

REPORT OF THE FINANCE COMMITTEE

JANUARY 19, 2022

A meeting of the Finance Committee was held on Wednesday, January 19, 2022, at 7:00 p.m. in the Aldermanic Chamber and via Zoom. The meeting link information can be found on the agenda.

Mayor Jim Donchess, Chairman, presided.

Members of the Committee present: Mayor Jim Donchess
Alderman Patricia Klee, Vice Chair
Alderman John Cathey (via Zoom)
Alderman Alex Comeau
Alderman Tyler Gouveia
Alderman Ernest Jette
Alderwoman-at-Large Gloria Timmons

Members not in Attendance:

Also in Attendance: Alderman Derek Thibeault
Kim Kleiner, Administrative Services Director
Kelly Parkinson, Purchasing Manager
Shawn M. Smith, NSD Plant Operations Director
Camille Correa, Transit Administrator
Nick Miseirvitch, CIO, Information Technology

ELECTION OF COMMITTEE CLERK

Mayor Donchess called for nominations for the Committee Clerk for the 2022-2023 term.

ALDERMAN KLEE NOMINATED ALDERMAN JETTE AS THE FINANCE COMMITTEE CLERK

MOTION BY ALDERMAN KLEE TO ELECT ALDERMAN JETTE AS THE FINANCE COMMITTEE CLERK FOR THE 2022-2023 TERM, BY ROLL CALL

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Klee, Alderman Cathey, Alderman Comeau, Alderman Gouveia, Alderman Jette, Alderwoman Timmons, Mayor Donchess	7
Nay:	0

MOTION CARRIED

PUBLIC COMMENT - None

Mayor Donchess

I wanted to ask the committee about a couple of procedural items. First of all, we have been meeting at 7:00 p.m. for a long time. I just threw out the question would you prefer to meet earlier – 6 – 6:30? There's nothing that says exactly what time we have to meet but if people prefer 7, fine. If you prefer something earlier, you get home a little earlier we could do that as well.

Alderwoman Timmons

Thank you Mayor. I prefer earlier – 6 o'clock I think is a good time and we can get out earlier. A lot of us work in the morning and the earlier the better.

Alderman Klee

I hate to be the person of dissention but the truth is that my obligation in the State House right now we would be meeting

house wise on Wednesdays, Thursdays and possibly Fridays. So I'm not really for that. I could probably maybe advance to 6:30 but it could be tight at some times. I cannot go at 6 o'clock.

Mayor Donchess

All right. So you're saying because of your House duties 7:00 is really better.

Alderman Klee

Yes.

Mayor Donchess

Well maybe we'll take it up again then once the session is over. I don't want to inconvenience anybody.

Alderman Comeau

I just wanted to say also initially my thought was that I had no real preference but in looking at my schedule, my son plays a lot of high school sports that get out around 6 – 6:30 and I like to attend as many of them as possible. So 7 is less of a conflict with that when he's still in sports. When there's no sports, then I'm a lot more flexible.

Mayor Donchess

That's fine. The tradition has been 7 for many years. With two objections, why don't we just leave it at 7.

Number two, this is an item that we haven't really raised before. You see tonight's a pretty short agenda – four items. We typically and I suspect tonight, although, I'm not sure, we usually have someone come in on each of these items to give you more explanation than is in the Memo. Many of the memos are self-explanatory. Now in the years before I was Mayor, I was on the Board of Aldermen and on the Finance Committee. The position of the Mayor at that time was that staff members should not be inconvenienced and would not come to the Finance Committee at all. In my years on the Finance Committee, only once that I recall that any member of the staff ever came in and that had to do with the committee's refusal to approve a purchase unless it was equipment and the equipment manager came in. It was kind of a standoff for about a month but finally that person came in, offered the explanation, and we approved the purchase.

So my policy was the reverse – have someone come in on every contract but I have heard some comments from some of the Directors that there are a lot of night meetings tends to burn people out coming in once, twice, three times a week and even if it's by Zoom. We have Camille of Transit here personally at 7 o'clock. So I wanted – and I don't really have anything specific other than to ask the open question is if we have items where someone has a question, fine we bring someone in. If there are items where it seems no one really has an issue, no one really has anything additional to ask beyond what's in the memo, would it be possible to forego the Division Director or Department Director coming in to explain the item?

Now Kelly Parkinson is on, right? Kelly are you here.

Kelly Parkinson, Purchasing Manager

Yes, I'm here.

Mayor Donchess

So Ms. Parkinson is the Purchasing Manager so she's here no matter what on all items and has a basic explanation about everything because she's prepared all this paperwork or has helped prepare it and understands each item. She would always be here. It's just like an additional person like in the case of Transit – Camille who is the Transit Director. Her name is Camille Correa. We always have an additional person come in from the department. My question is what is your reaction to this dilemma or this issue should we continue to bring people in or can we forego that time and again.

Alderman Klee

We do have three new people on this and obviously Alderman Jette is new to Finance as well. The truth is there are a lot of questions that get asked at the meeting. I personally think that it's something we could do on our own homework wise. I had mentioned to prior to the meeting that if there's something that you learn, it might be something you want to ask and

you could share at the meeting and so on. Unless I think it's something controversy, I agree because they come here, and they come to every meeting, and then they come to the Board of Aldermen, and every night our staff are at our meetings. I agree with you unless others have a severe objection to it.

Alderman Jette

So when I first think about this, it sounds like a good idea. I happened to be watching some other cities councils and Board of Aldermen and I noticed that some of them – I think it was Manchester. I'm not positive about that but a lot of these items they have what's a called a "consent agenda". So all the items are listed like they are for us. We get advanced notice of all of these things and in Manchester the Mayor presides over the Board of Aldermen. She says something to the effect of okay you've all seen the consent agenda. Is there any objection to it? If there's no objection, they just pass it. They pass all the items at once. If there is an objection, then they take whatever item is objected to, they take that out and they pass the rest of them and then the one that's objected to, they treat individually and hear discussion about it, explanations, or whatever. I thought from the point of view of economy, and efficiency, and time management, it seems like a good way of doing things.

