

A special meeting of the Board of Aldermen was held Monday, August 28, 2023, at 7:00 p.m. in the aldermanic chamber.

Vice-President Michael B. O'Brien, Sr. presided; City Clerk Dan Healey recorded.

Prayer was offered by City Clerk Dan Healey; Alderman-at-Large Melbourne Moran, Jr., led in the Pledge to the Flag.

Let's start the meeting by taking a roll call attendance. If you are participating via Zoom, please state your presence, reason for not attending the meeting in person, and whether there is anyone in the room with you during this meeting, which is required under the Right-To-Know Law.

City Clerk Healey called the roll.

The roll call was taken with 11 members of the Board of Aldermen present: Alderman O'Brien, Alderman Sullivan, Alderman Klee, Alderman Moran, Alderman Lopez, Alderman Clemons, Alderwoman Kelly (via Zoom), Alderman Dowd, Alderman Gouveia, Alderman Caron, Alderman Thibeault (via Zoom)

Alderman Jette, Alderman Comeau, Alderwoman Timmons and Alderman Wilshire were recorded absent.

Mayor James W. Donchess was also in attendance.

Vice-President O'Brien

Without any objection on the minutes of the meeting is we can go into the public hearings but then we would have to reconvene and to get into one item that is before us this evening on New Business Resolution R-23-151. So without objection, I would like your permission to skip the public testimony in the beginning and then we'll get back right to it, okay? Any objections?

COMMUNICATIONS

From: Kevin Burgess, BOFC Chairman
Re: IAFF Local 789 Collective Bargaining Agreement

There being no objection, Vice-President O'Brien accepted the communication and placed it on file.

REMARKS BY THE MAYOR

Vice-President O'Brien

At this time, I would like to recognize his Honor the Mayor for comments please.

Mayor Donchess

Thank you very much Mr. Vice-Chairman. I want to speak about R-23-151 which is the new contract between the Board of Fire Commissioners and the city Fire Fighters. This is a fair contract to both sides. One that gives the Fire Fighters raises each year for four years but also includes a new item which the Fire Fighters sought which is a so-called MURPH which makes a monthly contribution and helps firefighters. It will be retained and then helps the individual firefighter cover the cost of medical care between the date of retirement leaving employment and the date when medical care and the pension begin as part of the State pension system.

I want to thank everyone involved in reaching this agreement. The parties negotiated certainly in good faith. Tom Wholey and the union on one hand and the Fire Commission on the other. I want to thank also our people from City Hall – Attorney Steve Bolton and Tim Cummings, Administrative Services Director, who were also very involved with the negotiations.

I expect that this is going to be referred to the Budget Committee and you'll meet on this a little later. I think it's going to have broad support from the Board of Aldermen and will ultimately pass as soon as possible. It is great that we were able to reach the agreement with our hard working firefighters at this point and just get this agreement approved and begun early in the four year cycle. That's all I have Mr. Chairman.

Vice-President O'Brien

Thank you Mr. Mayor. Comments to remarks made by the Mayor?

RESPONSE TO MAYOR'S REMARKS

Alderman Sullivan

Thank you very much. I did notice that the contract was back dated to July 1, 2023. Since this is the first reading, could you please remind me? I understand that we're on the clock now since we have to get this approved. It's not on the agenda for tonight's Budget meeting which would then put it into September. I just wanted to make sure what our timing is on it.

Mayor Donchess

We've worked on the timing which is fine because it's now August 28th. Alderman Dowd can speak to it but there will be a Budget Committee meeting and then I believe this is scheduled would then ultimately be voted on by you the full Board of Aldermen at the first meeting of September which is the 13th and 16 days from today so that is well within the time period that is allowed.

Alderman Dowd

We have a special Budget meeting the first week of September. I'm not sure I'm going to have to talk to Donna. I think it's the 7th but I'll have to check that. It will be the first week of September so that action can be taken by the Board of Aldermen at the first meeting which is on the 13th of September.

NEW BUSINESS – RESOLUTIONS

R-23-151

- Endorsers: Mayor Jim Donchess
- Alderman-at-Large Melbourne Moran, Jr.
- Alderman-at-Large Lori Wilshire
- Alderman-at-Large Michael B. O'Brien, Sr.
- Alderman John Sullivan
- Alderman Patricia Klee
- Alderman Thomas Lopez
- Alderman-at-Large Ben Clemons
- Alderman Richard A. Dowd
- Alderman Derek Thibeault

APPROVING THE COST ITEMS OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE MAYOR AND THE BOARD OF FIRE COMMISSIONERS OF THE CITY OF NASHUA, NEW HAMPSHIRE AND LOCAL #789, INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS FROM JULY 1, 2023 THROUGH JUNE 30, 2027

Given its first reading; Assigned to the BUDGET REVIEW COMMITTEE, by Vice-President Michael B. O'Brien, Sr.

MOTION BY ALDERMAN CLEMONS TO ADJOURN TO THE PUBLIC HEARING BY ROLL CALL

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

Yea:	Alderman O'Brien, Alderman Sullivan, Alderman Klee, Alderman Moran, Alderman Lopez, Alderman Clemons, Alderwoman Kelly, Alderman Dowd, Alderman Gouveia, Alderman Caron, Alderman Thibeault	11
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Nay:	Alderman Lopez	0
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MOTION CARRIED

Special Board of Aldermen meeting adjourned at 7:10 p.m.
Chairman Dowd opened the public hearing on R-23-142.

Tim Cummings, Administrative Services Director

Thank you Mr. Chairman. I believe the sponsor Trish Klee would like to say a few words and happy to speak after her if you'd like.

Alderman Klee

Yes the Board of Trustees have requested this fund so that funds that come in from the – I want to call it the revenue from the Nashua Center for the Arts that we have a place to put that money and so on because that's what the original plan was. The proceeds that came to the city from that would go into this fund that would fund the capital account. That is the basic gist of it. We need it to be a non-lapsing that's why it needs to be an expendable trust fund so it doesn't lapse and it continues to go on.

I think they also if there were any kinds – not that we would expect it but I think if there were any kind of donations or anything like that, that too could go into this.

Alderman O'Brien

Thank you. Through the Chair to Alderman Klee, would this money follow the same basically the requirements of the Finance Committee? In other words, the Performing Arts Center can spend up until \$10,000 in dollars amount?

Alderman Klee

Alderman O'Brien I'm going to have to look to Mr. Griffin or Director Cummings.

Chairman Dowd

I believe the spending authority is Mr. Griffin.

Alderman Klee

Yes that's who it is at this point but I don't know what the dollar amount is.

John Griffin, CFO/Treasurer/Tax Collector

The threshold amount is \$25,000 for a single item in the Finance Committee. Just a little clarity on the mechanics. The revenue will come in from the Trustees of the Nashua Center for the Arts that we put in a general fund. On annual basis, that's what we used to do for the Downtown Improvement Committee. We'll move into this fund. You will appropriate the dollars into this fund and it will accumulate non-lapsing. There will be mechanism to fund future capital needs whenever they appear.

Director Cummings can help me out but I think Spectacle Management is on the hook for any expenditures under \$1,500. Furthermore, the contract between the City and Spectacle lays out the percentages of concessions, the dollar per tickets, and other items that will come in as revenue. I'm not sure if they're going to come in once a year, quarterly, or whatever and then you folks will appropriate the monies the next succeeding budget.

Alderman Klee

Mr. Chairman I can answer that question. It is going to come in on a quarter basis. At the last Board of Trustees meeting, they did determine exactly when it would be coming in and so on and they will be reporting it as such on a quarterly basis. I believe it's the first month after the end of the quarter is when it will be reported and will come into the city. We were very clear that we wanted to make sure we could hang our hat into the timeframe that it would be coming in. They have monies that are kind of sitting there now waiting for this fund to be available. I believe you have set up an account. Is that correct for this money to come into once this fund...?

John Griffin, CFO/Treasurer/Tax Collector

Good question. Thank you. We will be setting up a general fund revenue account. On a calendar basis, we'll calculate what those numbers are and then we'll put it in the next budget resolution and the succeeding budget resolutions to move the money into a position where I or my position is the agent to expend to get the monies over to the Nashua Center for the Arts should it be necessary. Thank you.

Alderman Sullivan

I'm going to save a majority of my questions for the Budget meeting that's going to happen right after this but I just wanted to clarify. Maybe you misspoke but it's a capital reserve fund. It isn't an expendable trust fund. My understanding thanks to Mr. Griffin. Those are different. Those are different types of funds, correct?

John Griffin, CFO/Treasurer/Tax Collector

That is correct Alderman Sullivan. A capital reserve fund contemplates future capital expenditures or an expendable trust fund is for purposes such as city retirement - you'll vote on something tonight – snow removal trust fund, other things that aren't capital but are needed from time to time. Thank you.

Chairman Dowd

All set? Any other questions? All right. We'll go right into the public hearing.

PUBLIC HEARINGS

R-23-142

ESTABLISHING A CAPITAL RESERVE FUND FOR THE PURPOSE OF FUNDING MAJOR REPAIRS, REPLACING FURNITURE, FIXTURES, AND EQUIPMENT, AND MAKING CAPITAL IMPROVEMENTS TO THE NASHUA CENTER FOR THE ARTS FACILITY

TESTIMONY IN FAVOR

Laurie Ortolano

Laurie Ortolano, 41 Berkeley Street. A couple things. This is going to be money coming in from Spectacle based on sales of items and other type things. Did we determine a contract or make an arrangement on getting a dollar off of ticket sales which is one of the items that's part of this? What is the deal for getting that arrangement done? Does anyone know because that's a big one? That's where you're going to get some money. That was, I believe, presented when Director Cummings presented it to us that that was something that could happen. As I read through this, I'll find the part that will tell you that it's something that has to be negotiated and I'm wondering if it has been negotiated. It probably has not yet been negotiated. Okay.

The Spectacle agreement that I'm looking at has a term of seven years from the occupancy date. Do you know why we expired after seven years? Will this fund disappear after seven years? What's the purpose of having this term with Spectacle? Do we intend on no longer having Spectacle manager it after seven years? Why did we pick seven years?

Chairman Dowd

I don't think there's anyone here that can answer that question other than maybe Director Cummings but it's not part of this legislation.

Laurie Ortolano

Well it is because the expendable trust fund is set up under this Spectacle contract. So I'm looking at the fact that this contract expires in seven years and I'm wondering why.

Chairman Dowd

Unless somebody on the Board knows.

Alderman Klee

I do not know why the seven years were chosen but I think the intent has always been that the city would never run this. So whether it's Spectacle, or ABC management, or something I think Director Cummings probably can answer it better. I think the intent has always been to have someone else run this not the city. I think that was almost kind of a promise to the people that the city is not in the business of necessarily running this. So whether it be Spectacle, or ABC management, or whoever it to be I believe that's what it is. Why seven years? I believe they negotiated that seven years per what Spectacle wanted and so on. I don't think any of the residents in the City of Nashua would have

been really thrilled if we did this in perpetuity. I think we had to have and seven years is a really good timeframe for them to get started, understand, and I believe that there is if I'm not mistaken, there's somewhere in the contract that kind of gives them the ability to continue with this and so on. I think that's just part of the negotiations.

Tim Cummings, Administrative Services Director

Thank you Mr. Chairman. The seven year question is one relative to actually falling into compliance with the New Market Tax Credits. So that seven years goes with the New Market Tax Credit compliance period. Honestly, I wanted it to be the shortest period of time. I wanted something like three to five years. We're creating a new market and so we essentially wanted to make sure we knew what the market was doing. We wanted to see it stabilize. Spectacle would obviously like a longer contract. They wanted something more than seven years. We ultimately agreed to have seven years. I thought that would be a reasonable amount of time to have enough data and then we could reassess and renegotiate the contract with Spectacle or any other operator or management group that we may entertain at that point in time.

Laurie Ortolano

Okay. Thank you. I thought it might be New Market Tax Credit.

Another part of this – let's see – have we had expenditures above the \$1,500 that have required us to draw on the money that has been raised so far do you know?

Chairman Dowd

I don't believe that has anything to do with this particular resolution. We're just establishing a capital reserve fund with no funding being talked about at this meeting. It's coming from Spectacle in accordance with the contract. Anything beyond that is not specifically related to this resolution.

Laurie Ortolano

Okay. I want to know there's another part in here that I think is relative and that is "Spectacle shall make its books, records, and files relative to the facility available for inspection and copying by the city upon written request within five business days of the request and maintain the records and the term of the agreement plus three years." How are those – this would be records that you could obtain relative to this contract or this money going in there. Who is the city to make that request? When it says the city can make the request who is that? It's not really a citizen is it?

Chairman Dowd

I would assume it's the Board of Directors.

Alderman Klee

Board of Trustees.

