

BUDGET REVIEW COMMITTEE

MAY 23, 2016

A meeting of the Budget Review Committee was held Monday, May 23, 2016, at 7:10 p.m. in the Aldermanic Chamber.

Alderman-at-Large Lori Wilshire, Vice Chair presided

Members of Committee present: Alderman-at-Large Lori Wilshire, Vice Chair
Alderman-at-Large Brian S. McCarthy
Alderman-at-Large Michael B. O'Brien
Alderman Sean M. McGuinness
Alderman David Schoneman
Alderman Ken Siegel

Members not in Attendance: Alderman Richard A. Dowd, Chair

Also in Attendance: Alderman Tom Lopez

PUBLIC COMMENT

Kevin O'Meara

My name is Kevin O'Meara. I'm a Ward 4 resident – 8 Maple Street. Also the Ambassador for Local First Nashua. I just found out about this morning so I just made a couple of notes. I'm here to offer my support for the further enhancement of the Riverwalk area and the utilization of a great resource of the Nashua River. It is well known that there has been a drop off of walking traffic in the downtown area of Nashua. In order to attract more business who in turn pay taxes, you must increase the walking traffic down there. Enhancing the Riverwalk area I believe would go a long way in getting a lot of people down there, a lot of families down there that might spend a little money down there and hang around down there and provide some recreation downtown. I realize that there are too few discretionary dollars that are available for projects like this and I believe this is the perfect time to do this because it is a windfall. I don't see if not now then when. Thank you.

Vice-Chair Wilshire

Does anyone else want to give public comment? Seeing none.

COMMUNICATIONS - None

DEPARTMENTAL REVIEWS

Community Development – Parking Lots – Dept. 166

Director Sarah Marchant

Thank you very much. We just brought the whole Division up. Sarah Marchant, Community Development Division Director. I'll quickly introduce the Managers if that's okay. Janet Graziano is the Finance Manager for our Division. Roger Houston is the Planning Department Manager; Bill McKinney is the Building Department Manager; Nelson Ortega is Code Enforcement and Carrie Schena is Urban Programs. Transportation and parking we are without a manager right now. He left the first week of March and we are actively searching and hope to have a candidate back on board soon. I've been managing both of those departments as well for now. I can speak to them tonight for you. As far as parking goes, there has been very little shift in revenue (page 52). You'll see that last year the revenue was less than anticipated. We've talked about that a couple of different venues and that was largely because we were finishing the sidewalk project and without meters on

Main Street, we were losing about \$100 a day. All of those meters have been reinstalled and we fully expect the parking revenue to be back where it was last year which is why it has been back to the same amount again.

Vice-Chairman Wilshire

If that's all you have to say on revenues, we can move along unless anyone has questions on the revenue section. Seeing none. Page 169, parking lots.

Director Sarah Marchant

So there has been little change to this budget overall. We are looking to move which an Ordinance was introduced. I know we'll be talking about it at Personnel and Administrative Affairs to move parking under Economic Development with a new focus on downtown largely what parking does. Everything they do revolves around downtown and really aligning those two I think has tremendous benefits. So the budget reflects that in the removal any money for the Transportation Manager from this position and a slight increase to one of the other positions. It pretty much evens out within the budget. We are predicting a slight decrease in fees for credit card processing. We had a big improvement in our credit processing company which is a huge amount of fees for us. Thank you very much for Janet Graziano our Finance Manager for facilitating that and that has resulting in some savings to us. The rest of the budget is pretty standard and without any significant changes.

Alderman Siegel

Thank you Madam Chair. The question I have is on the snow plowing services. Traditionally we had contracted them out and it was a light year. Did we just have a fixed price contract is that why it's \$26k across the Board?

Director Sarah Marchant

Correct. We have a not to exceed amount in our contract. I will be coming back before you shortly as well.

Alderman Siegel

Thank you. One further question and this is regarding the 55100 communications data line. Very high amount of money for communications and data for parking garages. What's going on?

Director Sarah Marchant

It's actually every parking meter. Each of the pay stations. It's not the meters. It's the stations. So each of the pay stations at the garages and then all of them on Main Street. Each one needs a data connection fee.

Alderman Siegel

Thank you very much.

Alderman Schoneman

Thank you Madam Chair. Again the communications data and the credit card service fees. So to use the credit card machine essentially it's costing us \$13,000 for data and \$16,000 for credit card service fees.

Director Sarah Marchant

Correct.

Alderman Schoneman

That's a significant amount of money. Do we have a net benefit for using those machines as opposed to using individual meters with change?

Director Sarah Marchant

That's a good question. Yes we believe so. We've been working to do that analysis much more closely since we switched to a new credit card service processing fee and we have seen some savings there. The problem with these type of fees is that they're very low. It's \$1.50 and there's minimum fees on a lot of the credit cards that are passed onto us. That was not included in the original analysis that was done before I arrived in choosing to go to these type of stations but I do believe that in the long run we are still seeing an increase in revenue from them. We bring more in than we pay out certainly.

Alderman Schoneman

So it's a net gain. You believe it's a net gain to the City. It sounds like well \$13,000 - \$16,000, that's a lot of money.

Director Sarah Marchant

Well it is a lot of money. Agreed. It is not anywhere in our plan right now to install any new pay stations. If we do new, they'd be meters at this point in time. We are not interested in putting in more of these at this time.

Alderman Schoneman

Do we have a large inventory of meters available?

Director Sarah Marchant

We have traditional meters yes. One of the keys to these is that in our highest traffic areas, especially Main Street, we couldn't keep up with – there's an incredible amount of staff time involved with changing the meters all the time and taking the change out so that you can get more money. Once they're filled, they just won't take any more money. So this has saved a lot of labor in that too.

Alderman Schoneman

So that's part of the analysis then too. These costs are larger but we have labor savings. It sounds like you're working on the numbers. Okay. Thank you.

Alderman O'Brien

Thank you. Follow up to the Alderman's question. Part of the analysis, I really liked my little card that I used on the old traditional meter. You used to go in and put the amount of money onto it. I found it very convenient to snap it in. It even gave me some time back if you learned how to use it. Would that save taking that concept instead of using a regular type of credit card as part of your analysis would it be worth looking into that that if we sponsor a card that...

