

5/6/96 Finance

1

COMMITTEE ON FINANCE

May 6, 1996

6:30 PM

In the absence of Mayor Wieczorek, Chairman Wihby called the meeting to order.

Chairman Wihby called for the Pledge of Allegiance, this function being led by Ald. Reiniger.

A moment of silent prayer was observed.

The Clerk called the roll. There were eleven Aldermen present.

PRESENT: Ald. Wihby, Reiniger, Sysyn, Clancy, Soucy, Shea, Domaingue, Pariseau, Cashin, Hirschmann
Ald. Elise arrived late.

ABSENT: Ald. Robert

MESSRS.: Chief Kane, B. Vigneault, R. Lemaire, T. Lolicata, F. Thomas, L. Bernier, N. Gamache

Chairman Wihby stated the way in which they wished to proceed would be to have the department head tell the Board about their budgets and then discuss the one, two, and three percent cut and what effect it would have on the departments.

ELDERLY SERVICES

Ms. Vigneault stated their original budget request was for \$228,839; that the Mayor had proposed zeroing out their budget with a consolidation with Youth, Health, and Elderly; that the Committee on Administration had met voting against such a proposal; that she took the \$228,839 and had subtracted the decrease in rent which was under renegotiation with the landlord of the East Side Senior Center and the Elderly Services Department noting they had come down \$15,686 noting that the renegotiations were still open, so nothing was firm on it because it had not yet gone before the Board of Mayor and Aldermen; that their full request for the budget was down to \$212,946.

Ald. Pariseau asked if the rent was retroactive.

Ms. Vigneault stated that was what they were offering to charge from July 1st on for the year.

5/6/96 Finance

2

Ald. Pariseau asked if the City wasn't entitled to some credit where they should have adjusted the rental from the time that the Board...

Chairman Wihby stated where that was currently was in the Solicitor's Office where it was being reviewed and would then report back to the Committee on Community Improvement Program noting it had nothing to do with the budget per se; that if in fact the City were due some money they could either pay the City back or reduce the rent.

Ald. Clancy asked if the heat and lights were included in the rent.

Ms. Vigneault replied the electricity was not which included air conditioning, heating, electrical which amounted to \$6,400.

Chairman Wihby asked if she had seen the new facility which was being proposed across the street noting there was a considerable savings and asked what the total rent was that they reduced it to.

Ms. Vigneault replied \$56,595.

Chairman Wihby stated the proposal in front of the Committee was something under \$20,000 which did not include electricity but the current rent didn't either.

Ms. Vigneault stated she had recommended to the Committee on Community Improvement Program that the space was not sufficient for their needs and was not functional and had given the Committee through Alderman Reiniger a list of her objections and found that people would have to access through an elevator which was operated by someone manning it; that the floor space in the area was just one room, so there were no function rooms or storage space, it lacked a kitchen, but did have a counter but no kitchen with water facilities; that they currently had a whole kitchen facility as they provide function meals and daily meal servings in the afternoons so it wouldn't meet the needs; that there was a closet to the rear which had a sink in it, but was not sufficient; that the office space for the department was considered to be part of a loft which was open with no walls and would not meet the needs of the department relative to privacy.

Chairman Wihby asked if the Elderly Services Commission had looked at the space.

Ms. Vigneault replied only one Commissioner.

Ald. Cashin asked for an opinion relative to safety.

Mr. Gamache replied he did not think it was feasible for the elderly to go up in an elevator to the fourth floor and asked what happened if there was an emergency in the building, they would have their hands full taking them down the stairs.

5/6/96 Finance

3

Ald. Shea stated he thought Armand Gaudreault was going to look over the space.

Ald. Reiniger stated it was his understanding that the investigation had not yet been completed as they were still waiting on the Fire Department.

Ald. Shea stated he had noticed there was several types of counseling done and asked if there was a certain private area which now existed which would not exist in a facility such as what was across the street.

Ms. Vigneault replied they currently had an office space within the East Side Center which was all enclosed so as to offer privacy and sound; that when people came in with problems in the daily lives and family issues they really didn't want to talk about those in front of the general public noting the confidentiality was important as well as being a requirement of some of the programs they offered such as Case Management and the Senior Companion Work; that matters pertaining to the Health and Human Service issues were confidential by law.

Ald. Shea asked if that same provision would be provided if they were to go across the street.

Ms. Vigneault replied, no; that it was general room and it had a very, very high ceiling, it was an old ballroom; that the loft which was about 13 stairs high would be not handicapped accessible noting that would be the only office space available to them.

Chairman Wihby stated the lease had been reduced from year-to-year.

Ald. Domainque stated in the back of the description for the department there was a listing of the department titles noting there were three positions listed which she was unfamiliar with.

Ms. Vigneault stated there were 4 1/2 positions within the department; that 2 1/2 of them were called Recreation Supervisor II's which were the Senior Center Supervisors; that two of them were full-time positions with one being half-time noting that the half-time position in the consolidation plan was slated to be cut; that position was given to them last year in order to maintain the Senior Centers hours of operations even during trips and vacation time of the Senior Center Supervisors, so in actuality there were two activity Supervisors, one at each Senior Center and a part-time that floated between the two.

Ald. Shea commended the senior citizens for coming and offering their support and thought it was wonderful.

5/6/96 Finance

4

FIRE DEPARTMENT

Chairman Wihby stated the Fire Department was present to review what they could do within the Mayor's budget noting there was three different proposals and asked if they had discussed the one, two, or three percent cut with the Board.

Chief Kane stated they had been present on April 15th with a package of proposals noting they had gone over the line items at that time; that since that time they had also complied with the Board's request for the one, two, and three percent reduction from the Mayor's budget; that what they had been asked to do since their initial presentation was to go back and take a look at their budget and the numbers and come back with an alternative plan for funding; that on page 2 of the handout noted they had taken the Mayor's budget figure of \$10,144, 622 and reworked the budget to what they perceived it would represent believing it would represent reduction of \$734,387 from their initial request; that the impact of this amount would place one engine and one ladder out-of-service, eliminating the EMS Coordinator's position, would preclude their filling existing vacancies, transferring rust repair monies to the salary account, and working within line item reductions noting one of the impacts would be that they could be facing a potential downgrading of the Insurance Services Offices (ISO) commercial insurance risk classification; that they were currently a Grade II City which would make them go down to a Grade III which was something they really could not speculate on at this time how it would play out; that from there they would go to \$10,381,396 which would reflect a \$105,000 reduction in their overtime budget which would eliminate the EMS Coordinator position, leaving a ladder truck out-of-service and sporadically placing other pieces out-of-service, with the impact on service being minimal and would have to make line item adjustments; that with \$10,486,396 would allow them to maintain the present level of service although they would still have to make some line item adjustments and the elimination of the EMS Coordinator position.

Ald. Domainque asked if she was under a misunderstanding; that she had been under the impression that when the Board last visited with the Fire Department they were going to come back to the Board and tell them how they would be able to manage their department utilizing the Mayor's numbers and trying hard not to eliminate five District Chiefs; that in addition to that a memo was sent to every department requesting a reduction of one, two, and three percent from the Mayor's numbers noting she was not understanding this evening's presentation in relation to the overall picture.

Chairman Wihby stated the sheet the Board was looking at with the \$10.144 million was that if he was to live with the Mayor's number he would have to do those things.

Chief Kane stated Chairman Wihby was correct; that they had already supplied the one, two, and three percent cut figures

5/6/96 Finance

5

which was why it was not incorporated in the report this evening; that when the Board had requested them to do the report the line items reductions had gone to them in a different request.

Chairman Wihby requested that Chief Kane review that report.