Laurie Ortolano

It's the Board of Trustees?

Alderman Klee

To be honest with you, I'm not sure whether the contract says that. I'm going to assume that it's the Board of Trustees. You were at the last meeting. They report to us everything that they have that is costed as well as the funds that have been received.

Laurie Ortolano

Okay so I would like an answer to that just to be certain what that is under 91-A. I did attend the Trustees meeting and I was happy to do so but I was disappointed there was no public comment allowed.

Okay the advanced reserve fund. Let's see. This is where there's a ticket thing in here. Merchandising. One quick question just so I understand this. The contract that we have for the operating manual which gives us all the pieces of

the utilities. I notice that's not done yet and that kind of feeds into this fund. Do we know when the operating manual is going to be completed? It was supposed to be completed three months before the opening. It's now five months past so we're eight months out. I'm just wondering where we stand on that operating manual.

Alderman Klee

Again, that's not part of what this resolution is but I'll do my best to answer it. We had discussed this at the Board of Trustees and it was even discussed, I believe, at the last Board of Trustees. The outline of it will be coming. They ran into some issues with the – just as we were doing the opening including finishing that night before. They were kind of given a - we know that it's coming and we will get it done. They are working on the manual so that the reason for the operational manual is if someone isn't there or doesn't have to they can just pick up this manual and continue to make sure that everything is running. It was discussed at the Board of Trustees meeting that you were at. So it's not something that's being ignored. While yes we did discuss the fact that it was supposed to be done prior to that, there were circumstances beyond their control.

Laurie Ortolano

Okay the utilities that the city is paying, those will not be paid out of this fund correct? That's a whole separate area? Okay.

They did provide in the meeting a first quarter report and honestly it was good. Concession sales raised \$5,000. Sponsorship sales raised almost \$5,000. So for the quarter, they raised about \$10,000. It doesn't include any ticket money so that comes in that would be great. I would love to see where it said the ticket thing.

Chairman Dowd

The first thing we have to do by this resolution is give it some place to put it.

Laurie Ortolano

Okay. I can't find my little spot that I had it in here. That's okay. I would like to get an answer though to find out what we're doing with coming up with an arrangement where we do collect the dollar on the ticket sales because that would make a big difference I think in this fund if there are even some. Whatever they want to negotiate but if we could get something out of some of those events it would be a lot of money I think to help. Thank you.

Tim Cummings, Administrative Services Director

Good evening. So there are a few anticipated revenue sources that would be used to capitalize this fund. Ten percent of Spectacle's gross food and beverage revenues; 10 percent of the gross sponsorship revenues by the Spectacle; 50 percent of Spectacle's net and branded merchandise revenues; and then we have \$1 per ticket sale as deemed appropriate by NPAC or Spectacle that would be set aside. All those would be capped at \$25,000. So on the upside, you'd be looking at approximately \$100,000 that could get transferred into this fund in a calendar year. That was, again, the model or the anticipated thought process that we wanted to start off with and one of the reasons why I didn't want the contract to go too long is because I think it's something as you get a better understanding of the data and what the market is generating you probably want to revisit this. We didn't have anything other than precedent from other communities to use when we were developing the operator agreement. This was a negotiated contract that we all settled upon these numbers. So that's how we arrived at the various revenue streams for this particular what I would consider deferred capital maintenance plan.

Early on I actually had someone say to me never build something unless you have a way to pay for it and maintain it and that's essentially what this pool does. This is just an asset management plan. The thought process is we just spent a bunch of money to be able to build a building. I'm hoping we'll get quite a few years between warranties and good workmanship so we won't necessarily have to spend down on this so we'll be able to see this money accrue over a few years. It would be there as a kitty so if necessary you'd have it available to you and you wouldn't have to spend monies out of the general fund. Thank you.

Chairman Dowd

Thank you Director Cummings. Anyone else who wishes to speak in favor of R-23-142?

John Griffin, CFO/Treasurer/Tax Collector

For the group here just one note. The City is on the hook of providing the connections for the utilities but as part of Spectacle's agreement, they pay for the electricity, the gas, the water and they accept that. That is duly noted in the contract agreement. I just want to make sure you folks knew that. Thank you.

