil stated so we have been involved in the purchase of five properties.

On motion of Alderman Shea, duly seconded by Alderman Ludwig, it was voted to move forward with negotiations with the developer on the Malvern Street property.

Alderman Craig asked do we need to do anything to set up the fund so the interest doesn't go to the State and we can keep it here?

Chairman O'Neil replied that is a very good idea, Alderman Craig. Would you like to make a motion that we do create, I don't know the mechanics, a neighborhood improvement fund? Sam can you get together with the Solicitor and the Finance Officer?

On motion of Alderman Craig, duly seconded by Alderman Greazzo, it was voted to ask staff to determine the mechanics to set up the neighborhood improvement fund.

Chairman O'Neil asked Alderman Craig, is that just for this project or any project going forward?

Alderman Craig replied any project going forward.

Chairman O'Neil addressed item 6 of the agenda:

6. Discussion regarding First Time Homebuyers Review.

Chairman O'Neil stated because we got caught up with this at one point, there is no item this evening, but we may have items regularly every month.

Chairman O'Neil addressed item 7 of the agenda:

7. Petition to release and discharge from public servitude a portion of West Mitchell Street.

On motion of Alderman Ludwig, duly seconded by Alderman Shea, it was voted to refer the petition to a Road Hearing with the date to be set by the City Clerk.

Chairman O'Neil asked will this be part of this Wednesday's road hearing?

City Clerk Normand replied no, it won't. We couldn't assume that the Committee was going to approve this so it will be on the next road hearing.

Chairman O'Neil addressed item 8 of the agenda:

8. Communication from Rick Groleau, Chairperson Adopt-A-Block Project 2010, requesting funds for the upcoming project be released to the Service and Community Involvement Fund.

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

Chairman O'Neil stated there seems to be some confusion on this because the program never received CIP funding before. We believe it came out of the Mayor's office. Does any staff have clarification on this? I know the Mayor and the Finance Officer were looking at this. I don't believe it needs Committee approval.

Alderman Shea stated one of the concerns that I have…and it is a worthwhile program, but I'm not sure whether they spend most of their time in the downtown area. I know I have a couple of parks and Al Heimrighter and I have worked repeatedly on Howe Street Park. I would like to find out exactly where they go and how often they go to other parks other than the ones they seem to go to. I would assume it is the downtown area that they go to. They said seven parks, but I'm not sure how often some of us on the outlying districts receive their help. Spreading the wealth is very important. I would like to find out in the past where they have gone and if they haven't gone to certain areas of the City that they spread the wealth so to speak because I think that's important. In other words, Mr. Chairman, what I was saying was that I would like some clarification as to where they actually go. It seems to me that they do a lot of work in the downtown area, but that's not the intent of this. It is to do work in other parts of the City. Whether they

can't get there because they don't have transportation…I would like that report from Rick Groleau. Maybe I'm wrong, but I haven't seen much evidence of them going to parks in Ward 7.

Chairman O'Neil stated the Clerk reminded me that I had a discussion with the Mayor on this and the Mayor has not recommended that we fund it through the civic contribution. We can get that report and receive and file the communication.

On motion of Alderman Shea, duly seconded by Alderman Craig, it was voted to receive and file the communication, but ask City staff to find out where they are servicing as part of the Adopt-A-Block Project.

Chairman O'Neil addressed item 9 of the agenda:

9. Communication from Matthew Normand, City Clerk, requesting permission to apply for a $9,692 grant from New Hampshire State Library Moose Plate Program to restore six journals of the Board of the Overseers of the Poor, 1855-1910.

On motion of Alderman Greazzo, duly seconded by Alderman Craig, it was voted to approve this item.

Chairman O'Neil addressed item 10 of the agenda:

10. Communication from Matthew Normand, City Clerk, withdrawing a FY2011 CIP request for restoration of Board Minutes.

On motion of Alderman Craig, duly seconded by Alderman Ludwig, it was voted to receive and file this item.

Chairman O'Neil addressed item 11 of the agenda:

11. Communication from Chuck Deprima, Acting Director of Parks, Recreation and Cemetery Department, requesting the City consider funding $222,400 for the local portion of a CMAQ program grant prior to applying.

