

COMMITTEE ON FINANCE

March 21, 2000

Upon Recess of BMA

Mayor Baines called the meeting to order.

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

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

Messrs.: Kevin Clougherty, Mark Hobson, Robert MacKenzie, Frank Thomas

3. Communication from Alderman Hirschmann requesting the Board adopt a new policy mandating that before any construction project passes through the Finance Committee the Board is made aware (in writing) of any fiscal impacts to future budgets.

Alderman Hirschmann moved for discussion. Alderman Wihby duly seconded the motion.

Alderman Hirschmann stated I probably didn't work it quite correctly it says "fiscal" ...what I was trying to get is operational and personnel changes in future budgets and if you saw the example, it's just an example of the Southeast Fire Station. I had called the Fire Chief, I called the Personnel Director and I got costs of putting on those firefighters and the captain and the apparatus and the debt service and compiled a list of future indebtedness to put one project on, just to give you an idea of all of the different projects we have to consider...what we should have in our hands before we vote. Is that clear, your Honor.

Mayor Baines replied it's clear to me.

Alderman O'Neil asked who is responsible for providing this...the fact that Frank Thomas is responsible for the actual construction of these buildings, is he responsible to make sure the operating expenses of the various departments are included or is it the individual department's responsibility.

Alderman Hirschmann replied obviously if the Police Chief is building a police station he's going to know how many people go in that station. In this example, the Fire Chief was getting a new fire station, so he has to tell you how many people are going to man that station 24 hours-a-day, how much overtime is needed, how much debt is going to have to come from the Finance person.

Alderman O'Neil stated so the department that is responsible for operating in that building is responsible for providing that even though Mr. Thomas is responsible for building it.

Alderman Levasseur stated a couple of small questions. First of all, if we're going to pass this I don't know if I like the way this is written. I think there should be some extra wording in there like "any and all fiscal impacts" and by fiscal it should be personnel...I know we've already discussed this, but the way this is written I don't know if I'm ready to pass this the way it is tonight.

Alderman Hirschmann stated it should state "personnel and operating costs".

Alderman Levasseur asked and "any and all". In other words, when we say "any and all" we mean the construction phase, we mean the personnel phase that goes inside the operation phase and all get together...but I'm wondering as a point of order is this something that you can just do without...

Mayor Baines asked can I ask a question for some history here. In terms of when you have something like this is there a Committee that usually fine tunes motions when they're first brought.

Deputy Clerk Johnson replied, your Honor, you're talking in terms of...the item before you is talking about construction projects and construction projects typically would be a CIP project, so the CIP Committee might be the appropriate place to send it for refining and report back.

Alderman Pariseau stated I feel this should be referred to the Committee on Administration concerning policy and then they can work out the bugs.

Alderman Pariseau moved that item 3 be referred to the Committee on Administration/Information Systems. Alderman Vaillancourt duly seconded the motion.

Alderman Hirschmann stated I don't need it to go to a Committee, it's very cut and dry so that we can work on our budget next month.

Alderman Levasseur interjected I think it needs to be fine tuned, your Honor.

Mayor Baines stated from the Chair's perspective there should be some kind of policy that's in effect, I agree with you on that, but I think it just needs to be fine tuned so that it is worded correctly. So, if you can withdraw your previous motion.

Alderman Hirschmann withdrew his original motion. Alderman Wihby withdrew his second to the motion.

Mayor Baines called for a vote on the motion to refer the communication to the Committee. There being none opposed, the motion carried.

4. Communication from the Director of Public Health requesting a line item transfer of \$4,500 from Salaries and Wages to Special Projects.

On motion of Alderman Clancy, duly seconded by Alderman Lopez, it was voted to approve the line item transfer as requested.

5. CIP Budget Authorizations:
1998 510291 Riverwalk Planning & Development - Revision #2
1999 510199 Riverfront Development - Revision #1

Alderman O'Neil moved to dispense with the reading of the CIP budget authorizations. Alderman Sysyn duly seconded the motion.

Alderman Vaillancourt stated I am certainly not willing to vote on these all in a block, you can dispense with the reading, but I'd like to vote on them individually. I have some I'd like to oppose.

Mayor Baines stated I would accept a motion to do that. Mayor Baines called for a vote on the motion to dispense with the readings. There being none opposed, the motion carried.

Alderman Vaillancourt moved to address each budget authorization individually. Alderman Shea duly seconded the motion.

Alderman Levasseur stated I believe that at the second Board meeting we had, I thought a policy had been made of separating these out by 6A, 6B...some sort of separation out, so we could disagree by instead of having to go through this block thing that we should be able to separate these out, it takes a little bit longer, but there are times when and I agree with Mr. Vaillancourt that there are some of these that we want to disagree with.

Alderman O'Neil stated any member can point out the project number generally assigned to them.

Mayor Baines called for a vote on the motion to address each authorization individually. There being none opposed, the motion carried.

1998 510291 Riverwalk Planning & Development - Revision #2

Alderman O'Neil moved for discussion of CIP 510291. Alderman Clancy duly seconded the motion.

Alderman Vaillancourt stated as you realize I was the only person to oppose this project the last time it came up which seems like it was three meetings ago. I asked some questions at that point, I have received no answers yet, but I did a little mathematics myself...the average per foot cost, remember I asked that at the time, I calculated myself to be about \$1,500 a foot. This, once again, is a question of priorities. Last night, we had individual after individual standing here and giving us valid things that this City needs to do...Parker-Varney School...look at the pictures we were given of the condition it's in. The Webster School...

Alderman Levasseur interjected point of order, your Honor, I don't believe that any of these things he's talking about is here in this block that we're discussing right now.

Alderman Vaillancourt stated I'm talking about priorities and I'm talking about how we should prioritize our monies.

Deputy Clerk Johnson stated it's my understanding that he is addressing the Riverwalk Planning & Development - Revision #1 of item #5.

Alderman Vaillancourt replied absolutely. I'm talking about priorities and I'm talking about how we shouldn't be spending our money on Riverwalks and Civic Centers and power plants and preserving wild nature which we'll discuss later tonight at the State level when we have schools that are falling apart that we can't fix, when we have access for handicap people that we can't provide...there is so

much to do, we shouldn't be spending \$1,500 for one foot of a sidewalk when there are other priorities in this City. So, my colleague to my right here said are you against the future of the City. Absolutely not. I'm for the future of the City providing absolutely vital projects that the citizens of this City need. They do not need a glorified sidewalk, so I will vote against this.

Mayor Baines stated we can have a spirited discussion.

