

COMMITTEE ON FINANCE

February 15, 2000

Upon Recess of BMA

Mayor Baines called the meeting to order.

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

Present: Aldermen Wihby, Gatsas, Levasseur, Sysyn, Clancy, Pinard, O'Neil, Lopez, Shea, Vaillancourt, Cashin, Thibault, Hirschmann

Absent: Alderman Pariseau

Messrs.: Solicitor Clark, Kevin Clougherty, Robert MacKenzie, School Committee Member Cook

Mayor Baines addressed item 3 of the agenda:

- 3. CIP Budget Authorizations:**
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| 1999 | 221199 | Refugee Health Program - Revision #2 |
| 1999 | 610099 | HOME Project - Revision #1 |
| 2000 | 650200 | 1037 Elm St. Rehab. - Revision #2 |
| 2000 | 650500 | Section 108 Economic Development Loan Fund |

On motion of Alderman Hirschmann, duly seconded by Alderman Pinard, it was voted that the CIP budget authorizations be approved, subject to final adoption of related Resolutions.

Mayor Baines addressed item 4 of the agenda:

- 4. Resolutions:**

"Amending the 1999 Community Improvement Program, authorizing and appropriating funds in the amount of Six Thousand Six Hundred Eighty Six Dollars (\$6,686) for the 1999 CIP #221199 Refugee Health Program."

"Amending the 2000 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of One Million Dollars (\$1,000,000) for the 2000 650200 1037 Elm Street Rehabilitation Project."

"Amending the 2000 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Five Million Dollars (\$5,000,000) for the 2000 650500 Section 108 Economic Development Loan Fund."

"Authorizing the Finance Officer to effect a transfer of Five Thousand Dollars (\$5,000) from Contingency to Civic Contributions for the NH Charitable Foundation as Startup Monies to Develop a Comprehensive Cultural Plan for the City of Manchester."

"Authorizing the Finance Officer to effect a transfer of Fifteen Thousand Dollars (\$15,000) from Contingency to Civic Contributions for Riverfest, which will be paid back as a priority with proceeds from this year's event."

"Authorizing the Finance Officer to request a transfer of up to Thirty Thousand Dollars (\$30,000) from Proceeds of Land Sales at Manchester Airport administered by the Manchester Housing and Redevelopment Authority to City Solicitor's Incidental Account for the Payment of 1999 Real Estate Taxes on the Rubenstein Property."

On motion of Alderman O'Neil, duly seconded by Alderman Thibault, it was voted that the Resolutions be read by titles only, and it was so done.

Alderman O'Neil moved that the Resolutions ought to pass and be Enrolled. Alderman Sysyn duly seconded the motion.

Alderman Levasseur asked was is the \$5 million for 650500 for.

Mr. MacKenzie replied this is a program that is offered by the Department of Housing and Urban Development (HUD) and basically it's a loan pool that they offer, the City applies to and we can use it for various economic development projects. The City is intending to use \$1.5 million of this for the 1037 Elm Street renovation. So, because it takes a long time to go through HUD to get this we felt it appropriate in this case to apply for a larger amount to have an opportunity for

other economic development projects in the City. I would note that these loans are non-recourse to property taxes. If there is any defaults the defaults would go against future allocations of HUD funds that they give to the City. So, these are loans that we would have available for economic development, but they are not recourse to the City.

Alderman Levasseur asked could you give me an indication of how you get this money, who can get it and what you can use it for.

Mr. MacKenzie replied the money would be a line of credit available through HUD. If it's a qualifying project, in other words, if it is within an eligible area or a low or moderate-income area of the City or if the benefits were directed to jobs created for low and moderate-income then the project would be eligible. There are no necessarily size requirements, each project would be reviewed by the City and HUD to make sure it met all of the regulations.

Alderman Vaillancourt in reference to the \$5,000 for the start-up for the Cultural Plan for the City of Manchester stated as you may recall at the last meeting I voted against this and I asked the two lovely ladies to present us with some information on how this money would be spent and I understood that they were going to provide that. I would certainly like to vote for this, but I cannot do so until I find out how it will be spent. Has that information been forthcoming.

Mayor Baines replied I haven't received that, but if you could call me tomorrow in my office we'll expedite that for you, Alderman Vaillancourt, because I believe that this is a project that I think you would definitely support, but if you could call me I'll be able to facilitate that.

Alderman Vaillancourt stated I would like to see what I'm voting on in advance, if that is possible, but I will take your word for it and duly consider voting for it.

Alderman Shea stated this has to do with the next item, the \$30,000 for the buying of the property and I wondered if the Finance Officer, could give me the answer to two questions. Will the remediation be controlled and will there be no more than \$30,000 spent on this acquisition, I don't know if I should ask Bob or Kevin for this or the City Solicitor.

Solicitor Clark replied the remediation that the City would be paying for is just to remove soils that are on top of the ground. We've already had an estimate done and it will be well under the \$30,000. The other part of the donation to the City is that the City would take payment of the real estate taxes for the last year and that runs approximately \$4,500.

Alderman Shea stated so the two items will not go more than the \$30,000 then.

Solicitor Clark replied we do not believe it will.

Mayor Baines stated I believe that committee did a great job handling the issue related to Riverfest and we received good, favorable feedback from the people involved in that, so I want to thank the committee for doing their due diligence with that effort.

Mayor Wieczorek called for a vote on the motion. There being none opposed, the motion carried.

Mayor Baines stated we'll move to item 6 since item 5 is no longer necessary. Is there any further business, if there is none, a motion is in order to adjourn.

Alderman Wihby asked you're leaving it on the table, item 5.

Mayor Baines replied there is no reason to take it off the table.

Deputy Clerk Johnson stated, your Honor, I would just move that until such time as the Board takes it off the table or dispenses with it, it will appear on your agenda every time you have a Finance meeting.

Mayor Baines asked how should we deal with that.

Deputy Clerk Johnson replied probably to remove it from the table and either receive and file it or deny the actions.

TABLED ITEM

Alderman O'Neil moved that the following item be removed from the table for discussion. Alderman Clancy duly seconded the motion. There being none opposed, the motion carried.

5. Bond Resolution:

"Authorizing Bonds, Notes or Lease Purchases in the amount of six Hundred Sixty Thousand One Hundred Sixty-eight Dollars (\$660,168) for the FY2000 School District Lease Programs (portable classrooms at Hillside and Southside Middle Schools.)"

(Tabled 2/2/00)

Alderman Shea moved that the Bond Resolution be received and filed. Alderman Clancy duly seconded the motion.

Alderman Hirschmann stated on this issue, your Honor, I just want to state for everybody that the Aldermen, in good faith, did put \$660,000 in the School budget as a capital expense item and you can lease those trailers, you can buy these trailers, you can do as you see fit. But, during the next budget process do not get lured into putting capital items into their operational budget that they're going to transfer out into another line item because I think that the way that this is happening is not right, your Honor, and it may be legal but we don't get to vote on this that they can lease these trailers for three years, for ten years, for however long, but I think it's wrong because we did put in a purchase item, a capital item to purchase these for a set amount of money, your Honor, that's all I'm going to say.

