

COMMITTEE ON FINANCE

November 12, 2008

Upon Recess of BMA

Mayor Guinta called the meeting to order.

The Clerk called the roll.

Present: Aldermen M. Roy, Gatsas, Sullivan, J. Roy, Osborne, Pinard,
O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Ouellette, Murphy.

3. Resolutions:

“Authorizing the Finance Office to effect a transfer of Thirty Eight Thousand One Hundred Seventy Three Dollars and Seventy Two Cents (\$38,173.72) for the FY2007 CIP 712107 Municipal Facility Improvements.”

“Amending the FY2003, FY2005, and FY2007 Community Improvement Program, authorizing and appropriating funds in the amount of Thirty Eight Thousand One Hundred Seventy Three Dollars and Seventy Two Cents (\$38,173.72) for the FY2007 CIP 712107 Municipal Facility Improvements.”

“Amending the FY2009 Community Improvement Program, authorizing and appropriating funds in the amount of Two Thousand Dollars (\$2,000) for the FY2009 CIP 713609 Highway Department Employee Memorial Project.”

On motion of Alderman O'Neil, duly seconded by Alderman J. Roy, it was voted to waive readings.

On motion of Alderman Osborne, duly seconded by Alderman Pinard, it was voted that the Resolutions ought to pass and be Enrolled.

4. CIP Budget Authorization:

210109 – Homeless Healthcare
712107 – Municipal Facility Improvements
713609 – Highway Department Employee Memorial Project

On motion of Alderman Osborne, duly seconded by Alderman Pinard, it was voted to approve these CIP budget authorizations.

Alderman Lopez stated since we are in Finance it may be the right time to talk about the fire trucks, if we want to talk about them. We have to order these individual fire trucks and decided where the money is going to come from, unless we want to do this as a Board instead of in Finance. Would that be appropriate at this time? I realize that the CIP committee is looking at this item but I have a suggestion that I would like to bring up in Finance.

Mayor Guinta replied okay.

Alderman Lopez stated every Alderman has received the report in reference to where the money is and the previous projects. At this time we have to look at every particular project in the City and re-adjust some of the priorities. As I indicated in Finance once before, we have \$1.9 million in the Highway Department which is 711807 and we also have \$590,000 in the Gold Street relocation. I think we need to go through and get the equipment and get it on order. As the process goes along within CIP and other locations, the Fire Department needs to get going on \$18 million to allow the purchase of three pumpers and two Chevy Tahoes. I believe we have the money and we should authorize them to move forward and purchase these vehicles instead of waiting for new money or bonding new money. We have the existing bond money. There is no way that we are going to, even though I would love to build a new Highway Department for \$20-\$25 million, there is no way in my viewpoint that we can spend \$20 million at this time. I believe this is what I would like to bring out of Finance and authorize the Fire Department to go ahead. The Finance Officer will work out the details with the existing bonds.

Alderman Garrity stated thank you, Your Honor. Mr. Chairman, in CIP we are talking about not only the Fire Department, we were talking about some police cruisers and also the Highway Department. It was never mentioned to purchase new Tahoes; it was all about fire apparatus. I believe it left CIP and it was supposed to come back with Highway, Police, and Fire getting together to figure out where they wanted to expend the dollars. It is a little disingenuous to come out of CIP Committee and say we are going to purchase some Tahoes now. In the CIP Committee - I believe it passed five to nothing - we were in agreement that we need some fire apparatus. Tahoes were never mentioned.

Alderman Lopez replied if the vehicles for the Police Department are \$161,310, I do not see any particular problem in getting those particular vehicles with the existing bond money we have. We are going to continue to wait here and wait here and prolong this agony, so to speak. We know we are going to do it and if we continue to wait they won't have the equipment. Chief Burkush, how long is it going to take you to get the equipment?

Alderman Garrity asked may I respond to that?

Alderman Lopez stated I have the floor. Just a minute.

Mayor Guinta stated just give us a number, Chief.

Mr. James Burkush, Fire Chief, responded about four months.

Alderman Lopez stated getting this thing on order is very important as we work out the completed details. In the meantime he knows he has the money on the existing bonds in CIP. If it is determined by the rest of this Board that they want to bond new money at least they will have the individual vehicles on order. It will take four months. I see no problem in holding this up to move forward and get those individual vehicles.