On the other hand even before I became an Alderman when I would watch meetings, I would be disappointed when things were dealt with with such haste. I thought to myself gee I have no idea what that was about. What happened there? So we as Aldermen of course we get to know these things. We become intimate with them, with the details, and of course it goes before a committee. There's a committee discussion but if the public just tunes into the one meeting, they're really not aware. I'm kind of conflicted as to how important is it to inform the public about what we're doing or is it up to the public to research it themselves. I'm not sure where I come down on that.

The other thought I had is that most of us on this Committee are new, except for Alderman Klee. We're kind of feeling our way through this right now and I don't know if you're prepared to do this tonight but it would be good for us to get a little bit of a primer on what is the Finance Committee, what are our responsibilities, how closely are we supposed to look at these things? Like the Record of Expenditures for example. It's a long list of items and we're brand new to the Committee. We just got that last week. I'm wondering if it might not be a good idea to give us a couple of meetings to get our feet wet and get an understanding of what our responsibilities are and revisit this issue after that.

Mayor Donchess

Yes, that's fine. I'm not trying to cut out discussion. I'm just trying to reach a happy medium between the previous approach where staff never came, you never met them, and the staff is here on every item. Sometimes these agendas are fairly long. Maybe we should follow Alderman Jette's suggestion and go through a couple of meetings so you can get a sense of what's going on.

Alderman Klee

Thank you Mr. Mayor. Alderman Jette can I ask, that wasn't at a Finance Committee was it that they did a consensus?

Alderman Jette

It was the full board.

Alderman Klee

The full board, yes. In the State House if something passes a committee no less than one dissenting – well actually two dissenting, it can go onto what we call the "committee of conference" or just, I'm sorry, the consent calendar and then we just do one vote. That's because we have thousands. I would not want to do that because this is where all the work should be done. I would never want to see it happen here. I'm not even sure I'd want to see it happen on a Board of Aldermen simply because I think that we're only 5 or 6 versus 15. I think especially with the new Board. I agree that maybe at the beginning we should bring the staff on but I think just like the 7 or 6:30 type thing, maybe revisit it in a six month period or something when people feel a little bit more comfortable.

Mayor Donchess

Now in terms of what is the Finance Committee. So most cities don't have Finance Committees. These are all budgeted items. So there's money behind all of this, right. So all the department is doing is spending money according to the budget. So in most cities, the departments have the right to just proceed given that they've already been appropriated the money to do these things. In the Nashua City Charter, there is a requirement that the Finance Committee – and this is a

Charter mandated committee – the Charter requires that the Finance Committee approve city contracts. So all of the contracts that the city enters above \$25,000 will come to you for approval – come to us for approval. At certain times if a contract gets amended if it carries a certain financial increase, it will come in front of you as well or you may receive a memo saying we amended this contract in such and such a way but it didn't have a significant financial impact. That's the basic role of the committee. You'll see tonight that we have a few different purchases on the agenda.

Does anybody have any questions about any of this?

Alderman Jette

I didn't know if you were recognizing Alderman Comeau or not. So we're just – these items are pursuant to some other authorization from the budget or from vote of the Board of Aldermen. All we're doing is just approving the Purchasing Department's seeking authorization to do what the Aldermen have already told them to do?

Mayor Donchess

Basically yes. For example, the first item this backhoe. You see where it's part of the CERF. CERF is a list of equipment purchases that the Board of Aldermen has approved for the year. CERF means capital equipment reserve fund. So this specific piece of equipment was in the budget and now we're being asked to authorize the department – being the School Department – to go forward and do the purchase.

Sometimes it's less specifically identified in a budget. For example, the next one – well that's part of a capital project so we approve – this is a grant funded with a local match transit building improvement. This is one of the items and we are being asked to approve this within that transit construction project. Sometimes like at the Wastewater Treatment Plant, a pump needs to be replaced but it might be in the budget as just in a more general way. Equipment replacement or something like that. Why don't we learn by example as opposed to trying to come up with all the permutations?

COMMUNICATIONS

From: Kelly Parkinson, Purchasing Manager

Re: Caterpillar Backhoe Loader in the amount not to exceed \$123,900 funded from 81500 Vehicles/CERF (School District)

MOTION BY ALDERMAN JETTE TO ACCEPT, PLACE ON FILE AND APPROVE THE PURCHASE OF A 2022 CATERPILLAR 420XE 4-WHEEL DRIVE BACKHOE LOADER IN THE AMOUNT OF \$123,900, WHICH INCLUDES THE TRADE-IN VALUE OF THE 2005 NEW HOLLARD BACKHOE. FUNDING THROUGH DEPARTMENT: 191 SCHOOL DEPARTMENT; FUND: 81500 VEHICLES/CERF, BY ROLL CALL

ON THE QUESTION

Shawn Smith, NSD Plant Operations Director

To your early comments about Directors being out at night time, I'm happy to be out anytime particularly when I'm asking for \$123,000. It's part of doing the job if we need it to explain things to the city fathers and mothers to get things passed, then that's what we do.

Long story short, we have a 2005 backhoe that's seen much, much better days. It's (inaudible) we've had it for thousands of dollars into it the last couple of years. We did look at alternative backhoes, alternative manufacturers but at the end of the day, I wanted to get a vehicle that I knew that Public Works could maintain. They have also standardized on Caterpillar and they do most of our maintenance for us. They actually suggest that I check with Sourcwell, which is the nationwide consortium for purchasing this sort of thing. We actually got the best price out of them. I request that you approve this purchase.

Alderman Comeau

I just wanted to say that I was fortunate enough to have seen Mr. Smith do much longer piece of testimony to the Board of Education when they approved this. I agree with pretty much everything he just said that the idea of standardizing the equipment so that Public Works can do maintenance on it with similar tools and parts to the equipment they already have makes a lot of sense. I think like most people you get to a point with your personal vehicle where you realize that it's costing you more to maintain and repair it than it would be to just upgrade it. Based on maintenance records over the last couple of years, I think that it does make a lot of sense to go ahead and make this upgrade.

Alderman Gouveia

Thank you. Just one quick question. What is the primary use of what the Caterpillar will be used for and then how many hours a year are we looking to put on this type of machine?

Shawn Smith, NSD Plant Operations Director

Well it get used pretty much year round - a lot of earth movement, we're constantly digging holes, we spread a lot of bark mulch, our athletic fields we spread a lot of infield play. During the wintertime, we get a lot of use out of it not so much to plow but the aftermath of the storm, we have to move mounds of snow out of the way. It's used quite a bit. Honestly, I've never added how many hours we use it. I really can't answer that question and be truthful in my answer.

Alderman Gouveia

Sure. Thank you. Can I have a follow up?

Mayor Donchess

Yes.

Alderman Gouveia

Thank you. One follow up. Is this something that would be better to lease a piece of equipment like this instead of buying? Is than an option you've looked at?

Shawn Smith, NSD Plant Operations Director

I didn't look at it in this case because it was already in the CERF program for purchase. When we got the new hauler/backhoe it was actually used so we really got more than our monies worth out of it. It lasted 17 years. We have two international trucks which back when we purchased them – we didn't purchase them. We went through a lease purchase agreement. So it has been done before. Did not consider it in this case.

Alderman Gouveia

Thank you.

Mayor Donchess

Anyone else? Alderman Cathey are you seeking to ask a question?

Alderman Cathey

I am. I actually have a procedural question and then a question related specifically to the item that's being addressed right now.

You mentioned earlier that there's a list available that's already approved, right? So the budget and the Aldermen have already approved this list of vehicles that we're buying, correct?

Mayor Donchess

Correct.

Alderman Cathey

In an instance like this or an instance similar procedurally, what if we voted no what would happen?

Mayor Donchess

Well that's a good question. The previous administration argued that the Finance Committee actually has only jurisdiction over the issue of whether purchasing guidelines were followed and that there's no discretion to decline to execute – you know, go forward on the contract except if purchasing guidelines had not been followed. However looking at that myself, I

don't really agree. That's not really in the law anywhere. So I think the Legal Department kind of disagrees. They sort of lean towards the previous position but as I review the law, it says you have to approve contracts but it doesn't say you're limited – it doesn't say why we would not approve them. So at least my reading of the situation is if the Finance Committee refused to go forward, probably we couldn't proceed and the purchase contract whatever would not be executed or the purchase not made. But you would create a legal issue.

Alderman Cathey

Right. So essentially if we were to vote no on items similar to this one, we'd have this money sitting around in the budget and it would essentially be kicked back to either the Budget Review Committee or the Board of Aldermen as a whole and then they would have to figure out what to do with either that money or how to procure a vehicle then is needed in the budget?

Mayor Donchess

Yes so in this case, the only distinction I would draw is the CERF is a trust account so it sort of remain in this situation in the CERF trust account but would remain unexpended until the Board of Aldermen decided what to do.

When I mentioned when I was on the Finance Committee, this is how the issue of the committee the appearance came up. So what happened was there was the suggestion by Public Works that a 10 wheeler truck be purchased for the primary purpose of plowing in the winter time. A couple members of the committee said well what about a 6 wheeler, isn't that a more versatile vehicle? The Mayor said well no it's not. This is for the main roads – Amherst Street, etc., and the 10 wheeler works the best. The committee said well we'd like to hear that from the fleet manager. Well the fleet manager is not coming in. Okay. We refused the purchase. Went to a couple of meetings and then the fleet manager did come and the fleet manager said a 10 wheeler is actually better. The committee approved the purchase of the 10 wheeler. So we took the position at that time that the Finance Committee had the right to turn down for any reason. But the accommodation was to bring the guy in, he answered our questions, we approved it. So you would have created at least a legal issue but there's certainly an argument that you have a right to turn anything down.

Alderman Cathey

I appreciate you clarifying that. My main concern was when I'm thinking through these decisions I want to make sure that I understand the second and third order effects of said decisions. Just because I like or don't like something, I don't want to vote yes or no. I'd like to understand what happens with the processes so I appreciate you clarifying that.

Mayor Donchess

So for your own reference, the Finance Committee is defined by the City Charter. If you look to the City Charter, the role of the Finance Committee is determined there. Then there are some ordinances which also set forth the role of the Finance Committee. Read those. They're not very long. I forget where they are exactly. Read those.

Alderman Klee

It's Section 5-90. That's the authority of the Finance Committee and then 5-122 is the composition and duties thereof.

Mayor Donchess

So if you read those – I don't see anything in there that limits the discretion of the committee.

Alderman Comeau

I don't want to put words in your mouth so stop me if I get this wrong. My layman's understanding of it was more or less that if it's in the budget, it's that we've given this department or entity permission in a very general sense. So in this case for this item, we might have said something like you have permission to buy a piece of equipment up to a sort amount of money. With this specific piece that we're talking about tonight is now they've done that thing that we gave them permission to and we're approving or not approving the very specific actual purchase of this specific piece of equipment with an actual dollar amount.

Mayor Donchess

That's one way of putting, yes.

Alderman Klee

Thank you. I just want to clarify that one of the things is if it is a CERF item, that's approved separately. The CERF account is items are approved individually. They're very specific as to what it is. By the time we purchase it, it may change a little bit but basically what it is we're going to buy. If we don't expend that money, it stays within that account. It doesn't go back to the taxpayers. Nothing else happens to it. It stays within that particular account.

As far as the budget is concerned when we go through the budget process, you'll see that each department comes forward, says what they need their money for. They usually give you a basic outline as to what they intend on buying and spending throughout that year. Then a budget gets approved, or it gets amended, or something like that. So when they come forward and they ask for something that they did budget for and we say is it within your budget – in this particular case because it usually is – and we say no to them, it may be because we think that they could do something a little bit better. Maybe they should do a trade in or sometimes that's one of the questions that gets asked. If you just say no because you want the money to go back to the taxpayers, you could be handicapping the city. So I don't think we should just say yes to everything but make sure that you understand what the ramifications and you can ask that question. If we don't purchase this, what is the alternative as long as you kind of weigh both sides?

Alderman Comeau

So we could in theory – again this is hypothetical just because this is our first meeting – we could in theory approve of the idea of the School Department buying a piece of equipment and not necessarily agree with this specific purchase and say we think you could find a similar piece of equipment for less money, or a better deal with better service contract, or something like that, and deny this particular one and say come back to us with a better offer and we'll approve it?