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

Alderman Shea stated at one of the meetings you mentioned that you wanted consulting services to begin the process for Hunt's Pool. Is that correct?

Mr. Chuck DePrima, Acting Director of Parks, Recreation and Cemetery Department, replied that is the next item on the agenda.

Chairman O'Neil stated I guess the challenge is that we have no money identified in this current fiscal year CIP or in the draft for fiscal year 2011 CIP to do the match. We are reducing cash going forward. We can table this and see where we may end up in some framework with the draft CIP. As of right now, there is no money identified to do this.

Alderman Shea asked how important is this? In other words, if it waits a few years, what are the implications? What are the implications for not waiting? What are the plusses and the minuses?

Mr. DePrima replied the implication of waiting is that we are in the process right now of writing the next round of the CMAQ grant, which is Congestion Mitigation Air Quality. That particular grant program skips a year so if we don't fund it in this fiscal year it will skip another year and we'll have wait for 2012 or 2013 because it is based on the federal fiscal year, which is October.

Alderman Shea asked does it remove any kind of reimbursement if you don't apply or do apply?

Mr. DePrima replied no, but it delays our ability to construct a project like this for twenty cents on the dollar.

Alderman Shea asked but other than that?

Mr. DePrima replied no, there is no life safety issue.

Alderman Shea stated because you don't apply that doesn't mean you can't reapply.

Alderman Greazzo asked what is the condition of that corridor right now?

Mr. DePrima asked the constructed or unconstructed portion?

Alderman Greazzo replied both.

Mr. DePrima stated the constructed portion is in great condition. It is very heavily utilized by people in the Beech Hill neighborhoods who walk to and from Shaw's and other places on South Willow Street as well as to the schools over in the South Jewett neighborhoods. This project would extend that from Gold Street south to

Goffes Falls Road where we would have to get an easement. We have been working with the Post Office to get up onto Goffes Falls Road to the sidewalk and that would further enable kids to get to Highland Goffes Falls School.

Alderman Greazzo asked would it be appropriate to do that first? To get that easement before you move forward?

Mr. DePrima replied it usually works simultaneously. We did start working on it. This is fully designed, actually. This was part of our phase one project. We only had construction dollars to get as far as Gold Street, but it is fully designed up until Goffes Falls Road, at which point we had been working with the Post Office and they were very cooperative.

Alderman Greazzo asked is there any way that you could go through there and not necessarily do all the construction, but make it usable?

Mr. DePrima replied right now that is a very difficult thing to do because, I believe this occurred on the September 6th flood, behind Team Nissan there occurred a washout. I encourage you to go look at it. It is probably on the magnitude of 80 to 100 feet deep. It is a very dangerous situation.

Alderman Ludwig stated the first stage of this project went back to when Ron Johnson was here and applied for that grant and got it. I think Mayor Guinta, at the time, was very impressed at how well that project came out. It is unfortunate. I do understand that money is extremely tight and where do we get it from, but maybe this is something that we should ask our soon or soon-not-to-be new relatives at Wal-Mart to have take a look at. I think the part of the grant that actually looks at that and says maybe they have some interest in looking for a match, should we be successful in getting the grant.

Mr. DePrima stated I believe that Leon LaFreniere could possibly add additional information to that.

Alderman Ludwig stated I don’t want to muddy the water any more than it already is over there, but the fact of the matter is that it is pretty muddy.

Mr. DePrima stated in the first phase we did receive approximately $30,000 from the developer from the Shaw’s development and that came in very handy towards the construction process. I believe negotiations have been occurring with the Wal-Mart folks, but I don’t know the particulars of that so I’m not comfortable answering that.

Alderman Ludwig stated it just seems like a good fit. The grant prospectus seeks to bring in people out of communities by walking or biking to a place like Wal-Mart which is right on their doorstep. To me it is a perfect fit and I think you would have an extremely good chance of obtaining that grant based on how the last grant round went.

Mr. DePrima stated I think those funds would go a long way in leveraging the federal portion of that grant.