Alderman Levasseur stated, your Honor, I read something in the paper today that was very disconcerting to me on this. It has been my impression that this was somehow manipulated to lease these portables because somebody felt that the Board was not going to pass the bonding on this. Now, I don't know who took a straw poll, but I wasn't included in that. Now, I want to let you know that I wasn't against bonding these portables. I probably would have voted for this with some more further discussion and I thought this was going to come to us and we were going to discuss this with Superintendent Tanguay on what happened last year with that money. Now, one of the big reasons why I have a problem with this is now we're going to...instead of purchasing these things for \$660,000 we're going to lease them for three years pay \$510,000 for these things and they're not going to own them after three years. So, now for \$150,000 more money we could own these and then if we needed to we could probably sell them off to other cities who might need these things and I don't see how we're going to get rid of these things in three years the way things move around here. How many schools are we going to build in less than two year or three years, I don't know what the plan is but now they're getting \$510,000 of money now, they got \$660,000 from us a year ago. You've given a lot of talks about the process and we should always keep the people involved and we should always talk about the process and I feel like something happened here. We went from buying these to leasing them when I think the prudent thing to do, your Honor, is to purchase these things like they said they were going to do last year and keep these things. Now, for \$150,000 we would have owned them and now they're just going to be tossed out or we're not going to own them and we're probably going to have to buy them or lease them again. This just doesn't make any kind of prudent business sense. And, the fact that the paper got a hold of this and said that somehow you didn't or somebody didn't think that the Aldermen were going to vote for this, I don't think anybody in

this room is going to vote against bonding this thing and I think it would have made prudent business sense, but we as an Aldermanic Board have every right to question what was going on with this thing and you even said it yourself it was a really bad divorce case and I think we should have heard this before they went ahead and leased this.

Mayor Baines interjected the divorce case is still continuing, I might add.

Alderman Levasseur stated, your Honor, we just can't be going around throwing money around like this.

Mayor Baines stated first of all, the speculation in the newspaper, if you have any control over that I'd like to find out how you do that. I also agree with you that this would have passed and I think that would have been a preferable resolution, I do not disagree with that at all. So, I'm not in disagreement with your statement on that, the only thing I disagree with is any speculation that this change was made based on any votes because I believe the votes would have been here to support it, I think that might have been a better resolution. So, I am in agreement with you on that.

Alderman Levasseur asked is it already done, this seems kind of crazy.

Mayor Baines replied the Chairman of the School Board Finance Committee is here and I may ask him to take the hot seat in a minute, but Alderman Gatsas, I know would like to speak and I certainly would like him to do that.

Alderman Gatsas asked, Mr. Cook, would you step forward please. I took the time and effort to drive around and look at those portables. I certainly...I'm an advocate for children and children shouldn't be in those portables. I don't think anybody took the time nor the effort to see what it would take to cost additions. But, certainly I've got to believe that for that amount you probably could have added additions onto those schools for the cost of the portables. I believe that asking this Board to look three years out and look at a problem again for another \$150,000 or \$660,000 I don't think is a prudent business decision. It's not something you would make if you were in the private sector, so I don't think we should make it in the public sector and certainly the autonomy of the two Boards, the School Board and the Aldermanic Board, certainly I understand with the court rulings, but I think that we certainly would have listened to a bonding issue that probably would have cost you a lot less than \$150,000 which we wouldn't have had to look into the budget cycle for having to give you that for the additional three years and then not having any classrooms at that time. So, I think that somebody needs to at least say there is a problem, how do we fix it and how do we

get it resolved. I think everybody's dodging bullets and certainly somebody has to take the stance that yeah, the money was appropriated and it went elsewhere, but for the best interests of the children we should take a look at fixing the problem, but I think that looking at that I only look at one thing...if there's a hundred million, five hundred thousand spent in the School budget last year it really now is going to be \$101, 100,000 because it's an additional \$600,000 that's going to be riding in that budget that wasn't supposed to be, but I know that with your legalize you'll be able to clear that up for me, Attorney Cook.

School Committee Member Cook stated I didn't hear a question mark at the end of that, so I'm not exactly sure what to say. Let's go back a minute on this. First of all, I watched the last Aldermanic meeting with interest twice on Channel 9 because I wanted to get the full flavor of the discussion and I think there were several factors tied up and jumbled around in the discussion. It is clear to me that when the School District came to you for its budget last year and there is no dispute that you appropriate our money, we said if we got the budget we requested we would purchase these portable classrooms. We did an examination of additions, we did an examination of capacity, we did an examination of the core facilities in our middle schools and it was not indicated by the studies that we did that putting additions on all of the middle schools would necessarily be prudent because of the size of our cafeterias, because of the size of our gymnasiums...the core facilities do not necessarily support additional students. We have, as you know, gone through what's called the NASDAQ Study which we are now going to try to follow-up on to have specific engineering and architectural examinations of our facilities to see what, in fact, we need and what capacity we have and how to best address that. We had promised this Board two budgets ago that we would try our darndest to implement the middle school concept. When you appropriate the money to build the McLaughlin School we said we would try to do that. The expeditious way to do that was to get portable classrooms to do it.

Alderman Gatsas interjected let me just as you a question right there. How does that resolve the problem that you said cafeterias and gyms wouldn't support additions, that they support additional children in portable classrooms.

School Committee Member Cook replied a portable classrooms by definition is a temporary device. It was a capacity enabling factor and I've got to tell you having a child who was in one of these classrooms at the beginning of the seventh grade this year, I'm not only sensitive to them, but I get firsthand reports on the experience in them and new portable classrooms as opposed to what happens to them if we keep them for too long a period of time are very acceptable classrooms. They're not the prettiest classrooms in the world from the outside and they crowd your sites and they are not an optimum situation and nobody advocates them as an

answer in the long term for anything. However, we came to this Board last year and we said we want a budget of \$102 million and if we got a budget of \$102 million we will pay for these things because nobody disagreed that that was the fastest and best way to get them. We did not get \$102 million, we got \$100.5 million. Now, there is a whole discussion going on on the transition team and on the budget situation that the Mayor has convened that is much more complex than the discussion we're going to have tonight, but we hope is going to resolve all of these issues. When we didn't get \$102 million the School Administration went back and calculated how they could accomplish what we needed to accomplish for the children of the City of Manchester and we came forward and we requested a lease/purchase not a bond. But, because Bond Counsel had given the City an opinion several years ago and Mr. Clougherty will correct me if I'm wrong, but as I understand it Bond Counsel had given the City of Manchester several years ago that when you go to a capital acquisition lease or a lease/purchase over a period of time it has to be approved by the governing body in the same way that a bond has to be done. It is not a bond, we did not request a bond nor did we ever request additional appropriations from this Board. We needed permission. Somehow that process got delayed. When the process got delayed and I'm not blaming anybody for the process getting delayed because frankly the processes of the City of Manchester on both sides of the house are wondrous to me, often, but when the process got delayed and we got to a point where we got into the year 2000 and we didn't have approval you have to understand that the vendor of these portable classrooms hadn't been paid.