Mayor Donchess

I think that would be possible, yes.

Alderman Klee

I just want to make a clarification. Having been on this Committee, one of the things that often times they will come to us and they'll say they need this. If we say you can get a better contract or look a little bit better, we literally could be putting them at a handicap. So for instance when the Fire Department came for the trucks that they needed if we had sent them back to go looking for it, we would have lost the deal that we had. Because we're in the period of COVID and everything is happening, prices are going up. You really have to think really hard. Unless you're an expert at it and you really know but I have seen where people have said can we look at an electric version of this. In the general scheme of things, those are particular things. I just want to be very cautious that we just don't say no and send everybody back to doing more work when it could end up costing the city more in the end.

Alderwoman Timmons

Yes I have a question regarding this piece of equipment. One is that prior to coming to the Board of Aldermen, it was also approved by the Board of Education, right?

Mayor Donchess

Correct.

Alderwoman Timmons

Okay. So therefore it was vetted at that particular time. Is that correct?

Mayor Donchess

I believe that's correct. So you went to the Board of Ed. With this, right Mr. Smith? Yeah, right. So this was approved by the Board of Ed.

Alderwoman Timmons

And that's why I recognize it and that's why I'm going to vote for it because I know it came up before and I know the reputation of Mr. Smith as well. I know it's been vetted already.

Mayor Donchess

Anyone else?

Alderman Cathey

I have a financial technical question that maybe Alderman Klee could answer because I know she was on Finance before. Is it better to trade in the vehicle than to keep the vehicle on the books and utilize the depreciation of the asset?

Alderman Klee

In the past, both have been done and each of the departments knows whether or not it's better to reuse that equipment as a backup. So sometimes Public Works they won't necessarily retire or do a trade in. Sometimes they'll use it either for parts or sometimes they'll use it as the backup. So in other words if one breaks down, they have this one kind of sitting at bay. An older one that they kind of lay to do that, they might get traded in or it could be scavenged for parts. Each department does everything differently. So those are good questions to ask the department.

Mayor Donchess

Now my only refinement of that would be the words "depreciate the asset" implies some kind of tax implication. We don't pay taxes. It's just the practical decision. Is it better to get the money for the trade in or is it better to have a backup in case this one fails.

Alderman Cathey

I appreciate that clarification. Thank you.

Alderman Jette

Could we get Mr. Smith's answer?

Mayor Donchess

Mr. Smith on the issue of keeping the old one versus the trade in.

Shawn Smith, NSD Plant Operations Director

It's definitely time to get rid of it. As I've said, I've spent considerable money keeping it running. We're looking at putting a lot more money into replacing the hydraulic system if we keep it. I was very happy in the amount of money they were giving us for the trade in. It was like a quick make a decision before they change their mind.

Mayor Donchess

Any other questions?

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Klee, Alderman Cathey, Alderman Comeau, Alderman Gouveia,
Alderman Jette, Alderwoman Timmons, Mayor Donchess 7

Nay: 0

MOTION CARRIED

From: Kelly Parkinson, Purchasing Manager
Re: Sewer Line Replacement & Building Repairs in the amount not to exceed \$98,366 funded from 81200 Buildings & Improvements/FTA Grant Funds (Transit)

MOTION BY ALDERMAN JETTE TO ACCEPT, PLACE ON FILE AND APPROVE A GRANT FUNDED CONTRACT WITH SCHROEDER CONSTRUCTION MANAGEMENT TO PERFORM THE REPLACEMENT OF THE WASTE LINE AND BUILDING REPAIRS AT THE NASHUA TRANSIT ADMINISTRATION BUILDING LOCATED AT 11 RIVERSIDE

STREET IN THE AMOUNT OF \$98,366. FUNDING WILL BE THROUGH DEPARTMENT: 186 TRANSPORTATION; FUND: ACCOUNT 81200 BUILDINGS AND IMPROVEMENTS/FTA GRAND FUNDS, BY ROLL CALL

ON THE QUESTION

Camille Correa, Transit Administrator

This one is for Schroeder Construction. The second one has to do with the retrofit project.

Mayor Donchess

Well anyway go ahead and explain this please.

Camille Correa, Transit Administrator

Good evening Mr. Mayor and members of the Committee. I'm Camille Correa the Transit Administrator for Nashua Transit system. Just a little bit of background. We have a transit center located at 30 Elm Street which is between the garage and City Hall. You'll see the buses pull in and out right next door. The facility that we're speaking about this evening is our admin. facility located at 11 Riverside Street. On the same property, we also have a maintenance facility which is across the parking lot. The admin. building was retrofitted approximately 2007 and shortly after it was retrofitted, they started having problems with the waste line. I

It's gotten to the point in the last couple of years that the cleanout is used regularly to unstop the toilets. There's four toilets and approximately at any time you could have 30 people on our side of the building. DPW is on the other side of the building. They have a similar problem as well on a different internal sewer line tied into the external sewer line. What we're finding is it's becoming more and more regular. So we did secure a grant to assist to pay for the replacement of the waste line which is internal. It is in the middle of the building. It goes through the kitchen and then outside it ties into the sewer line.

We are requesting the Finance Committee to approve a grant funded contract. It is paid for by the federal transit administration. It is an 80/20 grant. Eighty percent federal transit administration under capital and twenty percent is local funds which we already have secured in the NTS budget with Schroeder Construction Management in the amount of \$98,366 to perform the replacement of the waste line. As part of this project, they would also go into a portion of the wall and the wall itself will remain intact. They would repair the wall if they go into the wall. They will repair the concrete because they have to cut into it because it is part of the kitchen and the hallway and also in the bathroom. They will also replace the tile in the hallway, the kitchen, and then the laminate flooring in the bathrooms as all part of this price. We did go out to bid. We did receive one bid from Schroeder and we did reach out to the other companies that one did come to the pre-construction meeting and we did reach out to them to find out why they did not bid on this project. They said number one – it was because it was too large. Number two company said they didn't have enough time. It wasn't anything in particular in regards to the bid process. I'm happy to entertain any questions that you might have regarding this project.

Alderman Klee

Thank you. Just for clarification when you said the 80/20, that means of the \$98,000 about \$19,600 will be paid by the city and the rest would be paid by the grant. Is that correct?

