

BUDGET REVIEW COMMITTEE

A meeting of the Budget Review Committee was held Monday, November 23, 2020, at 7:00 p.m. via teleconference.

Chairman Dowd

As Chairman of the Budget Review Committee, I find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic and in accordance with the Governor's Emergency Order #12 pursuant to Executive Order 2020-04, this public body is authorized to meet electronically.

Please note that there is no physical location to observe and listen contemporaneously to this meeting, which was authorized pursuant to the Governor's Emergency Order. However, in accordance with the Emergency Order, I am confirming that we are:

Providing public access to the meeting by telephone, with additional access possibilities by video or other electronic means:

To access Zoom, please refer to the agenda or the City's website for the meeting link.

To join by phone dial: 1-929-205-6099 *Meeting ID:* 828 8336 4287 and *Passcode:* 524907

The public may also view the meeting via Channel 16.

We previously gave notice to the public of the necessary information for accessing the meeting, through public postings. Instructions have also been provided on the City of Nashua's website at www.nashuanh.gov and publicly noticed at City Hall and Nashua Public Library.

If anybody has a problem accessing the meeting via phone or Channel 16, please call 603-821-2049 and they will help you connect.

In the event the public is unable to access the meeting via the methods mentioned above, the meeting will be adjourned and rescheduled. Please note that all votes that are taken during this meeting shall be done by roll call vote.

Let's start the meeting by taking a roll call attendance. When each member states their presence, please also state whether there is anyone in the room with you during this meeting, which is required under the Right-To-Know Law.

Alderman O'Brien called the roll and asked them to state the reason he or she could not attend, confirmed that they could hear the proceedings, and stated who was present with him or her.

The roll call was taken with 7 members of the Budget Review Committee present:

Alderman Richard A. Dowd, Chairman
Alderman-at-Large Ben Clemons, Vice Chair
Alderman Jan Schmidt
Alderman Ernest Jette (arrived after Roll Call)
Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O'Brien, Sr.
Alderwoman-at-Large Shoshanna Kelly

Also in Attendance: James Donchess, Mayor
Brian Rhodes, Nashua Fire Chief
Dorothy Clarke, Deputy Corporation Counsel
John Griffin, CFO
Tom Wholey, Fire Union President
James Testaverde, Deputy Chief of Police
Pat Hannon, Lieutenant, Nashua Police Department
Kevin Burgess, Nashua Fire Commissioner

ROLL CALL

Alderwoman Kelly

I'm here, I can hear everyone.

Alderman O'Brien

Alderman-at-Large Michael O'Brien is present, I can hear the proceedings and I am alone.

Alderman Wilshire

I am here, I am alone and I can hear everyone.

Alderman Schmidt

I am present and alone in the room.

Alderman Clemons

I am here, I can hear everyone and I am by myself.

Chairman Dowd

Yes, I can hear everyone, I am here alone practicing social distancing.

Alderman O'Brien

Mr. Chairman, you have six members present.

Chairman Dowd

Excellent. The first item of business is Public Comment. Is there anyone from the members of the public that would like to present information on anything being addressed by the Agenda of this meeting?

PUBLIC COMMENT – None

COMMUNICATIONS

From: John Griffin, Chief Financial Officer/Comptroller
Re: Nashua Fire Rescue IAFF Local #789 Unit Collective Bargaining Agreement – Contract Costing

From: Dorothy Clarke, Deputy Corporation Counsel
Re: R-20-088: Correction to proposed collective bargaining agreement between the City and the International Association of Fire Fighters Local #789

From: Dorothy Clarke, Deputy Corporation Counsel
Re: R-20-088 Summary of cost item changes in the proposed Fire collective bargaining agreement

There being no objection, Chairman Dowd accepted the communications and placed them on file.