Director Sarah Marchant

That card still exists. You can still refill you card at the library. There's a meter there and you can fill your card. You can't use it on the pay stations but you can use it for the rest of the meters like you used to use it. It's certainly something we could look into. The point was to move to new technology that is more efficient and more accessible to everybody where going to that card may or may not be but we're still trying to determine if was the best way to go.

Alderman Lopez

Without knowing exactly how the cost ratio versus revenue brought it works out, if this is electronic is there a way to find out when you're collecting the most amount of money and when it may not actually be worth having the meters active? For example if nobody using the last half an hour then maybe it's not worth having them collecting fees that last half hour.

Director Sarah Marchant

We do have quite a bit of analysis. We can tell you how much is pulled in. I don't know if we can pull it in on an hour by hour or minute by minute basis. I have never seen analysis like that. I can certainly tell you which days of the week we pull in the most revenue and which meters pull in the most revenue. We can certainly look at that kind of data but I don't think we have the ability to look at it on an hour by hour basis.

Alderman Lopez

It would definitely be interesting though.

Alderman Siegel

Thank you Madam Chair. Well I just want to question following up on Alderman Lopez. There's no instance where we're losing money on a transaction right? The charge fees never exceed the revenue, right?

Director Sarah Marchant

In an overall? On an individual?

Alderman Siegel

No on an individual transaction basis.

Director Sarah Marchant

I can't say that's true.

Alderman Siegel

Oh, okay.

Director Sarah Marchant

I think it's rare but if you pay for half an hour at the parking garage and its \$.50 and you put it on your credit card and that credit card has a minimum fee of \$1 per transaction.

Alderman Siegel

That would be interesting to find out. Thank you. Wow.

Chairman Wilshire

Anything further on parking lots? Seeing none, we'll move onto transportation. The revenues are on page 262.

Director Sarah Marchant

This is all very much stable. We bring in revenue from a multitude of sources as you can see and the whole top half there. Everything from different government pots to all the contracts the city engages in on a yearly basis to our advertising fees and passenger fares. There's not any significant changes here. These numbers look very similar to last year. We usually are right around \$3 million in an overall budget and we don't expect any large changes in this budget.

Alderman Lopez

Do you happen to know what the line item is for the Plus Company is?

Director Sarah Marchant

Yup. We have a contract for the Plus Company. You'll be seeing that coming before you again in a couple of weeks with all the rest of them. We contract with them to provide services to provide door to door transportation for their clients.

Alderman Lopez

The Plus Company works with elderly people with disabilities or adults with developmental disabilities?

Director Sarah Marchant

Correct.

Alderman Schoneman

I see under "expenses, management services" \$1.6 million. What's that?

Director Sarah Marchant

That is the contract for First Transit that we bid out on a five year basis. They manage all of the drivers and assist also with some safety and security and the dispatchers and the person who is on site helping customers at the Transit Center on a regular basis.

Alderman Schoneman

Under the revenue portion, it says general fund appropriation. This is city money?

Director Sarah Marchant

Correct.

Alderman Schoneman

How is that number arrived at? Is it just whatever gap is left with everything else?

Director Sarah Marchant

It's the last number we fill. We plug in all of the revenue streams first and that's the last amount. It's actually a little bit less than last year. I think we were at 420 - 421 last year. It's the last number that we fill in. It is critical though for us to be able to leverage all of the rest of the funds. That money is pretty critical. I think we do a pretty good job using \$420,000 of city money to leverage almost a \$3 million budget.

Alderman Schoneman

If I may ask about ridership volume. We had no numbers. How do you measure that? Passenger miles? Just numbers of passengers?

Director Sarah Marchant

Both. So we actually did about just under half a million rides last year. We have more rides than any other system in the State. We actually do it with less routes. I like to think we're pretty efficient with our service. More so than Manchester and Portsmouth. So we've had a pretty outstanding ridership and we see a very steady trend of growth in that ridership. Especially we have seen in slowly increasing para which is the more expensive portion. The door to door type services – the senior, elderly, ADA services. So we are working very hard to educate people about how easy it is to use our fixed route services and the amenities on that for them.

Alderman Schoneman

Comment. On the schedule routes what's the length of all of our routes? How many miles of routes do we have?

Director Sarah Marchant

I don't have the vehicle miles traveled off the top of my head. I'm sorry. I can get you that. I can certainly e-mail you that information.

Alderman Schoneman

Is it just with Nashua or do we go outside?

Director Sarah Marchant

So all of our fixed routes are just within Nashua. We have 9 fixed routes. Seven of them run on a one hour schedule. Two of them run on a half hour rotation. The para routes, we have direct contact with Merrimack and Hudson which we do ADA senior services with and then we have a contract with the Souhegan Valley Regional Transportation collaborative and we provide service to everything from Amherst, Milford, Wilton, Hollis, Brookline, Merrimack, and I think that's it.

Chairman Wilshire

Okay we'll move onto page 176.

Director Sarah Marchant

Oh that's just the money going in. You'll see that in the revenue side on the other page you were looking at.

Chairman Wilshire

Any further questions on transportation? Moving right along. Community Development, Department 181.

Director Sarah Marchant

Okay that's me. So we brought on Madeline Mineau this year. The Waterways Manager who started in November who has been a wonderful addition to our team and she was actually here before the Budget Committee last Thursday night. She's at a conference right now. So the budget from last year is not changing significantly. We're looking at pretty much level funding things.

Alderman Schoneman

I'm looking at fringe benefits line 52300 – benefits. There's a significant decrease there. How is that accomplished? I see \$62,357 for Fiscal '16 and down to \$28,400 for Fiscal '17. I was wondering how we did that.

Director Sarah Marchant

I think because we were anticipating billing the – we have one more position that's still vacant that is posted. So we still need to fill that. So I think we're probably not sure what that benefit level is going to be of that incoming person.

Alderman Schoneman

And what position is that?

Director Sarah Marchant

That's the transportation long-range planner.

Alderman Schoneman

Is that person salary – part of the budget salary?

Director Sarah Marchant

It is.

Alderman Schoneman

So everything is there for that person except for the benefits which we're uncertain of. If the benefits come in higher, what are we going to do?

Director Sarah Marchant

Good question. I'm not sure why they're so much lower.

Janet Graziano

That's an allocation that's done from the Accounting Department based on how much is in the actual insurance fund. It's allocated back.

Alderman Schoneman

I'm sure it will be squared away when the time comes.