Alderman Ludwig stated that's all I have to offer. I know money is tight. We could look at this again next year. Alderman Shea asked the question and you answered that this would skip a year.

Mr. DePrima stated it would.
Alderman Ludwig stated I think we are missing an opportunity for $225,000 to get over a million, but if that is what we are going to do that is what we are going to do.

Mr. Leon LaFreniere, Director of Planning & Community Development, stated just for the information of the Board, one of the conditions of approval of the Wal-Mart project by the Planning Board was a negotiated contribution to the frontage of this trail along their linear frontage. I don't have the amount of that in memory, but there was a negotiation that took place.

Chairman O'Neil asked was it close to $225,000?

Mr. LaFreniere replied no, I don't think it was that high. It was $81,000.

Chairman O'Neil stated I guess my concern is that we have a project below the next one that might be more critical, the condition of Hunt Pool and I personally don't think, based on our limited funds, that…I would hate to apply for a grant and then it comes back and we don't do the match. That's not a good way to do business. I just don't know where we are coming up with $222,000 without bonding or cash.

Mr. DePrima stated that is why I am asking the Committee now because in order to move forward with the grant process we have to be able to tell them that the City is committing our matching portion during the submittal. The decision would really drive that and the deadline is April 1st.

Alderman Shea asked could you try to get different types of grants? In other words, according to my colleague, $81,000 has been committed by Wal-Mart towards that project, which would leave about $141,000 and then maybe if you

could investigate during the next year other sources of grants that you might be able to come back to this Board with and obviously retaining the $81,000 from Wal-Mart or trying to get more from them if in fact things work out favorably for them then maybe we would then be in a position at that time to apply for whatever the amount is here and it wouldn't cost the taxpayer possibly anything or limited amounts. That is what my suggestion would be, Mr. Chairman, that we hold off, we don't do anything right now, Chuck will use his resources and fundraising ability or ability to look into different grant areas and then come back in about a year and say that he has been able to raise not only $222,000 but $260,000 because he has been very successful in doing other things that we weren't anticipating in the year 2010. Those would be my thought.

Chairman O'Neil stated it sounds like, Chuck, that we're not going to have a commitment on funding for April 1st. To be honest, this is not the same from Gold Street to South Beech Street. This is going through an industrial area. There are no homes and when it gets to Goffes Falls Road there are no sidewalks.

Mr. DePrima stated there is a sidewalk on Goffes Falls Road that we had planned on connecting.

Chairman O'Neil asked where?

Mr. DePrima replied it is on the north side of Goffes Falls Road, I believe. You are right that there are no connections along the length of it, but the end point in our opinion was a critical connection. We have tried to coordinate this with the Safe Routes to Schools Grant that is being written by a grant writer in the Health Department. We have dovetailed with them.

Chairman O'Neil stated I just wish we didn't get into this whole thing with the other discussion that went on earlier with this project. I'm more concerned about item 12 and if we are going to commit funding that's where the funding needs to be committed. I don't think it is fair to the department or the funding source to put in for the grant and then we don't know how to match it.

Alderman Shea stated I'm not saying that we should say to them that we will take the grant right now. I'm saying that we should keep the door open.

Chairman O'Neil stated if we don't submit for April 1st we'll have to wait a year or so.

Alderman Shea stated but in the meantime he can be trying to identify other funding sources.

Alderman Greazzo asked could we talk about 12 first and decide if we are going to expend any money there and then can come back to 11?

Chairman O'Neil replied we could.

Alderman Greazzo stated I would hate to put this off and then decide that we're not going to do anything.

Chairman O'Neil stated my personal opinion is that with everything we need to do, trails are not the most important thing to do right now.

Alderman Greazzo stated that is why I was asking if we can make if usable for the time being.

Alderman Ludwig asked when we speak about Hunt Pool are we talking about the same kind of funding source? Aren't we talking about community development block grant money for Hunt Pool and not that type of money for a trail match?

Mr. DePrima replied that's correct. My understanding is that it was always intended to use CDBG funds.