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS

R-20-086

Endorsers: Mayor Jim Donchess
Alderman June M. Caron
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Richard A. Dowd
Alderman Linda Harriott-Gathright
Alderman Patricia Klee
Alderman Skip Cleaver
Alderwoman Elizabeth Lu
Alderman-at-Large Lori Wilshire

RELATIVE TO THE ACCEPTANCE OF DONATED SERVICES IN THE AMOUNT OF APPROXIMATELY \$140,369 FOR THE PURPOSE OF PROVIDING CELLULAR PHONE SERVICES FOR LAW ENFORCEMENT PURPOSES

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE BY ROLL CALL

ON THE QUESTION

Is someone here to present information on this Legislation? Deputy Testaverde?

James Testaverde, Deputy Chief of Police

I don't have the Agenda right in front of me, this is the cell phones, correct? Yeah I have Detective Lieutenant Pat Hannon this was his brainchild. He will explain it to you briefly. I'll just tell you that the Chief and I and Deputy Rourke are 100% behind it. It's something we have wanted to do for years but have been unable to get cell phones in the budget for investigating purposes. So I am going to mask up and step out of the room and hand it over to Lieutenant Pat Hannon.

Alderman Dowd

Would everybody please be put on mute unless ... there we go. If you'd just give us an over of why the Legislation?

Pat Hannon, Lieutenant, Nashua Police Department

Sure, back in 2018 our Problem Oriented Police Unit had an investigation with the Secret Service and with the Postal Inspection Service. Basically, individuals were stealing people's identifies, opening Sprint Accounts and then purchasing a bunch of cell phones, having it delivered at area addresses in the City. Our POP Unit got involved and were able to seize about 26 cell phones, multiple i-pads and things of that nature. We had reached out to Sprint at the time, back in 2018, to see if we could have those devices and use them if able. They said that was fine with them, so basically donated the 26 i-phone 10's as well as the other laptops and merchandise.

So Officer Rayho who is the lead investigator on that case came to me, I was the Sergeant Detective at the time and said, "hey do we have any use for free new cell phones" and as you are all aware, free stuff is great stuff. So I started looking into it back then. Unfortunately at the time, I reached out to Sprint, it cost \$37.99 I believe a phone line at that time. So it was too expensive for the budget, so I tabled it, told the guy Eric Hagen reach out to me if anything pops up in the future. A couple months back, he reaches out and says that Sprint merged with T-Mobile. When two entities came together, they developed a program called "The Connected Hero's Program". So what that is, it's a 10 year commitment that Sprint and T-Mobile is offering. They are offering it to any public state, local, police, fire and EMS. The program provides unlimited talk, text and data for any smartphones. The only catch is, you have to have phones. Once I reminded the sales person that we have 26 free phones, he was probably a little bit upset that we weren't getting the phones through him but he said that those phones absolutely work for this program. There no hidden fees or costs with it. So essentially it's a – I know we mentioned \$140,000.00 but's essentially 26 free lines for the Detectives.

The important part of it is investigations have come a long way over the years, we have to reach out to victims, witnesses, suspects. We encourage people to go to their houses, but a lot of people aren't answering their phones, so we need to use our own cell phones to contact them when they are not answering their door. Another thing we have noticed over the last couple of years is Wi-Fi texting only. So when Detectives are calling these individuals they don't have calling capabilities. So if we are trying to get in touch with a victim, domestic violence victims, assault victims, things of that nature. Some of them actually can't talk to us on the phone, they can only use text messages. So these phones will allow Detectives to have them on the street, keep in close contact with these victims and witnesses and have that texting capability that we don't now. Certainly, we can text from our own personal phones, but then these individuals would have our own personal cell phones and that's not something that we would want out there.

So that's kind of it in nutshell, I know the cost item looks big but it is actually all free, no hidden costs for 10 years. We can do 26 lines, if we don't like it after a year, we cancel all of them. If five phones break, and we just want 21 now, we use 21. It doesn't matter, we can add or subtract as we see fit. So that's all I've got, if there are any questions, I'll certainly take them.

Chairman Dowd

Does anyone have any questions on this Legislation? Alderman Clemons?