Chief Kane stated the request was sent in on April 25th in regards to taking the \$10.144, the Mayor's original request, saying what they could do to that which was basically what was said this evening regarding the Mayor's request; that they would be placing an engine and ladder company out-of-service on an as needed basis, would eliminate the EMS Coordinator's position, not filling existing positions which were currently vacant, transferring rust repair to salary accounts and working with other line item reductions and potentially facing the Insurance Service Office.

Chairman Wihby stated the one percent reduction would eliminate four additional firefighters.

Ald. Soucy stated the four additional firefighters were in addition to the District Chiefs or in substitution of.

Chief Kane replied the four District firefighters was not in addition to the District Chiefs but rather four firefighter positions they would be eliminating.

Ald. Cashin stated those were four budgeted positions they would have to layoff.

Chief Kane replied in the affirmative; that with a two percent reduction would be 8 firefighters they would have to layoff and would have to place another ladder company out-of-service; that the three percent would be 12 firefighters, so for every percent reduction represented about four or five firefighters.

Ald. Pariseau asked if that also included the five District Chiefs.

Chief Kane replied it did not.

Ald. Domainque stated the Mayor's budgeted number reflected a budget that eliminated five District Chief positions and what Chief Kane was telling the Board this evening was that in keeping those five District Chief positions even at the Mayor's number asked if they wouldn't have to do some movement of the numbers.

Chief Kane replied even staying at the Mayor's budget they would anticipate some vacancies occurring and not filling those vacancies noting that had been discussed the other evening prior to the start of the Personnel Committee meeting.

Ald. Pariseau asked what was the responsibility of the EMS Coordinator.

Chief Kane replied there were a number of responsibilities which he took care of; that his first responsibility was to oversee the EMS contract with their private contractor, Rockingham and making sure of quality assurance and delivery, making sure they maintained the contract and adhered to everything in the contract; that above that he also operated in the department as an Infectious Control person for blood borne pathogens and also coordinated the EMS training which was quite extensive noting they had to retrain every couple of years to a certain standard.

Ald. Pariseau stated part of the deal when the City had gone with Rockingham was that the EMS Coordinator would stay on-line until one or two years after the contract and if the former Chief had agreed to that asked why all of a sudden did it have to be an on-going position.

Chief Kane replied that in all of the proposals that they laid out before the Board it had been eliminated.

Ald. Pariseau stated the original deal with Rockingham was that that person was there for one year to iron out the bugs noting the bugs should be ironed out and asked why did they really need the position.

Chief Kane replied what they had laid out in their proposals was the elimination of the position.

Ald. Hirschmann stated the Fire Department was the only department the Board had allowed come up to the plate for a second swing and when they sent him back the Board had specifically asked them to come back within that money frame of how he wanted to see his department and now that number was being placed before the Aldermen and with the City facing an insurance problem noted firefighters would be taken off the street.

Chairman Wihby stated it would be not filling vacancies.

Chief Kane stated what they proposed to do was to not fill some current vacancies they had noting how they currently managed was that there were 10 engine companies with six ladder companies in service full-time, but over the last few years they had never been fully staffed; that for one reason or another they had always been down an engine or a ladder company which was where they were currently and the ladder company was currently down because of mechanical problems.

Ald. Hirschmann stated that was then what the Fire Department would prefer as opposed to the first scenario.

Chief Kane replied that was correct.

Ald. Domainque asked Chief Kane when they place one engine company and two ladder companies out-of-service what did it mean

5/6/96 Finance

7

in terms of service to the general population and did it affect one particular area of the City.

Chief Kane replied what it meant to the general population of the City was that the entire resources of the Fire Department as it was today would not be available; that for a specific area of the City usually when they put ladder companies out-of-service was where there was a situation where there were mechanical problems, but what they tried to do as they did it, tried to strategically place the apparatus to cover in; that the bottom line was that they did not have the coverage they would normally have, so it might take a little longer or it might take a little longer to get water onto a fire.

Ald. Domainque stated so she understood the Fire Department's priorities as they laid them out noted she was prepared to support the chief's contention that he be the judge on what the Fire Department needed; that she needed to understanding that the Fire Commissioners and the Fire Department management staff were committed to wanting to see those five Fire District Chiefs in place and asked if she was correct in that statement.

Chief Kane replied she was correct.

Ald. Domainque stated she understood the message from the Fire Department as well as the Fire Commissioners was, if need be they were prepared to not fill firefighter vacancies and reduce firefighter personnel because it was more important to them to keep Fire District Chiefs and asked if she was correct in her understanding.

Chief Kane replied she was correct.

Ald. Shea stated he wanted to get into the commercial insurance risk classification noting that Chief Kane had mentioned a potential downgrading of the insurance services and asked what effect would it have on the City and the Fire Department.

Chief Kane replied it was a little allusive; that to be real specific was a little difficult because when asking that question of the insurance services they themselves were a little allusive; that what the insurance services did was every ten years they came into the City of Manchester and grade the City; that they look at the command structure, how many engines, pumping capability of those engines, they look at the distribution of those engines, and depending upon what all those things are there were different factors and each one had points; that they could come in and ask the Fire Department to move stations around; that Station 3 had been on Lake Avenue and was now at the Airport because it represented a better distribution of stations; that if the City went from a Class II to Class III would be over the course of time it would have an effect upon the fire insurance; that the insurance people would take it into account as they set their rates for the City; that he did not have a hard figure

5/6/96 Finance

8

which would indicated it would be impacted a certain percentage or a certain amount of money because he had not received that figure from them.

Ald. Shea asked when was the last review conducted.

Chief Kane replied the last review was conducted in 1985; that the City had been scheduled to be reviewed last summer but as they understood it in talking to people in the business they were behind a year and were anticipating being graded this summer; that it was not necessarily done through the Fire Department, but done through either the Mayor's Office or some other City office.

Ald. Shea asked if they expected the review to come this year or next year and was it a paper review or on-site and asked how it was conducted.

Chief Kane replied it was an on-site review; that they spent overall about six weeks here and went through everything, every piece of apparatus, go through all of the records, they take the trucks out and test them themselves; that it was also based upon the water service so they go to the Water Works and spend a lot of time there, flow their hydrants and they don't take anything given to them for granted, they check everything.

Ald. Shea asked again if he was expecting it to be done this year.

Chief Kane replied he thought it would be done this year but did not know their schedule.

Ald. Clancy in reference to a truck currently out-of-service asked how long it had been out-of-service.

Chief Kane replied since last October.

Ald. Clancy asked which engine would they put out-of-service.

Chairman Wihby asked if it was the same ladder which was already out-of-service.

Chief Kane replied it would probably stay out; that when the new one came in they would have to take a look at the situation at the time to see where they needed it.

Chairman Wihby asked which one was it now.

Chief Kane replied it was Ladder 6 on Amory Street.

Ald. Shea stated he had occasion to see the new engines (Engine 7) today; that according to Fire personnel it cost \$307,000 and asked how many of those did they have.

Chief Kane replied there had been three like that one purchased in the last few years.

5/6/96 Finance

9

Ald Shea asked if that helped or upgrade the firefighting ability of the City, did it help the City maintain a higher protection.

Chief Kane replied, yes, it did; that the new pieces did a number of things; that the insurance office number one looked at the pumping and water flow capability of the apparatus; that the new pieces capabilities were a lot higher than the older pieces so that bottom line basic thing certainly enhanced the City's position with them.

Ald. Shea asked if there was another unit which superseded it coming in or going on-line.

Chief Kane replied, no, that was it.

Ald. Shea stated one of the firefighters had indicated there was something which could be attached.