Alderman Siegel

Two things. One just a note. I've been told by some people that we often cannot be heard so I would just urge everybody to speak into the microphone. It just reminded me here. I'm not singling you out because that was in general even the Board themselves. I just wanted to point that out. I'm a little bit confused about us not being sure of the benefits. Typically when we have a salary line item, we've set aside everything associated with it because we have a fairly good idea what the salary is. We capped that out and the benefits pretty much fall right out of that typically. I'm a little confused when you said we're not really sure. That may go up. That's not what happens in the budget line items typically.

Janet Graziano

I think what we can do is we can get back to you on an explanation for why it went from 113 to 82 this year.

Alderman Siegel

Okay that would be great. Thank you.

Chairman Wilshire

Further discussion on Community Development? Seeing none. Planning and Zoning, Department 182. Revenue is on page 54.

Roger Houston

My name is Roger Houston, Planning Director. Our budget this year is down \$3,131 from last year. We are less than what we were last year. We lost a position last year and this year we're looking at revenues being a little more than last year and our operating expense is \$3,000 less. We've kind of paired down to the bare minimum. I'd entertain any questions.

Alderman Siegel

Obviously I'm thrilled that we don't see an increase but is the department functional? You're paring down but it's a pretty important function.

Roger Houston

We lost a position last October and we just recently filled that position with an in-house candidate. We're going out to the outside with a Planner 1 position. Until we get back up to speed, we're struggling a little bit yes but once we get the new person on and trained, we'll be in good operating condition. That means we have to work more.

Chairman Wilshire

The appropriations are on 174. Questions on that?

Alderman Schoneman

May I go back to the revenue side? I see that our actual Fiscal '16 through 430 is above our budget for Fiscal '16 which is great. Is that just that we're budgeting conservatively on the revenues and we would hope next year to have an excess of revenues over what we budget for revenues as well?

Roger Houston

Yes I've been very conservative on revenue projections. Actually to date I think we're at \$211,000 this year. Land use permits jumped up 25 percent this year. There's really no way of predicting what is going to happen or not or applications – planning and zoning, and HDC, and Conservation Commission are pretty level from the previous years. The revenue is high. I'm not sure what's going to happen next year. I can't predict how many applications we're going to get in or what's going to happen with the economy.

Alderman Schoneman

Do we typically in the last few years let's say run higher than our estimated?

Roger Houston

We were around 170,000 a couple years ago and that's kind of created this. Last year or so we've spiked. At the very end in the springtime which made it difficult for us to project with the budget because we were using numbers in January or February for our budget and then all of a sudden in the springtime we get two or three large applications or we get an influx like we did this year of a lot of remodels and a lot of building permits coming in. Land use permits go with those. So it's very hard to predict that. Yes we could see more next year depending on what comes through the door.

Alderman Schoneman

I'm glad for the conservative approach on revenues. I think that's the way to do it and I was just wondering if we've seen good surpluses let's say in the previous years. Thank you.

Chairman Wilshire

Okay moving along to the appropriations on page 174. Any questions there? Seeing none. Thank you.

Building Inspection – Department 153. Their revenues are on 51 and appropriations on 166.

Bill McKinney

Good evening. I'm Bill McKinney. I'm the Building Official for the City of Nashua. I am the Manger for the Building Safety Department. Our department is responsible for administrating the building codes of the City of Nashua and the State of New Hampshire which includes building, electrical, plumbing, mechanical, energy conservation, and life safety codes. For revenues this year if you look at our projections, we did exceed projections for this year again. For that reason, I've actually proposed an increase to revenues on the line items for electrical, mechanical and plumbing permits. All three of those categories have run higher in the last 3 years. So for that we've proposed an increase there. Part of that has been a large increase on the electrical side which has been solar able taic systems which the city has seen a large increase. We did over 500 systems in the city in FY16. We're proposing no increases to our budget other than salary and benefits which I have no control over due to contracts.

Alderman McCarthy

Yeah what's the average number of inspections being done by our inspectors on a daily basis?

Bill McKinney

On a daily basis, we regulate our inspectors to no more than 45 inspection stops but that could average out to as many as 45 to 50 or 60 actual inspections being performed. Occasionally you'll have an inspection stop that will have 3 or 4 inspections on one site and we try to be a little fiscally responsible and have those inspectors do all three inspections in one. For this year, we've to date we've actually conducted 8,102 inspections since July 1.

Alderman McCarthy

So a number of years ago after the Pennichuck roof collapsed, there was a Blue Ribbon Commission that issued some recommendations on what the maximum numbers were we should have of inspections for any one person per day. Are we within those numbers now?

Bill McKinney

I would say we are watching that diligently. The Blue Ribbon Commission advised no more than 12 to 15 inspections per inspector a day. I look at that as you have to consider what the type of inspection is. We have

some projects where you'll be doing a series of deck replacements or new decks where there's frame inspections happening but they're all right next door to each other. You could do 5 to 6 of those in an hour and safely do it that way. To hold tight to a 12 to 15 number, I think it's not reasonable. As long as we monitor the type of inspection based upon how much time we believe the inspector needs to spend there and then base our inspection totals on that.

Chairman Wilshire

Appropriations on 166. Any questions there? Seeing none. Thank you very much.

Now we have Code Enforcement. That's Department 155. Their appropriations are on page 168. Good evening.

Nelson Ortega

Good evening. I'm Nelson Ortega. Code Enforcement Manager. Our budget basically is straightforward. It's very similar to last year's. Most of our increase again has to do like building safety is due to the contracts for the employees. A small increase in our supplies because depending legislation with the ticketing system that we may have to have tickets made. Other than that, nothing really has changed with our budget other than that.

Chairman Wilshire

Questions of Code Enforcement? None. Wow.

Alderman Schoneman

I'm just taking a look at the numbers. I'm doing a little calculation here. If I look at the 2016 – I'm looking at page 168. It goes from 284 up to \$292,000. I know that's due to the contracts but that looks to me like it's a 2.8 percent increase from one year to a next. So are we in a situation here? I understand that the numbers are fairly close together but are we in a situation here where a contract increase in excess of the spending cap is what's driving this number to be 2.8 percent higher?

Janet Graziano

Yes. I just wanted to say we balanced through the Division to make sure we hit the 1.3 percent – the Division level so there are some that are a little bit higher and there are some that are a little bit lower and that's how we are meeting the proposed budget.

Alderman Schoneman

Okay but overall you're...

Janet Graziano

The overall Division is meeting it.