Camille Correa, Transit Administrator

To be about \$20,000, yes.

Alderman Klee

You said that that's already in the approved budget for this.

Camille Correa, Transit Administrator

Yes for NTS operating reserve. Yes.

Alderman Klee

This was not scheduled so would this be taking away from something else that was planned?

Camille Correa, Transit Administrator

No. This was scheduled in advance. It's been in the works for quite some time and we wanted to make sure that we had enough time to oversee the project because we have the transit retrofit project also occurring. We don't want it to get to a point where it just stops working. So we do want to move forward with the project because it does shut down the four restrooms once or twice a week at times. Sometimes more. Sometimes less. It depends upon we have a two flush rule to make sure anytime you go into the restroom you're trying to push the water through to help it along because it looks as though it's a pitch issue.

Mayor Donchess

That's more than we need to know.

Camille Correa, Transit Administrator

Just in case.

Alderman Klee

Just a quick follow up. Just for those that are listening and for all of us on the Board, the expenditure to the city is less than the \$20,000 to make sure that things are running smoothly through...

Camille Correa, Transit Administrator

Moving forward, yes.

Alderman Klee

Yes, thank you.

Mayor Donchess

Anyone else?

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Klee, Alderman Cathey, Alderman Comeau, Alderman Gouveia,
Alderman Jette, Alderwoman Timmons, Mayor Donchess 7

Nay: 0

MOTION CARRIED

From: Kelly Parkinson, Purchasing Manager

Re: Transit Retrofit Engineering & Construction Oversight Contract Amendment #1 in the amount not to exceed \$116,866.69 funded from 53125 Construction Management Services/FTA Grant Funds (Transit)

MOTION BY ALDERMAN JETTE TO ACCEPT, PLACE ON FILE AND APPROVE A CONTRACT AMENDMENT WITH GPI (GREENMAN-PEDERSEN, INC.) AND A CONTRACT EXTENSION DATE FROM MARCH 2022 TO JUNE 30, 2022 FOR RESIDENT ENGINEERING, CONSTRUCTION ADMINISTRATION SERVICES, AND ARCHITECTURAL SUPORT AND INSPECTION IN THE AMOUNT NOT TO EXCEED \$116,866.69. FUNDING WILL BE THROUGH DEPARTMENT: 186 TRANSPORTATION; FUND: ACCOUNT 53125 CONSTRUCTION MANAGEMENT SERVICES/FTA GRANT FUNDS, BY ROLL CALL

ON THE QUESTION

Camille Correa, Transit Administrator

Little bit of background regarding this project. We started the retrofit project in July of 2021. It was supposed to be completed in November of 2021. Due to unforeseen delays and also unforeseen construction issues that we had to make sure that we were within code and also to change some design to make sure the inside of the building was ADA accessible, we have found that the project because there's a portion of the project that's external had to go into winter shutdown in December per the New Hampshire law. The internal portion of the construction is still continuing. There's also some supply chain issues along the way that did delay some of the materials from coming in. So just overall with the project, it just got extended recently to May of 2022 for the contractor.

Internally with the NTS staff, we do not have the engineering capabilities of overseeing the project. It was decided years ago that when they moved forward with this project there would be engineering construction administration on site, oversight, and also architectural oversight, mechanical engineering oversight all through a company that could assist us with that. GPI was chosen as the particular company of choice and in order to complete this project, NTS is requesting that the current engineering firm that's providing this service, their contract is extended through June of 2022 because the contractor ends in May. It provides us the opportunity to finish all the paperwork that has to be done through the federal guidelines, the Davis Bacon, make sure the certified payrolls are done, and everything is lined up so that when we have our internal review from the Federal Transit Administration on this project that we are able to just flow through all the documentation and make sure all the Is are dotted and Ts are crossed because we have that oversight in place.

They are also on site to provide any liaising between the contractor and the architect on the internal as well as the external in regards to elevation, piping, manholes, catch basins, a lot of things that could be potentially having a question. In April of this year, the north side roadway and a portion of Garden Street will be under construction. That whole area is going to look more like a plaza and enhance that area. So the sidewalks have been widened in some areas so far and then when the winter shutdown has been completed, the north side sidewalks will be extended and the roadway asphalt replaced because if you were to walk between the garage and the middle of the transit center, you'll see that the asphalt is a bit on a wave. So we want to make sure that we are supporting underneath the asphalt and then applying the correct amount of asphalt to support the weight of a bus. If you have any questions, I'd be happy to entertain them.

Alderman Comeau

Thank you. I have a couple of questions. First, you mentioned that the project was delayed due to some unforeseen circumstances. Can you tell us more about what those circumstances were?

Camille Correa, Transit Administrator

Sure. They're on the inside of the building. As we were progressing, there was a column found in the middle of the building which changed the design of the two bathrooms. The inside of the transit center – the portion that's not the waiting room but the lobby and over – was gutted out so that the breakroom would change. There would be a driver's bathroom because prior to that the drivers would share a bathroom with the public and we wanted to make sure that there was an area where they could just come in and out through the breakroom and to change the security provisions in regards to the bathrooms. So at one time, they had doors on them and now it will be more airport style where you can go in and come out. What was found at that time is that the design of the bathrooms had to change a little bit or in some areas quite a bit and then a portion of what was in the bathroom like the mop/sink had to be moved into another location.

So there were delays in regards to making sure that the design was right, that the dimensions were right, that the supplies could come in and along the project, we're finding that there has to be a lot of communication between the contractor, engineering firm, the city, and also the architect just in general to make sure that everybody is moving along. So at times whether it's internal or external, they found a gas pipe and also a 100 year old sewer catch basin that was made out of brick that had to be removed. It had a cast iron pipe. That took about two weeks to have DPW come in and remove that sewer line. It was huge and workmanship of 100 years ago. They had to pull it out with equipment, and refill all the dirt, and do all that work. There was also a foundation from a house. When you look at the aerial of that area before the transit center was built, there used to be houses there. So they found a foundation. They had to dig all that up on the outside. Then they had to move some manholes and change some elevation. So just along the way if we see something, then we have to get everything lined up to move to the next step, get everything lined up to move to the next step, and then here we are winter shutdown. So that's part of it. I'm happy to go into more detail some other time if you ever have any questions.