Alderman Gatsas asked did you discover this in August, September, November.

School Committee Member Cook replied we made this request...as I recall we made the request for the lease/purchase sometime in the late summer like August is my recollection and I'm not swearing to that, but my recollection is we first got it to the City in July or August as a mechanism. It sat around and this is not a fault laying situation, it got onto the Finance agenda, it stayed on the Finance agenda, it was not moved forward for whatever reason and let's say it's our fault that it wasn't moved forward, let's say we didn't request it to be moved forward, I don't know why, but I'm not blaming anybody for this. We got to the last meeting of the Aldermanic Board when the lease/purchase request was a consent agenda item and Alderman Wihby requested it be taken off so we could address the question which is his right to do, obviously. We listened to the discussion, we saw the discussion, it became an issue that we thought, first of all, we heard the concerns from Alderman Shea and other people saying the faster we can get rid of these things, the better, we don't want to have these things around. We went back and considered what our options were. We had a meeting at the School Department of financial people and we contacted the people who provide portables. We didn't

think we were going to get the votes comment certainly didn't come from me, I haven't got a clue because I'm reasonably confident that after this explanation was given to this Board it would have been approved as Alderman Levasseur says. However, we had reasonably favorable terms from them for a straight lease. A straight lease enables us to do two things. It enables us not to have an obligation to purchase them at the end and it doesn't prohibit us from making an offer to them at some point to buy them. It allows us...unfortunately in American education and one of the reasons we had an issue with this last summer is our first vendor who we signed up for this told us, oh, by the way these things aren't coming until October or November, so we had to get a second vendor and almost miraculously we got these things delivered in time to open the schools in September...there is a big demand for these things. We are satisfied that when we don't need these any more and I heard comments at the last meeting saying nobody likes portable classrooms. Me too! Nobody likes portable classrooms and we have some one the west side that have been there for too long and the addition to Parkside has obviated the need for some that are ancient and awful.

Alderman Levasseur interjected excuse me, on that point...

Mayor Baines stated wait-a-minute, Alderman, we do have a Chair of the meetings and I will call upon people. Finish and then I will call upon individual Aldermen.

School Committee Member Cook continued by stating we saw the opportunity, in the discussion, on what our alternatives were to have more flexibility, not a great deal more expense, not a worse financing rate because a lease is a financial vehicle as you know, and we said this could be a win for everybody plus, very frankly, we can get our vendor paid faster. It had nothing to do with being able to persuade the Aldermen that this was...nobody thinks portables are a good idea, it was a mechanism to accomplish what we had to accomplish. We are trying to do a systematic study in the School Department of two things: facilities, which we've done the first step on which is the NASDAQ Study which our prime request to CIP is going to improve upon that study with actual nuts and bolts analysis by an architect and an engineer so we know exactly what our facilities need so we can look City-wide and figure out what the schools ought to have. I think we can all make a systematic study of that is a good idea and then we done a programmatic study, the School Match Program that's just been accomplished, so we know what's going on in this schools which is more important than the buildings. So, we're trying to do systematic studying. If we have the flexibility as we replace facilities to get rid of portables faster and at a flexible expense knowing there's a market for them, so we don't believe in our best judgment, we're going to get

tagged for them. We thought it was a win/win for everybody plus we could get our vendor paid faster and it wouldn't be a distracting issue for this Board. It was not doubting that we could get your approval, it was not trying to keep information from you, it was nothing. It was saying how do we do this better now that a flag has been raised on this subject and we had the opportunity to look at it again.

Alderman Gatsas stated I certainly understand that. Unless you can sit there and unequivocally tell me that in two-and-a-half years you are not going to use portables, then it is not a prudent business decision to lease them. You would not do it in private life, we shouldn't be doing it here. We should be buying them because the difference in purchases is about a hundred thousand dollars. It is not good business sense to do it and if you're telling me that they're in that great of a demand then we should have the ability for resale. So, we should be looking at it through different colored glasses.

Mayor Baines stated I am going to make a couple of comments here. First of all, I think I'm the only one sitting here that's taught in a portable classrooms, anybody else here...

Alderman Levasseur interjected, your Honor, we don't have a problem with the fact that portable classrooms are awful.

Mayor Baines stated, excuse me, I'm just going to make some comments, Alderman Levasseur. I agree with Alderman Gatsas in terms of it not being a long-term solution and I have a bigger concern with that as we look at economic development opportunities in Manchester in bringing people from communities thinking about locating in Manchester, I think it's a great embarrassment for us. So, I think our long-term goal has to get rid of those classrooms. The other thing I'd note is that they deteriorate quite rapidly too and they depreciate very quickly in value in a very, very short period of time because they're just not built to be permanent installations.

Alderman Levasseur asked the \$660,000 that you have in your budget for these to be paid for cash, where's that money now.

School Committee Member Cook replied when the budget went from \$102 million to \$100.5 million we don't have a line item budget as you know. The line item in your budget for Schools is a bottom line budget (\$100.5 million). When we had

less money to do what we had to do with we had to figure out how to do all of the things we needed to do for the students. The money didn't just go "poof". We had to move things around monthly, we've had to pay people, we've had to buy things, we've had to do all kinds of things. We got \$1.5 million (approximately) less than our original request.

Alderman Levasseur stated so the \$660,000 that you had in your budget for the portables has just been put in a different area in your budget, would you say that, right.

School Committee Member Cook replied yes.

Alderman Levasseur stated, your Honor, again I have to say this. Nobody wants students in portables and that's the reason why I think this would have passed very easily today. Now, the only problem I have is this message that's been sent to the community is that the Aldermen by doing this quick shuffle of a lease/purchase instead of bonding these things makes this Aldermanic Board look like we're a bunch of scrooges that don't children to be in regular schools and I just don't like the process that we went through and number two I just can't believe that we're going to spend \$510,000 and just give these things back when there's a huge demand for these things that you just said yourself that we probably could have got our money back on these things and I just wish that we would have discussed this before you decided to go and lease these things, your Honor, because I think we would have been able to straighten this out. Somebody is responsible for making this go into a lease/purchase.

Mayor Baines stated you're coming to a lot of conclusions and you might want to steer him in a little bit because you're coming to assumptions that are just not valid.

Alderman Levasseur asked then give me an answer. Who made the decision to lease/purchase these before bonding these.

Mayor Baines asked, Mr. Cook, please respond to that.

School Committee Member Cook responded no one has ever proposed, Alderman Levasseur, that these be bonded, no one. No one has ever proposed these be bonded.