Alderman Ludwig stated I think we are talking about apples and oranges. In terms of Hunt Pool, and I'm jumping ahead, Mr. Chairman, but I believe the plan is that you are only going to be asking for a portion of money to get this Committee or any Committee a really good estimate in terms of what needs to be done there. I think I know what it needs. That is not a huge amount of money in terms of CDBG funding at this point. I totally understand what Alderman O'Neil is saying about where we are going to find $222,000. What I found with Parks when I was there is that we do these little chunks and then we leave them isolated and we leave them for year after year after year until all the light poles and benches are broken and you don't connect to anything else so people won't jog or run or bike on them and then we come back and end up doing them all over. I think we're missing an opportunity here. I understand there is no funding. I can't tell you where to find the funds, but if we are $140,000 short from missing out on $1 million in grant money. I don't know. I would question our logic there. Maybe we should move to item 12.

Chairman O'Neil stated there are two things different from the past. We have limited bonding in the draft CIP budget moving forward and there is no cash. Those are two things that haven't been involved before in these discussions. That is different than past years with matches. I have not heard from the Mayor or the Finance Officer to change those two goals. Maybe we should table this for right now.

On motion of Alderman Greazzo, duly seconded by Alderman Ludwig, it was voted to table this item.

Chairman O'Neil addressed item 12 of the agenda:

12. Communication from Chuck Deprima, Acting Director of Parks, Recreation and Cemetery Department, requesting funding for the rehabilitation of Hunt Pool.

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

Chairman O'Neil stated you had submitted a breakdown. Sam, can you tell me, based on all the meetings I attended, where this was in the CDBG recommendation?

Mr. Maranto replied I don't think we said that. He asked where the funding source potentially would be. We don't have the funded right now in the proposed CIP.

Chairman O'Neil stated in the draft CIP we have maxed out CDBG.

Mr. Maranto stated that is not in there as a proposal right now.

Chairman O'Neil stated so right now there is no funding for that even as CDBG.

Mr. Maranto stated in 2011 that's correct.

Chairman O'Neil asked where was this project on your priority list?

Mr. DePrima replied this project was rather high on the list. Again, keep in mind that when I put the list together, the things that we asked for funding for are the more critical things, more youth oriented programs and the safety issues such as hazardous trees and things like that. Once we get to actual capital projects, they usually fall somewhere around nine or ten on the list. We ask for funding for things that we fund annually. This particular project was number 11 on the request list. That was after our request for Fun in the Sun and all the youth programs and the hazardous tree safety programs and issues.

Alderman Ludwig asked are you asking for just part A and on the high side $35,000? Is that going to get us to a good budget number? I just hate to see us not fund this and wait another whole year knowing that the design of these things takes so long and the construction. Although, at Livingston we worked in a tented

situation through some very difficult weather. It seemed to work, but I think it drove up the cost a little bit. It worked out okay. I know the condition of Hunt Pool and the filtration system over there and I don't want to be the one when we say it's not going to open, that it isn't going to open. I don't think anybody on this Committee wants to say that either, but maybe we should take some photos of the filtration equipment, the tank, and the underside of the pit and do a presentation on that. Sometimes pictures are worth more than the words that are spoken. That is all I have to say about it. To not get the design of this going would be walking down the wrong track. That's my opinion.

Chairman O'Neil asked Chuck, have you had discussions with the Mayor or the Finance Officer about bonding this moving forward?

Mr. DePrima replied I have not. It was always my understanding that the funding for this was going to come from Community Development Block Grant money.

Chairman O'Neil asked including construction?

Mr. DePrima replied no, just design at this point. We were going to get a design completed that would give us a good cost estimate and in year two we would ask for construction dollars.

Alderman Shea stated on the same line that you are discussion, Mr. Chairman, financial support for the consultant, are there any sources that are available from any kind of projects that have surpluses in them that you might come back to the CIP Committee and say well I can find $25,000 because of this like we always seem to be able to do with certain things or is this impossible at this stage?

Mr. Maranto replied Alderman, as you are aware, we're still negotiating the CIP that has been proposed. I already have requests coming to me for CDBG activities. The one unknown right now is that we have not received our final allocation from HUD in terms of what we are going to be getting for funding. That will probably be coming up in two to three weeks. We are projecting an increase, but we don't know what that is. It is hard for me to say right now, but most likely it will be clearer once we go through the next CIP review to determine if there is any more CDBG.

Alderman Shea stated so what you are saying is that by April 1st or the next meeting that the CIP Committee has, if we don't have a special meeting, you might be able to say that there are funds available that would be able to fund the $25,000 that they need for the consulting of Hunt Pool.

Mr. Maranto stated if HUD contacts us by April 1st and tells us what the allocation is, I can make a determination. Right now, now my best estimate for what we have for funding next year is basically maxed out with CDBG, but if there is an increase from HUD that would free up some funds. I can't tell you that right now.

Chairman O'Neil stated my suggestion would be to refer it to the CIP discussion because there are other requests that we're not funding and ask the Director to sit down with the Mayor and the Finance Officer to develop a plan for this because we are being asked to commit $95,000. I don't have a problem with doing part A, but parts B and C are being asked in here at different intervals. If the dates are right, part C is in this fiscal year and part B is in the next fiscal year. It doesn't make sense to do design documents and then never construct it. That is not the right way to do this. We're either going to do this or not. I don't have a problem with part A and doing the inventory, but I think Parks has to have a discussion with the Mayor and the Finance Officer about bonding or CDBG.

Alderman Shea moved to refer this to the CIP discussion and request that the Parks and Recreation Director sit down with the Mayor and Finance Officer regarding opportunities. The motion was duly seconded by Alderman Craig.

Alderman Ludwig stated the reason I think you need to look at something on design is because you are going to see what can go in that area. First of all, this is not an area in the City where you want to lose a swimming pool. This is all the kids count on down there. That's it. That's all they have. They are there the first day school is out and they are there the last day even if it isn't swimmable. This is not the place that you want to be without a pool. Livingston, well we all have pools. I'll say that. The next thing that I'll say is that I think that you are going to see a completely different design of a swimming facility than what is there now. My hope would be that it is a more usable type facility. We don't need a 50 yard pool with a diving board there. We don't have swim meets there. It isn't 50 meters anyway. I think you are going to see a much different facility in terms of usage because you can't do anything in a swimming pool anymore. You can't jump off the edge, you can't dive off a board, and you can't jump off the fence. I'm going to tell you a couple other things in the pools, which wouldn't be appropriate for me to say, but you can't do much except stand in the water up to your waist. I think that if we knew what a number would be, we might be in a better position to say that that is a lot less expensive than we thought we were going to need based on some other pools. Even Livingston was expensive because we put in the 25 yards to have swimming, not competitive, but that's what swimmers like to train in. If they can't swim 50 meters they like to swim 25 yards. I don't even think you need that over there. I think you are looking at a different design of something. I would like to think that it is going to come in less expensively than even Livingston Pool did, just to get a bunch of kids in the water up to their waist. I

know that when we put in a couple features at Livingston Pool I was told that I was building a water park over there at that time. I don't think I was. I was building something that kids could stand under, get wet and really enjoy what they were doing. I think what we are talking about here is just getting a number that says…I would be the first to agree to the fact that it is more expensive than we thought, but we don't know that yet. We don't need to build the pool that is there today. Am I correct?

Mr. DePrima replied I would agree with you, yes. I think another added advantage to rethinking that aquatic facility is to possibly move the aquatic facility forward and put a bathhouse, if one is even needed, to the rear and that would enhance the safety aspect of that area as well so the Police Department can see in there from Maple Street and you would have less crime.
Chairman O'Neil stated again, my recommendation would be to refer this to the CIP budget discussions we are having and have the Director sit with the Mayor and the Finance Officer about the big picture of how we would move forward on this.

Chairman O'Neil called for a vote on the motion to refer this to the CIP discussion and request that the Parks and Recreation Director sit down with the Mayor and Finance Officer regarding opportunities. There being none opposed, the motion carried.

Chairman O'Neil addressed item 13 of the agenda:

13. Communication from Bruce Thomas, Engineering Manager, requesting approval to modify CIP 713709 Traffic Signal Reconstruction and for such purposed an Amending Resolution and Budget Authorization have been provided.