Alderman Shea stated I'm not sure if this pertains to that item or the next item but I did vote for the Riverwalk, but certain questions have come up and raised very clearly at a recent meeting by some of the Aldermen including Alderman Gatsas and some of the thoughts that we should try to get before the group concerning different shifting of priorities as far as financial interests of the City are concerned is Granite Street which Alderman Thibault brought up, the widening or the access that is going to be, easements that were brought up by Alderman Gatsas concerning part of the project, priorities relating to neighborhood needs that were brought up last night, the lack of information regarding easements and what impact areas north of Granite Street would have in terms of whether they would agree to easements and the inability to guarantee funding sources and I think these are factors and elements that have come up after we have voted on the Riverwalk development and I think that certain Aldermen have mentioned to us at meetings that it would be incumbent upon all of us to walk on the present Riverwalk and to sort of get a feel for it, so I do feel that the Aldermen give serious consideration to this appropriation at this time.

Mayor Baines asked are you speaking for or against the motion.

Alderman Shea replied actually what I'm speaking against is the vote that I cast previously for support of the Riverwalk and I'm speaking now that I really feel, in my own mind, and I'm not saying that anyone else...obviously make up their own mind, but I have reevaluated or reexamined the situation and find that what we have put into the Riverwalk we cannot take out, but to put in more money at this time would not be what I would consider.

Alderman Gatsas stated I think the ball has now been thrown into Frank Thomas' lap and maybe I can ask him some questions that might shed some light on where I'd like to go and maybe the rest of the Board would ask some follow up questions. I'm looking at two items in this budget or in this Riverwalk planning, Frank, maybe you can help me out. The total of the first CIP #510291 is \$2.1 million and CIP 510199 is \$1.9 million.

Mr. Thomas stated that is correct for a total of \$4 million.

Alderman Gatsas stated at this point maybe you can give me a rough estimate on how much do you think we've spent so far.

Mr. Thomas replied we've done the Master Plan and IA and I believe that's a little bit over \$700,000. I believe that out of that \$4 million and maybe Mr. MacKenzie can correct me if I'm wrong there's \$500,000 that has been set aside to sponsor private development in that project area...

Alderman Gatsas stated so that's a total of \$1.3 million.

Mr. Thomas stated that is correct.

Alderman Gatsas stated let me ask you...obviously...some of the concerns I have are why I kind of picked the Riverwalk and said where are we going and how fast are we going and are we looking forward and not just behind. Certainly, the Riverwalk north from Granite Street is an important section of what we're talking about. I believe that nobody would disagree that if we couldn't do north of Granite Street we probably wouldn't do this project, is that a safe assumption.

Mr. Thomas replied I think that at yesterday's discussion at the Riverwalk Committee meeting it was determined that the core area of the Millyard was the priority area for the Riverwalk construction.

Alderman Gatsas stated if I can bring some of the reasoning that I had for that reasoning to light...one, we need easements probably from 14 or 15 owners of property there. We also need state and federal approvals to either enter into the river, put posts into the river, whatever we may need. I understand, certainly, that the abutters are in favor but we have nothing in writing, there is nothing that states who's at risk. For insurance purposes if somebody falls over the Riverwalk into the river and I'm sure those are concerns that every abutter is going to make... would you agree that doing a design from Granite Street north...what do you think it would cost to do a design from Granite Street north to Public Service, how many thousands of dollars.

Mr. Thomas replied I don't have that number off-hand. I do know that Phase III that was approved by the Board of Mayor and Aldermen from Granite Street northerly abutting the Gateway Building, I believe was approved at \$200,000.

Alderman Gatsas asked how many other phases are there.

Mr. Thomas replied I don't know, but if you just picture that length you're probably talking four times that length.

Alderman Gatsas stated okay, so if I said to you we could spend a million dollars on design for the most important part of the Riverwalk along with the \$1.3 million that we've spent to date would be \$2.3 million and that would leave...

Mr. Thomas stated that is correct, but I wouldn't hold me to that design number that's a guess right now.

Alderman Gatsas stated let's use a number...you said \$800,000, I'm giving you a million. So, I'm going to give you a little bit more. So, that's \$2.3 off the \$4 million which leaves roughly \$1.7 million that from what we heard from last night, your Honor, I don't think that this Board without looking at what the future is and making sure that future for the City of Manchester with dollars spent are guaranteed issues that we can do. I don't think that we should be looking at spending dollars on the easy part of the Riverwalk just because it's going to be aesthetically nice and easy to do without considering that "yes" we probably can do Granite Street north, however, there could be possibilities that we might not get those approvals in place. So, a prudent business decision would be to look at the project in its entirety.

Mr. Thomas stated that is what I said last night. I would like to have had enough money to commit for the entire project, the entire design, and obtain all the easements at one time. Again, as discussed last night there were decisions made...I guess by the Board of Mayor and Aldermen that focused on the southerly part and the last authorizations split the work to go ahead with construction in the southerly portion, at the same time going ahead with the design of the section north of Granite Street.

Alderman Levasseur stated first of all I would like to apologize to Alderman Vaillancourt and I apologize I skipped to number 6 and I didn't realize we were on number 5 and I'm glad that you brought this up. I would make a motion...

Mayor Baines interjected there's a motion on the floor, Alderman.

Alderman Levasseur stated I'm not ready to vote on this Riverwalk Planning & Development, Phase II. If we pass this motion right now, your Honor, does that mean we've appropriated the money to go towards the next phase.

Mayor Baines replied the Committee on Finance would recommend to the full Board.

Deputy Clerk Johnson stated what is before the Board is a budget authorization. What you would be doing is authorizing the expenditure of funds under that project.

Mr. MacKenzie stated to clarify with both of these Riverwalk projects the Board is not appropriating any money in this case. The only action to be taken here is to transfer administering authority from the Planning Department to the Highway Department, there is no additional appropriation of monies.

Mayor Baines stated this motion is just to transfer the responsibilities to Highway, let's get some clarification.

Mr. MacKenzie stated this came down from Committee. If you look down below each item has what the revisions are and if you look down at Revision #2 you'll note that it assigns administration to the Highway Department per directive of the Board of Mayor and Aldermen (3/2000). So, that gives you an idea of exactly what the start-up is intending in that revision section.

Mayor Baines asked is everyone clear on that now.

Alderman Lopez stated I'm clear on that, but I hope that at some point, maybe at the end of the meeting (wherever) that we can discuss this for Alderman Gatsas because I sort of concur with what he's saying. As far as the area from the Queen City Bridge...right now, all you need is a pass way down there and people could still walk, as far as I'm concerned, but the money that's been allocated for design I think it has to be readdressed because of the comments that Alderman Thibault brought up, I think that we have to look at it. If we just took a bulldozer down there and made a pathway and put some stones down people would still be walking from the Queen City Bridge down to Singer Park, but I think we have to address it at this meeting.