Alderman Levasseur interjected this was the question before this Board two weeks ago was to bond them.

School Committee Member Cook replied no, it was not because I watched the discussion that you had last time. There is a fundamental misunderstanding about what the request was. A lease/purchase and I'll go through this one more time. The lease/purchase because it is a capital acquisition lease...Bond Counsel has said to the City has to be treated "as if" for approval purposes it was a bond. No one has ever proposed bonding a purchase of portables. No body has ever proposed that this be a bond. The reason that's we're bonding...and I watched Mr. Sherman trying to scramble trying to explain this at that meeting, Mr. Clougherty having the good sense to be sick that night, and he said Bond Counsel said "such and such". The next comment was bonding is necessary. Bonding has never been requested, never been discussed, this isn't a bonding thing and we just don't do that.

Alderman Levasseur stated okay, I understand, I agree. But, instead of it being a lease/purchase how did it get transferred to a lease, if I make it simpler. Where did we go from the lease/purchase to a lease.

School Committee Member Cook replied we did that.

Alderman Levasseur asked who's "we".

School Committee Member Cook replied we, Schools, did it. When we heard your discussion...understand...but, Alderman Levasseur, this is important to understand the pressure that we were under to make this decision; that was a first reading two weeks ago. You have to have (I don't know how many frankly because I'm not an expert), so if you have to have two readings you delayed it, so tonight would have been a first reading. We have kept these folks waiting since the delivery of these things which they did expeditiously to get to us. Very frankly, we thought we should pay them. We looked at all of the options. I didn't want to mislead you that the demand for these things doesn't mean that they're not purchased at depreciated value because the Mayor is absolutely right, these things depreciate relatively quickly which is why you don't want them around for a long time. We are satisfied that should we need them in a couple of years we can probably buy them for a pretty good price, we don't have an agreement to that effect, we have not negotiated to that effect, that is the experience people have because, very frankly, people don't like that "take them off their foundations, move them to some other place and move them". So, we don't think we got hurt economically at all plus we have more flexibility because we won't then own them and have to go through the sales process. I sat in a room Friday morning and

talked about all of the options that we had and we talked to the leasing company and we talked about the financing rates and we talked about others things and we decided let's just do a straight lease as we have done before, just so it didn't have to go on and on.

Alderman Shea stated I happen to receive some information to back up what you're saying really and the previous Board was notified when the proposed was presented to us on April 19, 1999 that it would be necessary to add portable classrooms to accommodate the growing enrollment needs. This was given to the Aldermen at that time and further information to back up that statement again was given also in a different section here that had to do with the major areas of increase including the implementation of the middle school as I brought out during the last discussion. A couple of points that were raised at the last meeting that had to do with this is were there a great many more administration positions established at the central office, that was brought out at the last meeting. To your knowledge was there.

Mayor Baines interjected I am just going to give you some background now and let him answer it. We have drafted...please, Alderman Hirschmann, let's have some decorum at the meetings. There is nothing wrong with class, dignity and respect. I just spent the day at Bakersville School and they were talking about respect. Alderman Shea continue.

Alderman Shea stated I think there were four positions added administratively at the middle school and at the senior high school in order to accommodate the growing number of students that were being admitted into the public school. So, that obviously, was not a problem. These matters were discussed at the last meeting in terms of overspending by the School Department and I wanted to clarify the point that with this \$660,000 the School Department and you can answer that as the head of the Finance Committee Chairperson, was or would the School Department overspend their budget.

School Committee Member Cook replied well, there are four or five questions running around in there, Alderman Shea. We are getting a complete list on all of the new positions at the School Department and verifying them with Mr. Hobson's department so that we can be sure when we supply that information to you that it is absolutely, positively accurate. My recollection is that the number of new positions at central administration is either four or five. One of whom is a part-time Treasurer's position which is \$15,000, but because some of them may have been vacant and some may be additional we met with Alderman Cashin and Alderman Wihby at the Mayor's request yesterday, I think, and have said we will get a list of all of the positions that we've added because we had 77 teachers in the

budget last year. We will get you how many positions we have, who funds the positions, what the cost of the benefits are for the positions, and how many additional positions beyond that there may have been and I don't want to do it from memory and happen stance until we have a complete list for you.

Alderman Shea stated I left out a Grant Writer, so there are five. This was the information that the Superintendent gave to me.

School Committee Member Cook stated I believe it was five.

Alderman Shea stated the new positions that the School Department has incurred is from the ESL position...many of the students that are coming in are from the ESL and Special Ed.

School Committee Member Cook replied yes, that is true, and there have been more ESL and more Special Education Tutors and Aides because of the number of students and that's always (and I've been doing this for three years now) and each year it depends on the magnitude of the number of students that need it and how many Aides you need because you've got certain Federal requirements on how you serve those people and I don't think anybody quarrels with those questions. The issue as I understand it of who we have and how we have it from the discussion yesterday is what are the categories of people, how many of them are there, and what do they cost and that's what we're going to try to get for you.

Alderman Shea stated one last point...when the \$660,000 came along, was that supposedly going to be done over a five-year period whereby the School Department would take so much money out of its budget or am I erroneous in this.

School Committee Member Cook replied my recollection, Aldermen, is when we first came with the budget and I'm sure Alderman Wihby will correct me if I'm wrong, but when we first came with our proposal we said we will purchase these things. Let's say they cost \$660,000 whatever they cost, let's say \$660,000 (we'll buy them); that proposal was changed into a lease/purchase agreement over a period of years to accomplish the same purchase of the \$660,000 and that has gone to a straight lease now which doesn't require your approval.

Alderman Thibault stated just so that I understand it and so the rest of the Board understand it. Last year, after we gave you the budget...your budget was \$100.5 million and after that we gave you \$660,000.

School Committee Member Cook replied no, Sir.

Alderman Thibault stated it wasn't included in the \$100.5 million.

School Committee Member Cook replied that goes to the issue did we come back here and ask you for more money and...it's the old is the glass half empty or half full...we got \$100.5 million from you, we came back and said because of the Bond Counsel opinion that we need approval for a lease/purchase and our administration or in the School administration's administration of the School District they said the way we will accomplish this because we didn't get as much as we asked for, it was close, but we didn't get as much as we asked for, we will lease these things instead of buying them totally so we don't have all of the costs up front. We needed your approval for the lease/purchase of \$660,000. We didn't ask you for \$660,000 more. My understanding of Alderman Wihby's point last week or two weeks ago was that enabled us to spend more money than we otherwise would have been able to have. So we, therefore, would have had more flexibility which I took as a compliment and because it was prudent management to pay for things over the lifetime of what we expected the use to be.