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

Alderman Shea stated I look at this and it says a total of $285,200. Am I confused? In my ward it was about $90,000 on the corner of Porter and Ciley Road and then there was another one from years and years ago. I know there is a little bit more. What are you doing differently here that would cost that amount, $285,200? Could you explain that please?

Mr. Tim Clougherty, Deputy Public Works Director, replied I don't know specifically what is different about this intersection than the one that you are referring to, but those are the costs associated. All this action is doing is

recognizing the revenue that is coming from the State. This is a grant. We are modifying the CIP start up to recognize the State revenue.

Alderman Shea stated basically the State is giving us $135,200 and we are putting in the other amount that is necessary to bring it up to $285,200. Am I reading that correctly?

Mr. Clougherty replied I don't have those numbers in front of me. Sam, can you help me out with that?

Mr. Maranto stated Alderman Shea, this was an existing project and we are basically utilizing that project. We have done work in the past with that $150,000 bond. We have a small balance which we are going to use as our local 10% share. Of the $150,000 probably $138,000 has already been spent on those projects. The balance would go with the $135,000 for the next project. It is not a $285,000 project.

Alderman Shea stated that's the clarification. Not all this is going towards that particular project.

Chairman O'Neil stated Tim, you had spoken to me about this a week or so ago about this. The intersection currently does not have mast arms. I believe we had a presentation a year ago. It might be the highest number of accidents in the City of Manchester.

Mr. Clougherty stated it is a very dangerous intersection without the mast arms.

Chairman O'Neil stated the point is all we are doing is accepting some State funds.

Alderman Shea stated I think the confusion is with the State amount. In other words, that's other projects he said, but it is included in this particular item. That's what I was picking up.

On motion of Alderman Shea, duly seconded by Alderman Ludwig, it was voted to approve this item.

Chairman O'Neil addressed item 14 of the agenda:

14. Amending Resolution and Budget Authorization providing for acceptance of funds in the amount of $5,000 from the National Association of County and City Health Officials for CIP project #214910 – Medical Reserve Corp. Program.

On motion of Alderman Ludwig, duly seconded by Alderman Shea, it was voted to approve this item.

Chairman O'Neil addressed item 15 of the agenda:

15. Amending Resolution and Budget Authorization providing for acceptance of funds in the amount of $3,845 from the State of New Hampshire Highway Safety Agency for CIP project #412810 – Manchester Radar System (2) Project.

On motion of Alderman Shea, duly seconded by Alderman Craig, it was voted to approve this item.

Chairman O'Neil addressed item 16 of the agenda:

16. Communication from Leon LaFreniere, Director of Planning & Community Development, requesting a transfer of funds in the amount of $15,200 for CIP project #611810 – Concentrated Code Enforcement Inspector and for such purpose an Amending Resolution and Budget Authorization have been provided.

Alderman Shea stated I read through this already and he does have the necessary funding in order to comply with the necessary salary that is needed here.

Mr. Maranto stated yes, we do.

Alderman Shea moved to approve this item. The motion was duly seconded by Alderman Craig.

Chairman O'Neil stated my only comment is that we should have tied the starting date to meet the existing funding.

Mr. Maranto stated there are a couple of issues there also. When this was put together we utilized numbers from Human Resources relative to the cost of salary plus fringe benefits, using an average of about 38%. In this particular case, this person took a family insurance plan, which was significantly higher than our anticipated cost and that helped us accelerate the expenditure of funds as well.

Chairman O'Neil stated bottom line moving forward, we need to make sure our numbers are right. This is not just your department, but all departments.

Chairman O'Neil called for a vote on the motion. There being none opposed, the motion carried.

Chairman O'Neil addressed item 17 of the agenda:

17. Communication from Leon LaFreniere, Director of Planning & Community Development, submitting a request for the transfer of funds in the amount of $33,953.32 for Phase II of the Cohas Brook Construction Project and $90,000 for completion of Phase II of the Wastewater Treatment Plan project and for such purposed an Amending Resolution and Budget Authorization have been provided.