Alderman Clemons

Thank you, it seems like a great program. I was actually a victim to a similar scheme, although my person took my information and they took the cell phones to Lynn, Massachusetts. So maybe if they ever catch them, Lynn will get the same program. But in any case, I think it's great and so I hope that you use this and I am certainly going to be supportive of it. Thank you.

Alderman Jette

Mr. Chairman?

Chairman Dowd

Yes?

Alderman Jette

Alderman Jette, I vote yes.

Chairman Dowd

Anyone else have a question? Seeing none, would the Clerk please call the roll?

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

Yea:	Alderman Clemons, Alderman Schmidt, Alderman Wilshire Alderman O'Brien, Alderwoman Kelly, Alderman Dowd, Alderman Jette	7
Nay:		0

MOTION CARRIED

Chairman Dowd

Alderman Jette joined us at 7:10. Ok, Alderman O'Brien?

R-20-088

Endorsers: Alderman-at-Large David C. Tencza
 Alderman-at-Large Ben Clemons
 Alderman Patricia Klee
 Alderman Jan Schmidt
 Alderman Richard A. Dowd
 Alderman Thomas Lopez
 Alderman Linda Harriott-Gathright

Alderman Skip Cleaver
 Alderman-at-Large Brandon Michael Laws
 Alderman-at-Large Lori Wilshire

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, 2019 THROUGH JUNE 30, 2023 AND AUTHORIZING A RELATED TRANSFER

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE BY ROLL CALL

Chairman Dowd

I think we are just going to have it for discussion so I think that's fine, unless Corporation Counsel thinks otherwise.

Alderman O'Brien

You never know.

Chairman Dowd

Ok, who is going to present for the Nashua Fire & Rescue? Commissioner Burgess?

Kevin Burgess, Nashua Fire Commissioner

Thank you. As most of you are aware, a lot of hard and effort has gone into this negotiation over the last 19 or so months from both sides of the table. Considerable changes have been made since June when the previous agreement failed to pass. I believe Union President Wholey will speak to some of the finer details regarding this, but there are two quick points I'd like to mention.

The first and this is a huge credit to the Union Membership. The wage increases in this agreement before you are at 10% over four years. This is down from 14% in the previous agreement. Second, there's an incentive built in to years 3 and 4 to increase the participation in the City high-deductible health plan. This Union is already in the top 5 of the City's 22 Unions in terms of high-deductible health plan participation. So this incentive will only drive that number higher. The entire Board of the Fire Commission has unanimously voted in favor of this agreement and we are confident of getting the support of this Committee tonight.

Chairman Dowd

Thank you. Is there anyone else from Nashua Fire & Rescue? Yes, Mr. Wholey, identify yourself and you can make a presentation.

Thomas Wholey, Union President, Nashua Firefighters

Thomas Wholey, President of the Nashua Firefighters. I'd like to thank the Budget Committee for their time tonight and all the Aldermen that I've spoken to previously throughout this process. We said back in July and negotiated this contract in good faith. We had the City represented in the room, we had three consecutive meetings and we worked diligently to issue the concerns of the previous TA and the cost items in that. We reduced COLAs by 4%, we brought the contract down to a four year deal, 10% in COLAs and that Commissioner Burgess addressed. We recognized the healthcare concerns, the concerns of the Mayor and we met them half-way. And that's part of Collective Bargaining.

During that time and once we got out of the negotiations, we felt confident that both sides of the room met in the middle. We are here tonight to ask the Budget Committee to pass this contract with a full recommendation to go to the final passage tomorrow night. The HSA Language, we are the first Union in this City to lead the charge in that and putting it into our contract. No other Union in this City has HSA Language in their contract. We are proud of that because we understand the concerns of the taxpayer. And that to us is bridging the gap, you know, the Mayor asked for healthcare concessions, we answered the call like we do every day on the front lines for this community. We serve this community proudly, professionally, we adhere to adverse times. You know, I was quoted in the Union Leader of the Opioid Epidemic, yes, we stepped up, we answered the call.