Alderman Shea stated I know that Bob MacKenzie had indicated that some of the money that has been allocated for this project could be diverted into other types of funding that might the CIP Committee might decide to use, is that proper and correct.

Mr. MacKenzie replied the Board, at its discretion, may reallocate money that has not been either committed contractually or otherwise. In this case, there is a small amount here that has not been contractually committed, so yes, it is the Board's discretion.

Alderman Shea asked a small amount means what.

Mr. MacKenzie replied in my memory out of the million dollars roughly \$800,000 has not been committed relative to the four million.

Alderman Shea stated I'm not sure if I'm following and we've allocated \$1.2 million - \$700,000 plus \$500,000 which leaves obviously more than \$800,000. Have we committed to the second phase.

Mr. Thomas replied there's been commitments. There's been \$100,000 that was allocated to the portion of the stage, I believe, down at Singer Field. The approval that the Board gave the last time was to proceed with the design of IB and the design of Phase III. We haven't signed those contracts yet, but there's been somewhat of a commitment.

Alderman Shea stated I'm not quite sure...do we have a specific figure of how much has not been actually committed. Do you know that or are you kind of spinning it a little bit.

Mr. Thomas replied I know for a fact that the Board at a previous meeting allocated \$70,000 for design for IB and construction of, I believe, \$850,000 for IB.

Alderman Shea asked has IB actually been contracted.

Mr. Thomas replied no. There's hasn't been any contract, we haven't signed the agreement for the engineering services and we haven't bid the project, so the money hasn't been spent per se.

Alderman Shea asked how much of the four million dollars still remains that has not been committed.

Mr. Thomas replied what has been spent is a little over \$700,000.

Alderman Shea asked so how much is left, Frank, I can't seem to get an answer from you. In other words, is there \$3 million left.

Mr. Thomas stated there's \$4 million appropriated. Out of that \$4 million what has been spent is a little over \$700,000. Now, there are commitments in the form of contracts.

Alderman Shea stated so there is actually \$3.3 million left according to what you're saying.

Mr. Thomas replied that is correct. Bob, maybe you can help me out. What kind of agreements do we have on the stage.

Mr. MacKenzie stated if I could run down the numbers and I would suggest you eliminate the \$500,000...if we start with \$4 million (I think we can all agree on that number)...\$500,000 of that is called a "dedicated bond"; that bond is not triggered yet. It is like Singer Park in that we would have to get a private contributor to guarantee the debt service. So, that money is not available at the present time and, frankly, could not be shifted. So, that brings you down to \$3.5 million. The Board, at a recent meeting, committed \$1.2 million of that \$3.5. So, that brings you down to \$2.3 million.

Alderman Cashin stated, Bob, before you go any further, has it been spent. It might be committed, but it is spent.

Mr. MacKenzie replied of the total amount only about \$700,000 has actually been expended.

Alderman Shea stated that leaves \$3.3 million.

Mr. MacKenzie continued by stating \$700,000 spent off \$2.3 million is then \$1.6 million. Then there was the commitment by the Board for the stage which was \$100,000.

Questions arose as to where the money for the stage came from.

Alderman O'Neil stated the Board acted on that a year ago.

Mr. MacKenzie stated I think we're down to \$1.5 million. There are proposals for engineering services, but I do not believe there are any other contracts signed unless those have been signed by the Highway Department in the last week. I would not believe there are any other commitments or contracts to my knowledge.

Alderman O'Neil stated we paid \$200,000 for the Master Plan.

Mr. MacKenzie stated that I included in the amount expended of the \$700,000.

Mayor Baines interjected I'd like to try and keep some flow of information going here.

Alderman Levasseur stated I just want to say that because of the issues that have been raised by Alderman Gatsas concerning the easements for the northern section because we don't have the easements in hand and also because of the exit ramps coming from Granite Street is the reason why I'm really cautious about going forward with this and it needs a lot more discussion.

Alderman Wihby stated when this came forward and we had that presentation my main concern was two years ago when they had first brought it to us the plan was that we were going to proceed north of Granite Street and for some reason and it was explained at the last meeting because it was going to take so much time to proceed north they were going to go south and while they were going south some money was allocated to go north of Granite Street. Again, the biggest economic event is going to be north of Granite Street and I can remember, your Honor, you said we were going to do this in phases and my comment at the time was we're committing today, if we're going to go south then we're going to commit that we're going to go north. I don't know if at this time it makes any sense that we drop the plans for going south and we proceed with going north. What's that problem, Frank, if we did that.

Mr. Thomas replied you are correct, Alderman. The proposal was to proceed in the southerly direction from the trestle across the river down to Sundial Avenue because that was a project that could go to construction. There weren't the type of committing problems that we knew we were going to experience going north of Granite Street and there was one easement. So, it was a project that we could get under construction over the summer. At the same time, we were going to start the design for the section (Phase III - Granite Street northerly) and we knew that potentially the design process could be up to 18 months because of what Alderman Gatsas mentioned...the fact that we are going to have to be dealing with almost every state and federal agency that there is regarding putting piers, doing the work in the Merrimack River, however, we felt that was a logical approach at that time because what we were able to accomplish, the permitting that we would utilize in that first phase north of Granite Street would be similar to the rest of the phases up along the river. So, if we got through that design period we felt that we could move fairly rapidly then in that northerly direction.

Alderman Wihby asked what happens if we just proceeded to go northerly.

Mr. Thomas replied basically what you're going to see is nothing happening down there as far as construction activities. Part of the idea of building in that southerly direction would be a highly visible location. You have people driving up the Everett Turnpike will be able to see that there is something being accomplished and it was the hope to generate more interest and potentially more private funding.

The issue of the bridge across the Merrimack River, the pedestrian way across there. We were hoping to maybe tie that in...tie in some federal funds that we're applying for federal/state funds with private donations. There is an approved project, I believe for a bike trail on the west side that abuts that area. So, there was some rationale for doing that strip in the southerly direction. However, I agree with what people are saying. The important section of this whole Riverwalk is the section through the Millyard, but again, if we started today with the design if everything went smoothly we might be able to go to construction in a year and a half's time.

Alderman Wihby stated I thought there was some documentation that we saw from either you or Bob MacKenzie. It said something about we could talk to the landowners and try to work something out with them.