Alderman Schoneman

But the increases are being driven by contracts that exceed the cap. Thank you.

Alderman O'Brien

Yes would that also includes merit? Would merit drive that number up as well?

Janet Graziano

Yes. The Division though is maybe the people you see here are the only merit employees in the Division.

Chairman Wilshire

Anything else for Code Enforcement? Okay.

Moving on to Urban Programs. Department 184. They have appropriations on 263. Carrie welcome.

Carrie Schena

Thank you. Carrie Schena, Manager of Urban Programs. So my department oversees predominantly HUD funding. That comes into the city on an annual basis. It's the Community Development Block Grant, home improvement program, and the lead paint grant are the three primary ones. We have other smaller ones that tend to roll through from time to time. The department is completely grant funded. There's about 6 of us there full-time positions. We also employ one full time Code Enforcement Officer under the lead paint grant and then we have a significant partnership with the Division of Public and Community Health where some of that funding goes to. Some outreach positions, some nursing positions, and we also have many community partners under the lead grant. So the other two big ones – CDBG and HOME is done through a consolidated planning process and we typically handle that through the Human Affairs Committee which the plan has already been submitted to HUD. The deadline is May 15th each year. So this budget and the community partners that you see listed within it have already come before the Board of Aldermen through a separate resolution and planning process. This year we did see slight increases to the BLOCK Grant and the HOME program. However if you average out a five year span, we're still significantly lower than we were several years ago. The HOME program nationwide took a cut of about 50 percent three or four years ago and it's very, very sluggish to return to being funded. The BLOCK Grant, we're probably down about 15 percent from what we were 5 years ago. So it's difficult to get that money out and still meet community needs with the limited funding that the government gives us.

Alderman Siegel

I appreciate the job you guys do but I always had a question about the lead hazard remediation. We haven't been using lead paint for many, many years. It would seem to be over time there would be less and less of this. So how are we trending with that or actually you're just discovering new pockets of lead paint? I'm curious.

Carrie Schena

Well unfortunately lead paint lasts forever and the way that the program works and again this isn't just Nashua specific but across the country. It's very cost prohibitive to go into a home and remove all of the lead paint and make that a lead free unit. So what we do is go in and address the highest hazard areas and that's typically friction surfaces and things like that where we do permanently remove the paint. Even when we're done, the units will still have some lead hazards in them and yeah we give information to the families about how to live safely with those hazards. We've made a very small dent in the number. Nashua has I want to say – it's more than half. I think it's close to 60 percent of our housing units were pre '78. A good number of those are in the urban core downtown where most of the multi-family housing is and it's also coincidentally where the lowest income population is. So you have the overlay of the perfect storm of units that are not well maintained, susceptible families are living in them, and our program only addresses over – we've done nearly 500 units but there's upwards of 20,000 units that could be addressed.

Alderman Siegel

Just a follow up question. That's interesting. That's a little eye opening. How many units do you typically do in a year?

Carrie Schena

Under this current grant, we average about 60 units a year.

Alderman Siegel

Thank you.

Alderman O'Brien

Thank you Madam Chair. You said your grants are down this year as compared to in the past. What is the reasoning for that? Lack of them at the federal level or are we aggressive enough in seeking them? Do we need more help in that example?

Carrie Schena

It does come from the federal level. We're subject to congressional budgets and Nashua is what they call an "entitlement community". So we're allocated a certain amount of funds based on a formula and that formula has different criteria that go along with it but it has to do with your population density, your housing density, percentage of low income people. It varies from year to year but just across the board, these programs are not being funded at the federal level as they were several years ago.

Alderman O'Brien

Thank you.

Chairman Wilshire

Further discussion on Urban Programs?

Alderman Schoneman

If we're done with Urban Programs, I just have a question on overall Community Development as long as we're done with Urban Programs.

Chairman Wilshire

Sure. I think we are.

Alderman Schoneman

I'm taking a look at page 165 and I just want to go back to the labor question. Page 165 gives us a couple of pages of just FTEs and labor it looks like. I see that in the total labor for the Division we go from \$2.245 million let's say to \$2.341 million. That's roughly a little over 4 percent increase from one year to the next. I appreciate that overall you kept the increase to the cap number of 1.3. In order to make that happen with these kinds of numbers, you had to give something up. I'm wondering what you would have liked to have done that fell off because we had this kind of increase in labor.

Carrie Schena

That's an excellent question. We no longer have funding for interns. We used to have money for some interns that we cut from the budget. In large part, we've been very productive in transit in bringing in advertising revenue and some other revenues. So we tried to make up a lot. We made a piece of this through the different revenue sources in transit. As far as things that we'd like to do that we – there's many I guess as any

division would have but there hasn't been – we've cut some training for everybody a little bit. We made small cuts and then we were able to leverage transit a little bit to help out things and no interns.

Alderman Schoneman

So the biggest drop off was interns. Interns and training it sounds like with some gains in marketing.

Carrie Schena

Correct.

Alderman Schoneman

We're going to be talking about Riverwalk later. That's something that's \$500,000 that's not found in this labor number because it just goes from 2.2. It's not that big of a number change but I would presume that some of that could have been done too possibly a portion.

Carrie Schena

A portion of it certainly getting some of that moving. We take on a lot of big projects in this Division. We're doing the TAP grant. We have 25 Crown Street the redevelopment of that project. We're looking at the LED bridge lights by the Broad Street Parkway right now. So we do a lot of the large kind of odd project management that really doesn't fit in DPW. Riverwalk would certainly be one of those type of projects. It's been in the CIP for a while. We've worked hard towards it as well as starting the master planning. So all of those things are things that we would love to do and move forward absolutely.

Alderman Schoneman

The only point I want to make once again is that there's always tradeoffs. We do one thing. We can't spend the same dollar twice. It's gone as well as opportunities. Thank you.

Alderman O'Brien

Yes you said there were a couple of interns and training. There's one position I'm (inaudible). Is it just the one position in transport or do you have several vacancies?

Carrie Schena

We have several vacancies.

Alderman O'Brien

Could you name them please?

Carrie Schena

Absolutely. So Planner I in the Planning the Planning Department is unfilled. The Transportation Planner, Long-Range Planner in Community Development is unfilled. The Transportation Manager is unfilled. All are advertised at the moment and we are very much looking forward to filling them.