Alderman Klee

Thank you Mr. Chairman. I want to echo and I was going to make that point. At the Board of Trustees meeting, Spectacle actually even mentioned about how the utility bill was extraordinarily expensive and that was because of the air conditioning unit. The air conditioning unit the proper operation of it had not been turned over to them. It's so sophisticated, they had to be trained on it and I believe they just had that training completed just about a week ago. So they've had to keep it going all the time. It wasn't something they could shut off and turn on. They've been on the hook for quite an expensive utility bill. They even commented on that that they're hoping that this is going to lessen their burden. They really have taken on that expense. It was talked about at the last Board of Trustees.

Just to kind of add to that operation manual, that was one of the issues also recently why they couldn't do it because that is going to be part of how to operate the air conditioning unit. They're not going to put any secret codes in it.

Chairman Dowd

We have to continue with the public hearing. If there's not one else in favor, any testimony in opposition?

TESTIMONY IN OPPOSITION - None

TESTIMONY IN FAVOR - None

TESTIMONY IN OPPOSITION - None

Chairman Dowd closed the public hearing on Resolution R-23-142 at 7:30 p.m.

Chairman Dowd opened the public hearing on Resolution R-23-149 at 7:30 p.m.

R-23-149

AMENDING THE SCOPE OF THE PARK REHABILITATION EXPENDABLE TRUST FUND AND TRANSFERRING FUNDS INTO THE PARK REHABILITATION EXPANDABLE TRUST FUND FROM THE EAST SIDE RECREATIONAL FACILITIES EXPENDABLE TRUST FUND FOR THE PURPOSE OF MAKING INFRASTRUCTURE REPAIRS TO THE SARGENT AVENUE PARK AREA

Alderman Klee

Thank you. I'm just going to give a very brief overview. We do have a letter from Alderman Comeau who is actually the first person on the scene for this particular thing and I believe myself and Alderman Caron have joined in on it. I did speak to Mr. Griffin a little bit about the funding of this particular thing. The reason for this is that the original trust fund, I believe, that was created only allowed for 11 if I'm not mistaken 11 of the parks. At that time, those were the parks that were in the most need. Alderman Caron probably has more information on that than I did.

Since then, the monies have kind of been sitting there and so on have not been used for this particular thing and we have needs in other parks including Sargents Ave. Park the lighting and so on. That's the 10,000 feet kind of overview on it and if Alderman Caron would like to add to that I would appreciate it.

Alderman Caron

Absolutely. Yes I picked these 11 parks and playgrounds because they were in worst shape. In order for us to get the work done, they set up this trust fund. Once the work was done, we had money left over. As Alderman Sullivan talks about these funds, why aren't we using them? In order to be able to use this for Sargent Ave. or someplace else, we had to change this. I think this is a good idea. As I keep saying, we don't take care of our facilities so if we have this kind of money sitting around not that you want to throw it around for whatever but look at St. Andrews playground. I can't tell you how many times we talked about doing it but we never had the money. This is the way to do this and to get this done and that's why I agreed when Alderman Comeau asked if I would co-sponsor it with him and Alderman Klee. I think this is a great idea and it will be used for its purpose. So I think that's important.

Chairman Dowd

Okay. Any questions from the two sponsors? Seeing none, I'll open the public hearing.

Alderman O'Brien

Mr. Chairman before you do that, several references have been made to Alderman Comeau's letter. In looking at the agenda, I don't know if it's been accepted. I would like to make a motion.

Chairman Dowd

I'll accept it at the Budget meeting.

Alderman O'Brien

It will be accepted at the Budget meeting. Then I'll yield to that. Thank you.

TESTIMONY IN FAVOR - None

TESTIMONY IN OPPOSITION - None

TESTIMONY IN FAVOR - None

TESTIMONY IN OPPOSITION - None

Chairman Dowd closed the public hearing on Resolution R-23-149 at 7:35 p.m.

ADJOURNMENT

MOTION BY ALDERMAN O'BRIEN THAT THE AUGUST 28, 2023, SPECIAL MEETING OF THE BOARD OF ALDERMEN BE ADJOURNED BY ROLL CALL

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

Yea:	Alderman O'Brien, Alderman Sullivan, Alderman Klee, Alderman Moran, Alderman Clemons, Alderwoman Kelly, Alderman Dowd, Alderman Gouveia, Alderman Caron, Alderman Thibeault	10
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Nay:	Alderman Lopez	1
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MOTION CARRIED

The meeting was declared adjourned at 7:36 p.m.

Attest: Dan Healey, City Clerk