Alderman Garrity stated I do not think it is the intention of the CIP Committee to hold anything up. I think it was the consensus of the CIP Committee that we were in agreement that Highway, Police and Fire do need these vehicles. I believe they were supposed to come back to CIP. They were supposed to get together and decide which vehicles they were going to purchase. Again, the CIP Committee agrees we need fire apparatus and police vehicles, and the Highway Department does need some vehicles. I do have a meeting scheduled for the 25th of November. I don't know if the rest of the CIP Committee agrees with me, that we were in pretty good consensus, and that is what we were waiting for is the priority items from the Police, Fire and Highway.

Alderman Gatsas stated I think it's important that what we look at is...we can't look just at the current needs. The fleet throughout the whole City needs some desperate revitalization. I have been working with Mr. Sanders on how we can look at doing more of that with the money we have and using some of the one-time funds that we have to set up a reserve account. If we do more it is going to be within the budget scope and not cost us more money. If I remember, Mr. Sanders, you said that there is a line item in the budget of \$400,000 a year for bonding, to pay for some of this for this year. If we look at that and increase that amount and look long term and maybe went out and did more, I think we might have the ability to replenish more of the fleet. Until he finishes that report so we can see it from a financial point of view, I do not think we should be jumping

ahead and just segmenting different departments and throwing money. It's not that Fire doesn't need it. Police needs it and so does Highway because the fleets are awful everywhere. I think if we can get a total package put together it may solve a lot of departments' problems in the large scheme of things. We should wait until the CIP meeting so that we can get something that comes forward that not only takes care of the problem this year in the budget but also next year's budget which is going to be coming forward in the next four or five months.

Alderman M. Roy stated thank you, Your Honor. I am proud to say, Alderman Lopez, I agree; Alderman Garrity, I agree; and Alderman Gatsas, I agree. The question in front of us isn't how we pay for this; it is when we order this. With the turnaround time that it takes for the cruisers, the pumpers, and the plow trucks we could be in a very desperate need three and four months down the road in Highway, Police and Fire. To me this isn't a question of how we finance it, whether it is Alderman Gatsas' idea through past bonding and the monies that are already in our budget, Alderman Garrity's idea of working through CIP, or Alderman Lopez's idea of taking funds that have already been appropriated to other projects. Let's get them ordered. Let's make that the priority, simple. Order them, get them, and one of us will come up with a way to pay for them. Thank you.

Alderman Lopez stated thank you very much, and that is the exact point. We know we are going to do this. I agree with Alderman Gatsas. I have looked at the numbers of the Fire and Police information system - \$175,000 which we haven't even talked about. That comes out to \$7.6 million. We are going to talk about the one-time account. I have an idea also and we have to throw all of these ideas around. The most important thing is let the Chief order these. We are going to pay for them. Either we get the \$7.6 million or whatever the case may be. We have to get the most important thing and right now the most important thing is the Fire department.

Alderman Shea stated thank you, Your Honor. I know at the CIP meeting we did discuss all of these needs. One of the critical needs in my judgment is the Highway Department. When trucks break down obviously there are concerns in that regard. Bill, may I ask you what Alderman Gatsas is proposing, would you be able to get back to the CIP Committee at our next meeting which is apparently going to be one the 25th or is that going to be a longer trek in order to discuss the long term financing of different projects that we have?

Mr. Bill Sanders, Finance Director, replied based on my conversations with Alderman Gatsas I believe I could put the material together by the 25th. There may be additional questions that I can't foresee but I think the basic information can be available.

Alderman Shea asked under your consideration can you have the \$1.9 million that was earmarked for the Highway Department as well as the additional amount of money that was on Gold Street included in that particular report?

Mr. Sanders replied yes, I think that could be one of the options, to look at the existing bonded amounts that are unutilized as of the present time. If the Aldermen are of a mind to transfer them, yes.

Alderman Shea stated if the other members of the CIP are willing then we should make decisions then on the 25th, regarding moving forward with all of these concerns. Thank you.

Alderman Smith stated thank you, Your Honor. I certainly agree with my other colleagues. I think safety is a necessity and I also think in twelve days we can make a decision. If Mr. Sanders could come up with his package and if they can get together with Fire, Police, and Highway and present the package to us on the 25th, I don't think thirteen days is going to make any difference whatsoever.