Mr. Thomas stated the proposal that was presented to the Riverwalk Committee last night was in response to the easement issue. The Highway Department along with CLD and in conference with the Planning Department suggested our normal course of actions when we do a project such as the Cohas Brook Interceptor Project - a \$25 million, we're not going out on day number one and acquiring all of those easements. We're acquiring the easements as we fund that phase and go into the design process because if you go to a building owner and you're asking for an easement, if you don't have a fairly good design you really don't know what you're asking for and to get an easement and then have to go back at a later date is kind of foolish and so what we suggested is that the projects that are approved right now (IB) that we would make it a priority immediately to obtain that one easement and that in the section we're going into final design on (Phase III) the section north of Granite Street that there'd be a priority of obtaining all of those easements and then for the remaining of the area to go out and to contact all of the property owners again and get some kind of letter of intent about the City and the property owners would sign. It wouldn't be a legal document.

Alderman Wihby asked by the next Board meeting could you come forward with those letters of intent from the people that have these easements.

Mr. Thomas replied we can do everything within our power to get those.

Mayor Baines stated based upon the vote of the Board to proceed, I testified at the State about this vote because it's before a committee headed by Executive Councilor Burton dealing with some appropriation of money that may or may not come down to the City regarding the trestle. It's a very substantial amount of money, by the way, and we tied it into the path that opens up into Goffstown and a

lot of people perhaps need to see that whole plan again because it is a plan that ties in some of these great bike paths and walking paths that go all the way up north, all the way across the trestle into Goffstown, all the way to the east over towards the coast, it's part of a master plan for the State and we are poised because...I'm reasonably optimistic that we're going to get a favorable response on that because if any of you have seen the rendering and I think most of you have of the design of the trestle which really becomes a welcoming to the City of Manchester and what will be taking place in terms of recreation...and not only for people in Manchester, but for the Greater Manchester region connecting the east side to the west side, the north and the south and the east and west. Just so you know that I did present that testimony up there.

Alderman O'Neil stated I think Frank's summed up the whole project. I don't think Alderman Gatsas and I are every going to agree on the easement issue. I support the direction that Frank is going with this, it's how they proceed with other public works projects, but there has been a lot of thought by City staff, a lot of discussion by the Riverfront Committee about what direction to go. I think there's a basic question, do we want to continue with Riverfront development or not, that's the basic question. I believe the Board does. There's going to be little curves in the road as we go along here...key point...Alderman Wihby and Alderman Gatsas are absolutely correct that most opportunities for economic development is north of the bridge, but we're two years away from starting any construction there. The design and permitting process is literally going to take a year and probably realistically 18 months. Frank, correct me if I'm wrong that once you get that permitting in place for Phase III you can take that information and go forward on Phases IV, V and VI, correct.

Mr. Thomas replied it should be a lot easier.

Alderman O'Neil stated this is the toughest portion of the design, so I think the Committee and the staff have worked this through and we'll just ask the Board to support the Committee and the staff on this. I think Frank is working hard to get the easement issue addressed and as soon as he has a response he'll get back to the Board with that.

Alderman Hirschmann stated just a brief question. Frank, this is for you. Last budget season Alderman O'Neil put a structural engineer on your payroll and he was going to charge his time to big projects, are we going to save some money on the Riverwalk because you have that fella on the payroll.

Mr. Thomas replied that person is working full-time on facility issues; that's what he was brought on for is to coordinate the construction and the reconstruction projects in the schools. He'll be involved with the new fire station that are potentially being planned on being built. We have other people that would oversee some of the construction activities down...

Alderman Hirschmann stated I remember last year his saying that this person's time would be charged off to these jobs and we'd save money in design.

Mr. Thomas stated this person's salaries can be charged off to these CIP projects, but it was the intent to focus this person's attentions on the facilities, the facilities projects, the school projects, the construction of buildings. His background as a facilities Engineer, he's got a degree in mechanical/electrical. I have other construction inspectors that have a better background in that area, but again, one of the problems that you run into...some of the problems we've experienced in the school construction is that the responsibilities for construction is deluded. It's out belief at least at Highway that if you're going to hire an engineer to do the design, you make him responsible for the construction and the final product so that there's no finger pointing. So, my recommendation is if whoever does the design for the Riverwalk should be the one that does the construction inspection. We oversee to make sure that the project stays on track, stays on time and if there's any disputes that we resolve the disputes.

Mayor Baines stated I would like the Board to consider to moving toward a vote on this issue, please.

Alderman Shea stated in all due respect to Alderman O'Neil the cost of IB would be how much, Frank.

Mr. Thomas replied I believe it was \$850,000 for construction and \$70,000 for design which is to go from the trestle down to Sundial Avenue for about \$920,000.

Alderman Shea stated in the discussion this evening you have indicated that it could be upwards of between 12 and 18 months before Phases north of Granite Street would be ready to be implemented.

Mr. Thomas stated that is correct; that is what our engineers are telling us.

Alderman Shea asked does it make sense, everyone has to make their own decisions. Does it make sense for us at this time, with all of the priorities that we have within the City to use that money for that project or to better utilize that money for certain pending things that are on the surface right now that we heard

and I don't want to elaborate them, but this is what the Committee has to decide. Not that that isn't a purposeful way of using the money, but are there higher priorities that we should think about in order to better utilize because whether we put that in now or two years from now, it's not really going to impact the area north of Granite Street.

Mr. Thomas replied you, the Board, are the ones that make priorities. Basically, you give me the money and I'll spend it, I'll do whatever construction you tell me to do. But, I have to have some direction. If you want me to build a project south of the trestle, I'll be glad to build it for you. If you want me to build a project north of Granite Street I'll be glad to do that for you too.

Alderman Shea stated I'm just probing the question so that members of the Board can make a decision concerning that.

Alderman Vaillancourt stated a question less rhetorical. But, I was doing my mathematics again while I've been listening for the last half hour between nine thirty and ten o'clock. I used \$1.2 million that's how I divided 800 feet into \$1.2 million because that's the number we were given the last time we talked about this and I hope that for once in my life that I'm wrong, but I've done the division four times now and it still comes out to \$1,500 a foot. Now, Alderman Lopez spoke of this as a pathway, somebody else mentioned this is the least expensive part of the Riverwalk. Can you explain to me how a pathway or the least expensive part would cost \$1,500 a foot or maybe it's down to \$1,200 a foot now if you're using \$900,000 instead of \$1.2 million. But, how can you spend that much per foot.

Mr. Thomas replied I don't have an answer for you.

Alderman Vaillancourt stated you didn't have an answer the last time when I asked how much it was per foot.

Mayor Baines interjected but he is trying to respond.

Mr. Thomas stated I will be glad to get you that answer. The sections that run up through the Millyard are very expensive. You're not talking just a sidewalk up in that area, you're basically talking a bridge and bridge construction is very, very expensive.

Alderman Vaillancourt stated we're dealing with this section now, the 800 feet.

Mr. Thomas replied again, I don't know.

Alderman O'Neil stated something that is very important here...a representative of one of the developers north of Granite Street has said and this goes to the importance of IB and starting that and this doesn't directly affect them, but they said we've heard this talk about the Riverwalk and we see nothing done and we've assured them that we're going to move forward on not only the portion that directly affects them, but other portions of this. So, if we're going to talk the talk let's walk the walk and that's what this whole thing is about.

Alderman Gatsas stated, Mr. MacKenzie, let me do this as easy as possible because I'm probably the worse one in math of the 15 sitting here. So, we'll do it slow and you can help me. The total cost...the presentation that I remember seeing on MCTV for the entire Riverwalk was about \$12 million, is that correct, from the trestle, Sundial Avenue all the way to the Amoskeag Bridge, is that correct.

Mr. MacKenzie replied yes...

Alderman Gatsas interjected that's a "yes" answer, is that correct.

Mr. MacKenzie replied it's close to a yes.

Alderman Gatsas stated \$13 million.

Mr. MacKenzie stated the estimate is \$10 to \$12 million.

Alderman Gatsas stated I'm using \$12 million and I'm being exorbitant. Now, I'm looking at \$4 million, one-third of that project being spent in an area that certainly doesn't produce one-third of the economic impact of the entire project, do you agree with that.

Mr. MacKenzie replied yes.

Alderman Gatsas stated if that's where we are, I believe that if the City is looking correctly at their numbers and if the easiest part of this project is a \$4 million cost it's certainly going to exceed twelve by leaps and bounds. So, I need to figure out one, I'm going to have some pretty tough direct questions. Right now, we've spent and I'm going to use round numbers and I'm going to help you and take them to the top end - \$800,000 in expended finances of the City, is that correct.

Mr. MacKenzie replied the actual number is a little over \$600,000. I do have to say, Mr. Mayor, that I don't have any of the backup information, so I'm not sure if I can answer all of the questions.

Alderman Gatsas interjected I think Mr. Thomas gave us a number somewhere around seven, I'm using eight.

Mr. Thomas stated I believe it was seven.

Alderman Gatsas reiterated I'm using eight and we have \$500,000 that we have in a fund over here that says if we can find somebody that will take care of the debt service we can spend that. So, of the \$4 million we're at \$3.5 million less \$800,000 is \$2.7 million...we'll do it kind of quick. Have any other contracts been signed by anyone in the City that you know of to encumber any more of that \$2.7 million.

Mr. MacKenzie replied the contract and recently, of course, this is being switched over between Planning and Highway, the amount that was committed by the Board for design of Phase IB and Phase III is about to be signed. I'm not sure if that is signed yet, but that is close.

Mr. Thomas stated no, it is not signed, but the \$70,000 that I identified...

Alderman Gatsas stated so we have no contracts signed that puts the City at risk for any money other than the \$800,000 that we have spent so far, is that correct. So, if this Board wants to stop further allocation of funds on any of that project until we get some direct answers on why the 1st Phase is costing \$4 million when the entire project we're looking at between ten and twelve it doesn't seem reasonable. So, maybe we should put our prudent business hats on, take a look and certainly I'm in favor of the Riverwalk, Alderman O'Neil, and I think we should walk the walk and talk the talk, but I think we should do it prudently with money that we have to spend and not just in a situation that we don't.

Mayor Baines stated I'd like to interrupt. We have a motion that's directed to assigning administration to the Highway Department. If in fact, the Board wishes to rescind an action taken it does have that option to do that, but we need to focus on this motion, vote this motion, and then deal with the whole issue in terms of the Riverwalk. Any further discussion on this. Is there anything that hasn't been said.

Alderman Pariseau stated I just want to caution Alderman Wihby that the reason to go south was to tie it in with the Heritage Trail that we have coming across the Merrimack River and for him to say what he said as a native of south Manchester he ought to be ashamed of himself.

Mayor Baines stated this reminds me of the point where everything that needs to be said has been said, I guess it's just that not everyone has said it.

Mayor Baines called for a vote on the motion to transfer administration from Planning to Highway.

Alderman Vaillancourt requested a roll call vote.

Alderman Pariseau asked are we going to do the same for all these other items.

Mayor Baines replied that is what the Board voted to do.

Alderman Vaillancourt asked for clarification of the motion.

Deputy Clerk Johnson stated the motion on the floor is to approve the 1998 510291 Riverwalk Planning & Development - Revision #2 which was transferring the administration of the project to the Highway Department.

Alderman Cashin stated that is all we're doing is transferring the project to the Highway Department, there's no funding involved, is that right.

Deputy Clerk Johnson stated the budget authorization before you are amounts that have already been presented and approved, so you are in fact just transferring administration of the project, you're not changing any other thing that you previously approved.

Alderman Gatsas asked once that motion has either passed or failed can we make another motion in regards to the funds, immediately thereafter.

Mayor Baines replied not in Committee on Finance, I don't believe.

Alderman Pariseau interjected there was no motion for reconsideration at the last meeting we voted on it.

Mayor Baines requested the Clerk call the roll.

Alderman Gatsas stated I'd like the answer on that, please.

Mayor Baines asked how does the Board reconsider their previous action to proceed.

Deputy Clerk Johnson replied the previous action to proceed, I believe, was done at the Board level, not at the Finance Committee level. I could check that quickly in the minutes. The Finance Committee could make a recommendation to the Board to do anything else with the project.

Mayor Baines requested the Clerk call the roll.

Roll call vote conducted as follows: Alderman Vaillancourt voted nay. Aldermen Pariseau, Cashin, Thibault, Hirschmann, Wihby, Gatsas, Levasseur, Sysyn, Clancy, Pinard, O'Neil, Lopez and Shea voted yea. The motion carried.

Alderman Shea moved that no more money be spent for the Riverwalk...

Mayor Baines interjected we are on the CIP budget authorizations as presented here. We can obtain a motion at the appropriate place on the agenda. We're just going to proceed with...we're on number 5 and we will entertain a motion at the appropriate place on the agenda.

Mayor Baines addressed the following CIP budget authorization:

1999 211299 PAL Center Acquisition - Revision #1

Alderman Clancy moved to approve the CIP budget authorization. Alderman Wihby duly seconded the motion. There being none opposed, the motion carried.

Alderman Wihby asked does anyone have any problems with our moving the rest.

Deputy Clerk Johnson stated if the intent is to pass the rest of them I just want it understood that the second item is also being considered at this time.

Mayor Baines stated we are dealing with all others we haven't dealt with previously.

