

BUDGET REVIEW COMMITTEE

APRIL 10, 2019

A meeting of the Budget Review Committee was held Thursday, April 10, 2019, at 7:00 p.m. in the Aldermanic Chamber.

Alderman-at-Large Michael B. O'Brien presided.

Members of Committee present: Alderman-at-Large Michael B. O'Brien
Alderman-at-Large Ben Clemons
Alderwoman-at-Large Shoshanna Kelly
Alderman-at-Large David C. Tencza
Alderman Jan Schmidt

Members not in Attendance: Alderman Richard A. Dowd, Chair
Alderman-at-Large Lori Wilshire, Vice Chair

Chairman O'Brien

I would like to say that Alderman Dowd is properly excused. He had a medical procedure and is doing well and we wish him a speedy recovery. And Alderman-at-Large is out of town on important business. So both are properly excused.

PUBLIC COMMENT - None

COMMUNICATIONS – None

UNFINISHED BUSINESS – None

NEW BUSINESS – None

TABLED IN COMMITTEE

R-18-102

Endorsers: Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Richard A. Dowd
Alderman-at-Large Brandon Michael Laws
Alderman Jan Schmidt

APPROVING THE COST ITEMS OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE NASHUA BOARD OF POLICE COMMISSIONERS AND UFPO LOCAL 645 PROFESSIONAL EMPLOYEES OF THE NASHUA POLICE DEPARTMENT FROM JULY 1, 2018 THROUGH JUNE 30, 2022 AND AUTHORIZING RELATED TRANSFERS

- Tabled 1/17/2019

Chairman O'Brien

I think this is the one that went before the Budget Committee past. I am a little bit confused myself, there were two pending measures, one was coming from the Police Department that was tabled and is still is on the table. I think this is the one that was approved. If the Committee is in doubt, I do not have any objections to keep it on the table, that would keep it in the safe But looking at what the suggestion and according to the minutes of the meeting, it seems that it is looking for a motion to take it off the table for discussion.

Alderman Kelly

What was the number again?

Chairman O'Brien

It is R-18-102.

Alderman Kelly

Ok because R-19-125 is the one that we did yesterday which was the Police Department at the full Board meeting.

Chairman O'Brien

But seeing that there is nobody here to explain it, I think probably it would be best, until we get additional information, that it remain on the table. R-18-102 will remain on the table.

R-19-123

Endorser: Mayor Jim Donchess

RELATIVE TO THE ADOPTION OF THE FISCAL YEAR 2020 PROPOSED BUDGET FOR THE CITY OF NASHUA GENERAL, ENTERPRISE, AND SPECIAL REVENUE FUNDS

- Public hearing scheduled for 5/16/2019 at 7:00 p.m. at NHS-North Auditorium

		<u>Revenue</u>	<u>Appropriations</u>
	<u>INFORMATION TECHNOLOGY (IT) DIVISION</u>		
120	Telecommunications		135
122	Information Technology		136

MOTION BY ALDERMAN CLEMONS TO TAKE FROM THE TABLE R-19-123 MOTION CARRIED

Bruce Codagnone, IT Director

I'll give you a little background of my area. I have the Information Technology group as well as Nashua CTV, the Public Government & Education TV. I have an excellent group of people. There are over 300 years of combined experience in Information Technology within the group. I've got three teams within the IT Group; Infrastructure, Technical Support Group and Application Development Project Management Group. We have over 170 virtual servers that run all the city applications. We support all the 3,000 plus city users in Schools, Fire, PD, Library, DPW, City Hall, that use the Enterprise Applications.

We have over 180 Terabytes of storage and roughly about 300 data bases. Throughout the city we have 45 miles of private fiber connecting the almost 50 City-owned buildings and locations throughout the City. We also support the traffic light and the traffic cabinets, those are all connected via fiber as well. Our e-mail servers process about 2,000,000 e-mails a year and roughly 400,000 of them never make the intended user because they are spam. Our firewalls block 400,000 a year.

On the Nashua TV side we have 2 full time employees and 7 part-time videographers. To give you a little background on how my budget is set up or I guess the reason for some of it; if you go back to 2009 the Board of Aldermen authorized the Engine Project. That was a Nashua Government Innovation which wound up being a big spend, replacing all the technology and everything within the City. Some of it is still going on but with all those new projects and new applications and new hardware, comes with it maintenance and

support. So between salaries and support and maintenance, that makes up 80% of my budget; those have contractual increases. With salaries and Union Agreements they are averaging 3%, Maintenance is averaging 5%, you average those out it is 4%. Trying to maintain a 1.8% or 2.0% request is about nearly impossible, which means cuts.