On motion of Alderman Shea, duly seconded by Alderman Ludwig, it was voted to approve this item.

Chairman O'Neil addressed item 18 of the agenda:

18. Communication from Leon LaFreniere, Director of Planning & Community Development, submitting a request from MHRA for funds in the amount of $235,893, as a part of the 2011 CIP Budget, for Phase II of their South Porter Street Housing project.

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

Chairman O'Neil asked Dick, could you give us a quick overview as to why the request is not only for the funding in 2011, but the need for the Board to comment about 2012.

Mr. Dick Webster, Manchester Housing and Redevelopment Authority, stated what we are trying to do is bolster our application. We have an application going into New Hampshire Housing and Redevelopment Authority for low income housing tax credits and their capital fund as well. That application goes in on Friday and in conversation with

our consultant, we felt that the application would be much stronger if we could demonstrate…we believe that the intent is to fully fund the request for two years. We understand that we don't want to bind the Board for the following year, so we are suggesting that the application go in with the full approval for the 2011 funds and for 2012 it would be approved subject to ratification by the Board next year. That doesn't change a lot of the action, but it gives us a strong statement on intent, I think.

Chairman O'Neil asked Mr. Arnold, did your office get a motion that was requested last week? I spoke with the Solicitor and they were going to give me a very specific motion, which I never got.

Mr. Maranto stated I may have misunderstood the communication, Alderman. I thought we were going to discuss this this evening. I did speak to Tom about the eligibility of doing this.

Chairman O'Neil stated my understanding is that we have done this before and there was language that we used and I was hoping to get that language so it would meet the goals of the authority as well as the City.

Alderman Greazzo asked what is the timeframe on this? When do you need to submit it by?

Mr. Webster replied the application goes to New Hampshire Housing on Friday.

Mayor Gatsas stated if we could just move it along to the full Board and if you can get the wording tomorrow evening.
Chairman O'Neil that would be fine, Your Honor. I asked for this last week.

Mr. Tom Arnold, Deputy City Solicitor, stated we'll have it for tomorrow evening. I apologize.

On motion of Alderman Ludwig, duly seconded by Alderman Shea, it was voted to send this item to the full Board along with the correct language from the Solicitor's Office.

Chairman O'Neil addressed item 19 of the agenda:

19. Communication from Leon LaFreniere, Director of Planning & Community Development, regarding NeighborWorks Greater Manchester Home Ownership Programs.

Chairman O'Neil stated that is just a holding spot. Again, because these come up every so often, we are going to have it regularly on the CIP agenda. We don't need to take any action on it.

Chairman O'Neil addressed item 20 of the agenda:

20. Communication from Leon LaFreniere, Director of Planning & Community Development, regarding a funding transfer for the American Red Cross.

Alderman Shea stated in reading through this, they have the necessary funds, which they have reallocated from one funding source to another. I would suggest that we approve this.

On motion of Alderman Shea, duly seconded by Alderman Craig, it was voted to approve this item.

TABLED ITEMS

21. Communication from James Burkush, Fire Chief, requesting permission to apply for a US Department of Homeland Security FY 2010 Emergency Operations Center grant opportunity.
(Note: Tabled 2/1/10)

On motion of Alderman Greazzo, duly seconded by Alderman Shea, it was voted to remove this item from the table.

Mr. James Burkush, Fire Chief, good evening. I'm sorry I wasn't here for the last time there was a Committee meeting. We are asking to apply for a grant for expansion and a significant upgrade of our Information Technology of our EOC. Jennie from Information Systems has worked with our staff to put together all the specifics of the grant. The grant total was about $963,000. There is a match that we were able to match and a soft match for our personnel doing some of the work, but we estimate the City match to be about $129,000 or $130,000. Jennie can explain some of the details of what we are asking for with equipment. We were directed by the Mayor to put in this grant and he is aware of the match that would be required of the City.

Chairman O'Neil asked has there been a recommendation on the funding source for that match?

Mr. Burkush replied not as of yet.

Chairman O'Neil stated you thought there might be some opportunities, but you were not able to commit those at this time. Is that correct?