Alderman Wihby stated I was going to sit here and be quiet, your Honor, but a few things have been flying around. Let's go back. The Mayor had a budget of \$102 million and in that \$102 million there was \$660,000 to pay for (cash) for these portables. Nobody questions that. Tell me when I'm wrong and it's my good friend and School Board Member and ward resident, your Honor, and we get along real fine but we disagree on this issue. From there the Mayor ended up taking one percent...and we made some adjustments, we had double counted some benefits and School Food Nutrition there was an extra \$200,000 somewhere else, so we made some subtractions that were legitimate, nobody questioned...the Mayor took one percent off and that was the budget we passed. Now, if that had happened, if we had told Fire or anybody else and said I want to buy a fire truck for \$660,000 and we said fine and they went out the next day and they rented a truck and tried to take the money for something else they wouldn't have been able to do that because they're a department, they wouldn't have been able to transfer that money unless they bought the truck. They could have saved a lot of money by doing it, they could have come to us and said we want the money to use for something else, but this Board would have known about it. They wouldn't come back the following year and say I want another fire truck, they wouldn't be that crazy to do that because we would have told them wait a minute last year we funded a truck, why do you need another truck, you should have bought it when you had the money and that's exactly what happened here. No one's questioning the need of portables. We did know when the budget was done on the first day that they came to us that they needed portables. But, it was said that they were paying the \$660,000 out of their budget and that's in the minutes of the meeting and on 6/1 it's very clear to this Board even knowing what that hundred million

dollar that they were going to pay cash for because Alderman Hirschmann asked the Mayor how much are these things and the Mayor replied \$150,000 apiece. So, this Board passed that budget thinking that we had given them the money to fund that \$660,000 and that's how they were going to use it, no question about that. And, I don't think we disagree on that. The School Board went back and decided well, we have a problem with our budget and I read an article saying we're not going to be in the black, and I questioned Alderman Shea because I think you're going to be eating those words in another month from now when they come and ask us for more money. But, second of all, I asked...so I wanted to do some homework on this and I asked two simple things. I asked for a list of new employees from June 8th, that was on Thursday, I still haven't received that list of new employees. We did have a meeting on this as the Mayor had said if you want to sit in on it. I was told there's 104 employees, not 77; that was from Norm Tanguay's mouth. And, if it's five administration that's more than I thought because he had told me one, so he's telling you five, he couldn't give me the number when I asked for it, but if you look at the records he was going to have two less. So, there is actually seven new administration and 31 new teachers. All that came out of this budget process we didn't know about. We had thought there was going to be 77 new teachers. Now, there is some question about Federal money in there and we're trying to figure out how much that is and where the benefits are and how much exactly is that overspent in their budget...he's conceded that whatever that amount is they're not expected to...the City's not expected to make that money up. But, there's other items that were in this budget. I found out that the last two pay days of a pay period was funded in this budget (\$300,000). Now, we funded the budget before for 52 weeks, all those days and all of a sudden now it's gone to two days because of July 1st and 2nd being on a Thursday and a Friday...we're going to put that to the following year, so we can be in the black and look good instead of being in the negative. So, that's \$300,000 of this year's budget that nobody knew about...the Aldermen didn't know that we were going to fund that in this year's budget, but that's a shortfall, that's in there. So, that's a real number. I don't know how we're paying for it and if you figure the benefits in there it's probably closer to \$350,000. There's 31 new positions...we don't know what that is. But, the bottom line is if the Fire Department came to change the way they did business with us we would tell them no. We don't have that authority with the School Department, but to sit here and say well, the kids and...nobody's questioning and they needed the portables, they needed them at one school or the other school...there was plenty of discussion on that. My feeling is that we gave them the money \$660,000 to pay for these things. They're going to take that money and spend it on something else. I'm not saying what they're spending it for is foolish, I don't know what they're going to spend it on, we don't know, we don't have any authority to know what it is. But, then we're going to take another \$510,000 the next three years, so we're paying \$1.2 million for

these things, technically. We've given them money for the next three years and \$660,000 to do this for six portables, eight portables, whatever the number is. So, when I brought this up it was intended to find out why isn't it being paid for (cash) and I asked for a couple of other things. I asked for June 8th when they passed the budget, they must have had a list of balance sheet items on where they would have put their money. They have to have gone back and say we have \$100 million, how are we going to spend it, go on back and put it in line items. So, they knew how they were going to spend this the beginning of the year. Now, that should be an easy document. Five minute worth of work to go to file and pick it up. I still haven't received that and that's been five days. I asked for the following one, the year-ending one, so I could tell from the beginning of the year what they planned on doing with that money and what it looks like now, I still haven't received that, it's coming supposedly. But, when I was in the meeting and I asked for the stuff the question to me was "what do you want it for". Like, I'm going to be the bad guy. Now, I was going to sit here and be quiet and let this thing be received and filed, I don't think that it's appropriate that we go ahead and do what we're doing today, but the fact of the matter is...my feeling personally is because whatever that article said and I don't know if it was quoted in the article or not, but I think that person was telling the truth. Somebody felt that they weren't going to get the votes, the ten votes necessary, so they changed their mind, they're going to tell the Aldermen we don't need your vote anymore, we're going to do what we want to do and we're going to go ahead and do this on our own. The fact of the matter is it was funded in cash, they've never told anybody, we were told at the last meeting it was planned that was from the start...I guess that's what got me upset. What should happen is that the School Board should be coming to us saying "we have a problem and how are we going to fix it". Here's one way: we can save \$660,000 if we do it this way, we can take that amount of money and help our budget out so we don't have a deficit, but instead of saying well, this was the plan from the very beginning that's not true, it wasn't the very beginning. The very beginning was that we were going to give them the money to pay the cash and so I take offense, your Honor, when people sit here and say well, we have three administration and you didn't use the money and all that, but what I know is that they are going to be back in front of us asking for additional money. School Member Cook do you think they're alright. You're not going to come back to us asking for additional money; that was a quote in the paper.

School Committee Member Cook replied not from me, it wasn't.

Alderman Wihby stated I know that, but we had this discussion so either something happened from when we met the other day or today.

School Committee Member Cook stated I hardly know where to start, Alderman Wihby. We have several layers of discussions going on between the City and the School Department. We are still working on the transition plan because of the transition that needs to take place because of the Declaratory Judgment action last year which the Mayor has a committee working on of School Administration and Finance people from the City and Human Resource people.

Mayor Baines interjected we meet almost daily on this issue.