Chief Kane stated there were two ladders due to come in; that in ordering a piece of apparatus it sometimes took as long as 18 months to two years; that one of the pieces due in shortly was to replace the Amory Street ladder and one to replace the Webster Street ladder.

Ald. Cashin stated if the new piece of equipment came in and the Board underfunded their budget, they wouldn't be able to man that new piece of equipment.

Chief Kane stated what they would probably do would be to take a look at the ladder situation in the City; that typically there had been a ladder out-of-service for three or four years and probably five years now through regular maintenance, so what would happen would be that they would have to move ladders around.

Ald. Cashin noting the absence of Ald. Robert stated with all of the tenements in that area asked if they weren't taking a risk by not having a ladder truck in the area.

Chief Kane replied with that section of the City they were taking a risk but had no alternatives at this time; that the ladder which was there had just wore out due to usage and rust; that what they typically did in that area, no matter what area of the City they usually sent three engines to a fire and two ladders, so what would happen would be they would send a ladder from Webster Street or from Central and Ladder 2 from So. Main Street.

Ald. Cashin asked what was the travel distance, the time to get from Webster Street to Kelley Street as opposed to Amory Street to Kelley Street.

Chief Kane replied it was probably about half.

5/6/96 Finance

10

Ald. Cashin stated if the Fire Department was not funded properly then they would always be at risk.

Chairman Wihby asked how many ladders were there in the City.

Chief Kane replied, six.

Chairman Wihby stated this was the least hazardous piece to take out otherwise they would be required to move something else.

Chief Kane replied that was correct.

Chairman Wihby acknowledged students from the government class of the School of Technology were present this evening.

TRAFFIC DEPARTMENT

Mr. Lolicata stated in reference to the one, two, three percent cut he had made it as simple as possible by taking it out of Special Projects specifically the extra money he had for meters for the upcoming '97 budget; that he knew it involved a few dollars, but in a small department each percent meant an awful lot and with a one percent cut he would be missing \$23,000 in line items, doubled to \$46,000 and up to \$69,000 at three percent; that the reason he had taken it out of Special Projects was because he had money allocated toward it in which he could utilize as far as buying meters every year; that the extra money was put in there for the possibility of extra meters and thought if he could hit that, it would be his first defense; that he had already been hit by the Mayor for \$99,000 in his original budget which brought him down to \$2.3 million; that it also encompassed the garages; that line item wise he had to cut out some of the garages and cut down on security; that if he was to take all of the one, two and three's on top of his line items he would be in real deep trouble as far as manpower, he had not more inventory for signs, was barely finishing the City now, if he was lucky, and his only defense was to take it out of Special Projects.

Ald. Hirschmann asked why would Traffic need \$43,000 for Overtime.

Mr. Lolicata replied Overtime included the garages plus his standby, plus his lights, plus signs and painting.

Ald. Hirschmann stated the garages were privatized.

Mr. Lolicata replied it was still their budget; that they were not privatized noting those individuals worked for him; that the garages were working in such a way that the budgeting came from the City; that they had to pay out so much each month and then they were reimbursed; that they went out and maintained them for the City like National Garages maintained two garages for the

5/6/96 Finance

11

City and the other JPA who maintained the Center of NH, they paid out the bills monthly and they were reimbursed from parking.

Ald. Hirschmann stated so the City budgeted for their overtime.

Mr. Lolicata replied, basically that was what it came down to, but all their overtime was completely, almost gone as he had already hit that; that in the last three years he'd lost a lot of money; that he used to go out year round at night, all he had left was standby pay for emergency, his signals, signs, and the painting.

Ald. Domainque in reference to Special Projects (\$160,000) thought it was not all parking meters.

Mr. Lolicata replied it was for the meters themselves; that he had been getting about an average of \$105,000; that last year he used up the money on plowing alone.

Ald. Domainque stated it was just to implement the Mayor's proposal regarding parking.

Mr. Lolicata replied that was correct, but he also had an annual allotment of roughly \$90,000 to \$100,000 over the past three years; that one year he had to utilize those funds towards snow removal which was last year.

Ald. Domainque asked why so much on parking meters.

Chairman Wihby interjected it was for the new parking plan.

Ald. Domainque stated only \$60,000 was for the new plan; that the normal allotment was \$100,000.

Mr. Lolicata stated that was the normal allotment over the last two years; that he had now been given \$44,000 or \$42,000 more to \$160,000 to get brand new meters noting he had been doing so for two years and was trying to replace as many as possible at the best price possible.

Chairman Wihby stated he also needed it to implement the new plan.

Ald. Shea in reference to 652 Electricity asked for an explanation.

Mr. Lolicata stated they had to consider all of the lights in the City; that each corner had a meter.

Ald. Clancy asked if the City contracted to plow the garages or did Traffic do them.

Mr. Lolicata replied it went out to contract every year; that they maintained the roofs and all of the parking lots.

5/6/96 Finance

12

Ald. Reiniger stated there was a need for a new truck for painting and asked where it was in the budget.

Mr. Lolicata stated the Traffic Department this year went out to bid on their own; that the Federal mandate was now going into a rubberized paint; that he had one year left and perhaps next year could use regular soluble paints; that in order to go with the Federal mandates he would need a new truck noting the current truck was 12 years old and the new one had to be stainless steel to accommodate the paint; that he could still buy paint maybe until April of next year and keeping the same equipment he had now; that the following year they would be mandated to put down this particular paint which required stainless steel.

Chairman Wihby stated it would then be mandated in January 1998.

Mr. Lolicata replied it had been upped to April of 1997 which would give him another buying year.

Ald. Clancy asked how much would the truck cost roughly.

Mr. Lolicata replied \$165,000 to \$170,000; that they could also get a good trade-in on the equipment from the company but did not know how much noting he had a couple of good bites because the equipment was in pretty good shape.

Ald. Shea asked if he anticipated any additional revenues from any of the different sources he collected from.

Mr. Lolicata stated they were looking into something now which he would come out with next year and thought it would be very substantial and perhaps fines and if the new meters went through there were a lot of things involved which could substantiate the revenue, but thought the electricity and what they were involved with right now thought there would be pretty good savings.

Chairman Wihby stated the Board could not deduct from electricity as they didn't know if it would go through.

Mr. Lolicata stated he was speaking about a type of light they would be purchasing.

Ald. Shea stated as a new Alderman, he appreciated Tom's cooperation.

A student from the government class of the School of Technology was allowed to sit in alderman Wihby's seat for discussion purposes and in reference to line item 533 Radio wondered why it went up from zero in '95 to \$1,000 in '96.

Chairman Wihby thought it was in '95 it was in the Highway Department.

5/6/96 Finance

13

Mr. Lolicata replied that was part of the Highway Department when Traffic was under them at that time noting they already had their new radio system; that if there had to be any work done by Fire noted they do charge.

Ald. Domainque in reference to the new stainless truck he would need asked what kind of lead time would he need to coincide the arrival of that truck with the use of the current paint, when would he have to order the truck.

Mr. Lolicata stated he would first need permission which he had been trying for since last year; that if it went through they'd be talking about close to a year.

Chairman Wihby noted that the Manchester Water Works was not scheduled to appear before the Board and asked if they wanted them to appear.

A brief discussion ensued whereby it was requested that the City Clerk's Office contact the Manchester Water Works requesting that they appear at the next meeting.

HIGHWAY DEPARTMENT/EPD

Mr. Thomas stated he wished to spend a few minutes on the Environmental Protection (EPD) budget; that EPD was a Division of the Highway Department, an Enterprise operation funded with sewer user fees; that the EPD budget was being proposed to be reduced by \$250,000; that the new budget request would be \$9,351,171 which represented a \$250,000 reduction which had previously been submitted as a result of a favorable Supreme Court ruling regarding a wage claim against EPD and as a result of winning the claim, they were able to reduce the budget; that the budget being requested this year was 1.2 percent lower than last year's budget; that out of the \$9 million budget, \$4,011,000 or 43 percent was for debt retirement, paying off the bonds for the Water Pollution and Abatement Capital Projects which had been done to-date; that the remaining portion of the total \$5,340,171 was the operating portion of the EPD budget which was 10 percent lower than last year's portion of the operation, so they had gone down in that area and continued to be as efficient as possible in the operation area.

Ald. Domainque asked if the reduction in the budget was all related to the sewer user fees now being part of the picture, the increase in the sewer user fees.

Mr. Thomas replied, no it was not; that it was because of a pending claim against them.

Ald. Domainque asked if they were taking some out of there that would have been part of the budget which was now funded by sewer user fees.

5/6/96 Finance

14

Mr. Thomas replied they had taken some monies out of the operating budget that would have been funded with sewer user fees.

Ald. Hirschmann stated in relation to the million dollars for electricity asked if Public Service had offered any kind of help or program to teach them how to run things better.

Mr. Thomas replied they had just completed an energy audit of the whole operating noting they were doing as well as possible; that they had looked at alternative types of ways of doing the treatment noting it was an on-going effort on their part between their consultants and Public Service, etc.

Ald. Hirschmann asked if they had computers monitoring the operations.

Mr. Thomas replied the entire operation was fully computerized now and they did monitor everything closely.

Ald. Shea asked what the total operating budget as he had not gotten the figures.

Mr. Thomas replied it was \$9,351,171.

Chairman Wihby asked Mr. Thomas to address the Highway budget.

Mr. Thomas in reference to his handout stated page 1 was basically a general organizational structure of the department with their mission statement noting they were a basic service department providing essential basic services to the City; that the second page was a listing of the various crews which made up their operations pointing out that in the middle where it was noted Street Construction/Snow Removal noted there were a lot of different crews listed in that category; that all the crews worked together as they were an essential part of the organization in order to perform street reconstruction work and also the backbone of the snow removal operations; that they had one curb crew and if one crew was to be eliminated through budget cuts it would impact their ability to perform street reconstruction work and make it inefficient in that they would have to go out and subcontract for that work; that the Mayor's budget proposal removed all solid waste operating costs from their budget in order to set up an enterprise operation funded by a Bag and Tag Program; that discussions continue on the proposal so he would not spend any time on it tonight other than to say that if it was the Board of Mayor and Aldermen's desire to implement a Bag and Tag Program they would do everything within their power to make it a success.

Ald. Pariseau stated for the record wasn't Bag and Tag dead.

Chairman Wihby stated the Board would take a vote tomorrow evening.

5/6/96 Finance
15

Mr. Thomas continued by stating that under Tab 1 in the handout was the Enterprise operating budget and if there was a Bag and Tag Program; that under Tab 2 was the Mayor's remaining budget for the Highway Department with solid waste taken out into an Enterprise Fund and under tab 3 if Bag and Tag did die the combined budget was \$11,293,302 noting there was a modification in the last column which included the additional scale operator; that as a result of the new solid waste system's drop-off facility they had proposed the implementation of a Motor Vehicle Reclamation Trust Fund which was included in the original budget submission and a fee schedule for use of the drop-off area; that fee structure had gone through the Committee on Accounts and would be presented to the full Board at tomorrow's meeting; that the two new revenue sources would generate \$787,500 but did require the addition of a scale operator's position; that the reason it required...in order to generate at least a portion of those revenues for the drop-off area they would be proposing to charge by weight to utilize that facility, the fee structure on weight and as a result noted it was a State law which required that if they were to lay up anything for a charge that they had to have a license scale operator; that their scale operator had been removed from their budget submission because the landfill was scheduled to close on July 1st, so in order to charge those revenues they had to have a budget addition of a scale operator.

Ald. Soucy inquired as to the vehicle registration fees.

Mr. Thomas replied under Vehicle Registration was an actual count of the vehicles which were registered in the City; that the fee that could be charged was based on weight noting there was a fee next to each category which an estimated revenue to the right totaling up to approximately \$350,000; that the fee would be approximately \$3.00.

Ald. Soucy stated so in addition to paying the fee at the point of registering their cars asked what service did the Reclamation Fund provide to benefit the whole City.

Mr. Thomas replied the Reclamation Fund paid for the costs of disposing of automotive wastes; that the fees at the drop-off center would not include any costs for tire disposal, oil, batteries, so those costs of disposals would come out of the revenues generated from the charge; that any surpluses over and above the cost of disposing of those automotive wastes had to be earmarked to offset the cost of recycling efforts, so it could go towards other solid waste costs namely recycling contracts, etc.

Ald. Pariseau asked about the service stations which provide those types of services.

Mr. Thomas stated a gas station would not be able to go to the drop-off area and unload say a 100 tires at no cost.

5/6/96 Finance

16

Ald. Pariseau asked why.

Mr. Thomas replied because they would have to show proof that they were coming off vehicles that were registered; that if the station had one truck which was registered in the City he would be allowed to bring in a reasonable amount of tires but would not have the gates wide open to him so that they could bring in a lot.

Ald. Pariseau asked why they couldn't charge a service fee, say \$1,000 a year to take care of tires and eliminate the residential \$3.00 service charge on registrations noting that was not fair.

Mr. Thomas stated he disagreed; that he felt it was fair; that right now a person who had a car registered and went to Sears and Roebuck to buy a tire was charged at least \$2.00 if not more for the disposal of those tires and so by being charged \$3.00 once-a-year he could dispose of potentially four or five tires a year or every two years.

Ald. Pariseau stated he would then be charged again by Sears.

Mr. Thomas stated he would not; that he would have to take the tires with him.

Ald. Pariseau asked if it wouldn't be easier to charge Sears \$1,000 or \$2,000 per year and WalMart and whoever else takes tires and batteries.

Mr. Thomas stated the services they wanted to provide were services for the people of Manchester who were registering their vehicles in Manchester; that if they opened up automotive disposal to Sears, Montgomery Ward, etc. they would be getting into the business of disposing of automotive wastes for southern New Hampshire and didn't think they really wanted to get into that business; that if the decision was to not implement the Auto Reclamation Trust it would be his recommendation to leave status quo the way it was right now and that the only automotive wastes they would take would be at a charge at the gate, however, he thought it was a fee that could be implemented and could be easy to implement as it would be an add on to the registration and thought it was a fair, inexpensive fee because if the private sector was charging \$2.00 or \$3.00 to dispose of one tire felt it was a buy; that it was tires, automotive batteries and oils; that any surpluses after they finished disposing of those products could be used to offset other solid waste costs in the recycling vein and potentially used to household hazardous waste collection which would be along the line of disposing of those other materials.

Ald. Hirschmann stated the only reason he did not think it was a fair tax was because of the way a lot of people do business nowadays was that they leased a vehicle for perhaps a 24-month period and during those two years they'd have to register the

vehicle twice noting a battery would not die in a brand new vehicle, the tires would probably last 60,000 miles, so for the two years they would be paying a fee for a service they would not be using.

Ald. Clancy asked Ald. Hirschmann how he would do it then.

Ald. Hirschmann replied if he went to Tire, Inc. or wherever they would charge him \$3.00 to dispose of tires noting they in turn had to pay someone.

Ald. Clancy stated charging everybody \$3.00 was the proper way and why sock the guy with a gas station \$1,000 when he was probably just making ends meet now as it was.