1999	510199	Riverfront Development - Revision #1
2000	220700	Tuberculosis Control
2000	220800	Immunization Services
2000	221100	STD Clinic
2000	221200	HIV Prevention Services
2000	221300	HIV Counseling & Testing
2000	220600	Lead Poisoning Prevention
2000	410600	MHRA Summer Foot Patrols
2000	410700	DWI Enforcement Patrols
2000	410800	COPS in Schools
2000	410900	Gang Interdiction Programs
2000	420600	Local Law Enforcement Block Grant
2000	420700	Bulletproof Vest Partnership Grant
2000	511100	McIntyre Ski Area Rehab - Phase III

2000	511200	Derryfield Country Club Rehab.-Phase II-Revision #1
2000	820600	TQM Training & Materials - Revision #1
2000	820700	HR Professional Services - Revision #1

Alderman Cashin moved to approve the remaining CIP budget authorizations. Alderman Wihby duly seconded the motion. The motion carried with Alderman Vaillancourt duly recorded in opposition to budget authorizations numbered 2000 511100 and 2000 511200 noting these items were more things government should not be doing.

Alderman Levasseur asked on the McIntyre Ski Area did we already just move this.

Mayor Baines replied we already moved on those, we're on number 6 now, Alderman.

Alderman Levasseur stated I don't think the City is paying for that, I think that comes out of their own, right. Do you think we should clarify that, your Honor.

Alderman Cashin stated those are enterprise funds, your Honor.

Alderman Levasseur stated it's very important to clarify that that is not coming out of the City, your Honor.

6. Resolutions:

"Amending the 1994, 1995 & 1999 Community Improvement Programs, transferring, authorizing and appropriating funds in the amount of Eighty-five Thousand Dollars (\$85,000) for the 1999 CIP 211299 PAL Center Acquisition Project."

"Amending the 2000 Community Improvement Program, authorizing and appropriating funds in the amount of Eight Hundred Fifty Thousand Six Hundred and Seventy-seven Dollars (\$850,677) for various Police Projects."

"Amending the 2000 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Three Hundred Thousand Dollars (\$300,000) for the 2000 CIP 511200 Derryfield Country Club Rehab-Phase II Project."

"Authorizing the Finance Officer to effect a transfer of Twenty Seven Thousand Two Hundred and Four Dollars (\$27,204) from Contingency to Police Department Line Item #3319C10898 (Local Match of 1999 Local Law Enforcement Block Grant)."

On motion of Alderman O'Neil, duly seconded by Alderman Pariseau, it was voted to dispense with the reading by titles only of the Resolutions.

Alderman O'Neil moved that the Resolutions pass and be enrolled. Alderman Pinard duly seconded the motion. There being none opposed, the motion carried.

7. Notice for reconsideration given by Alderman Wihby relative to the motion to accept the recommendation of the Finance Officer "that the Board reserve up to \$1,449,000 in the City's Restricted line items in the event it is needed for the School District to be transferred at year-end."
(Aldermen Wihby, Gatsas, Levasseur, Sysyn, Clancy, Pariseau and Hirschmann having voted nay. Aldermen Pinard, O'Neil, Lopez, Shea, Vaillancourt, Cashin, and Thibault having voted yea.)

Alderman Wihby moved to reconsider the action taken on the motion requesting a roll call vote be taken. Alderman Hirschmann duly seconded the motion for discussion.

Alderman Hirschmann stated we had a Committee on Accounts meeting last Tuesday and at that time we did learn that the restricted item - Health Insurance, specifically...Alderman Gatsas was very tenacious going after those line items to find out of any balances we might have and we did find out that there would be a deficit in the Health Restricted line items and this motion was to use restricted fund balances to cover those costs, so I really think we're not capable at this time to put money aside for anyone never mind a good cause.

Mr. Hobson stated Alderman Gatsas' point and Alderman Hirschmann's point is well-taken. We are still in the process of unraveling the \$1.44 million or the \$1.48 million and the deficit that you are seeing in that Committee at this time includes

the School issue, the School item. So, you are still seeing...because of the transition plan, you are still seeing School and municipal health insurance issues intertwined in our accounts and so, therefore, that's why you're seeing a deficit.

Alderman Wihby stated I guess I was going to wait to reconsider before we discussed it, but if you're going to take discussion. I have not problems with what you had said earlier as far as letting that Committee look at it that was set up. My concern is that we should reconsider this, vote not to do it. Let the Committee handle it and let them make a recommendation back to this Board, but this should be reconsidered so that we don't send a message that we want to look at this and we want to bail them out. Send the message that we are going to have that Committee work together and then come back to the Board which is why I moved to reconsider, your Honor.

Mayor Baines asked is there any further discussion to reconsider.

Alderman Lopez stated I'd like to get clarification from your correspondence to us that this was no guarantee which was what you informed the Superintendent. Am I correct on that.

Mayor Baines replied I certainly did.

Alderman Gatsas stated I guess I'm a little miffed that somebody from the School Board is not here, but I probably can understand and I understand they're in their budget cycle, however, there are some things that I would like entered into the record. One, Mr. Hobson, I think the items we were talking about were the \$5.9 million that was allocated for health insurance and the expenditure of about \$4.2 million up to March which left \$1.7 million in premium and claims for four months with a premium payment of \$500,000. So, we did some very quick math, multiplied four times \$500,000, came up with \$2 million...it showed us a deficit of about \$300,000 if you followed the same path that you are on right now. Now, maybe those numbers are wrong, but those are the numbers that were given to us.

Mr. Hobson stated those numbers still need to be fine tuned because...

Alderman Gatsas asked is the premium per month \$500,000 with claims, roughly.

Mr. Hobson replied yes.

Alderman Gatsas stated so if we do quick math and we say 4 times 5 is \$2 million with the \$1.7 million you have left there there's about a \$300,000 shortage if the first eight months were true to form for the last four months.

Mr. Hobson stated in the first eight months we still need to extrapolate the School spending from the municipal spending. So, if we do that and I can't commit to a number tonight. But, for example, if we do that we may have a City portion of health insurance that will either break even or have a slight amount of money in the black where we would have a School portion of health insurance that could be in the red by "X" amount. So, all I'm saying is we have not yet extrapolated all the School payments and all of the School claims from those restricted items and move them onto the School side of the ledger.

Mayor Baines stated the only thing I'd like to interject here is that I support a very thorough review of this by that Committee and I also want to emphasize that internally there have been meetings going on on this issue for the past nine months.