School Committee Member Cook continued by stating many of those issues are intertwined in these issues. We have in those issues because this is the transition budget year several issues that are being dealt with. No one from Schools was here at the last meeting, as I understand it and, therefore, I don't know who made the representation to you that something had been planned since the beginning, but I think it's been accurately stated tonight that in the original budget we were going to pay cash...when we didn't get that we looked at our options and then we came up with the lease/purchase. I don't want to sit here and say anything to you as a Board that I have to eat later and that's why I have to be very careful because you said it quickly but correctly a minute ago that we have issues of whose paid with federal funds, who's a tutor, who's an employee paid from regular funds, who a mandated employee, where the benefits come from...there are all sorts of things and when we come to you with a report five days may sound good because Channel 9, but five days isn't a lot of time to come up with all of the detail on these things. We don't do the budgeting the way you said it, we don't go back and say the minute we get our budget this is how we know we're going to spend it over the whole year, we do monthly adjustments to see how we're doing, how many students show up in September, how many Special Education people come and then we appropriate and transfer the funds around. We knew we didn't have as much as we asked for. We will have the information for you as we told you yesterday morning we would have it. We will have it as accurately as we can get it. We talked about a process that I thought we were going to engage in for the last three years or two-and-a-half years that I've been involved with this thing, although it seems like forever and that is that on a periodic basis this Board and our Board should meet so we don't have these wonderful crises meetings where we have to have an "us and them" thing. We were going to have quarterly meetings those of you who were here in the last term will recall because the last time we went through this exercise of casting aspersions at each other, which I don't think we're doing, we said we could solve this problem, I remember Alderman Cashin pleading for this, we can solve this problem if we'd only get together on a quarterly basis to talk to each other about what's going on so we don't have

surprises. For nobody's fault, I suppose, we haven't done that. We promise to get you our financial information as we produce it, we will do that. We will get you this stuff and as soon as we have the information on all of the questions you've asked we're going to get it for you. But, I'm not going to sit here and speculate on what the answers are going to be until I've looked at it and verified it.

Alderman Wihby asked what should have happened when you got that budget on June 7th. You should have gone back, June 8th and recalculated all of your numbers. You had \$102 million when you came into the meeting and end up with \$100. So somewhere you went back before July 1st (in those three weeks) and calculated where everything was for line items putting in the numbers where they belonged; that had to have been done.

School Committee Member Cook stated obviously, Alderman, one of the things we did because we came in for a lease/purchase because we figured out how much less we would have to incur in this year's budget to pay for those portables and save a chunk of money; that was obviously one of the things that was done.

Alderman Wihby stated that's why I asked for that. You just said we don't do that.

School Committee Member Cook stated but, we didn't do all across the board. We informed you of that that summer. We said this is one of the things we want. Now later on and later on...

Alderman Wihby stated that's the problem the School Board had. You should have gone back and allocated the budget according to like all of the departments did the next day to know exactly what line items were, so you knew exactly what you were spending.

School Committee Member Cook stated we did.

Alderman Wihby stated you just said you didn't do that.

School Committee Member Cook stated no, I said we didn't do it and encumber the funds is what I meant to say. You're right, I didn't say it that way.

Alderman Wihby stated there is a form that that day you started off the year with, that's the form I asked for; that isn't a lot of work to do.

Mayor Baines interjected, Alderman Wihby, I can assure you that we will do that this time around.

Alderman Gatsas stated, Mr. Cook, I'm not looking to shoot the messenger. I think you should have somebody next to you in that hot seat that probably deserves some of the heat. For somebody that's controlling a hundred million dollars, can't put his fingers on how many employees he's hired since September really makes me very nervous about somebody controlling that amount of money. I think that most anywhere, I'm sure you were the managing partner of your law firm...at any time, if you ask somebody the start date, their pay wage, any information you were looking at it was a push of the button, you were getting it in five minutes. Now, if those things can't be produced by somebody at a push of the button then I know we have a problem with our computer system. But, I think I have a bigger problem with somebody controlling a hundred million dollars.

School Committee Member Cook stated that wasn't what I meant to say, Alderman.

Alderman Gatsas stated I didn't say you did and I said to you that somebody should be next to you taking the heat because they're the ones that are controlling the hundred million on a daily basis and not yourself.

School Committee Member Cook stated I don't want you to go away or anybody in this room or outside this room to think the School Department doesn't know who's working for them. The problem is...

Alderman Gatsas stated evidently it's taking longer than five days.

Mayor Baines stated, Alderman Gatsas, just let him respond to that though.

School Committee Member Cook stated my understanding of the question was how many full-time employees do we have, how many in addition are there, and then we go onto how many have been on leave, who hasn't been there, how is it going to affect the budget. The fact that you've hired...we may have hired 300 people, the question is how many in additional people did we hire during the period of time. We have two different departments and Mr. Hobson may want to comment on this, but we have two different groups that talk about how the pay and benefits get allocated in this transition year. We have the School Department and we have City Human Resources and for the Aldermen who have been here for a while know that coming up with reconciled statements on how the pay and benefits and who's on the roll at any given time and how that affects the budget isn't as simple as you just said it.

Alderman Gatsas replied it is because we did it with 9,000 employees and I can tell you when somebody started and what they were getting paid.

School Committee Member Cook interjected maybe you should have been doing it for the City of Manchester, but to come up with accurate numbers and a list that I can stand behind and say this is the accurate list, I want to make sure it's right and I don't know if Mr. Hobson wants to comment on that, but it's not as easy as you make it seem.

Alderman Levasseur stated he made the comment the "glass is half empty or half full", but with the School Board it always seems like the glass is half empty. I have a problem with one thing that you said tonight and that was that you decided that because of time, time being a factor that this Board would have to sit through two more readings of the bond issue or a lease/purchase...that is the reason why you decided...I don't know if it was Friday or Monday to pay these things. If you would have waited four more weeks you would have made a much more prudent business decision on this and I think that the reason you give us is that we had to pay this really quick or...they've been waiting this long, I don't think four or five weeks is going to make a big difference and you would have saved the City a lot of money.

School Committee Member Cook stated one of the things that I will get you, Alderman, is a full-cost estimate on how much this is going to cost compared to the other scenarios because I think that will demonstrate to you that the effect is not quite as startling as it has been made out to be tonight. Well, get that to you with comparative scenarios.

Alderman Cashin stated, your Honor, we have a special committee set up for the Board, I believe it's the School Deficit Committee. A lot of the questions that have been brought up here tonight are valid questions and I'd like to refer some of these questions to that committee and then I'd like to move on the question. We have the mobile classrooms now, they're in use, we have to pay for them. So, let's pay for them and let's discuss whatever problems we have at another time.

Alderman Hirschmann stated, Mr. Cook, you'd agree that I'm a relatively new Alderman. I was elected in the fall of 1995 and studying the situation the School budget was \$48 million that year. So, I don't have any sympathy for you...\$101 million is plenty.

School Committee Member Cook stated the budget was not \$48 million that year. The appropriated budget was \$48 million which it's now \$67 or 69...but that was the City appropriated portion. It's not \$48 compared to \$100.

Mayor Baines stated that is correct.

School Committee Member Cook stated you passed \$69 last year that became \$101.5.

Alderman Hirschmann stated because of the State and taxes and many other things. I'm just saying that it's \$100 million.

Alderman Cashin moved to the question.

Mayor Baines stated I am going to let Alderman Clancy address this as he has not yet spoken and then I will have a few comments.

Alderman Clancy stated of all of the portables we have throughout the City how many do we actually own and how many do we rent.