We are in a pandemic right now, and we are answering the call. Our firefighters are out there every day on the streets providing a tremendous value to this City and we just want, at this point in time after two years, to be recognized for the services that we provide. This contract is not costly, we reduced it down and I have met with all the Aldermen and provided informational packets. We reduced the previous TA by almost \$500,000.00 in cost items. We recognize our retention issue and that's why we appropriate a grid box raise. And if you're all familiar with how we get paid it's years of service and certification. With that, we recognize all members of our Collection Bargaining Unit with over 10 years of service to the City serving it proudly and giving them their appropriate attention. That way we can continue to have the seniority on this job which is tremendous in our workforce, because it's someone we can rely on.

Like I said about the HSA, we understand and we already have the most membership participation within the City for City employees. In 2019, healthcare was not on the table. When I became Union President when the negotiations – I read the unaffiliated deal that was given to them for healthcare and I said, well can I meet you halfway, can you not paint our members into a corner and force them out of their HMO's? And we did so proudly and we recognize Health Savings Account. And we are going to take the lead in our organization and push our members which every member that goes to that Health Savings Account, we save the City money, a tremendous amount of money. I understand the Mayor's concerns now with the pension, and the trickle-down effect that you all are well aware and the representatives in the Budget Committee that work upstate, and we appreciated all your efforts. 10 years ago, that was also dealt to us. Our costs went up for the employees. We are 11.9%, we feel your pain and we feel your burden.

Since 2019, and we are going on almost two years, 19 months without a contract, we feel it is time to pass this contract. We made huge concessions, like I said. The previous contract was costly and when I met with all the Aldermen, well most of you and spoke to you and handed out those packets so you had the information in front of you to see what the deal was. You know, you're looking at 3.5% in the first year, a 2.5% in two-tuos. The previous contract that has expired, we took a zero in one of the years. Since I've been on this Fire Department serving proudly for 17 years, and working out Amherst Street currently, Engine 1, Ladder 1, I can tell you we always put the constituents first. We think about the taxpayer. Since I've been on this job and working for the City, we have always staggered raises, taken zeros, and this time it's, I feel like this contract is fair and equitable for all on both sides.

Our negotiation team, like I said, wanted to reduce the cost of this, bridge the gap with healthcare and we did that. I appreciate all your efforts in passing this contract, I am very hopefully and optimistic that it will go through. The last thing we want to do is go back to the table. And after two years, our firefighters serving this community the way they do, and say we are going back to the table. I just don't think that's a respectable option at this point. I appreciate your time on this. I understand now with the new pension rates, the information I provided to the Aldermen, that it shows that the contract cost is going up and the Mayor is going to touch on that. But like I said, that pension issue was dealt to the employee as well. You know, and we did everything we could. The previous TA with reducing the cost and bringing that down, we recognize that. And it's now less money than the previous one. I mean we are looking at \$500,000.00 to \$600,000.00 difference from the previous TA that was before the Board of Aldermen.

And to me that says a lot, you know? We serve the City proudly, we represent our families every day, when we negotiated this as well because at the end of the day, this is our livelihood. I appreciate your time this evening, I am going to continue to advocate for my membership. And tomorrow night, when I address the full Board of Aldermen and I hope, again, I am very optimistic, I hope it is going to get full support out of them and out of all of you this evening, you know? Like I said, the numbers are there, the facts are there and it's just concerning every time we are up for a contract, there's always funding issues. And I just think after almost 2 years and this is the second round of this deal that we recognize that and we recognize the concessions that our firefighters have made and we appreciate what they do every day for our community. So thank you.

Chairman Dowd

Thank you. Is there anyone from Nashua Fire & Rescue that would like to speak and I see the Chief waving his hand. Chief Rhodes?

Fire Chief Brian Rhodes, Nashua Fire Department

Good evening and thank you all for this opportunity to speak with you. Tom is spot on. The previous TA that came before the Board and the Board said "no too costly, maybe go work on these things". And to Tom's credit, when he came in as Union President, he embraced that and said, "Ok, how do we get to yes". And he worked hard, he worked hard with Financial Services, he worked hard with his members, he worked hard with the Administration and Fire Commission.