Alderman Gatsas stated one other thing that I'd like in the record is that I believe on the meeting of March 7th when Mr. Tanguay was here on page 8 of his transcript at the bottom of the page, I believe without reading everything into the record... "Mr. Wihby made a statement two years ago it was a \$1.2 million deficit. Norm, last year what did you end up with for a bottom line." Mr. Tanguay's response was "stated about \$40,000." Alderman Wihby then asked "did you not take the last two days of payroll of \$300,000 and transfer that." And, Mr. Tanguay answered "we did". He then concluded to what that meant which is Generally Accepted Accounting Principles and said "that he transferred that money with the recommendation of the auditors." I looked at the audited statement and I believe we asked some auditors from our department, here this week of whether you could take a budgeted item when you budget from January or from July 1st to June 30th in a budgeted year, how do you make those adjustments. They're either accrued or their budgeted. No where in that audited statement is there a footnote that states that that money was transferred. I would assume that if the auditors recommended it somewhere in that audited statement there will be a footnote stating that \$300,000 of that budget was transferred into 2000.

Mayor Baines stated, Alderman Gatsas, I think that's a legitimate issue to surface in discussions, I think it belongs at that Committee level.

Alderman Gatsas stated I agree, I just want to make sure it's in the record.

Mayor Baines stated there are problems there that need to be addressed or we wouldn't have had all of these meetings for nine months, so there's not a lot of disagreement with this issue.

Alderman Shea stated one of the factors that we should...when Mark was giving us a background concerning the amount of money that we have for health benefits and others is that we're in a risk pool and that risk pool is enriched by the fact that the School Department is included in that risk pool, that self-insured funding and I think that that might be...

Alderman Gatsas interjected I don't think that's true, Alderman.

Alderman Shea asked does that cause problems as far as extrapolating different types of funding, is that what you're referring to when you mention that from the School Department.

Mr. Hobson replied the answer to your question is yes, but we are in a situation where this particular year, for example, most of the major catastrophic cases have come from the School District. So, in this particular year we're looking at several cases that are attributable to School employees, it depends on the year. Last year, we had issues with safety employees. So, it depends on the year. This particular year things are actually running higher in the School District on both health and dental.

Mayor Baines stated I am going to call that special meeting as quickly as Friday to try to get this on the agenda, just so that people know this we'll be moving expeditiously.

Alderman Levasseur stated the horse has been kicked, the horse has been beaten, the horse is dead, okay. They're going to need the money in June or they're not going to need the money in June...the Chief Executive Officer of the City of Manchester in charge of the Finance Department has requested and authorized us to move forward with this, appropriate the money so we don't have to go through this tomfoolery in June, let's move this along folks, please. If they're going to need the money they're going to have to come and ask us for it and if they're going to come and ask us for it, it's better that we have it ready for them because you know we're going to have to give it to them anyway.

Alderman Vaillancourt stated okay, thank you, that sounds like he's changed his vote from last week, but it's in line with my comments. I just wanted to ask, you mentioned, your Honor, when you broke the tie two weeks ago that you were doing this on the recommendation of the Finance Officer that this was the prudent thing to do. I'm asking the Finance Officer do you still tell us that the move we took two weeks ago is the prudent thing to do.

Mr. Clougherty replied it is my recommendation, Alderman, that you set aside...in light of being approached by the School Department and I thought I made it clear at the meeting that action by this Board does not guarantee...the School Department has an appropriation and they have to live within that. But, they've advised us that they're running into problems. If this Board wants to be able, down the road, to be able to have something to help the School then they need to take action now and that's what I recommended.

Alderman Vaillancourt stated you made that very clear and my question was has anything changed in the last two weeks in your opinion.

Mr. Clougherty replied no.

Alderman Levasseur stated one more point. It doesn't mean we have to give it to them, your Honor, it just means it's there in case of an emergency.

Mayor Baines stated the reason I'm calling the Special Committee shall become very clear.

Mayor Baines called for a vote on the motion for reconsideration requesting a roll call vote beginning with Alderman Wihby.

Roll call vote as follows: Alderman Wihby, Gatsas, Sysyn, Pinard, Pariseau and Hirschmann voted yea. Aldermen Levasseur, Clancy, O'Neil, Lopez, Shea, Vaillancourt, Cashin and Thibault voted nay. The motion for reconsideration failed.

TABLED ITEM

8. Communication from Mayor Baines advising that City staff is working with representatives of the Center of NH for collection of outstanding parking fees collection of \$308,132.18; and further, the City's internal auditors have been directed to review all similarly developed contracts and a contract processing procedure is being drafted to ensure proper controls in the future.
(Tabled 3/7/00)

This item remained on the table.

OTHER BUSINESS

Mayor Baines stated there is a clarification from the Clerk relative to a CIP Resolution.

Deputy Clerk Johnson stated the CIP Appropriating Resolution that was presented to the Board in this package and referred to the Committee on Finance and the Committee on CIP was also referred to public hearing by the Board and the public hearing has been held. In discussions at CIP level it was discovered that the Resolution that was originally submitted to the Clerk's office and subsequently to the Board actually contained draft tables that didn't have all of the project numbers in CIP and some of the project descriptions. There was a handout given to the Board March 7th with those, so there became some confusion because people were using different documents. To clarify things and to put it back into perspective and have it read as it should and have the appropriate project numbers assigned to the projects it is suggested that the Resolution be read by title and that the Resolution then be amended and referred to the Committee on CIP as amended. It's not changing the bottom line, it's not changing any allocations, it is merely assigning project numbers and changing some of the project descriptions grammatically more than anything else. I did personally go through the whole thing today.

CIP Appropriating Resolution:

"A Resolution Approving the Community Improvement Program for 2001 Raising and Appropriating Monies therefor and Authorizing Implementation of Said Program."

On motion of Alderman Wihby, duly seconded by Alderman Pariseau, it was voted that the CIP Appropriating Resolution be read by title only, and it was so done.

Alderman Wihby moved that the CIP Appropriating Resolutions be amended as recommended by the Deputy Clerk. Alderman Clancy duly seconded the motion. There being none opposed, the motion carried.

Alderman Wihby moved that the CIP Appropriating Resolution as amended be referred to the Committee on Community Improvement. Alderman Thibault duly seconded the motion. There being none opposed, the motion carried.

Alderman Shea moved that no money be spent towards the Riverwalk project until there is a definite plan in place for easements in the area north of Granite Street. I am proposing that we not spend any money for IB at this time and that we hold that fund in abeyance until such time as we have definite word.

Alderman Gatsas duly seconded the motion.

Alderman Wihby asked what do we mean by until there's a plan in place, just the letters from the abutters saying that they're willing to do something or actual agreement(s).

Alderman Shea replied I would say that would be considered by the Riverfront Committee in terms of that particular part of the project, but I would say that it would probably be letters that would indicate that easements are in place and that there is a definite plan for taking...in other words having the Riverwalk in that part.