Ald. Hirschmann stated it was a fee being charged every year, but not using it in that calendar year.

Ald. Domainque asked if they could reserve debate on how they would revise different aspects as she believed Mr. Thomas had spent a lot of time putting the budget together.

Mr. Thomas stated included in their operating budget was \$3.118 million of solid waste contract costs as noted under Section 5 of the handout the costs were fixed by contracts and could not be changed without renegotiating noting that that fact should be kept in mind should the Board consider additional across-the-board percent cuts to departments; that the bottom line was they had no control over \$3 million of their budget and if they were asked to cut three percent of that, obviously, they could not go back to the contract and say reduce services by \$3 million; that it did not include the other solid waste costs in their operating budget such as collection and the cost of the drop-off area; that the total costs for solid waste service if everything was added together was \$4,215,978, so solid waste was a major part of their operating budget and \$3.1 million of it was fixed costs beyond their control; that the Board of Mayor and Aldermen in 1989 made the decision to change their basic field operations from street resurfacing under the annual resurfacing program, sidewalk, and curb construction from under the 50/50 Sidewalk Program and the sewer and drain construction under the Chronic Sewer & Drain Program to performing major CIP street reconstruction work; that action shifted \$700,000 from their salary line item of their operating budget to CIP capital side of the City's budget; that as a result in order for them to earn the \$700,000 in salary basically shortfalls their priority of doing street reconstruction work and as such those old programs had suffered over the years; that the 50/50 Program, the Resurfacing Program, and the Chronic Seer & Drain Program; that every year at the budget presentations he has stated that not enough money was being invested in street maintenance namely, resurfacing and now it was showing; that this year there was \$200,000 in the CIP for the Annual Street Resurfacing Program which was a drop in the bucket compared to the \$600,000 to \$800,000 they had allocated

prior to 1989; that under Tab 6 was a chart they had put together which emphasized that fact; that the solid line with the little dots showed the level of funding over the last ten years noting that in 1987-88 they were at a high of \$800,000 and over the last seven years or so they'd been averaging about \$100,000 annually for resurfacing; that also on the chart were horizontal lines which indicated 10-year, 15-year cycles; that the State of NH, DOT recommended that a street be resurfaced every ten years in order for it to stay in good repair in order to avoid full reconstruction and in order for the City of Manchester to meet a 10-year cycle and they only assumed that 10-year cycle on three-quarters of their roads because they already knew that 25 percent of the roads were beyond resurfacing or were in the need of reconstruction; that in order for the City to meet a 10-year cycle right now \$1.5 million a year would have to be appropriated and what they were averaging right now represented a 50-year cycle, so they were totally, inadequately funded for street resurfacing noting that a street they would resurface today would not be around in 50 years if there weren't any additional maintenance such as resurfacing done to it; that in '87 and '88 they were doing \$800,000 worth of work even though the line was plotted somewhere between 15 and 20 percent pavement cycle, it was actually representing a 14-year cycle because in those days they weren't doing a lot of street reconstruction, they were taking the \$800,000 and doing the work completely themselves and charging only asphalt and as a result it was representing a 14-year cycle, so three-quarters of all of the streets in the City would be resurfaced every 14 years; that the City had about 380 miles of streets, actually 378 miles of streets noting they had been averaging \$100,000 for the last few years which was equal to about 1.2 miles of resurfacing, so in comparing it to over 300 miles of streets it was a drop in the budget; that he recommended that the Board increase the allocation this year as a minimum from \$200,000 to \$400,000; that with \$400,000 to \$450,000 would be the maximum amount of resurfacing they could do in a year and continue their street reconstruction effort which was in the \$1.5 million range and even with \$400,000 they would only be getting close to a 25 year cycle on addressing the resurfacing; that every year he had also stated that the shift from street reconstruction work and reductions in their operating budget impacted their ability of doing any significant amount of sidewalk and curb work under the 50/50 Program; that this year the demand for these services are out-of-sight with no ability on their part to meet the demands; that where they'd shifted from resurfacing under the annual program, doing sidewalk and curb work under the 50/50 program and sewer work under the Chronic Sewer & Drain to street reconstruction they just didn't have the time to do the curb and sidewalk work and every year he had been here making that statement and suggested a solution to the problem would be to appropriate \$50,000 in the CIP, to contract for sidewalk curb construction funded 50 percent by the property owner and 50 percent by the City, so the same philosophy would be in place; that the proposal would establish the 50/50 Program at a slightly higher cost to the homeowner than what they would

5/6/96 Finance

19

charge but by putting together a program 50 percent, \$50,000 worth of City money and \$50,000 worth of private money and would be putting out one contract a year in the \$100,000 range with the property owner's getting the benefit of a shared program in the fact that they would be part of a major contract instead of just dealing with some small contractor off the street; that their operating budget was extremely weather related; that the last three out of four winters had been above average in storm events and had been over budget; that in Section 7 was a graphic representation of what had happened over the last six years noting it was broken down into categories such as salt, regular labor, overtime, and equipment costs and the tall red bars represented the costs of snow removal operations in this budget year; that the little tick with the number next to it noted how much was allocated in their operating budget for those costs noting they were way over budget for snow removal operations; that the City had been very fortunate because the last two times that they had gone over budget in snow related costs there were surpluses in solid waste allocations in their budget which they were able to divert into the snow removal area; that this year their snow removal budget exceeded \$500,000 over what had been allocated if the City were paying for those services through the private sector noting there had been some talk along those lines, the costs would have been far greater if they were paying on a time and equipment cost basis; that in his opinion the City of Manchester had the best snow removal operation of any municipality in the State which was due to the fact that the entire operation was performed by dedicated department employees utilizing equipment purchased especially for the City's needs; that under Tab 8 showed an organizational structure of their snow removal plan pointing out that two-thirds of the way down was the personnel and equipment requirement and in order to conduct a full-scale plowing operation with towing they were looking at 90 people and 53 pieces of equipment; that their snow removal operations they were drawing off the office staff and engineers when they were trying to man the second shift; that their complement was at a minimum for snow removal operations if they continued performing the way they had done in the past; that the majority of their employees were extremely dedicated as mentioned and had been working without and across-the-board increase since January of 1990 and without a contract since June of 1994; that the employees which was AFSCME had gone longer without a pay increase than any other bargaining unit in the City and realized the financial dilemma the City was in, however, the City did have a valuable asset in the employees and asked that they not be forgotten; that under Section 9 of the handout was the response to the one, two, or three percent budget cuts noting he would not go through them in detail now because they had been detailed in the correspondence; that the Highway Department had been constantly required to do more with less and had accomplished it without predicting doom and gloom, had met the challenge of privatization by being low-bidder for refuse collection and street sweeping services and were living up to the requirements of the bids; that their field forces which were not committed to

5/6/96 Finance

20

the bids worked as an integrated unit performing major street reconstruction, work in the construction season, and snow removal operations in the winter; that further cuts in the operating budget would impact their ability to provide the services in a most efficient manner ultimately costing the City more for the services and asked who was willing to give up a piece of snow removal equipment or agree to be on the bottom of the list when it came to engineering services, street-related services, sewer-related services, or refuse collection services; that it was typically not popular to cut the School budget, Police budget, Fire budget, which was why the Highway Department budget also got a second look when reductions were needed; that the potential impact on those organizations and the quality of life in Manchester if the streets and sidewalks were not plowed properly, the streets were in disrepair, trash was allowed to accumulate, and flooding was commonly due to inadequate sewer and drains, think about the investment the City has in its infrastructure and the future financial impacts to the City if they are not properly maintained.