I've been a proud member of this organization for over 3 decades. There's never been a good time for Nashua Fire Rescue. I'll say that again, there's never been a good time for Nashua Fire Rescue. But the members of Nashua Fire Rescue continue to step up day in and day out. Now administrations change, priorities change, none of us have a crystal ball but we do have a memory. The healthcare concession, some on the Board may remember some may not, we spoke about this before. Firefighters were asked to make concessions in one of the last contracts; they did. I was a member of Local 789 at that time. We had to come out with money out of our pockets after the deal was made, yet they let other Unions in the City use accrued sick time.

Firefighters in our City have not, will not, do not have the option of working remote. They don't. They are stepping up to the challenges every day, they stepped up to the challenge of the Opioid Crisis, they stepped up when we started to enhance skills and protocols with EMS, when we started carrying glucometers so we can start diagnosing quicker when once we get on scene for people with diabetic emergencies. We started with the administration of – help me Tom, what am I thinking about?

Chairman Dowd

Narcan.

Fire Chief Rhodes

No, well Narcan.

Mr. Wholey

Chief, we stepped out tremendously with protocols. Our working conditions have changed and what I mean by protocols, I mean our emergency service care. The Chief is right, we provide now Narcan with an opioid kit, we never carried that before. Narcan yes, you can buy it at the store and give it to someone that's overdosed. But if you're not properly trained, the adverse effects are vomiting etc., and right there is a risk to our firefighters. So we took that very seriously and through the protocol system, through the Emergency Medical Director at the hospitals that are licenses are, we were trained on that. And then we were trained on Epinephrine for allergic reactions, so we now draw that in a vial which is also a risk to our firefighters, we have live sticks now. And we carry that medicine but we carry that because our community needs us. And then we carry aspirin and I know you think that's a simple thing, but you've got to know what you're doing because it's a protocol for chest pain, cardiac arrest. So you've got to look at that; at everything during without working without a contract and implementing these changes, because we are answering the call for the community constantly; the community's needs.

We touched on the last contract and there was a driving force of safe stations. Safe Stations we answered the call because we opened our doors to combat the opioid epidemic, because we were struggling in the streets with continuous overdoses daily, hourly. So we said, how do we combat this? So we opened up the doors to the Fire Houses. We are constantly changing the way we do our job. COVID-19, our firefighters came to work every day during this pandemic, putting their family's lives at risk as well because of exposure issues. We had Google Docs come out every day on the safety and how to tackle this challenge. And you've got to look at this, it's just an ever-evolving job now. We have highly educated firefighters on this job, we have Lieutenants with Master's Degrees, Bachelor's Degrees, firefighters constantly trying to get more education because the fire service has changed and when you are putting this highly educated professional organization on the streets, we are just asking, "Can we get a contract, can we get a cost of living adjustment, can we provide for our families".

And like the Chief is touching on, all the changes that we've done within our organization, we are still going to building fires, we are still answering box alarms and we are still answering the service calls. We are not here asking for a pay raise because of our job, because of what we provide for the community, we are just asking for the respect and dignity that any employee deserves.

And this was Collective Bargaining at its finest, we met in the middle of the table and this was negotiated in good faith and with City Representatives in the room and the Mayor's Office in the room. This administration, Board of Fire Commission, we had three meetings and we wanted to get this contract completed.

Chairman Dowd

Thank you.

Chief Rhodes

Thank you, Tom. I apologize for the brain cramp on the Epinephrine. But I guess my point I'm trying to make here is all of these things, these new initiatives and protocols and such that the firefighters have undertaken, they equate to positive outcomes to our community and our citizens. We received the American Heart Association Gold Award for our care of cardiac patients for the 5th year in a row. We've had two of the last three fires, we saved family pets out of both of them. Thank goodness we didn't have to go in for humans. And people may say, "Oh ok it's a pet". Well family pets are a multi-million if not billion dollar industry in the United States of America. So if we can keep our taxpayers happy, I think that's a good thing. So I am going to leave it at that, at this point, I mean I cannot speak highly enough of the job that Tom and his team did and I want to thank Corporation Counsel, Financial Services, the Commissioners because, again as Tom said, this was truly a negotiation. This wasn't the City that got whatever they wanted and the Union didn't get whatever they wanted, we kind of met in the middle. So thank you very much.