Alderman Comeau

Thank you. Mr. Mayor more of a procedural question. During the reading, the Clerk mentioned a couple of times in an amount not to exceed. So I imagine when this first came through for the initial \$120,000 roughly, it had similar language.

So my question is if we approve this tonight, what assurances do we have that come May or June this isn't going to come before us again with another request to increase if there are more unforeseen circumstances?

Mayor Donchess

I'm not sure we can give you that assurance. If unforeseen circumstances arise again, it could come back. Now we're hoping, optimistic that that's not going to happen. One thing is that we're further along with the project – much further along than we were before. So the chances of finding something unexpected are probably lower. Would you agree with that Ms. Correa?

Camille Correa, Transit Administrator

I don't know what's underneath the north side roadway. Because when you're looking at the design that the city has of what is underneath the roadway, not everything is called out. So in order to fix that, we have to dig it up. Once we dig it up, we're not sure what's there. However, the outcome is positive which is now there's a diagram that says what exactly is under there and where it's located for people in the future to be able to have it. So that is definitely a positive for the outcome of the project.

Alderman Comeau

Thank you.

Alderman Cathey

Thank you Mr. Mayor. In finding out these issues with the construction were any of the parties in breach of contract with the delays and if so if it was the construction company, would we be entitled to any sort of recourse for that?

Camille Correa, Transit Administrator

The contract does have liquidated damages called out in it of \$100 a day. The city has the option to negotiate in regards to what the next steps would be. If we felt as though the city council needed to be brought in to take a look at the contract deeper to make sure that what are our options. That's definitely if the project is not moving forward. If the contractor had any questions about the city and whether or not delays were due to unforeseen reasons for them, we want to make sure that we have that conversation so that we can move the project forward or have those discussion to see what the options are. So repercussion wise, we would rather try to work together to move the project forward and there are time when liquidated damages are imposed upon a contract. In this case, they have not been to date.

Alderman Cathey

Follow up Mr. Mayor.

Mayor Donchess

Yes.

Alderman Cathey

Thank you. In your opinion, do you feel like there was a breach of the contract or do you feel like the city should or would move towards liquidated damages and would that happen now or after this new agreement as you're overseeing the project or you're closer to it. What is your general sense of what happened? Like Alderman Comeau, it does seem like there is at least a probability that it could happen again and then we're back at the same spot. I would like to prevent that as much as possible.

Camille Correa, Transit Administrator

We have weekly meetings with the contractor and with the engineering firm. Also we have people within the city that attend the meetings so that we can make sure that we look at it from different perspectives. The transit center was erected in 1999. Not very many things have been done to it since then. One example is the wiring. Over the years, many things have been done to the wiring and when you look at the box where the wiring is located, there's a lot of wiring in there. Not all of it is labeled. So that would be an opportunity for us to make sure that we get the wiring right and when we move forward with reopening the transit center on the one side, that that particular part is done, is ready for the future.

We want to make sure that this building can last us for quite some time. We want the workmanship to be right. Along the project if there have been any hiccups, it has been a constant communication.

In regards to breach of contract, that is not for me to determine. That would be for the city council person to determine. We have made sure that there has been communication just in general to the Mayor's office and just to be updating where we are and how we're progressing. If we got to the point where the project was not progressing, I believe that city council would take that deeper dive into the contract to make sure that the communication was there as to what that next step is for the contractor. Does that makes sense?

Alderman Cathey

That does make sense. I appreciate that.

Camille Correa, Transit Administrator

Absolutely.

Mayor Donchess

Anyone else?

Alderman Klee

I'm on the Joint Special School Building Committee. One of the things we have that large school project that we're doing. One of the things is that sometimes they have to come in because much like this, they find something that wasn't there. When they've come in to something of a not to exceed and so on, it's still within the overall budget of the project. Is this still in the budget of the project or are you now outside of the budget of the project?

Camille Correa, Transit Administrator

So the contract amendment would be in addition to the original contract. So we've secured funds through the federal transit administration to pay for the contract amendment. So that, again, is an 80/20 and the 20 percent which is local is coming out of the NTS operating reserve to pay for that.

Alderman Klee

So just to clarify. The additional money is \$116,866 but 20 percent of that will come out of the city's budget or in your budget.

Camille Correa, Transit Administrator

NTS operating.

Alderman Klee

And the other 80 percent will come out of the Federal Transit Administration. So a little excess of about \$21,000 will come from the city's budget not the \$116,000?

Camille Correa, Transit Administrator

Correct and this project is not in our budget. This is a special project. So it's a special project that we requested additional funds for. This is a grant that already existed and then to make sure that we covered the expenses, we requested an amendment to a grant to pay for this.

Alderman Klee

Thank you very much.

Camille Correa, Transit Administrator

Absolutely.

Alderman Comeau

I'll try to be brief within the first question. I just want to make sure I understand the parties. So my initial thought was that this was all part of the contracting but if I understand you correctly now, the engineer is independent of the contractors. So this is less the contractor is asking for an increase because they've gone over their estimate. It's more the engineer doesn't really have a whole lot of control over how long it's taken the contractor to complete the job and now if we want the services of that engineer to continue, we're just adding time. It's not the initial contract is more expensive, it's just that we're adding time on to the end of it. Do I understand that correctly?

Camille Correa, Transit Administrator

And also an additional fee. So the initial fee was approximately \$120,000 for 17 weeks because you have an engineer on site eight hours a day. What we did do was we crossed compared as a cost estimate to another architectural/engineering contract that the city has to make sure that the pricing is in line and that's not a contract that we're going into that the pricing would be higher for one or another. So it's in line.

I also pulled the data in general as to what the average price is for the construction administration from an engineering company - the architectural design to just do that review and make sure that the costs are in line. I also have to do that for the Federal Transit Administration when they come in to review the project. They're going to want to know that we didn't just say just do this for us. We wanted to make sure that the price was negotiated, the hours were there, and there could be a cost savings and not spent depending upon how many hours are spent on the project. So it could go both ways – the extension or cost savings. Thank you for the questions.