Chairman Wihby stated they were facing a nine percent increase in the tax rate asked how much of that was because the landfill would be closing, asked what the number was of the \$9 million increase.

Mr. Thomas replied contracts alone in their budget was \$3.118 million which was the impact of the landfill closing and included the transfer of solid waste out-of-town, the disposal, the yard waste collection.

Chairman Wihby asked if they would be losing any revenues.

Mr. Thomas replied, yes; that last year they were generating between \$500,000 and \$600,000 in revenues.

Ald. Shea asked how much did the Highway Department get from CIP for road construction.

Mr. Thomas replied they had been averaging between \$1.5 and \$1.6 million in street reconstruction; that resurfacing in this year's budget they would have \$200,000, however, he would be spending about another \$150,000 this year as he did have some surplus money in the operating budget because of solid waste and would try to spend another \$150,000 by July.

Ald. Shea asked if there were any other monies which came from the CIP.

Mr. Thomas replied there was \$200,000 in CIP this year for resurfacing.

Mr. Girard stated there was also money which came through CDBG which was being used and which the Mayor was proposing be used for reconstruction of Wilson Street which would leave about

5/6/96 Finance

21

another \$100,000 to \$150,000 in CDBG for resurfacing and had to be added to the numbers in the regular CIP; that the only problem with CDBG funds was that it could only be used in specifically-designated areas of the City, so all together there was really between \$300,000 and \$400,000 for resurfacing and roughly \$1.5 million for road reconstruction if CDBG was added in.

Ald. Shea stated his point was that that money could be used for specific areas freeing up the money which was already in the budget for non-restricted areas.

Mr. Girard stated the Mayor had already designated where he thought that money should be noting it was already in the CIP budget; that if the CDBG monies were added there was roughly \$1.5 million for road reconstruction overall which would be City-wide and there was also another \$1.5 million in there the Mayor had proposed through Section 108 for the reconstruction of Elm Street, so there was about \$3 million for road reconstruction in this year's budget.

Ald. Hirschmann stated a question which had been asked a lot of him was that their goal was to do more recycling and they knew that the Bag and Tag Program would probably not pass asked if they went to weekly recycling the recycling agreement would have to be renegotiated but wouldn't it up, wouldn't it give the City more recycling and take a lot of the waste stream and transfer away.

Mr. Thomas replied not significantly; that studies which had been done by big companies such as Waste Management and BFI had determined that if it was done on a weekly basis it did not necessarily mean that they would recycle more; that if they were looking to increase the participation of recycling then they would be looking at making it a mandatory program; that in going to a weekly basis there would be some increase, but not significant and had been confirmed not only with Waste Management, BFI and other companies.

Ald. Cashin stated \$500,000 had been taken out of solid waste for the snow removal budget and would take another \$150,000 out of solid waste.

Mr. Thomas stated the reason being when the budget was approved for this year it was anticipated that the landfill would be closed on January 1st which meant they had six months of disposal costs in their budget that they either didn't utilize which was somewhat offset because they had to keep their people working up there and additional covering materials, but there was a sizable savings there; that when the budget was put together for this year it was assumed that yard waste collections would start on July 1st of last year but didn't really start until this April, so there was a significant savings in contract money which had been reallocated to date.

5/6/96 Finance

22

Ald. Cashin stated they would not then have to make up the \$650,000 in snow removal costs.

Mr. Thomas replied, no, they were covered in the Highway budget.

Ald. Cashin stated Mr. Girard had indicated there was \$3 million in road reconstruction.

Mr. Girard stated that was including the Section 108 funds which the Mayor had proposed using for Elm Street.

Ald. Cashin stated forgetting Elm Street there would be \$3 million in road reconstruction.

Mr. Girard replied forgetting Elm Street there would then be only \$1.5 million with approximately \$300,000 being dedicated in the CDBG area and \$1.2 million for elsewhere in the City.

Ald. Pariseau stated if EPD or the sewer user fee were put on the tax rate instead of the sewer fee asked what that would mean to the tax rate asking wouldn't it be lower noting that the sewer usage fee had gone up 9.9 percent.

Mr. Thomas replied if Ald. Pariseau was referring to the capital projects being constructed using sewer user fees and shifting those capital costs into the CIP bond side indicated they were looking at over \$15 million of capital projects which were being funded with sewer user fees they would have to be funded with CIP bond funds which would be reflected on the tax side.

Chairman Wihby asked where would they save.

Ald. Pariseau stated they wouldn't save, the tax rate would then be increased by 18 or 19 percent if that charge was where it should be.

Ald. Hirschmann in reference to the one percent reduction and specifically the landfill cover materials stated the landfill was not getting adequately filled now, the stuff was blowing around asked if it wasn't a bonded project so that the materials would come out of the bond.

Mr. Thomas stated that was why they had identified it to be cut; that they had budgeted \$25,000 worth of cover so that the day after they close the landfill the areas which were most recently worked even though they had proper cover what they were intending on doing was going out and putting a good foot of clean cover over those areas so that the paper wouldn't be showing and there wouldn't be any blowing or nuisance; that with the \$25,000 it would be the first step in the landfill closure; that by deleting it out of their budget there might be a little bit more of a delay in getting those areas finally covered but the cover material was eligible for State funding out of the bond appropriation for the landfill closure, and it might be a little more of a delay in time.

5/6/96 Finance
23

Ald. Hirschmann stated there would be funds in the State bond to do the cover.

Mr. Thomas stated the \$12 million would be placed in covers and liners over the whole landfill noting the money was included in their budget because they wanted to close the landfill the Friday in June and go in that first Monday in July and put a good covering over the most recent areas they'd worked so until they got up and running with the final closure the area would be neat noting the money would not be wasted because it would still be eligible for the revolving loan grant funds and would give a little faster access to that money waiting to do it by the final closure.

Ald. Hirschmann stated it was so hot in July and smelled so bad in July that if they didn't cover it they should find \$25,000 to cut elsewhere because it was nasty.

Chairman Wihby stated it would have the same cover it would normally have.

Mr. Thomas stated there would be the normal cover over it as they ended the work week and what they did was to build in cover in their budget so they could have access to that money rapidly come July 1st to put a little more over the areas most recently worked; that the area would get covered and get covered promptly, but they had to do it through the landfill closure CIP account which was why they had identified it as a first line for cuts as it was redundant.

Ald. Domainque stated someone had said that the Highway Commissioners and the Mayor's Office had worked on the CDBG funds and a prioritized listing of the streets for that money asked if there was also a priority list for the remainder of the streets and asked if the Highway Department prioritized which streets were in most need and follow that list year-after-year.

Mr. Thomas replied they did not have an official pavement management study where all the streets in the City were rated and prioritized; that they did try to identify street reconstruction projects off an on-going list; that the streets which were being funded under FY97's budget was identified to the Board of Mayor and Aldermen last year, approved by the CIP Committee and the full Board; that the projects which had been earmarked for reconstruction projects this year was Groveland Avenue, Mammoth Road, a section of Maple Street, Chestnut Street which was in the CDBG target area, and if funds were there a small section of Ridge Road off of Union Street, such projects were identified to the Board of Mayor and Aldermen noting they had to get approval on the street reconstruction projects a year in advance so they could survey the engineering so that when July comes around and the money's available they could jump off and start reconstruction; that he had sent out a request to all Aldermen to

5/6/96 Finance
24

define for them as they were trying to formalize it a little bit more similar to the way in which they used to do street resurfacing back eight years ago, and were asking Aldermen for their input as well as their own input and were estimating the requests and would be prioritized for street resurfacing noting they would be doing the same for street reconstruction until such time as they could get some type of formal pavement management plan up and running.