So what happens is that we have roughly 140 PC's that are over 10 years old. My team does a great job in making that transparent to the users. We use SSD drives and increase the memory and other performance tools. But it's like kicking the can down the road. There are applications that need to be upgraded. We have been going before the CIC each year, trying to get some money to upgrade servers, upgrade storage, upgrade the applications. So essentially our budget – we increase it little by little. This year we have a little bit more of a spend for the IT Budget so if I go over the lines that do change, software maintenance is going up \$69,000.00 based upon contractual agreements. Hardware maintenance is only going up about \$1,800.00. On what we call Technology Equipment Consumables, that is actually all the printers and the printer costs. We put out metrics trying to I guess get people to print less, more for the environment. We have put out reports based upon how many trees are destroyed, based upon how much you are printing, trying to guilt people into not printing as much. But our printing has been on the rise lately; so I have \$5,000.00 more on that line item for printing.

In our computer equipment, that's where we do a lot of server replacement and PC replacements. It is increasing by \$71,000.00. One of the big spends in there is actually for the Police Department - \$65,000.00 for network storage. Their network storage became end-of-life in 2017 and drastically needs to be replaced. They are moving a lot of things into document management and desperately need the storage. So the Mayor was able to increase that line item to cover those costs. And then Cellular Line goes up based upon things that we add, and we will get to that when we do the Telecommunications and the Cellular. But the Cellular Line, we provide the cellular for the Fire vehicles and the connectivity to those and the Fire Marshall's all have tablets now which also are on data plans.

So if you have any questions on the IT Budget

Chairman O'Brien

Any questions by members of the Board; seeing none I do have one. Well I can too Alderman Clemons, go ahead please.

Alderman Clemons

This is an extremely tight budget especially when you look at it from last year to this year. It's amazing that you can do what you can do with the dollars that you have. It's funny because, and I am sure you don't want to get into the politics, but I do want to mention it because this is a Department that largely didn't exist before the spending cap came around. So everything that's here when that spending cap came out, right, it just adjusted the cost of inflation from what was it, 1994 or something like that? So we are running on 1994 numbers in this City with an Information Technology Department that is almost \$3 million dollars. And when you consider the fact that we've been able to do that, that's kudos to you.

Mr. Codagnone

Thank you.

Chairman O'Brien

I do have a question on the IT Divisions, how many are there in the City?

Mr. Codagnone

You mean separate IT groups? The School has their own separate one mainly because they create mailboxes and things for students and everything else, so they operate a little bit differently. The Police Department has a smaller IT Group over there. And that is mainly because of privacy. I've had the conversations multiple times with the Chief about that. If they open that up, they have concerns, they want to do background checks on everybody, so it's right to have them separate. So there are really three overall.

Chairman O'Brien

So what I'm getting at is you mentioned data storage, which has confidentiality absolutely to it; but is now coming from one Division into another Division. Yet they are already appropriated, or maybe I don't understand it and this would be a fairer question to the Police when they come and to ask them about their IT Division and their capabilities and what they are able to do. But it seems like they are now coming to us and asking to accept some of their, I guess data.

Mr. Codagnone

We collaborate quite a bit, I collaborate with schools and with the Police as well. We have excellent working relationships. For example the City-Wide Telecommunications Project that I brought to the City a few years back. I wanted to ensure that it was for the entire City; Schools, Fire, Police, everybody, mainly because everybody needs it. Getting on the same platform makes it a lot easier, you know, and common knowledge and everything else. So we all work together to make sure this thing was very successful.

Chairman O'Brien

Second question if I may, I agree with Alderman Clemons, we went through a period of time where we had an instrument that kind of stopped dead any type of repairs, infrastructure repairs, other things, because we were under a spending cap. Whenever you are under a spending cap don't think for a second something falls of the radar, it most certainly does. Whether it is a street unpaved or something like that. And I look at IT in the modern sense, even though don't let the gray hair fool you. I think in the modern sense, you have infrastructure. You're in charge of a very important part of how this City generates its revenue and tax collection and assessing and everything else. And we've heard now, with some of the things, I think you can agree the assessing has been somewhat of hot button issue and everything. Can you give us, just an update; how are we, I mean is our computer program adequate to serve our needs right now?

Mr. Codagnone

Yeah I think everything we have works very well. We've had multiple discussions about the Admin System. The Admin System will eventually be going away. The only thing that's on there from the assessing standpoint is the abatement process. And it's been on there for years; it works very well. The current application that they use – AssessPro – it works very good for the assessors. It is an excellent program for the assessor's point of view. Their WebPro component, the one that goes citizen facing, not so much; it doesn't provide that much detail that look and feel, it's kind of hard to use. That's part of the application though, that's their newest version that they have is exactly the same. So we can upgrade that to the latest version but it's going to be identical. So it doesn't really buy us anything, they are only upgrading more of the technology that drives the application, but the look and feel stays the same.