Alderman Lopez

I just wanted to clarify. The tradeoff I know it was in public comment it was pointed out that this is the time to do it. It brings more people downtown and increases the tax base. Do you think the tradeoff is worth it?

Carrie Schena

I don't think it's a tradeoff and nothing has been proposed to move Clocktower money into my budget. I think that's a separate capital project that's under discussion for not part of my budget specifically.

Chairman Wilshire

Further discussion on Community Development?

Alderman McCarthy

All those positions you said were are vacant are budgeted however, correct?

Carrie Schena

Those are all budgeted yes.

Chairman Wilshire

Anything further for Community Development? Thank you very much for being here tonight. I appreciate it. Thank you everyone.

Who's going to start off Economic Development, Mayor?

Mayor Donchess

Yes that you Madam Chair. I'm here just because of the economic development office is under the Mayor's office. So the budget overall is up a little bit in the salary line because we upgraded the second position from a basically an administrative position to a Downtown Specialist. I thought that it was particularly important given the improvements we'd like to bring downtown to focus our efforts in that way by having a Downtown Specialist. Now that position is paid I think 77 percent out of the city budget and 23 percent out of the Revolving Loan Fund. So the salary number you see which I think is \$44,000 does not include the entire salary. The \$44,000 is out of the city budget. I'm doing that from memory so if I'm \$500 or \$1,000 off, I apologize. That is the major change in the budget. We have of course Ms. Marchant who's been the acting Economic Development Director and can answer any questions about the budget. Tim Cummings you which the Board of Aldermen confirmed a couple of weeks ago just started today so I told him we wouldn't put him too much on the firing line on the budget. He's here just in case you had any questions. With that, I don't know if Sarah or Tim have anything to add but we're all available to answer questions.

Director Sarah Marchant

The only other changes in this budget is increases to training and due and memberships with two full professional positions in this department and bringing somebody new on board it was very important to increase those lines to allow them opportunity and access to the larger economic development community in New Hampshire.

Alderman Siegel

That was the conferences and seminars number going on?

Director Sarah Marchant

Correct. Before it was in admin. and one professional. We're two professionals now.

Alderman Siegel

Okay that makes sense. I'm sorry that Mr. Cummings is day one. I'm not going to ask you any questions. I don't want to embarrass you. I'll give you like 3 days or so to marinate, find the bathrooms. Very good. Welcome to Nashua. So I think economic development is very important. In general I don't have a problem with the budget but I will express the concern I have for a Downtown Specialist. I don't understand why we need a specialist just on downtown. I think Nashua overall is more than a downtown. I've said this a million times. As a Ward Alderman of course I'm particularly sensitive to it so it's no mistake but there's a lot of drivers of economic development in Nashua and many of them are not downtown. They are as important or more important in fact the southern portion of Nashua where we have the high tech. development going on. That's a gigantic driver of our economy. It seems to me that as Alderman Schoneman has pointed out, once we spend a dollar on one thing, we don't spend it on another and by focusing so much energy on that one area, we might neglect other areas. I'm not in a position to ask Mr. Cummings how he would spend the money. I don't think that's very fair right now. Maybe a month or two from now, that's a question that will come up.

Chairman Wilshire

Anyone else on economic development? Very good. Well welcome to Nashua Mr. Cummings. Thank you for being here. I think that's it. Thank you Sarah. Thank you Mayor. Next up, Public Health and Community Services. Good evening. Director Bagley if you wouldn't mind introducing your people tonight.

Director Bobby Bagley

Yes thank you Madam Chair for having us this evening. Off to my right is the Manager of our Welfare Department, our Welfare Office Mr. Bob Mack. To his right is a Manager of our Community Health Department which is Jackie Aguilar and to her right is the Manager of our Environmental Health Department which is Heidi Peak who is also our Health Officer. I'm Bobbie Bagley the Director of the Division and the Manager of our Community Services Department. Basically over at the Division we have several departments that provide services that protect and promote and preserve the health of our community. Our Division plays an intricate role in leadership and collaboration among our local partners and regional partners to help build to support our public health system. The services that are provided basically are to serve that very purpose. I thought what I would do is go through the Community Services Division budget part first. Each of the Managers will go through and explain their departments in the budget items.

Chairman Wilshire

Page 130 are the appropriations for Community Services.

Director Bobbie Bagley

So basically with Community Services pretty much our budget came under. We did add one position under Community Services and that's a Health Promotion Specialist and all the other two positions are pretty much the same. Our line items came in at flat funding as well. You can see there. We do have a line in here to continue with our accreditation which is a big part of what we're hoping to do over the next few years with the Division. I'm very proud and happy to say with the leadership at the Division that we will be able to submit our application on Wednesday for accreditation. So that's good. I think that's pretty much it for Community Services. The one line where you see the increases is basically at the salary and wages line for that one position.

Chairman Wilshire

Does anyone have any questions?

Alderman O'Brien

Thank you. I noticed on heating oil there seems to be a drop from the original budget. You guys got enough sweaters?

Director Bobbie Bagley

To answer that one, we use the Purchasing's recommended memo and they forecast what the gallon price is going to be. So that's what we used for next year.

Alderman Schoneman

I'm looking at that salary line. You talked about adding a position and I see it goes from 187493 to 190. It's a very small amount of addition. Your department request was about \$210,000 so it looks like it came down about \$19,000 or \$20,000. Can you explain what happened there between your request and what the Mayor proposed and where the extra person is fitting in?

Director Bobbie Bagley

The difference that you see there of that \$19,000, that money was actually shifted into Community Health to provide support for a couple of per diem positions that we're going to add on. We are very fortunate in that St. Joe's Hospital we're partnering with them and we'll be getting a new van for the community that will allow for us to increase our access of services and enhancing services on the van. The per diem positions will include a nurse practitioner and a licensed alcohol and drug counselor. Based on information that we got back from our community health assessment and identifying access to care as an issue that we needed to address in Nashua and in our region, the provision of this new van and allowing for those two new positions to come on board per diem will allow for us to increase access to individuals that don't have ready access to come into the community for their services. So the health promotion specialist position that is not a new position's job responsibilities are changing to more full time work under health promotion and education in the community to support the work that we're doing. The position the way it was prior was they did that half time and then some of the other responsibilities included doing certain administrative work and finances.

Chairman Wilshire

Any more questions on Community Services? Moving right along, Community Health.