Ald. Domainque in reference to the crack sealing material used in the past asked if it had been used recently.

Mr. Thomas replied every year there was an annual appropriation in their budget under that line item for contracts and normally received \$50,000 to do crack sealing and guard rail work.

Ald. Domainque asked if within the past 12 months they had been sealing cracks.

Mr. Thomas replied there had been a contract out last year at about this same time noting they normally did it toward the end of the budget cycle indicating he could provide a list of those areas which had been sealed.

Ald. Domainque stated when she was on the Board in 1990-91 they were looking at closing the landfill and appreciated they had been in a depression/recession since then but there didn't appear to be any movement in terms of putting money aside by the City of Manchester to look forward and know that those costs would be incurred and in looking at the cost of \$4 million in closing the landfill now noted the City needed to start setting aside money for projects of a similar nature in the future.

Chairman Wihby stated the problem was that there had been no money since 1990 to do anything and it was always taken out back then because taxes would go up then; that they would have had increases the last five years instead of now at four percent.

Mr. Thomas stated back when they were generating in the \$2 to \$2.5 million range for revenues there were proposals made by the Highway Department to elected officials that were in office at the time to consider setting up a special revenue account and putting some money away noting that there recommendations never...

Chairman Wihby interjected it was always raining then when they came up with it but they never got to that point.

Ald. Shea in reference to the 50/50 Program asked how critical it was in terms of satisfying constituent needs throughout the City noting it was of critical importance in his ward and wondered how it was elsewhere throughout the City.

Mr. Thomas stated dramatically this year they were able to keep up to the demand until two years ago and had been falling behind

5/6/96 Finance
25

noting they had been telling people that the program no longer existed and if they did do it at all they could not guarantee as to when they would get to do it, so people had deferred taking action on sidewalks and curbs, but thought the demand had caught up and had been getting swamped with phone calls relative to curb installations and sidewalks and strongly suggested allocating \$50,000 in CIP somewhere.

Ald. Shea stated it was his understanding that the work would be done by private contractors on a bid basis rather than people from the Highway Department.

Mr. Thomas stated it would have to be done by the private sector because their commitment as a result of reducing their salary account by \$700,000 was street reconstruction work; that if he didn't work street reconstruction he was not earning the \$700,000 worth of salaries which had placed them in the dilemma they were in now; that his proposal to fund \$50,000 through CIP and 50 percent by the homeowner would allow the program to be reestablished again.

Ald. Elise stated when the landfill was planned and developed there was a decommissioning cost built into it and maybe funded over time wouldn't have had such a big impact and definitely agreed that it should have been done.

Chairman Wihby stated those numbers were there but at the same time they were looking at tax increases over that 4 or 5 year period and at the time the decision was made why should they put that price tag on the taxpayers then when they didn't know when it would close noting it was a four percent increase and was not saying the increase was high but they would have had it sooner.

Mr. Thomas stated they had made a proposal to the Mayor at the time which was when they were generating revenues in the \$2 to \$2.5 million range and strongly suggesting that a portion of the monies be put aside to pay for future closure, however, those monies was always enticing to utilize to keep down the taxes at the time.

Ald. Elise in reference to the 50/50 Program stated there were a lot of people in her Ward who were in need of the program noting that some of it was the result of some of the work the City had done and would be in support of instituting a curbing and sidewalk 50/50 Program.

Ald. Soucy in reference to line item 770 Special Projects asked what the increase was for; that they had requested \$85,000 with the Mayor recommending \$470,000.

Mr. Thomas replied included in the Mayor's budget included under Special Projects was \$385,000 which was funding one-month of a Bag and Tag Program which wouldn't be implemented; that in the combined budget they subtract it out.

5/6/96 Finance

26

Ald. Soucy in reference to the street lighting noted the Highway Department was responsible for the lights with Traffic only responsible for signalization noting they were all metered separately.

Mr. Thomas replied that was correct.

Chairman Wihby stated the \$385,000 was already calculated in the number given.

Mr. Thomas replied that was correct; that they would have to take a look at the combined number on page 2 which would show the \$385,000 as a subtraction of what was being added in.

Ald. Domaingue stated when talking about the curbing program and the lack of it noted that in her Ward there was some curbing which was 30 years old or older; that it was deteriorating over 30 years at a rate that some other curbing which had been put in about five or six years ago was deteriorating at now and asked who was responsible for the quality of the curbing because what she was now looking at were some cul-de-sacs in Ward 8 which had significant deterioration in the curbing and was turning into sand in a matter of five to six years and could not understand it.

Mr. Thomas replied that for years he had personally been trying to fight to eliminate precast concrete or poured in place concrete curb as the standard; that first they were able to eliminate poured in place concrete curb as a standard in street reconstruction and was probably done 10 years ago; that there was a reluctance in eliminating precast concrete curbs because it would have only allowed one acceptable type of curbing which was granite curb; that he fought and was successful approximately four or five years ago to eliminate precast concrete curb because of the problems mentioned and now the standard that the Highway Department had and recommended to the Planning Board was that only granite curb be used in all new construction; that precast concrete curbing could be made to hold up similar to the concrete on bridges and whatnot that did not deteriorate as fast, however, the quality control in the manufacturer's of the precast curbs wasn't there, the curbing held up for a few years and the contractor who developed the development leaves towns, sold all of his properties and the curbing disintegrates which was why they had pushed; that eventually the City would have to come up with some type of program to replace that deteriorating curbing.

Ald. Domaingue asked if there recommendation of installing granite curbing was now a mandate of future development or merely a recommendation.

Mr. Thomas replied it was a requirement; that their current standards now required granite curbing.

5/6/96 Finance

27

Ald. Reiniger stated that during the past week he had been approached by some very responsible business people who had some exciting plans in renovating some key buildings Downtown noting that during the discussions it was stated that a very key aspect of it was what they had read in the paper about the reconstruction of Elm Street and particularly adding more angled parking and he told them it was his understanding that it would be part of the reconstruction and also it was his understanding that it was a priority of the Highway Commission asking if that was true.

Mr. Thomas stated the Highway Commission had been actively involved in the on-going study and recommendations regarding the whole Downtown project, not only Elm Street but the inter-connection with the Millyard, etc.; that the Commission instructed him, demanded that when he made the CIP request that they request the entire \$4.5 million project noting that was how strong they felt about the project; that the scaled down project which was currently including in the CIP for \$1.5 million did the full improvements that the consensus group came up with from Bridge Street down to about the Center of NH noting that the Highway Commission supported it wholeheartedly.

Ald. Elise asked if the Highway Commission thought the road resurfacing CIP budget should be increased to about \$400,000.

Mr. Thomas replied, yes they did; that the position of the Highway Department was that they felt there were two priorities they had to look at; that that the improvements to the Elm Street area was a priority to show that there was a commitment on the part of the City to hopefully revitalize the Downtown area, but the Commission also realized that there was a need on the other streets in the City because of the amount of funding which had taken place over the years.

Ald. Elise stated there was a severe need in the wards and was looking as to how to balance the funding so that the neighborhoods did not become as blighted as the Downtown area.

Mr. Thomas stated he was probably wrong, but it was his understanding that CDBG funds could not be utilized for maintenance functions, at least that was what he had been advised in the past by the CIP Office and noted the Elm Street project would be funded with CDBG funds because it was a capital investment, a reconstruction project which was over and above putting down a coat of asphalt; that maintenance activities could not be bonded.

Chairman Wihby stated the Highway Department had indicated they should address it every ten years noting there was \$1.5 million out there that would do so and asked why couldn't they bond if the road was to last ten years.