School Committee Member Cook replied I don't have that information, I don't know because I know we have the Beech Street on a straight lease already, the ones that we just acquired at the middle schools clearly we're leasing. We have some that we own that have been around for a long time, but I don't have the total number and I don't know how it breaks down.

Alderman Clancy stated you are correct when you say you don't like the portable classrooms. People in my area tell me, Jim, when are we going to get rid of these portable classrooms. We've had them too long. There's something wrong with this City as far as the education...the education is excellent, but as far as planning and putting additions to these buildings, I don't know. Something's got to be done.

Alderman Thibault asked isn't there a federal problem with getting rid of these portable classrooms. At least, that is what I've been led to believe that the ones at Gossler School were suppose to have disappeared last summer, but they're still there because they tell me that there's some federal loophole there that ties them down longer and just can't get rid of them; that what I was told by a School Board Member.

Mayor Baines stated let me get some information on that and I'll get back to you on that.

Alderman Shea asked if the School budget goes over, I'll eat my words, but if it goes under you eat your words.

Alderman Pinard stated this is pretty interesting because I think we'd better make a decision pretty quick on what we're going to do with the portables and the expansion of the schools. Mr. Cook, I received a packet two weeks ago about a ten-year plan, can you give us a breakdown what you mean at the School Department about a 10-year plan.

School Committee Member Cook replied I believe what you got, Alderman, and I'm neither on the Joint School Buildings Committee nor the Building & Sites Committee of the School Board, I believe you got the NASDAQ Study which was the study that was commissioned by the School Board to do an analysis, first glance, of our facilities and the impression of those folks who come in and observe schools. To say this is what you have and this is what you might need over a period of time. What the School District is proposing to you in CIP this year, as our first expense and I know the Mayor is doing some work with alternate sources of funding for this kind of study is a more detailed study that as I said before we'll have an architect or an engineer look at those buildings that were identified in the NASDAQ Study and say okay, what will it cost square footage to fix this, what's the actual capacity, how do we do it and then that will lead, we hope, into some kind of a systematic plan for the City...not all at once, certainly, and some of the numbers that have been in the paper are fanciful and we're obviously not going to recommend spending that much money, but so that we, over a period of time can improve the facilities of the City of Manchester schools so that they're brought up to snuff much as Nashua did recently. So, I believe what you got which was a document about that thick was the NASDAQ Study.

Alderman Pinard asked is there a time table in that.

Mayor Baines replied we're going to be talking about that later on. Let me try to bring some closure to this and I appreciate everyone's patience and I hope everyone feels a lot better having expressed their concerns and I do want to make some comments about this. I want to remind everybody that this is a problem that we inherited. It's a 7-month old problem and since became Mayor...the first day in office we started grappling with this issue. Everybody in City government knows that we have had almost daily discussions about this issue trying to find the clarity that some of you seem to have brought to this discussion. I want to assure you that the clarity to which you speak is elusive and I have scoured through minutes, I have listened to tapes, I have consulted with the City Clerk's Office on numerous occasions going over various verbiage associated with this project and that clarity is not there. The only misunderstanding that may have come about was the original budget. My reference has been from the beginning and if there's some misunderstanding for that, I apologize for that was that my first understanding of this when I came into office was conversations I was having

relative to what happened to this bonding issue that was on the table and we went through a scenario that it got removed at the request of Mr. O'Shea and again Mr. O'Shea is not here to answer the questions; that was my reference to that original part of it, not talking about the budget part of it. I have scoured through minutes and that same meeting that Mr. Wihby refers to there a quote in here and it talks about Alderman Hirschmann expressing concerns about that in...it states "Alderman Hirschmann stated that with all of the comments from the crowd about Ward 2 not wanting their kids to go into the trailers and all of that, can we cut" Mayor Wieczorek stated these are not trailers, they're actually rooms, they're air conditioned, you've got bathrooms, it's heated. Alderman Wihby then stated we probably already cut them when we cut the \$3.5 million, we don't know what we cut them. They can do what they want" and it goes on to talk about raises in middle schools, etc. etc. Now, I realize it's only one piece of it, but that is added to our confusion as the new kid on the block trying to bring some sense and closure to this. I agree with Alderman Levasseur's initial statement and Alderman Levasseur's speculation in the newspaper does not translate into anybody in City government saying there weren't the votes, there weren't the necessary votes. I never participated in any discussion of that nature because I always felt the votes were there. I think the votes probably would have been there at the last meeting. I thought the Board deserved some answers and I will agree with Alderman Wihby you deserve those answers. Now, the only common denominator between these two Boards is the Mayor; that's it. So, for the past six months and now into my term there is a Mayor sitting over at the School Board when all of these decisions are being made. When all of these people are being hired, if there are 100, 200, 300 there is a Mayor sitting there listening to all of these nominations. There are discussions about lease/purchase and what to do, etc. etc. I don't know what went on prior to me coming here and I'm not making any accusations, but I will keep you informed. I will give you periodic reports of what's happening on the School side related to hires, where the money's coming from, what's happening in the federal budgets and obviously what's going to happen through the CIP process. But, please I'm trying to clean this thing up and that's all we're trying to do here and I want to make a final statement about the Declaratory Judgment. If you think this is complicated then please come over and the only reason why I asked Alderman Wihby and Alderman Cashin into the meeting yesterday is because to be honest with you I wanted some history of this because we were not able to discern it from the records and the other thing you need to know is there are a lot of other discussions that take place outside of the public view about different things that happen, that's the nature of negotiations. But, the Declaratory Judgment should be more on your minds, to be honest with you than trailers or portable classrooms. And, I do want to issue a formal statement about that process if you bear with me. Since I was elected I have been trying to get the transition process under the Declaratory Judgment resolved. There are many issues (budget

and otherwise) which are being discussed and resolved, by the way, so that this transition year can be concluded successful and the next budget prepared intelligently. Until all of the items are resolved it is difficult to be commenting on any one. Officials of the City administration and School District continue to meet and when the matters are resolved a full report will be made to both the Aldermanic and School Boards and I will keep you informed about that. You read in the newspaper what's going on between Elliot and CMC, well, we have a similar thing going on within our City between the School District and the City based upon a judgment...in my judgment being sitting over here perhaps should have been appealed on this side to get better clarity than we have right now in trying to resolve this issue. You should be much more concerned and this was an important matter that we discussed about how this is going to come up because that involved money from Schools now being with a separate Treasurer, separate bank accounts and there are a lot of issues that are still unresolved there, as well. So, this is a very complicated matter. I've been in office five weeks trying to resolve these things with the support, by the way, and tremendous participation of the people in City government and we will resolve them and when that is done there will be a full report to each and everyone of you.

Alderman Wihby stated, your Honor, I just want to disagree with you on one thing. This is very simple. This Board voted to give the School Department \$100.5 million; that is what they should be living with; that is what they should be spending, they shouldn't be coming back asking for anymore money; that was the number that was given to them back on June 7th.