Jackie Aguilar

Good evening. My name is Jackie Aguilar. I'm the Public Health Nurse Manger for the Division of Community Health. My staff consists of four full time nurses. Three per diem nurses, one bi-lingual outreach working, one admin., one program assistant, one nurse practitioner. The City of Nashua Community Health Department continues to receive combined grant funding from the New Hampshire Department of Health and Human Services which are designed to support the following health programs: HIV counseling and testing, HIV prevention, STD counseling and testing, Tuberculosis prevention and case management for TB as well immunizations. We also work with grants from the (inaudible) the lead poisoning prevention program and in 2014 we started partnering with Lamprey Health Care on the million hearts project. Million heart is a national initiative to prevent one million heart attacks and strokes by 2020. The Community Health Department continues to provide services to promote and protect the health of our community and our region. You will notice that we level funded our budget this year with the exception of salary increases and added items connected to the new public health outreach van as Bobbie mentioned. We are working in collaboration with St. Joseph Hospital of obtaining the new van for the delivery of fresh services to the community. The original salary for the new hires will include the (inaudible) that you mentioned Bobbie and a family nurse practitioner. Each one of them will be hired under our per diem line 501412 and additional money was added to that line. We usually use the grant money first before we tap into any of our city budget lines. At this time, the proposed budget allows me to manage my department effectively. Thank you.

Chairman Wilshire

So we have revenue on page 42. Anyone have questions on the revenue section? It's not much. No questions? Okay.

Questions on the appropriations on 132?

Alderman Siegel

Thank you Madam Chair. So in the supplies and materials there's education and medical supply items. Are those associated with the outreach van? That went out because we're (inaudible) the outreach van with those?

Jackie Aguilar

That is correct.

Alderman Siegel

Okay thank you.

Alderman Schoneman

A couple of questions. One if I could go back just to the revenue for a second. The Medicare reimbursements. We found what the schools I think that there was a lot more Medicare money available for visits and what not in schools than we were taking advantage of and we grew to take advantage of it. Is there possibly Medicare revenue that's somehow being left on the table because we don't have the ability to capture it? Do we know?

Jackie Aguilar

Right now we're working on the claims. We are providing the flu vaccine as it is something the end of June. So we have a little time to go retroactively a year and a half and so we're working towards that.

Alderman Schoneman

The other question and I believe we'd probably measure what we do by numbers of visits and that kind of thing. You mentioned things like STDs and other diseases. Do we keep track of instances of diseases and are we seeing diseases tracked down even though visits maybe remaining flat or growing? Are we seeing any progress in the things that we're trying to not just visit and talk to people about but to fix?

Jackie Aguilar

We have the clinics and we see about 500 people for STD visits. Actually we are doing a lot more outreach and that's going to increase the visit numbers in our van as well. We see a definitely an increase in STDs especially chlamydia. We're one of the highest in the region as well as we had several cases of syphilis and gonorrhea. I don't know if that answers your question.

Alderman Schoneman

It does. It sounds like the instances of disease is growing that we're not able to somehow reduce that number. I'm sure there are other diseases you're talking about too not just those particular ones. Thank you did answer my question. Thanks.

Chairman Wilshire

Anyone else? Thank you Jackie. Environmental Health. Heidi.

Heidi Peek

Good evening. Heidi Peek, Health Officer and Manager of Environmental Health. We are a small department of six full time staff. We have no vacancies currently. We oversee a couple of things that satisfy environmental health essential services and probably our primary role is in enforcement and hand in hand with that is education. We try to educate effectively and offer whys as to why we are enforcing. We oversee the licensing and inspecting of 525 approximately food service establishments. A little over 100 public swimming pools and we do housing inspections. We license solid waste haulers. We do a lot of those things. Our budget is largely the same as it was. We came in under the cap. Other than increases in salary, our revenues seem to be pretty much where I would expect them to be for this time of year. We typically do a little bit of spend down in some of our budget lines towards the end of season in preparation for pool season. It's pretty much straight forward and not too many surprises.

Chairman Wilshire

Page 43 are the revenues.

Alderman O'Brien

Are we having questions now on page 134? Thank you Madam Chair. Kind of looking at protective clothing and I don't see it budgeted in '17. I'm kind of concerned. Are we in jeopardy here?

Heidi Peek

We have a stockpile of things. We're buying a lot of specifically personal protective equipment out of miscellaneous. We ran into a little glitch with our hats where we ended up being taxed on them. It was a surprise that didn't go over very well in the department. There for specifically for pool sampling so we eliminated the line. We're not going to do without the necessities when it comes to putting people into houses and things like that. It was more for identification purposes so that people knew who we were.

Alderman O'Brien

Yeah just a follow up. Is that something perhaps maybe in the future it would be worth talking to fire with the Tyvek if it's a Tyvek suit issue where something along those particular lines and stuff like that maybe coordinate a little bit?

Heidi Peek

Absolutely, yeah. I know we've done that with some equipment calibrations over the year as well. Thank you.

Chairman Wilshire

Further questions in Environmental Health? Seeing one, move right along to welfare. Good evening.

Bob Mack

My name is Bob Mack. I'm the Welfare Officer for the City of Nashua. I manager the Welfare Department. We provide interim emergency assistance under the mandate of RSA 165 which requires all municipalities to provide some form of general assistance to those who are poor and unable to support themselves. Our general assistance is available in the form of some sort of rent or emergency shelter assistance, vouchers, food, and maintenance or personal care item vouchers. We assist with utility disconnects for electric and heat.

Some prescription assistance and some burial/cremation assistance for indigent people that have passed away and have no family to take care of that for them. Our goal in the Welfare Department is to assist those in need to become more self-sufficient. In addition to the general assistance that we provide directly through the voucher system, we also refer to a number of social service organizations that we partner with throughout the community. Staff participates in a number of different committees in the community such as the Greater Nashua Continuum of Care, Gate City Immigrant Initiative, the Financial Assistance Network, and a number of others. These partnerships allow us to better serve our clients. They also allow us to manage our general assistance budget accordingly.

Chairman Wilshire

Which I think you've done a great job doing. Over the years, it's really shown. We appreciate that.

Bob Mack

Thank you.

Alderman Siegel

Thank you Madam Chair. Well I definitely like your sediment. I think you've done an excellent job. So I'm looking at the revenue and I see a nice jump. The original budget in 2016 the welfare administration recovery seems to have gone way up and that's a great thing. What explains that?