Alderman Jette

Mr. Mayor I apologize to Alderman Thibeault. I just noticed that he's with us by Zoom. I didn't notice him at the beginning of the meeting. Forgive me Alderman Thibeault for not noticing you but this is my first time. I don't know when you got here.

Alderman Thibeault

From the beginning.

Alderman Jette

Okay, thank you.

Mayor Donchess

We'll forgive you this time Alderman Jette. Anyone else? Could the Clerk please call the roll?

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Klee, Alderman Cathey, Alderman Comeau, Alderman Gouveia,
Alderman Jette, Alderwoman Timmons, Mayor Donchess 7

Nay: 0

MOTION CARRIED

From: Kelly Parkinson, Purchasing Manager
Re: Server Upgrade in the amount not to exceed \$141,840.75 funded from 81342/CERF (IT)

MOTION BY ALDERMAN JETTE TO ACCEPT, PLACE ON FILE AND AWARD A BID TO DELL TECHNOLOGIES FOR THE PURCHASE OF FIFTEEN (15) NEW SERVERS TO UPGRADE THE VIRTUAL HOST SERVERS AT THE CITY'S PRIMARY DATA CENTER AND BEGIN THE BUILDOUT OF THE DISASTER RECOVERY SITE IN AN AMOUNT NOT TO EXCEED \$141,840.75. FUNDING WILL BE THROUGH DEPARTMENT: 122 INFORMATION TECHNOLOGY; FUND: ACCOUNT 81342/CERF, BY ROLL CALL

ON THE QUESTION

Nick Miseirvitch, CIO, Information Technology

Thank you Mr. Mayor. Nick Miseirvitch, Chief Information Officer for the City of Nashua. This project was actually requested by Mayor Donchess back in Fiscal Year 2020. Unfortunately we could not start it at that point in time because that's when we were hit with COVID. As everyone is aware, everything just went crazy for the following year. We are able to now get back to that and proceed with implementing that disaster recovery site. I am looking to replace all of the servers not just the ones for the disaster recovery site to get everything consistent and also to streamline the process of upgrading our virtual software. If I have all the servers now, I can build a brand new environment and then migrate everything at the end instead of doing it piecemeal throughout a several month time. It's going to reduce the time of implementation from several months down to several weeks. This happens to be Dell's year end so we are getting extremely aggressive pricing such that this pricing is less than what their (inaudible) or value added resellers can get. The savings is over \$20,000. So we're basically getting two servers for free.

Mayor Donchess

Now explain a little bit about the disaster recovery aspect of the project.

Nick Miseirvitch, CIO, Information Technology

The city currently does not have a disaster recovery site so if something happens to our primary data center, that's it. We cannot operate. We can't do anything. We can't process payroll, we can't process tax bills, we can't do motor vehicle registrations. The city is pretty much dead in the water.

Mayor Donchess

For example if we were hacked and like some communities have been and ransom is requested, we need a backup site so that we can duplicate what was there despite the interference by a criminal hacker.

Nick Miseirvitch, CIO, Information Technology

Correct. We can go to a previous point in time before the damage occurred and get up and running in a short amount of time.

Mayor Donchess

This is going to be located away from City Hall and separate not connected to the normal IT system so that hacking the main system wouldn't have access to this backup site.

Nick Miseirvitch, CIO, Information Technology

There will be network inactivity but it will be disabled until needed. So they will not be able to get to the backup site.

Alderman Klee

Thank you Mr. Miseirvitch. In a previous lifetime, I worked for the Department of Veterans Affairs. I worked in their IT Department. We had an offsite. We used another VA and they might use us and so on. We did it as often times the physical offsite was to protect it and god forbid I hate to say this out loud but if anything physically happened to this building and so on, it protected us and gave us a whole other backup as well as not just for someone hacking our system but for someone physically infiltrating our system if they got into the IT department and so on. That is also part of this whole plan?

Nick Miseirvitch, CIO, Information Technology

Absolutely.

Alderman Klee

Thank you.

Alderman Timmons

Thank you Mayor Donchess. I have one questions. The backup site is that one location within the city or are you looking outside of the city?

Nick Miseirvitch, CIO, Information Technology

It is within the city.

Alderman Timmons

The one location?

Nick Miseirvitch, CIO, Information Technology

Correct. One location.

Alderman Gouveia

Yes just one quick question. So of the 15 servers, how many are for just the primary use and how many for the disaster recovery?

Nick Miseirvitch, CIO, Information Technology

Ten for the primary and five for the offsite.

Alderman Gouveia

Okay, thank you.

Alderman Timmons

I do have on question. You said there's two of the servers will be free, right? So you have fifteen plus two or is it thirteen plus two?

Nick Miseirvitch, CIO, Information Technology

Well buying 15 but at the pricing that they're giving us, we're effectively getting two for free for the regular price.

Alderman Timmons

Okay.

Alderman Cathey

Thank you Mr. Mayor. Just a sort of an inquisitive question about the servers. How long do you expect them to last? I know the old ones you said are ten plus years old. Is that a typical lifespan or how long do you expect before another upgrade would then be needed?

Nick Miseirvitch, CIO, Information Technology

Generally servers should be upgraded every five years. The city doesn't have the operating budget to do that. We get every ounce of life out of these as we can. That's why I target ten years and anything over ten years is we're really pushing the boundaries.

Alderman Gouveia

Just a follow up on the breakdown of servers. So if ten are the primary servers and five are backups, what data is primarily in the backup servers and which data would you lose by not having the same amount of servers as both the backup and primary.

Nick Miseirvitch, CIO, Information Technology

We lose all of our testing environments which are not needed during a disaster recovery situation. That is the primary difference.

Alderman Gouveia

Thank you.

Alderman Klee

Again, Mr. Miseirvitch, just also for clarification on that, the reason you need less servers in a recovery system is because they're just holding data and they're not actually doing any of the work. It's not people trying to go back and forth and get information and so on. You don't need to have a lot of empty space for that. Is that correct? I'm just asking this so that people understand why we have ten and only five in a backup.