Mr. Thomas replied he did not have an answer on that question and perhaps Finance or Mr. Girard could answer that question.

Mr. Girard stated to do CIP bonding it had to be considered a capital improvement project in that road reconstruction was considered capital improvement; that road resurfacing under the guidelines to be a regular maintenance project, therefore, it could not be bonded.

Chairman Wihby stated if DOT was saying it should last 10 years asked what was wrong with 10 years and asked if that was the Finance Department's determination.

Mr. Girard stated it depended on whether or not it was City funds or CDBG funds; that if it were CDBG funds they were under federal regulations.

CITY CLERK

Mr. Bernier stated last Friday you received a letter from the City Clerk's Office noting that he had revised the numbers with a focus on the Presidential Elections in 1996; that the Mayor's recommendation with respect to other expenses the office would be able to live within those means; that in reviewing the 1992 expenditures during that Presidential Election year; that the Mayor had proposed \$10,000 under Temporary Salaries with the actual expenditures having been \$55,000 and was currently requesting \$20,000; that in Overtime Salaries the Mayor's proposed was \$10,000, the '92 actuals were \$7,000 and was asking \$16,000 for this budget; that in 1992 certain employees had received comp time; that under Special Salaries the Mayor's proposed was \$30,000, the 1992 actuals being \$32,000 and the current request was \$36,000 as a lot of activity was anticipated in September and November of 1996; that Manpower recommendation was for \$11,000, the actuals in '92 was \$31,000 and was now requesting \$19,000.

Ald. Domainque asked if they had not discussed about the cost of doing a special election when they had talked about doing the CenterPlex referendum question noting that Mr. Bernard had stated at the time that the City Clerk's Office could absorb that cost and asked if that was money they could not see carried over as a result of there not being a special election.

Mr. Bernier replied, no; that there were two elections - the Charter Review Commission and the CenterPlex; that the Board had appropriated \$25,000 in Contingency which would not be used; that the Mayor took a Vital Clerk position out of the budget but kept it open so he would not have to go into Contingency funds noting that he also had to pay severance pay for one retiree.

Ald. Hirschmann stated the letter with the leasing of the vans asked if it was because of the transfer policy and asked if it couldn't be taken care of out of miscellaneous.

5/6/96 Finance
29

Mr. Bernier replied he probably could; that he wished to have it noted that during the Committee on Accounts next fall they would see that when they would need request leasing of vans on election days.

ALDERMEN

Mr. Bernier stated the Board had requested a breakdown of one, two, or three percent cuts; that the one percent would equal \$600 which would equal a deduction of \$50 per Aldermen; that the two percent would be \$100 per Aldermen and \$150 per Aldermen with a three percent reduction.

Ald. Hirschmann asked why they didn't strip the remaining line items.

Ald. Shea questioned the \$214 in the Worker's Compensation line item.

Chairman Wihby stated he did not think they needed the money in there as the Aldermen were not considered employees.

MAYOR'S OFFICE

Mr. Girard stated the Mayor's budget came in about 1.6 percent under last years and adjusting for various factors was about five percent under 1991 funding levels right now noting there was not a lot of wiggle room in the budget; that the only real difference between his 1997 request and what he recommended for his own department was about a \$1,600 reduction in the salary line item; that when the Mayor had drawn up the budget he gave the 2.5 percent increases to his employees as if they were non-affiliated; that the \$1,600 cut was the step increase for his Senior Aide; that other than that there had been some shifts in various places in the Mayor's budget from line item to line item; that the aggregate was still about a five percent reduction in the Mayor's line item expenditures over current year and had shifted funds around to better accommodate the work that the office was doing but in total the line item expenses were down about five percent; that they had sent out a memo regarding the one, two, or three percent cuts noting it was pretty clear; that with the current office secretary leaving there was approximately \$488 they could remove from the salary line item as they would start someone at the \$20,000 that she started at and would be leaving at.

Chairman Wihby asked what the 140 account was.

Mr. Girard replied it was similar to the Aldermen; that it was the Mayor's expense account and believed it was called Special Salaries under the Aldermen's account.

5/6/96 Finance

30

Ald. Soucy in reference to 592 Duplicating Services asked if there was something wrong with the machine they had or were they sending more out and asked what they were anticipating.

Mr. Girard replied when they were reviewing their line items they had found that some of the expenditures they were making from other lines items such as printing should have been coming out of duplicating services; that they did have a maintenance contract on their photocopier which they tended to use in excess of the contract because it was old and dying, but the rest of the line items were still a reduction over the FY96 line items and was noted in the Mayor's memo regarding the one, two, or three percent cuts; that they would probably find themselves in a position where they would have to shift money out of the Travel account into those line item expenses because they had overrun some of those line items.

Ald. Hirschmann stated if the Charter Commission came back and told the Board that maybe there should be a strong Mayor form of government asked if the Board would be willing to fund it, would they get a higher paid Mayor or what.

Chairman Wihby stated it would not take effect until January of 1997 so it would only be half-a-year in this budget.

Ald. Shea in reference to 521 Insurance asked what CGL stood for.

Mr. Girard stated he could not say what CGL stood for, but it was the City's liability coverage which was purchased commercially.

Ald. Shea asked if all department's were covered under CGL.

Mr. Girard replied yes; that that number like other restricted line items were budgeted in a macro sense; that there was an overall city appropriation done and when that number was input there were various formulas the numbers were put through and each department was apportioned a number whether it was Worker's Comp for the Aldermen or anything else; that it did not necessarily reflect the real cost of providing that benefit or coverage to a department, but gave them a general idea.

Ald. Cashin stated Mr. Girard was originally hired to put together a Policy and Procedures Manual and asked where it was currently.

Mr. Girard replied the Board had passed an Ordinance which was formed by the Policy Review Committee and forwarded by the Mayor's Office; that within the language contained was a clause called "unless otherwise ordered" and since most of the policy considerations that had gone before the Board had been by directive of the Board sent to various subcommittees the Policy Review Committee and the Policies & procedures actions which had been put into place had actually never been used; that there were draft procedures on how the Board could, if it wanted to adopt

5/6/96 Finance
31

policies and believe it was written into the Ordinance, but that it had never been exercised by the Board because the policies under the Ordinance could be and had been directed to subcommittees where the subcommittees had recommended the policies to the Board; that as a result of that in side stepping the process the policies which had been passed by the Board had not been recorded in a manual similar to the Code of Ordinances.

Ald. Cashin asked why not. Mr. Girard replied because the Board had not ordered that to be done.

Ald. Cashin asked wasn't that your responsibility. Mr. Girard replied, no; that the procedures had been developed.

Ald. Cashin asked why wasn't there a manual with all of the procedures in it.

Mr. Girard replied because the manual that would have the procedures in it was something the Board would have to...in order to the procedures put in the manual, the Board would have to use the Police Review Committee Ordinance and have it go through the Policy Review Committee process, but because there was that phrase in the Ordinance that said "unless otherwise ordered" they hadn't had to go through the process, they'd been referred to subcommittee as they always had been and subcommittees had come back with committee reports which was how the policies had been, so unless it actually went through the process it didn't end up in the manual; that part of the process of developing the manual would be to standardize the format of any proposed and adopted procedure and that did not exist unless you went through the policy.

Ald. Cashin asked so what are you saying; that all of these years you haven't had a job.

Mr. Girard replied the Mayor's kept me busy.

Ald. Cashin stated but not for what you were hired for.

Mr. Girard stated he was hired to develop that Alderman Cashin; that those things have been developed.

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

A True Record. Attest.


Clerk of Committee