Chairman Dowd

Anyone else from Nashua Fire Rescue?

Commissioner Burgess

Yeah I just want to say thank you again to the Budget Committee tonight; thank you Lori Wilshire for your time that you took with me, it was a pleasure. I appreciate everyone listening because I'm not speaking for Tom, I am speaking for 165 members. And I do proudly, because I am their voice when it comes to this issue because I represent not only them but their families. And I want to thank you for your time; I look forward to speaking tomorrow night again on this contract and like I said, again, we put the citizens first here. We didn't go, we recognize the costly items of the previous contract and we reduced the cost like the Alderman asked. Thank you.

Chairman Dowd

So anyone from the City that would like to speak? Mayor?

Mayor Donchess

Mr. Chair, thank you very much. Well I, of course, agree with much of what Mr. Wholey, Chief Rhodes have said about the dedication of the firefighters and everything they've done for the City. They served the city well during COVID-19 and yes they have been on the front line and been exposed as have a lot of our other groups of employees. I know the dangers of COVID, I've had it myself from a workplace exposure. And my wife is still suffering permanent damage because of it. So we've all faced that. But the firefighters have done a good job for the City for a long time and I do appreciate it.

But I think what our citizens and I will talk about a few of the financial challenges we are facing. What I think our citizens want and what we want, is to have a contract for the firefighters that is fair for them and fair for the hardworking taxpayers of the City under the very trying circumstances that we are facing right now. Our people, our taxpayers, our residents need, they want a fair contract, they need us to be cautious in terms of the commitment, long-term commitment of contracts and costs which greatly exceed the cost of living especially in these times with the challenges, again, which I will get to in a moment.

And, of course, I think everyone, our taxpayers, our residents, deserve us and me to be straight forward about what we are committing to. So I am going to be straight forward with you now. Now if the only raises in this contract were the 10% COLAS that have been referred to, then I support it. Again, if all that was there were the 10% raise over four years that has been described I would support it. In fact, we offered more than the 10% last December; we offered 11% in COLAS. That wasn't agreed to; fine it takes two parties to make a contract, 11% was not acceptable. There are raises in this contract that are not included in the COLAS and when you include those additional raises we are talking about 15.5% over four years.

In my opinion, if we approve this contract, we will create an unsustainable budget. We will be raising taxes to a degree way beyond what I think people can afford. And we will probably, we will either face a major tax increase in the future or next year or a service cut. Again, I think the 11% we offered was reasonable, certainly we would accept 10% and the firefighters clearly deserve a raise which the City did offer them. But now we are facing a number of financial challenges; four major financial challenges, unprecedented really. First of all, we've got COVID-19, the first pandemic in 100 years. It has already increased City costs, it will do so in ways that we don't even know yet and will have an impact on City finances and City services. Second, we have the challenge of rising healthcare costs. We saw an increase of \$3.3 million dollars last fiscal year and \$3 million dollars this fiscal year; \$6 million – this is of course a benefit to employees we understand that. But when you combine those two, it's about a 20% increase. That alone, that one line item, those two increases I just mentioned, a little over \$6 million dollars, that's 3% - equates, is equal to almost 3% on the tax rate.

So if we look back over the last two years, taxes have gone up 2.6 and 3.9, about 6 ½ nearly half of that, nearly 3% of the 6% is related to healthcare. If we had healthcare at the cost of living, the tax increases for the 2 years would have been about half of what they were. But we have a plan and we have and you asked us for a plan and rightly so – you the Board of Aldermen and rightly so because this is a rapidly increasing cost. So we came up with a plan that increases deductibles for drugs to some degree and deductibles in other areas which now we have implemented across about 4 or 5 groups of employees. You haven't seen them all yet, but you've seen some of them. The Board of Public Works just approved the inclusion of those health care changes for the UAW Employees today, that will be coming to you at the next meeting.