But from a backend user standpoint, it is an excellent application and it serves the assessor well. It is not something that if I was a citizen of Nashua I wouldn't like having to use that but we are looking at other ways of trying to see if we can provide that same information using something else. But that is something that is being investigated so we don't really have any good answers right now.

Alderwoman Kelly

Thank you. You were talking about printing costs and I am sorry if I missed the line item, could you point that out again?

Mr. Codagnone

It is on there as Technology Equipment Consumables which is an odd name for printing.

Alderwoman Kelly

Yes there it is, ok. So my question about that, I actually had the opportunity to see some of that technology and see what trees are being killed which is – it's unsettling. So we are paying for every single print that gets put out. And you were upping it just because of behavior that's you've seen this past year?

Mr. Codagnone

And some areas where we are hoping to get some decreases but we are not; I have been seeing an uptick in printing. You know you can't. legitimately you do have to print, so you can't get away from not having paper for a lot of things. But we are trying to get people to think about it first. You know if you go to a meeting, one of the things that we've done in City Hall is put in large screen TV's in every meeting room and a computer. So if you're having a meeting, we are trying to encourage people to either come with a thumb drive and e-mail out the packet you have, presentation ahead of time or afterwards. But bring it up on the screen and go paperless. People can take notes, they can still do that. So we've been trying to get people to think about using technology to reduce the printing costs and it's slow. Like I say, we put out those reports more of a guilt-trip to get people to think about how many trees and how much electricity is being wasted by printing.

Alderwoman Kelly

And if I could, the Energy Environment Committee wants to work with you on that because we feel very strongly about that and we are talking about reduction as an entire campaign for the year. And we think that's an easy place we can make change. One of the things that came up in the Committee and I don't know if you'll know the answer to this was whether or not some things have to be legally printed per just what is legal versus being able to just send an e-mail. So we were sort of wondering about that as well; if it's habit or if it is necessity.

Mr. Codagnone

I think a lot of it is habit myself; I don't think there is too many that's necessity.

Alderwoman Kelly

Thank you, we'll work on it.

Chairman O'Brien

I would to compliment, many of us do have the little lap tops which has been, I can't imagine the amount of paper that gets generated. Fortunately we have the lap tops that really help us out and cuts it down and makes this a little bit greener, very wise choice, extremely wise. And I think we kind of morphed into two different subjects. Did you adequately cover Line Item 120 the Telecommunications

Mr. Codagnone

Kind of touched upon it, yeah; there's 2 lines basically in there.

Chairman O'Brien

If you could pause then, any questions on that particular line item, 120 with the Telecommunications on Page 135?

Alderman Clemons

Sure can you just sort of breakdown what that \$130,000.00 line is. It's flat from last year. I assume that's just land line?

Mr. Codagnone

Landline and internet. We have multiple internet connections. The reason why it stays flat is we negotiate pretty much every year with our providers on our network speed. And we are able to get the network speed up and keep the cost the same. So we've been increasing the speed of our network internet connections every year, but we've always been able to maintain a flat cost.

Alderman Clemons

And this probably isn't you, but I might suggest we break that line up next year so we can get a better idea of what is Because it just says telephone voice. So you know maybe ... do you know what the, is it that we – do we do voice over IP?

Mr. Codagnone

We do, we moved over to voice over IP, that was the telecommunications project I mentioned. So everything is voice over IP now.

Alderman Clemons

Yeah, Yeah. Ok and that just carried in that line I just assume over the years, probably, right?

Mr. Codagnone

Right. The label, right.

Alderman Clemons

Ok, thank you.

Alderman Tencza

Thank you, can you just explain too a little further I mean in each department's budget we see a line for cellular phones is another line for cellular phones in this telecommunications.

Mr. Codagnone

So there's lines in each budget for cellular, lines cellular communications; there's different ways the City handles cell phones. One is by a stipend, so if people use their own phone, they get reimbursed for that phone. The other way that they do it is and we actually manage the cell phones is if people need a cell phone, we have, for the most part, we give people these old flip phones. And if they just need a phone, we provide that for business use only, if they need a phone we can provide a cellular phone. We manage that with the vendors and there are certain people that have a smart phone because there's a business need for

that where they need a camera or they need to access the e-mail or things like that on their particular phone. So those costs just get pushed back to each individual department.