Nick Miseirvitch, CIO, Information Technology

Yeah no, that's not the case. The reason why we have a reduced number is because we would be using at a reduced capacity. So like I mentioned, we wouldn't have any of the test servers at the DR site. Any testing would be on hold until we got back to normal operations. The disaster recovery site is just what we need to get by for city business. Instead of having a cluster of servers doing one thing, we'd be down to one server for that particular application.

Alderman Klee

Thank you.

Alderman Cathey

Thank you Mr. Mayor. You mentioned the timeframe in a matter of weeks. Do you have an estimation for the actual time it would take or the completion date?

Nick Miseirvitch, CIO, Information Technology

I don't have an exact date because we aren't even receiving these until the May timeframe. That's how far out they are due to the current state of shipping. I started with the servers because they are the furthest delay and then I will be coming back to this Committee for the storage for switching, and networking, and then finally for the fiber – in that order.

Alderman Cathey

Thank you.

Mayor Donchess

I don't see anyone else. Could the Clerk please call the roll?

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Klee, Alderman Cathey, Alderman Comeau, Alderman Gouveia,
Alderman Jette, Alderwoman Timmons, Mayor Donchess 7

Nay: 0

MOTION CARRIED

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS - None

NEW BUSINESS – ORDINANCES - None

RECORD OF EXPENDITURES**MOTION BY ALDERMAN JETTE THAT THE FINANCE COMMITTEE HAS COMPLIED WITH THE CITY CHARTER AND ORDINANCES PERTAINING TO THE RECORD OF EXPENDITURES FOR THE PERIOD FROM JANUARY 1, 2022 TO JANUARY 13, 2021, BY ROLL CALL**ON THE QUESTIONMayor Donchess

Now at the beginning, the question regarding what the Record of Expenditures is came up which I did not answer. I forgot about the question until now. The Record of Expenditures is the list of all checks written by the city over the period of time which is usually half a month, including payroll. Normally the CFO, now Treasurer as well, John Griffin is here to answer any questions about this but he is out ill and therefore could not attend tonight's meeting. If you do have questions about individual checks because there are thousands of them, its better if you ask him in advance so that he can research it because he can't answer thousands of checks necessarily just off the cuff. The procedure is to approve the list of checks that have been written. That's what's being asked. Any questions? Comments? Could you please call the roll?

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Klee, Alderman Cathey, Alderman Comeau, Alderman Gouveia,
Alderman Jette, Alderwoman Timmons, Mayor Donchess 7

Nay: 0

MOTION CARRIEDGENERAL DISCUSSIONAlderman Klee

Thank you. I just more for education and please Mr. Mayor correct me if I'm wrong. I just wanted to clarify that we talked about earlier that anything that is less than \$25,000 comes to us as more information and so on. However if there's an amendment to it, say it was a \$24,000 contract an amendment brought it up over \$25,000, then it comes to this Committee for approval. We would not allow them to do \$10,000, \$10,000, \$10,000 so that they had \$100,000 type of thing. If in total that project comes to or the contract comes over \$25,000, it will come back here. That is correct Mr. Mayor?

Mayor Donchess

Yes.

Alderman Klee

The other thing about the signing of the Record of Expenditures, we do all sign that at the end of the meeting and Alderman Cathey when you receive a copy of this as we all did in an e-mail, there's also a cover sheet that you can sign and mail in so that this Finance Committee will have signed off on this Record of Expenditures.

Mayor Donchess

So we pass it around after the meeting. Anyone else?

PUBLIC COMMENT - NoneREMARKS BY THE ALDERMENAlderman Jette

Thank you Mr. Mayor. I'd like to thank the new members – well we're all new members except for Alderman Klee but the new Aldermen – Alderwoman-at-Large Timmons, and Alderman Gouveia, and Alderman Comeau were here bright and early. Very eager to assume their duties on the Committee and I appreciate their enthusiasm. I'd like to thank you Mayor

for taking the time to explain to us in detail what the role of the committee is and pointing us in the right direction as far as getting more information.

Lastly, I think we all learned today that our Legislative Assistant Donna Graham lost her father a couple of days ago. So extend condolences to her and her family.

Alderman Comeau

Just real briefly. Thank you Mr. Mayor. Regarding what we were talking about earlier as far as whether we need division heads and people to come in and speak on specific items, I was actually inclined to think that it may not be as necessary as has been in the past until going through this meeting and now I kind of see more of the value. I know I got a lot of questions answered that I found very helpful. I've almost changed my mind on that to the point where I can see the value of that and I'd like to see that continue unless something comes up that's so obvious that we really feel a consensus that we don't too much discussion on it. I can see the benefit in having people come and speak on these items.

Mayor Donchess

I had the same thought especially given the depth of the questions. I couldn't answer all those questions. So we're going to have to bring people in here to answer them yes.

Alderman Cathey

Thank you Mr. Mayor. I would like to echo Alderman Comeau's thoughts. I was also leaning away from having people come in just because I do want to respect the other department's time. I know they work hard and then having to come to meetings at night and answer a bunch of questions could be very tiresome. I did find a lot of the answers that I received were extremely helpful especially since a lot of us are new and are going to have a lot of questions about probably a lot of very specific nitty gritty type of things and we don't really understand it yet. I would probably lean towards having the department people either at the meeting or very accessible. I don't really know.

Mayor Donchess

Okay, no problem. That's what we'll do from now on. So we'll just proceed as we have. If they are very minor items, maybe not but that's probably the exception rather than the rule. We appreciate the questions. The advantage of having the people come in is that you get to meet these people. You'll find that most or all are very competent and know what they're doing. That's an advantage of having them come in. I've always found that Aldermen believe them more than they believe me. I like it when they come in but I just wanted to at least express the point of view that for some people come in to various meetings and not just here repeatedly. It can be a difficult burden with families and like. Any other remarks by Aldermen?

NON-PUBLIC SESSION - None

ADJOURNMENT

MOTION BY ALDERMAN KLEE TO ADJOURN, BY ROLL CALL

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Klee, Alderman Cathey, Alderman Comeau, Alderman Gouveia,
Alderman Jette, Alderwoman Timmons, Mayor Donchess 7

Nay: 0

MOTION CARRIED

The Finance Committee meeting was adjourned at 8:22 p.m.

Alderman Ernest Jette
Committee Clerk