Bob Mack

Basically we get recoveries through either liens on properties that are property owners and have received assistance. We also receive some reimbursement. If people are pending disability benefits and they are then approved, we may get some reimbursement there. We also historically have some old age assistance cases which way back before my time when municipalities managed old age assistance, they recouped some money when an individual passed away. If there was some sort of lien, they would get reimbursed with that as well. So these are the streams of revenue that we collect and some personal reimbursements when people return to an income status and they're able to reimburse us. That's usually a smaller category. The bump in the recoveries was primarily through liens on some properties.

Alderman Siegel

And you anticipate the same thing will happen going forward because it seems like it's built into the 2017 budget now.

Bob Mack

Yes to some degree it's an unknown because you don't know what's going to happen with any sort of property or property transfer or the value of a property so whatever equity may be in the property. We also don't know as far as people applying for disability benefits if they're going to be approved in 4 months, or 8 months, or 18 months. So to some degree, it's a moving target but we try to take a look at it and keep tabs on it and see what is a seemingly reasonable amount to budget for.

Alderman Siegel

I don't know if this is a follow up question to expenses or the revenue but I recall some years back that there was a statement made that when you put more caseworkers on and could check more, we became more efficient and the people ended up paying for themselves. Are we still in that near the curve if like we added another person they would more than pay for themselves and that seemed to be a very excellent tradeoff.

Bob Mack

Well that's a good question Alderman Siegel. I think at our current staffing level, we've built the department up to a staffing level that's sufficient to provide appropriate case management type services and really analyze cases. One of the other things that we tried to do a little bit more of in partnering with community organizations is what we call "wrap around meetings" and we will actually take a client, meet with a couple of other agencies, and say what are we missing? What does this client need? Is there some other program that they should be applying for? By spending more time doing that, I think we're able to manage our expenditures accordingly.

Alderman Sigel

Thank you.

Chairman Wilshire

Anyone else? No. Okay. Thank you. Public Health client fees, page 214.

Janet Graziano

I can speak to that one. This is a special revenue fund that was set up by resolution to collect the fees from the STD clinic so that we can carry those fees over and use them in managing that part of the clinic.

Chairman Wilshire

It seems pretty straightforward. Questions? Seeing none. Any questions overall for Public Health and Community Services? We're going to cut them loose. Thank you very much for being here. I appreciate your time. Keep up the good work.

UNFINISHED BUSINESS – RESOLUTIONS

R-16-029

Endorser: Mayor Jim Donchess

ESTABLISHING AN EXPENDABLE TRUST FUND FOR RIVERWALK WALKWAYS, BRIDGES AND RELATED IMPROVEMENTS AND APPROPRIATING AT LEAST \$500,000 INTO THE EXPENDABLE TRUST FUND

- Postponed to 5/23/16

Chairman Wilshire

The Mayor did ask that we hold this. He wanted some more time and he asked if we would hold this until wrap up.

Alderman McGuinness

Does somebody need to make a motion to do that or does it stay where it is?

Chairman Wilshire

It was postponed so it needs to be tabled.

Alderman McCarthy

I would make the motion to table it except I think there may be people here who want to speak to it first.

Alderman Melizzi-Golja

I'm fine.

**MOTION BY ALDERMAN MCCARTHY TO TABLE R-16-029
MOTION CARRIED**

UNFINISHED BUSINESS – ORDINANCES – None

NEW BUSINESS – None

TABLED IN COMMITTEE

**MOTION BY ALDERMAN MCCARTHY TO TAKE FROM THE TABLE R-16-030
MOTION CARRIED**

R-16-030

Endorsers: Mayor Jim Donchess
Alderman Richard A. Dowd
Alderman-at-Large Lori Wilshire
Alderswoman Mary Ann Melizzi-Golja
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman-at-Large Brian S. McCarthy

**CREATING A SPECIAL REVENUE FUND FOR SCHOOL CAREER AND TECHNICAL
EDUCATIONS (CTE) TUITION FEES**

MOTION BY ALDERMAN MCCARTHY TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Alderman Siegel

Thank you Madam Chair. Through the Chair may I ask a question of Alderman McCarthy assuming he's probably familiar with this?

Chairman Wilshire

Certainly.

Alderman Siegel

Am I correct in my assumption that this is really just a container fund that when we get grant money for this particular purpose that it can gulp over budget years. Is that the idea?

Alderman McCarthy

It's not grant money. Its tuition money for students from out of district who are in our CTE programs I believe.

Alderman Siegel

So it basically stays in the fund and doesn't lapse during budget years. Okay. That's what I thought. Thank you.

Alderman McCarthy

It's intended to allow us. This is basically CERF for the CTE to some extent.

Alderman Schoneman

Do you know what the annual amount of money is roughly? Is it in the budget book somewhere? I was looking for it and I couldn't find it – CTE broken out unless it was under a different kind of a heading. Just vocational?

Alderman McCarthy

I assume that it is not because of the action we're about to take. If we do this, then next year it will show up in the pink pages but I think if you want to look at it, you've got to look at the monthly financial report into the general fund.

Alderman Schoneman

So this is just a bucket for the revenues to come in and has nothing to do with appropriations or moving anything into appropriations in or out of the budget. Everything is the same except this will be an accounting function essentially for the record.

Alderman McCarthy

Right.

Alderman Schoneman

Thanks.

Alderman McCarthy

What it does is it allows us to hold some of that money that we get from the other districts so that we need to make big purchases to replace CTE equipment, we have it in the revenue fund. It's possible that it's in the School Department revenue pages.

Alderman Schoneman

That's where I was looking. I saw vocation or I wasn't sure exactly what line it might have been. Let me go there and find it.

Alderman McCarthy

I think it's probably the vocational tuition aide line that was under \$198,000.

Alderman Schoneman

Okay line 43556. Okay.

MOTION CARRIED

R-16-033

Endorser: Mayor Jim Donchess

AUTHORIZING THE MAYOR AND CITY TREASURER TO ISSUE BONDS NOT TO EXCEED THE AMOUNT OF TWO MILLION TWO HUNDRED THOUSAND DOLLARS (\$2,200,000) FOR THE PURCHASE AND INSTALLATION OF A CITYWIDE TELECOM SYSTEM

**MOTION BY ALDERMAN MCCARTHY TO TAKE FROM THE TABLE R-16-033
MOTION CARRIED**

MOTION BY ALDERMAN MCCARTHY TO RECOMMEND FINAL PASSAGE OF R-16-033

ON THE QUESTION

Alderman Siegel

We definitely did speak a lot about this term as I recall. Wasn't that funded last term to some degree?