Alderman Tencza

Ok if I may Mr. Chairman follow up, for the telecommunications section of the budget, the \$15,000.00 what is that for?

Mr. Codagnone

On the Telecommunications? That's for the Fire vehicles, it's predominantly Fire. So the Fire vehicles and the tablets that are for the Fire Marshalls, that's the cellular communication for those devices.

Alderman Tencza

Ok and those are in your budget and not the Fire Department's.

Mr. Codagnone

That's in our budget right.

Alderman Tencza

Ok thank you.

Chairman O'Brien

If I can assist and from what I understand, and correct me if ... coming from Fire, the Police Department ate up a lot of bandwidth, there is only so much that you can get. So the Fire Department needed additional. So that portion that Fire Department where it is as critical, but you know, they took it from the radio transmission and put it on to cellular.

Mr. Codagnone

Right they were on radio.

Chairman O'Brien

It basically came up to the same. So each individual mobile data unit has a little chip in it that works somewhat like a cell, you know what I mean? So it's another way of getting information out there to the City, fairly well. Thank you. Any other questions from members of the Committee. Ok and to step back to Informational Technology, 122, any further questions by members of the Committee. Ok seeing none, we thank you for you ...

Chairman O'Brien

Do you want to cover the CTAB Budget, Cable? That's on the list too, Cable TV.

Alderman Clemons

Sure.

Chairman O'Brien

It's not on our agenda and I don't know what the Chair has. But if you want to give us a presentation.

Mr. Codagnone

I do that every year.

Chairman O'Brien

You do that?

Mr. Codagnone

Yes because that's under my group as well, the Cable TV.

Chairman O'Brien

Ok in looking and I kind of wonder why it's not on the agenda for tonight.

Mr. Codagnone

I thought I saw it on Sue's listing sheet.

Chairman O'Brien

You're going to have to come before this Committee. So you're available. What page sir?

Mr. Codagnone

I actually don't have the book. I do a print out of just the pages I need. Again I don't want to waste paper.

Chairman O'Brien

Brilliant.

Alderman Clemons

Page 301.

Mr. Codagnone

I'm not sure what page it is on.

Alderman Clemons

Is it the PEG Channel?

Mr. Codagnone

Yes the PEG Channel.

Alderman Clemons

That's on Page 301; in the pink portion.

Mr. Codagnone

Actually I think it is on Page 171 because I extracted the pages. Let's see. Yeah, it starts on Page 171, does that look right?

Alderman Clemons

No mine, 171 says "Street Lighting".

Chairman O'Brien

Street lighting.

Mr. Codagnone

It should say PEG Access Channel Funds, Revenue and Appropriation Detail.

Alderman Clemons

Yeah it's 301.

Mr. Codagnone

So on this one, the only thing that changed, the only line item that changed was "Other Contracted Services" and that is on the bottom of the page. That is essentially the pay, the contracting fees for the public channel. Access Nashua runs the public channel and so we have an increase to them each year. But everything else stayed the same.

Chairman O'Brien

Are there any questions from members of the Committee.

Alderman Tencza

May I just ask I mean because I don't know, how often do we negotiate the Cable Franchise Fees?

Mr. Codagnone

It is every 7 years; we start 2 years before it expires to start drafting a new one. This one expires in 9/30/2022. It was renewed in 2015 and we were almost going to do a shorter one because one of the things that's going on within that, I know it was brought up that people are concerned that the costs are going to go down or what the City gets is going to go down. It's not because of people moving to streaming services because Comcast is in the business to make money. They are always going to be making money and the money that we get every year has been on the rise, even though people are moving to streaming services.

So the money that we get from Comcast has been going up and probably will continue to go up. What is going to effect is the Federal Legislation from the FCC that originally started this whole thing back in the 80's when cable TV came out. TV was brought to the house by a cable instead of an antenna. That obviously is now old technology. When cable comes to your house it is coming by way of internet connections and everything else. So what all the other companies are looking at is that this unfair to them.

So even though you have a cable coming to your house with Internet, Comcast is providing TV over that Internet as it is. But then you have other streaming services, Hulu and Amazon Prime and so on and so forth that are providing the same TV channels over the Internet delivered to the house. The only one we are charging a franchise fee to is Comcast, in our case. So what you might see on the Legislation is them either

eliminating the franchise fee because it's not fair or finding a way to get money from all the streaming services by way of taxation but right now that is still being debated. There are multiple approaches there they are trying to look at but I think it's going to have to be more along the lines of you know Comcast is not really providing a true cable TV anymore, they are providing TV over an internet channel. And the same thing as all the other streaming services, but we are only charging Comcast. So that, one of the reasons, we used to have a 10 year agreement, we cut it back to 7 just because of this Legislation that is coming out, anticipating that.