Mayor Baines stated we don't disagree.

Alderman Wihby stated it's for them to say to us well, there's this money wrong and this money wrong; that is why they went back on July 1st they made a budget, they should have lived by that budget and if they did this (decided not to pay cash for these portables) that's fine, but they shouldn't be coming back or looking to come back because they overspent their budget and for you to have to put up with all of that stuff. The bottom line is the bottom line, that's what they should be going by.

Mayor Baines stated that is why I brought you into the discussion to help me put up with this and we're going to try and resolve this in a thoughtful way with the wisdom that some of you veteran's can bring to this and I'm reaching out to try to find a solution to this.

Alderman Levasseur stated I understand that you've only been here five weeks and I've also been here five weeks and I understand you're coming into a new situation, but what I worry about is you are the bridge between us and the School Board and we've discussed this many times and you're very eloquent on that that the process has to make sure that it is watched very closely. Now, the only problem I have is that somebody had to make the prudent business decision on whether we should lease these or lease/purchase. Now, who...you're the bridge, you're the one...are you making the decision between our two Boards. Do you know what I mean, there was a final column on this.

Mayor Baines replied let me say this. In reading through the minutes, I heard the previous Mayor saying that there's a much different role on the other side. When you said on the other side, you're one of fifteen Board members, that's it. No veto authority, no other authority than you Chair the meetings. So, it's a much different situation over there. I think that there's been enough discussion here tonight. I hope that Mr. Cook might bring this back for further discussion at the School District and either reaffirm the decision was made or come up with another conclusion based upon this discussion. But, as I also read Alderman O'Neil made a comment in one of the minutes that there's a School Board over there. They've been elected by the people, just as we have been to make decisions. I certainly think this discussion has been aired appropriately this evening, I appreciate everyone's...

Alderman Levasseur interjected let me say one more thing, your Honor, I understand what you're saying. You have, on many occasions, when you decide that you want to do something, then when you're behind something they will follow you. Are you behind the lease/purchase or are you for the purchase or the leasing of it. I think if you give us an opinion of what to do it will be done.

Mayor Baines replied one more time, I agree with you. I believe the lease/purchase would have been a more prudent thing to do.

Alderman Levasseur stated okay, then that decision has already been made.

Mayor Baines stated I also understand why they came to the conclusion. But, I would ask Mr. Cook and others involved in this decision to take it under advisement what we said this evening, okay. Now, if there is no further business...I would hope this would be the final one.

School Committee Member Cook stated this will be the final one and I appreciate your inviting me, your Honor. I've been on the School Board, I was elected about the same time that Alderman Hirschmann was elected unless my calculations are wrong and it was two years later, maybe it was two year's later. The biggest disappointment as somebody elected from the entire City of Manchester at an At-Large School Board Member to me has been the almost constant tension between the School Board and the Aldermanic Board when we should all be working together to get the education and all of the other aspects of the City done. For some reason and maybe it's historic, but I've been there for two years and I didn't run just for the sheer pleasure of having my head bashed in by one gavel or another and if we could try and this is why I talked about the meetings and this is why I talked about stuff happening and one-on-one this hasn't been the experience, but somehow Board to Board we get this tension and this "us and them" thing and...there isn't any enemy here. It isn't "us and them" folks, it's "us" and we've got to get beyond it.

Alderman Levasseur interjected, Mr. Cook, I have to respond to that.

School Committee Member Cook stated I'm not reacting to you, Alderman, but please we've got to do..

Alderman Levasseur interjected we're a non-profit corporation here and we are the taxpayers barrier, your Honor. He's saying that there's a tension between the Boards. There's no tension between the Boards. We have as much...we want to see the City go forward as much as you do. You demand money, we watch the money and we are the barriers between the taxpayers and everybody else that wants money. So, the tension is only because we're working for this City.

School Committee Member Cook stated I didn't say the tension was emanated from one place or another because believe me having served on one of them and watched the other there's plenty of tension to go around.

Mayor Baines stated I'd like the Clerk to clarify something for us.

Deputy Clerk Johnson noted that at this moment in time there is a motion on the floor to receive and file the resolution that was presented. Based on the discussion this evening there would be another option before the Board, I believe, and that would be to withdraw that motion and to allow it to ought to pass and layover and come out to the Board level with a request that the School Board reconsider it's actions with regard to the lease purchase agreements. And, then it could be brought back at the next Board meeting to be passed if the Board so desired.

Mayor Baines stated so let me just clarify that for you and that would not obligate us because it needs a second reading.

Deputy Clerk Johnson stated it would still need a another reading before it passed.

Mayor Baines stated if we withdrew the motion to receive and file and move this item and it gained our approval it would layover for two more meetings and then the School Board would have an opportunity...

Deputy Clerk Johnson stated just to clarify that if the Finance Committee reports it as ought to pass and layover; that report goes out to the Board tonight, so the Board theoretically puts it on the table. After five days, at any point in time that the Board of Mayor and Aldermen meets this can be placed on the Board's agenda and adopted or it could be received and filed at that point in time as well. But, it allows you the option to request the School Board to go back and reconsider.

Mayor Baines asked who made the motion.

Deputy Clerk Johnson replied the original motion was made by Alderman Shea and it was seconded by Alderman Clancy.

Alderman Shea asked would this put the School Board in a position where they would overspend their budget if we decided to approve this Bond Resolution for \$660,000.

Mayor Baines replied no.

Alderman Shea moved to rescind his original motion to receive and file.

Alderman Wihby stated I think we're making Alderman Shea think that they're paying cash.

Alderman Shea stated we're talking about a resolution but I'm wondering if the School Board knows, that's what I'm asking.

School Committee Member Cook stated my understanding of what Deputy Clerk Johnson's suggestion was that you're restoring the request for the lease/purchase process which wouldn't spend \$660,000, it would authorize the lease/purchase as opposed to the straight lease and what we will do is go back and compare where we are and what the ramifications are and whether that's helpful or not.

Alderman Levasseur asked do they have to go back. Can't we just do it now and then it would only layover for one week.

Mayor Baines stated if we take the motion now, it would layover and we would still have another meeting to finalize it.

Alderman Levasseur moved that the Bond Resolution ought to pass and layover with a recommendation to the Board of School Committee that they reconsider their action. Alderman Thibault duly seconded the motion. There being none opposed, the motion carried.

Alderman Vaillancourt (point of order) asked is it the policy of this Board to allow an individual to interrupt other people while he's talking or will the Mayor be in charge of recognizing somebody before that person speaks.

Mayor Baines replied we're very hopeful of that, Alderman Vaillancourt, as we move forward.

Alderman Shea, your Honor, do you intend to have the joint Boards meet quarterly.

Mayor Baines replied we'll be talking about that later.

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

A True Record. Attest.

Clerk of Committee