Bruce Codagnone

It was funded for a consultant. So we allocated I think roughly \$40,000 for a consultant to help us with a design which we wound up actually cancelling because of all of the changes. I mentioned the high schools suddenly became the top priority and Burke Street. It became difficult to actually have someone come in and do a design so we decided to take the approach of a detail RFP and have the vendors respond to that and working there.

Alderman Siegel

The question you said we're using CISCO fail safe whether using VRRP or something for the (inaudible) failure.

Bruce Codagnone

There's another technology too SDTS or something like that. I can't remember what the acronym was but there is a lot of fail over in the voice and the (inaudible). So it's going to be voice over IP system.

Alderman Schoneman

Do we have an idea what the life of this technology is going to be for us?

Bruce Codagnone

We're anticipating it to be upwards of 15 to 20 years. CISCO is a very solid company. Some of the other vendors we looked at we got concerns about the longevity. I also mentioned about the high school. The high school is our newest area where we have voice over IP already. However within a few short years, it became outdated and it's not even supported by the vendor. The vendor is Mytel. They can't buy spare parts for it and it's a huge concern. I mentioned that price was one of the factors but not the only factor. We needed to know we added something that was solid and longevity and provided all the core features that we needed city wide.

Alderman McCarthy

I guess I'd first just point out that the technology in the new high schools was decided on 15 years ago at this point. Probably has pretty much run its course by now. Where do we have the physical connections between the outside network and our networks?

Bruce Codagnone

As far as internet connectivity or the copper?

Alderman McCarthy

Copper.

Bruce Codagnone

We have to make sure in a variety also – police, fire. The high schools have their own connectivity for network connections.

Alderman McCarthy

That sort of gets to my question which is what is the incoming connection for the phone system going to be? Is it going to be copper, fiber or...?

Bruce Codagnone

Well there's fiber throughout the city.

Alderman McCarthy

I understand that.

Bruce Codagnone

We'll have some fiber and we'll also have some copper failover.

Alderman McCarthy

The inbound and outbound likes to – are we using Fairpoint as the service at this point?

Bruce Codagnone

We may change as we go through this process.

Alderman McCarthy

I guess my question is between the providers network and our network what is the interface going to be? I know at some point we had two on lines that connected to ours.

Bruce Codagnone

Right. We're going to have some be copper as a failover and what the circuit will be going forward is going to be part of the design and analysis. They're working on the vendors.

Alderman McCarthy

I want to make sure we leverage our fiber network to the greatest extent possible.

Alderman Siegel

It was my understanding from Mr. Mansfield that we were using some fiber for all of the obvious reasons beyond bandwidth and noise immunity. That's what was my understanding. I hope nothing has changed in there. I mean we paid enough money to pull all that fiber. We should use it.

Alderman McCarthy

I don't know that we're using it right now for all of the phone network connections. We are using it between our sites and we're using it as backup between to the microwave links between the radio sites but I don't know that our external connections are all fiber yet.

Alderman Schoneman

Thanks. I don't have a comment on a technical aspect of it but I'm not technical but it sounds like you guys finished up there. You mentioned that this system provides all the core capabilities that you were looking for. Any time someone wants to put it in the system, they look at all the core capabilities and they look at all the other capabilities that might be available out there and they say well we really don't want those. We just want these things. Of everything that's available, so where are we at? Is this 100 percent of what's available in the tech world these days or are we at 50 percent at what's available? Where are we at?

Bruce Codagnone

For what we were looking for, they matched it at 100 percent. Some of the providers came say 80 percent, 75 percent. We did have a lot of weight on emergency notifications and 911 services. So there was a lot of requirements around those and this vendor met all of those requirements.

Alderman Schoneman

Are there capabilities that they might have that we chose not to take or have we taken everything available?

Bruce Codagnone

Well there's things like video conferencing and desktop video conferencing. They have the capabilities. Don't think we really need it internally here.

Alderman Schoneman

If I may ask another question then. How does this bond fit within our city's bond portfolio? I know Mr. Fredette is not here tonight. He said he wasn't going to be here this evening to answer these kinds of questions but do we know or do you know how the bond payment fits into our overall program of bonds? Refinance – we might have spent some of that money but where are we at?

Bruce Codagnone

That I don't know.

Alderman Siegel

With regard to bond financing if we're going to bond finances which we sort of have to do, now is absolutely the time to do it because the interest rates are basically going to go up. So we have a big advantage right now with the city credit rating is great and this is an absolute need. This is almost non-negotiable. We have to do this.

Alderman McCarthy

I'd assume we'd be bonding that for on the order of 10 years.

Bruce Codagnone

I believe we were going to go with 15 years according to the resolution.

Alderman McCarthy

So we're looking at probably \$300,000 a year in the bonded debt service of roughly \$15 to \$20 million. I suspect that Mr. Fredette would tell us that fits into the productions he's done already for the debt service.

Janet Graziano

Actually it's going to be a 15 year bond and the average annual payment will be \$188,000 a year. Interest rate is 3.5 percent.

Alderman Schoneman

I agree that it's the right time to do it. I just wanted to have confirmation that it fit in with our overall bonding strategy at this time to be adding this just to make sure. I would expect that if Mr. Fredette was here he would say that to us and my guess is he wouldn't have authorized something like this if it didn't fit. Thank you.

Chairman Wilshire

I agree. Further discussion? Seeing none.

MOTION CARRIED

R-16-034

Endorser: Mayor Jim Donchess

RELATIVE TO THE ADOPTION OF THE FISCAL YEAR 2017 PROPOSED BUDGET FOR THE CITY OF NASHUA GENERAL, ENTERPRISE, AND SPECIAL REVENUE FUNDS

- Tabled 5/16/16 pending Public Hearing scheduled for 6/9/16 at 7 PM at NHS-North Auditorium

GENERAL DISCUSSION - None

PUBLIC COMMENT - None

REMARKS BY THE ALDERMEN - None

POSSIBLE NON-PUBLIC SESSION - None

ADJOURNMENT

**MOTION BY ALDERMAN MCCARTHY TO ADJOURN
MOTION CARRIED**

The meeting was declared closed at 8:32 p.m.

Alderman Sean M. McGuinness
Committee Clerk