Alderman Clemons

Is there anything in New Hampshire Law or in the City that says we have to only have one cable provider?

Mr. Codagnone

No. Anybody can come in and provide cable services, all they have to is provide the infrastructure. Right now Comcast owns their infrastructure on the poles. Anybody can come in, it's a huge expense. So to be competitive and dilute that market, you probably won't get a return on investment, that's probably why people don't do it. Or they could buy Comcast infrastructure, the cable that's running on the telephone poles. But there is no law that says we can only have one.

Alderman Clemons

If I could, is there anything in the contract that says we can only have one?

Mr. Codagnone

Not that I'm aware of.

Alderman Clemons

Because I know that it's been mentioned, we have very little fiber optic available to the public. I know we have some I think in the south end of the City and it kind of ended. And I think that was Verizon started that and then when Verizon left, that was what was left over. Do you know of any companies that want to bring that type of service to Nashua?

Mr. Codagnone

The next big thing is not fiber; it is more 5G. So the thing that is coming down the road is providing 5G cellular based communications for internet. So they are kind of like micro sites, so rather than having these huge cell towers, they are going to come up with these smaller mesh type networks. They are going to be able to put them on telephone poles and sides of buildings and you know statues. They will probably look ugly on a statue, but – so there's also talk about cities coming up with some sort of Ordinance to say what you can put them on and what you can't put them on. But we are going to start seeing those in more dense areas like Boston or New York City because they are going to get more return on their money by building out those networks. But eventually it is going to come out to the suburbs, the 5G. So you won't even have a cable coming to your house; you'll be getting your internet through the air. You'll be getting your TV through the air. So the whole cable network will be going away eventually. So fiber, in some cases, not a thing of the past, but it will actually be used to connect all these micro sites.

Alderman Tencza

Obviously the cable franchise fees, internet and internet service providers are not included in that, those are separately regulated somehow. Do they pay the City any sort of fee or is it just they pay their taxes which go to the Federal Government and not the local municipalities?

Mr. Codagnone

Right, we don't get anything from – the City doesn't get anything from the internet providers, just for cable TV.

Alderman Tencza

Thank you.

Chairman O'Brien

Any further questions by members of the Board?

Alderman Schmidt

I don't mean to sound stupid, but what does PEG stand for?

Mr. Codagnone

Public Education and Government Channels.

Alderman Schmidt

Thank you.

Chairman O'Brien

And also can the clerk record that we did discuss the PEG Access Channel Fund, 2505, Item 61, 71 and 81 and include that into the minutes of this meeting and therefore cancel any future and consider it a done deal. Thank you for bringing it up; this may have been an oversight, perhaps not, but I hope we didn't jump the gun on it but I'm glad we were able to quickly handle it, while everybody was here. Ok any further questions by members of the Board?

**MOTION BY ALDERMAN CLEMONS TO TABLE R-19-123
MOTION CARRIED**

R-19-127

Endorsers: Mayor Jim Donchess
Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Linda Harriott-Gathright
Alderman Richard A. Dowd
Alderman-at-Large Brandon Michael Laws
Alderman Tom Lopez
Alderman-at-Large Shoshanna Kelly
Alderman Mary Ann Melizzi-Golja
Alderman-at-Large David C. Tencza
Alderman Jan Schmidt
Alderman-at-Large Ben Clemons

AUTHORIZING THE MAYOR AND CITY TREASURER TO ISSUE BONDS NOT TO EXCEED THE AMOUNT OF TWO MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$2,800,000) FOR POLICE DEPARTMENT HEATING, VENTILATION, AND AIR CONDITIONING SYSTEM (HVAC), AND WINDOW IMPROVEMENTS

- Tabled pending public hearing – 4/2/2019

Chairman O'Brien

We have received no additional information on this and it shall remain on the table. We are going to get into General Discussion; I do want to say if I learned to read when I was younger, I would have read the script better. The motion to take from the table had nothing to do with the previous motion, it was to take the budget off the table so my apologies to anybody that had, as us Boston people say, a conniption or something like that. So we are set, so I thank you.

GENERAL DISCUSSION - None

PUBLIC COMMENT - None

REMARKS BY THE ALDERMEN - None

POSSIBLE NON-PUBLIC SESSION - None

ADJOURNMENT

**MOTION BY ALDERWOMAN KELLY TO ADJOURN
MOTION CARRIED**

The meeting was declared closed at 7:30 p.m.

Alderman-at-Large Ben Clemons
Committee Clerk, pro tem