Alderman O'Neil stated Your Honor, I guess this would be for Mr. Sanders or maybe you. We have authorized in the past...I want to say it was for vehicles but maybe it was a building project going out, allowing the department to move ahead with bids subject to funding so at least the process is moving forward. I can't remember the specific situation. I don't know if that makes any sense here if we are trying to gain a month or something. Bill, were you ever involved in anything?

Mr. Sanders responded it may have been the case that we have requested proposals or bids, I think maybe even for Manchester School of Technology before the actual bond resolutions were approved. You can solicit bids and requests. You just can't sign the contract until the Aldermen have appropriated the method of payment.

Alderman O'Neil stated I know thirteen days but then it's going to have to come back to the full Board the first meeting in December, correct? We...

Mayor Guinta interjected that was a different situation. That was a project that was several years in the making.

Alderman O'Neil stated I am pretty sure that there were more beyond the School of Technology. I am trying to think back over several years that we have done that before. I'm comfortable with whatever the Board wants to do. I think the important thing is we start addressing the fleet issue.

Alderman J. Roy stated thank you, Your Honor. I agree with everybody too, just to let you know. Let me read a couple of lines from a report that I have here: "Our

overall assessment is that the City fleet is over-age, lacking in a uniform approach to policy and procedure and is overly costly to maintain. Based on appropriate economically-based life cycle criteria, we should develop a multiyear replacement plan". That report is from 1998. We paid to have people come in here and tell us what we should do and nothing has been done and here we are again, ten years later. What are we looking at, another Band Aid approach? We have to come up with a comprehensive plan that is going to systematically pay for and replace these vehicles so that we don't get in another bingo like this every ten years. We have got to do it, so I agree with many of my colleagues here and say we have to come up with a plan, but I am saying right now we have to get off of the dime and we have to do it now. In here it also says that we should have a maintenance facility for everybody's vehicles to be maintained and it is going to cost \$2.5 million. I just heard \$20 million now, \$25 million in ten years. Another ten years it will not get any cheaper. We need to do this now and we need to start looking at a facility now and we need to look at how we are going to bond that as well. Thank you.

Mayor Guinta stated it needs to be done not just for vehicles; it needs to be done for general equipment that needs to be replaced. The idea that was talked about in 1998 was essentially, you don't have one year where you are bonding \$5 million to \$10 million. You have a scheduled payment that can be part of budgets as they continue to be built each and every year. I agree with that. This is a proper plan which I think that is what Alderman Gatsas is suggesting that we try to adhere to through the CIP process.

Alderman Gatsas stated there is no question that I think that time is of the essence. I think if we can get a compressive plan that maybe gets the Chief some more equipment, because we are looking long range, I think this Board should be looking at it and look at it in the next budget cycle so that everything is meshing. Maybe we don't do three, maybe we don't do seven, maybe the plan that comes forward is twelve and we can afford to do it in a very methodical way so that there is money to replace it ten years from now to replace another twelve. I think we need to look at. Waiting until the first meeting in December I don't think it is going to freeze anybody.

Alderman Smith stated thank you, Your Honor, just to follow up. I would just like to say we are talking thirteen days. If the CIP Committee gets this whole package plan and everything is in place, can't we take it up at the Board of Mayor and Aldermen meeting that night?

Alderman Gatsas stated if that is when we are meeting I don't see why you couldn't.

Alderman Lopez stated I just want to point out one thing. If the Police, Highway and Fire is \$2.4 million, we are sitting on \$2.4 million. Keep that in mind. I don't mind waiting the twelve days but we have to have an answer come the 25th from CIP so that these people can start ordering this stuff, whether it's a multiyear plan or whatever plan. I think the argument is going to be the one-time account as to wherever else the other money is going to come from, we're going to get into a big argument and nothing will be done on the first. I hope I'm wrong that on the first we have the authority to move forward, because these department heads have to do that. Thank you.

Mayor Guinta stated I think we all agree that it is going to continue in the CIP process, it sounds like.

There being no further business, on motion of Alderman J. Roy, duly seconded by Alderman Osborne, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee