

REPORT OF THE FINANCE COMMITTEE

JUNE 1, 2016

A meeting of the Finance Committee was held on Wednesday, June 1, 2016, at 7:00 p.m. in the Aldermanic Chamber.

Mayor Jim Donchess, Chair, presided.

Members of the Committee present: Alderman-at-Large Mark S. Cookson, Vice Chair
Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O'Brien
Alderman Benjamin M. Clemons
Alderman June M. Caron
Alderman Ken Siegel

Also in Attendance: Mr. Dan Kooken, Purchasing Manager

PUBLIC COMMENT - None

COMMUNICATIONS

From: Dan Kooken, Purchasing Manager
Re: Financial (Lawson/Kronos ERP) System Consulting Services Contract (Value: NTE \$90,000)

**MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND APPROVE THE CONTRACT WITH SURETY AND RKPS IN AN AMOUNT NOT-TO-EXCEED \$90,000. FUNDS ARE AVAILABLE IN DEPARTMENT 122, INFORMATION TECHNOLOGY; CAPITAL PROJECTS; NGIN ERP SYSTEM
MOTION CARRIED**

From: Dan Kooken, Purchasing Manager
Re: Contract Award to Purchase a Riskmaster Upgrade for the Risk Department (Value: \$42,975)

**MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND AUTHORIZE THE PURCHASE FROM CSC IN THE AMOUNT OF \$42,975. SOURCE OF FUNDING IS DEPARTMENT 122, INFORMATION TECHNOLOGY; NGIN PROJECT BOND
MOTION CARRIED**

From: Dan Kooken, Purchasing Manager
Re: Purchase Award for City Hall Firewall Replacement (Value: \$64,490)

**MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND AUTHORIZE THE PURCHASE FROM NAMTEK CORP. IN THE AMOUNT OF \$64,490. FUNDS ARE AVAILABLE IN DEPARTMENT 122, INFORMATION TECHNOLOGY; NGIN PROJECT BOND
MOTION CARRIED**

From: Dan Kooken, Purchasing Manager
Re: Award Purchase of Microfilm Scanner (Value: \$12,982)

MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO SERVICE STAR IN THE AMOUNT OF \$12,982. SOURCE OF FUNDING IS DEPARTMENT 179, LIBRARY; GENERAL FUND; 71, EQUIPMENT

ON THE QUESTION

Alderman O'Brien

This is evidently replacing something that is broken I take it?

Mr. Kooken

I think it is still functioning but it's somewhat obsolete.

Alderman Siegel

I was just going to add that they are scanning microfilms so they can preserve them before they decay. This piece of equipment is helpful for that.

MOTION CARRIED

From: Dan Kooken, Purchasing Manager
Re: City Arts Nashua Contract (Value \$20,000)

MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND APPROVE THE CONTRACT WITH CITY ARTS NASHUA IN THE AMOUNT OF \$20,000. FUNDS ARE AVAILABLE IN DEPARTMENT 109, CIVIC AND COMMUNITY ACTIVITIES; GENERAL FUND; 56, HUMAN SERVICE AGENCIES – DOWNTOWN IMPROVEMENT FUND

ON THE QUESTION

Alderman Cookson

I followed up with some questions this afternoon to the purchasing manager and I copied you as well as a few other folks with regard to the questions that I did have. The one question I had about this particular contract is I asked if there were any additional expenses associated with this particular contract and the response that I received back was no, there were not; that it was capped at \$20,000; however within the contract itself it does identify that there will be anchors that will be placed so that none of the artwork is moved or harmed. I am curious with regard to that aspect of the contract, what do we anticipate the city to contribute toward the preservation of this artwork and the anchoring of and therefore?

Mayor Donchess

I think that Mr. Kooken may have a view as well but this is similar to the contract that we have with the same organization regarding the temporary sculptures that are now on Main Street. This is the same contract from last year. I think the nature of the artworks at this point that would be developed pursuant to this contract and they are usually developed in concert with various schools and other youth organizations. It is not determined yet although I think they are talking about a group of table's kind of focusing on family's eating together and the tradition of that. They are thinking about locating tables at various locations throughout the downtown, similar in a way to the pianos but I don't think that's a given. I think that Mr. Kooken in his response was correct in that there is no actual cash that has to be laid out but certainly public works could be involved in helping to secure these and that is a cost although it's hard to estimate what it would be.

Alderman Cookson

So we just don't know yet?

Mayor Donchess

It would be very difficult to estimate. A guy goes out and helps tie down a sculpture, what does that cost? I would say that it would be a nominal cost but one that is hard to estimate to get a fixed dollar amount.

Alderman Cookson

But you will provide those if they should appear?

Mayor Donchess

Well certainly if there were any dollar amounts, yes. The policy now that's been adopted by the Board of Public Works is that they have to approve locations and what's happened is there is a map which sets forth what the different locations for artwork such as this, which locations are approved and there are six or seven on Main Street and another fifteen or so throughout the downtown. These artworks would be located in one or more of those locations. Maybe public works would help in some regard but it's also possible that they wouldn't because we don't know what the artwork is going to be.

Alderman Clemons

Anything that goes on the street or the sidewalk would have to be approved by the Board of Public Works anyway and so the best cost estimate, if there was one, I would assume would come from that Board.

Mayor Donchess

As these things go out, if you would like me to investigate and determine how much city effort is going into this, I would be glad to do that.

Alderman Cookson

I would certainly appreciate that.

Mayor Donchess

I can report back to you on that as this project develops.

Alderman Cookson

It's within Exhibit B in the contract and it indicates in the final paragraph that the city will be responsible for installing anchors for mounting the public art to ensure that the public infrastructure is not damaged. The city will consult with City Arts Nashua regarding the design and location of the anchors. So again, I would just like to know if there will be a nominal cost to the city to do that.

Mayor Donchess

I can do that.

Alderman Siegel

Just for reference, this is pretty much identical to what happened last year except last year they really didn't have language about responsibility and it was agreed to put that in. If anything, we probably have a record of what we spent last year which I know was nominal.

MOTION CARRIED

From: Dan Kookan, Purchasing Manager
Re: Contract Award for Single Stream Recycling (Value: Not-to-Exceed \$249,925)

MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND, CONTINGENT UPON APPROVAL OF THE FY17 BUDGET, AWARD THE CONTRACT TO CASELLA RECYCLING, LLC, IN AN AMOUNT NOT-TO-EXCEED \$249,925. SOURCE OF FUNDING IS DEPARTMENT 168, SOLID WASTE; 55, OTHER CONTRACTED SERVICES

ON THE QUESTION

Alderman Clemons

So the motion is contingent upon the budget passing?

Mayor Donchess

I suppose that is correct, yes.

Alderman Clemons

When does the contract that we have now expire?

Mayor Donchess

At the end of the fiscal year.

Alderman Clemons

So what happens if for some reason the budget doesn't pass until after the 1st of July?

Mayor Donchess

That's a good question. I think to operate the city we would have to pass that continuing resolution which, not during my tenure on the Board of Aldermen but I think has happened. A continuing resolution being basically that we continue to operate kind of at the same level. I really would need to ask; I mean we could store the recycling for a while but I don't know if there would be money under a continuing level funding situation to execute the contract. How that would work I would really need to investigate with Director Fauteux.

Alderman Clemons

My only other question to that is why is it contingent upon the budget for next year? Was it something that wasn't thought of and put into the budget last year?

Mayor Donchess

I think I've revised my answer to say I don't know if it is contingent but I need to talk to them about how they would do this in the context of a continuing resolution but in previous years I don't think there was a payment because the value of recycling was much greater so there was no requirement of a payout. This year the conditions are much worse so it's going to cost under this proposal \$249,000 per year to dispose of the recycling. In the enterprise fund; this is technically an enterprise fund but it doesn't support itself because

garbage collection is (inaudible) so the city supports it to the tune of several million dollars per year so an inflow of cash is required to operate the enterprise fund as a whole. I think the landfill is a stand-alone basis without collection and does operate on a basically break even basis and maybe this could be covered in that manner but to answer your question fully I would really need to think about it.

Alderman Clemons

Would it harm us to hold this until the next Finance Committee meeting?

Mr. Kooken

There wouldn't be a problem holding it until the next meeting but that budget still won't be...

Alderman Clemons

Yes, but my point is that we will have answers to my questions.

Mayor Donchess

Is there any indication that we would lose the bid by not awarding it now? I'm not sure that it is contingent but I can talk through the situation so if you held it I don't think it would be the end of the world.

Alderman Siegel

That's where the money is coming from, next year's budget. It's a contract award anticipating the budget being approved so it wouldn't matter anyway. You can say it here or not but it has to be held until the budget is approved because the money won't get freed up so there's no harm in holding it.

Alderman O'Brien

I do have one concern, you said that we may be able to store this and that may very well be true but if the recyclables had a form of (inaudible) product in it and it depends upon where the storage is, could we be getting into another type of situation with the warm weather and having raw trash or vermin incidents that may come with this as well.

Mayor Donchess

I was really just speculating about what we could do and I was thinking about a very temporary situation. Long-term storage would not be optional but maybe short-term would.

Alderman Cookson

So we are tabling this until the June 15th meeting?

Mayor Donchess

Correct.

**MOTION BY ALDERMAN CLEMONS TO TABLE UNTIL THE NEXT FINANCE COMMITTEE MEETING
MOTION CARRIED**

Mayor Donchess

The next item regarding the Wildlife Management Service Agreement has been withdrawn for the time being.

From: Dan Kooken, Purchasing Manager
Re: Contract Award for Renewal of USDA Wildlife Management Service Agreement
(Value: Not-to- Exceed \$67,696)

From: Dan Kooken, Purchasing Manager
Re: To Approve a Professional Services Contract with Sanborn, Head & Associates, Inc. for
Gas Collection and Control Services (Value: \$45,000);

**MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND AUTHORIZE THE CONTRACT TO SANBORN, HEAD & ASSOCIATES, INC. IN THE AMOUNT OF \$45,000. SOURCE OF FUNDING IS DEPARTMENT 168, SOLID WASTE; 81, CAPITAL IMPROVEMENTS
MOTION CARRIED**

From: Dan Kooken, Purchasing Manager
Re: Castings Purchase for the 2016 Street Paving Program (Value: \$57,536)

**MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO EJ PRESCOTT, INC. IN THE AMOUNT OF \$57,536. FUNDS ARE AVAILABLE IN DEPARTMENT 169, WASTEWATER; SEWER STRUCTURES
MOTION CARRIED**

UNFINISHED BUSINESS – None

NEW BUSINESS – None

DISCUSSION - None

RECORD OF EXPENDITURES

**MOTION BY ALDERMAN SIEGEL THAT THE FINANCE COMMITTEE HAS COMPLIED WITH THE CITY CHARTER AND ORDINANCES PERTAINING TO THE RECORD OF EXPENDITURES FOR THE PERIOD MAY 13, 2016, TO MAY 26, 2016
MOTION CARRIED**

PUBLIC COMMENT – None

POSSIBLE NON-PUBLIC SESSION

ADJOURNMENT

**MOTION BY ALDERMAN WILSHIRE TO ADJOURN
MOTION CARRIED**

The Finance Committee meeting was adjourned at 7:22 p.m.

Alderman Ken Siegel
Committee Clerk

REQUEST FOR PROPOSALS RFP1058-022616

DIVISION OF PUBLIC WORKS SOLIDWASTE DEPARTMENT
CITY OF NASHUA NEW HAMPSHIRE

ATTACHMENT A - PROPOSAL COSTS

<p>PROCESSING COST per ton (estimated annual tonnage 5000 - 5500 tons)</p>	<p><u> \$35.00 </u> /ton</p>
<p>TRANSPORTATION COST per load (estimated annual # loads 333)</p>	<p><u> \$225.00 </u> load</p>
<p>Name of Hauling company, if different from vendor</p>	<p><u> Casella Recycling, LLC </u></p>
<p>Formula that would reduce Processing Costs or produce revenue (List indexes used to calculate recycling costs)</p>	<p>CASELLA'S ACR (AVERAGE COMMODITY REVENUE) LESS THRESHOLD OF \$60.00 WITH A 50% REVENUE SHARE WHEN ACR IS ABOVE THRESHOLD. DOLLAR FOR DOLLAR CHARGE TO CUSTOMER WHEN UNDER THE THRESHOLD. CURRENT CHARGE TO NASHUA, BASED ON THIS "ACR FORMULA PRICE" CALCULATION IS; \$22.10 PER TON / FEBRUARY</p>

CURRENT CASELLA ACR LESS \$60.00 PER TON = \$22.10 PER TON CHARGE FOR FEBRUARY 2016

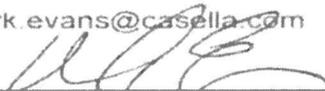
Vendor Name & Address:

CASELLA RECYCLING, LLC, 24 BUNKERHILL INDUSTRIAL PARK CHARLESTOWN, MA 02129

Phone: (617) 275-6276

Fax: (617) 241-3806

Email: mark.evans@casella.com


 3/15/16
 (Authorized Signature) (Date)

 Mr. MARK S. EVANS SENIOR BUSINESS DEVELOPMENT MANAGER
 (Printed/Typed Name & Title)



STAFFING SERVICES AGREEMENT

This Agreement is made on **June 2, 2016** by and between Surety Systems, Inc., a North Carolina Corporation ("Surety"), jointly with its back-office staffing partner, RK Payroll Solutions, Inc., a North Carolina Corporation ("RKPS"), jointly referred to as "Surety and RKPS", and City of Nashua referred to as ("Client")

WHEREAS, the Client desires that Surety and RKPS provide it the services of personnel ("Contractors") on the terms and conditions herein and the Addendum attached hereto ("Addendum").

NOW, THEREFORE, the parties agree as follows:

1. Contractor. Surety shall provide the Client with the services of Contractors identified in the Addendum ("Contractor"). The Contractor shall provide the services the Client requests of the Contractor in connection with the job description set forth in the Addendum. Services provided by the Contractor hereunder shall be under the direction, supervision and control of Client, and shall be provided at the Client's work site, or as otherwise set forth in the Addendum, or at such other place as directed by Client. The Client has had the opportunity to interview the Contractor and has selected the Contractor based upon the Client's determination that the Contractor possesses the requisite skills, experience, background and education to satisfy the requirements of the Client. Surety and RKPS make no representation or warranty as to the skills, experience, background or education of the Contractor, it being the sole responsibility of the Client to determine that the same are acceptable, and Client shall hold Surety and RKPS harmless from any liability as the result of the same.

2. Billing. The Client, on a weekly basis, shall approve the Contractor's weekly time sheet. The total hours on the Contractor's time sheet, approved by both the Contractor and a representative of the Client, shall constitute a full and complete acceptance of the accuracy of the time sheet.

The Client will be invoiced by RKPS, our back-office staffing partner, weekly for all amounts payable by the Client pursuant to the terms hereof. Invoices are payable to:

RK Payroll Solutions, Inc. c/o Surety Systems, Inc.
8081 Arco Corporate Drive, Suite 200, Raleigh, NC 27617

3. Payment. As consideration for the services to be provided by Surety and RKPS and the Contractor hereunder, the Client shall pay the applicable hourly bill rate for each hour worked by the Contractor for the Client, together with all applicable state, county or local sales tax, as required by law but not payroll taxes and governmental insurance such as federal income tax, medicare, social security or state or federal unemployment. . The Client shall pay the hourly billing rate, as set forth in the Addendum, for all hours worked by the Contractor for the Client. All invoices shall be paid by the Client. Invoices not paid within thirty (30) days from the date thereof may cause Surety or RKPS to terminate the services, in which case the Client agrees to not receive services from a terminated Contractor either directly or indirectly until all overdue amounts are paid to RKPS.

4. RKPS Responsibilities. RKPS, as the employer of the Contractor, shall be solely responsible, at its own expense, for paying all amounts due to or for the benefit of the Contractor; to pay and withhold all benefits, payroll taxes, workers compensation premiums or taxes and unemployment taxes required to be paid and/or withheld in connection with the Contractor's services provided hereunder; and to otherwise comply with all laws and regulations imposed on RKPS as the employer of the Contractor. The Client shall have no liability to pay any amounts to the Contractor, or otherwise provide the Contractor with benefits and/or pay or withhold any payroll taxes imposed on amounts earned by the Contractor. In the event that the Contractor is a subcontractor to Surety and RKPS, the Client will be notified in the Addendum to this Agreement.

5. At-Will Services. Contractors' work will be provided to the Client on an "at will" basis. This means that any Contractor may be terminated with or without cause at any time. In the event of a termination of services of any Contractor assignment, the Client is responsible for payment for all hours worked up to the point of termination, and will provide a signed time sheet to RKPS identifying the hours worked up to the point of termination.

6. Representation rights. Without Surety's prior written approval, Client will not solicit for employment or hire in any capacity (or knowingly assist a third party to do so) any Contractor for the period of twelve (12) months following (i) the last date of services provided by Contractor to Client or (ii) the date the Contractor was presented by Surety to Client for consideration, whichever is later. If Client breaches this Section 6, then Client immediately shall pay to Company the Contractor's hourly rate multiplied by the number of hours worked.

7. Relationship of Parties. Neither this Agreement nor the services to be provided hereunder shall be construed to create any relationship of employment, agency, partnership or joint venture between Surety and RKPS and the Client or between the Contractor and the Client.

8. Amendment. This Agreement may not be amended, except by a writing or an additional Addendum executed by Surety, RKPS and the Client.

9. Surviving Sections. Notwithstanding termination and/or completion of and payment of the services hereunder, Client shall remain obligated under all those provisions of this Agreement which by their nature and effect obligate Client for a time period beyond termination and/or completion.

10. Entire Agreement. This Agreement, and accompanying Addendums, sets forth the entire agreement of the parties and supersedes all other oral or written agreements between the parties.

11. This Agreement shall be governed and construed in accordance with the laws of the State of New Hampshire and any action brought relating to said Agreement or the work performed or to be performed thereunder shall be brought in the Hillsborough County (New Hampshire) Superior Court Southern Judicial District or in the New Hampshire 9th Circuit Court situate in Nashua, New Hampshire and not elsewhere.”

IN WITNESS WHEREOF, the Agreement has been executed as of the date and year set forth above.

For Client:

Name: _____

Title: _____

Signature: _____

Date: _____

For Surety Systems:

Name: _____

Title: _____

Signature: _____

Date: _____

For RK Payroll Solutions:

Name: _____

Title: _____

Signature: _____

Date: _____

ADDENDUM TO STAFFING SERVICES AGREEMENT

CLIENT COMPANY NAME: City of Nashua
WORK SITE ADDRESS: 229 Main Street, Nashua, NH 03060
CONSULTANT NAME: Tim Kraynak
JOB TITLE OR DESCRIPTION: Lawson HR/PR Consultant

PROJECT DETAILS:

Consultant will be responsible for providing Lawson HR/Benefits/Payroll support.

Will work with the Compensation Manager and Analysts to document and streamline the current payroll process. The desired result is to transition documented knowledge to a new Payroll Manager so that he/she is able to process routine payrolls, and more importantly, to conduct a wide variety of Lawson functions related to collective bargaining agreement implementations, pension and employment tax payments and reporting, etc.

Will review and assess the City's implementation of Lawson's Human Capital Management (HCM) module, create documentation of current processes, and make recommendations for improvement.

Will provide Lawson training to new Benefits and HR employees so that they can perform routine processing, perform varied system queries, set up benefits plans, implement pay scale changes, set up and process CY16 Affordable Care Act reporting, etc., and begin a path of incremental improvements in the use of Lawson's HCM capabilities.

EXPECTED START DATE: June 6, 2016
HOURLY BILLING RATE: \$142/hour plus expenses

FOR CLIENT:

Name: _____

Title: _____

Signature: _____

Date: _____

FOR SURETY SYSTEMS, INC:

Name: _____

Title: _____

Signature: _____

Date: _____