Alderman Wihby stated I don't think we're going to get a letter is what I heard today saying that easements are in place. We might get a letter saying that they're willing to work with us and that they have no problems and they look forward to the project, but I don't think you're going to get a letter...at least, I want to clarify what we're voting for saying that easements are in place is my understanding from Frank today.

Alderman Gatsas stated I'm not looking to stop the Riverwalk. I think that we should...certainly, I seconded Alderman Shea's motion, but I believe that we should at least design Phase III and the other six phases and if that total cost for design which is going to include the easements and the rights from the State and the Federal agencies and maybe we could put it on a fast track and get an answer from the design group whether it can be completed in a faster time period than 18 months, I think that is where this Board is looking to go, so that we are spending money prudently. Would you like to amend the motion.

Alderman Shea replied yes, I would amend my motion.

Mayor Baines asked please restate your motion.

Alderman Gatsas moved that we continue with the design of Phase III and north to include easements in-hand along with state and federal agencies approval of the project; that process is about a million dollars, I believe, and we should check to see if we can get it on the fast track with the design group.

Mayor Baines noted the original motions were withdrawn by Aldermen Shea and Gatsas and replaced with a new motion by Alderman Gatsas and asked the Clerk for clarification on the motion.

Deputy Clerk Johnson stated the motion was as follows: to continue with the design of Phase II and north to include easements in-hand and approvals by state and federal agencies and know what the spending is.

Alderman Shea duly seconded the motion.

Alderman O'Neil stated with all due respect to my colleague from Ward 2 the year to 18 months is fast tracked. There are a number of federal and state agencies that are involved in approving these plans. Frank probably has a list: Army Corps of Engineers, Federal EPA, State Environmental Services...there's probably others, so that was a pretty safe estimate of a year to 18 months. If we move that money from IB I certainly understand Alderman Shea and Alderman Gatsas' concerns; that completely contradicts what you just testified up in Concord on it and I think there's a little bit of a credibility problem with the City when the Mayor goes up...we had approved this less than a month ago. The Mayor goes up and testifies, it's my understanding that that dollar amount could be six hundred to eight hundred thousand dollars for the trestle, a specific federal program administered through the State. There's also...I know you were up testifying on another bill with regard to the State building the parking garage on South Commercial Street...there's a credibility issue here. I think when Alderman Gatsas brought up the easement issue, I think it's legitimate, I think City staff has attempted to address it and they're going out and try to get letters to head us in the right direction although they are not going to get exact easements until there are exact designs of the future portions, so I think it's a mistake if we move money around at this point.

Alderman Wihby stated I guess my concern, your Honor, is we're not going to be doing anything there for 18 or 24 months if we accept this motion and why wouldn't we just say that we want the businesses talked to for section III and make sure we feel at least comfortable enough that they're going to allow us those easements and then move forward with what we're doing and if we don't feel comfortable enough with what they're telling us then we could stop it and then delay it for 24 months.

Alderman O'Neil interjected if I may that is what was discussed last night and that is what City staff is doing. They are going to get letters indicating a willingness to go forward.

Mayor Baines stated there has also been a number of preliminary discussions that have already taken place that seem to be very favorable and Mr. Thomas may want to comment on that.

Alderman Wihby stated I guess my concern is that we could hold this up until we feel comfortable enough that we have those letters and then vote on it.

Mr. Thomas stated the Mayor is correct. The consultants have already talked to all the abutters and there has been a favorable response.

Mayor Baines stated I've had some conversations with some of these people and it's been very favorable.

Alderman Gatsas stated the one problem I have is that I don't think that anybody on this Board and certainly correct me if I'm wrong, at least not since January that I've been here that anybody assumed that we were spending \$4 million on this phase of that project and if they did then certainly I'll sit here and stand corrected, but I don't think if the so-called...Frank, if you can tell me that we assumed that this part of the project was a four million dollar project now I hear there's stages included, I believe that the past Aldermen from Ward 8 when he heard that I believe made a motion to reconsider. Now, I could be wrong but I know that there was a discussion about stages and I don't remember that and I don't know if that came up in front of this Board or if it was before that, but I just have a problem to understand how this project is a \$12 million project and four of it, four million - one-third is going to be spent on the portion that is the least expensive.

Mr. Thomas stated I can clarify that a little bit. First of all, \$4 million is not being spent from the South Commercial Street parking lot, the boat ramp southerly - \$500,000 has been spent on IA and construction of IB is \$850,000 plus the \$70,000 for engineering. I'm not sure what that adds up to, but that is what's being spent in that section. Five hundred thousand is set aside money for anywhere in the Millyard as far as I know. Part of that \$4 million was \$700,000 that was kind of earmarked for parking...

Alderman Gatsas stated maybe you can help me. What's the other \$2.7 million sitting there on.

Mayor Baines asked could Mr. MacKenzie respond, please.

Alderman O'Neil stated there was presented to the Board a breakdown of that. Unfortunately, I didn't bring it with me. I'm sure City staff has it in their offices that will completely clear this up. I believe the number that Mr. MacKenzie talked about of \$800,000 is the correct figure and to do IA and IB is not \$4 million, that is not a correct statement. Maybe Alderman Lopez might have it right there.

Alderman Lopez replied Design Phase IB is \$70,000, Construction Phase IB is \$850,000, Design of Phase III is \$200,000 for a total of \$1.120 million.

Mayor Baines stated...Mr. MacKenzie and then I think we need to vote on this. I think there is a very good understanding of this issue and I would urge the Board to proceed with a vote.

Mr. MacKenzie stated the Phase I together is \$1.4 million (Phase IA and Phase IB). Phase III...there has been commitment by this Board for \$200,000...north of Granite Street. At this point, the balance of funding will hinge on what happens at both the Phase III, if we can get the permits early the Board has the option to fund Phase III. If we get the funding from the State on the bridge that allows us to go ahead with the bridge at a reduced price. So, at the present time we have options depending on how the permitting proceeds and how the funding proceeds to go either northerly of Granite Street with Phase II with the balance of the funding that's available or to the bridge which the bridge itself is perhaps the most expensive single part of the Riverwalk. If we can get a majority of that funded through other sources then we have the largest single most expensive part of the project done.

Mayor Baines asked the Clerk to read the motion on the floor.

Deputy Clerk Johnson stated the motion on the floor is to continue with the design of Phase III and north to include easements on-hand and approvals by State and Federal agencies and know what the spending is.

Mayor Baines called for a vote on the motion. The motion failed on a voice vote.

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

A True Record. Attest.

Clerk of Committee