Mr. Burkush replied that's correct.

Chairman O'Neil asked is there any idea when we might have some knowledge of that?

Mr. Burkush replied I know the Mayor was in contact with our Congressional delegation to try to move along the process of us possibly getting a grant in another area to apply towards this grant. One part of the system is a new phone system. Jennie, would you explain that? This is one of the initiatives that the Mayor wanted to move on.

Ms. Jennie Angell, Director of Information Services, stated one of the big parts of this grant is replacing the phone systems in the main Fire Station and all ten outlying stations to a voiceover IP system. That also gives us the opportunity to add some additional equipment to the system that allows us to take advantage of some of the new inter-operability capabilities. It includes equipment that would allow us to do land based telephones, cell phones, radios, and internet. In an emergency, all of those types of communication would be combined it so it wouldn't matter if someone was on a radio or a cell phone or a regular phone. They would still be able to communicate with each other. That was one of the big things. With that, it replaces all of the phone systems in all the stations, which are now ten years old and they are one of the phone systems that keeps getting pushed back subsequent years because of funding. It would improve the OC communication, but it is also one of those items that is coming to the time when it needs to be replaced anyway.

Mr. Burkush stated we do feel that the opportunity to get this grant is probably not the best this year but we have been told to put in for this grant in the hopes of gaining an earmark next year. That is one of the strategies we hope to accomplish.

Alderman Shea asked the material that you are replacing is how old?

Ms. Angell replied there are a number of things in here. The phone systems are going on ten years old, but it also includes what they call hardening of the EOC. As most of you probably know, when you look at the Fire Station from the front it is all windows. That makes it vulnerable to penetration from storms or other types of things. It would be replacing all the glass windows. It is called hardening of the EOC. It is expanding the EOC. Right now they use one of the classrooms in the EOC and the boardroom, but it would actually be going into the other classroom and putting in wiring and structures so depending on what the emergency is, the room space would be very flexible to accommodate. Many of you were in the EOC this weekend when we had the bad wind storm and you saw what went on there. We have also had incidents like when the building that the Health Department was in burnt down. All of the people who needed to

work the actual operations of the Health Department moved into EOC for a couple months. When the Police Department flooded, a large portion of the Police administration moved into that and they were there for several weeks. Depending on the disaster, the EOC deployment is very different. This would put the systems in place so we are flexible so we can react very quickly to the needs.

Alderman Shea stated there is a discussion in the future for the Fire Department as well as the Police Department to relocate into another area. If that was to be done, would this technology have to stay where it is or could it be transferred to another area? I'm not giving you any high hopes.

Mr. Burkush replied if there was a new EOC built in the new Highway and Police facility, this could be the backup EOC with this technology.

Alderman Shea asked so you could relocate the technology to that area?

Mr. Burkush replied no. I think that if you were to construct a new EOC, it would totally stand on its own.

Ms. Angell stated it would totally stand on its own, but what we are striving for, like I said, a good portion of this is the communications and the state of the art phone system. When we build a new Highway Department and Police Department a compatible phone system would be put in there that would work with the equipment that we're proposing to put in here. We would bring the whole City up to the state of the art technology. We would still use it. It would not go away.

Chairman O'Neil stated I think the Chief said that it is a long shot that we may be awarded it this year, but I think in this particular case, if we can get it, we have some potential funding sources that could be used as the match if successful. My recommendation would be to move this on to the full Board.

On motion of Alderman Shea, duly seconded by Alderman Craig, it was voted to move this item to the full Board.

22. Discussion relative to CIP bond projects.
(Note: Report attached from William Sanders, Finance. Communication from Leon LaFreniere, Planning & Community Development, identifying the source of funding for Hackett Hill Development Project CIP # 650300. Report of the Committee on Joint School Buildings attached as per the Committee on 3/31/09. Communication from Pam Goucher, Planning & Community Development, with updated project balances on 4/10/09 and also identifying CIP Project #510807as available for transfer to contingency. Item tabled 2/17/09. Finance Officer to provide an update.)

This item remained on the table.

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

A True Record. Attest.

Clerk of Committee