You've seen others, Communication Workers and others that have agreed to it. Now if we can get this healthcare reform in all employees for all employees, it will do two things. Number One – it reduces the payroll deduction that employees have to pay when we put it in force for City Hall workers, it reduced their weekly payout for their portion of the healthcare, their 20% portion. It reduced their portion by over 10%. But it also reduced City cost. Now the trouble with the healthcare agreement in this contract is that it doesn't conform with what the City is looking for and, in fact, increases our health care costs, not decreases them. It increases healthcare costs over what we are paying now. If this became a model for all employees, we would see healthcare costs escalating even more rapidly than they already have been. And I think it is entirely reasonable that if we are giving a raise of 10% or 11% or 12% over four years, that we can I think fairly ask for a healthcare concession that other employees are agreeing upon, because if we want to save the money for employees and for the City and for our residents, we need to have the healthcare changes for all employees, no exceptions, no exclusions.

Who wants to be opposing a firefighter's contract? I've supported many firefighter's contracts in the past and have endorsed many firefighter contracts and certainly I don't like doing it. But I think that I have a responsibility to the residents to the hardworking taxpayers of the City as well as to the firefighters to come up with a fair contract. Just to return to the facts, there are raises in the contract in addition to the COLAS. The total raise is 15.5% over four years. Mr. Chair, you and others, maybe you I forget exactly who, I have been sounding the alarm, pardon the pun, over some of the increases that have occurred already. I expressed reservations about one of the Police contracts, which was 11%, the last supervisors contract, 11% over four years, 2 ¾% on average a year. At that time, we talked about the need for uniformity. Now it was a little more than I thought we could afford because of this healthcare problem; this was pre-COVID, pre the pensions and everything else.

I said at the time I thought it was a little too much, I did veto a civilian contract in the Police Department which you overrode, but when it came to the Police Sergeants, OK 11%. We talked about uniformity at the time. So that's how we got to the 11% that we offered the firefighters last December; uniformity, Police Sergeants got 11% and that's what we offered the firefighters and that's still on the table. Now what are these financial challenges in the addition to healthcare? We now know that our pension costs are going up by \$4.4 million dollars next year. That is a huge hit. Number Two, we learned in the last week or so that our school aid is likely to go down about \$6 million dollars. That's been announced recently and the Department of Education has sent out the figures. That is a \$10 million, \$10 million dollar hit from the State of New Hampshire. \$4.4 plus the \$6, \$10 million dollars, that is a 5% tax increase before we get to the budget. A 5% tax rate increase before we get to our own budget.

So I think under those circumstances where we are looking at what 8%/9% tax increase next year, we really need to be careful and we cannot, in my opinion, approve for any group of employees a 15 1/2 raise with a healthcare provision that causes City costs to go up, not down. So as hard as it is and I wish we could wish an agreement with the firefighters, I think 10% COLA, 11% no problem. But I think under the circumstances, 15 1/2% is too much. And is more than we can afford, that our taxpayers can pay. So with all due respect, Mr. Chair, to our firefighters who yes have done a good job for the City and I know will continue to do so regardless of what happens here, because they are professionals and have demonstrated that many times. So Mr. Chair, I think I've made my thinking clear and I hope that you will consider the fairness to both our residents, and taxpayers and fairness to our firefighters.

Mr. Wholey

Mr. Chairman can I have one second for what the Mayor stated about the 15 1/2 %?

Chairman Dowd

Yes, go ahead.

Mr. Wholey

He's taken a number and it's not 15 1/2% for all employees or all firefighters in that contract. That's a retention issue that we are addressing with anyone of 10 years of service or more and it's a certified level to even achieve that. That means they have to get educated and get Certified on our pay grid. So not everyone is going to get a 15 1/2 % and that we recognize and we understood about the cost items in this contract. So he has taken that number and he's not giving all the facts on it, that's not in the entire contract for all employees it's a small amount. So I just want you guys to understand that.

Mayor Donchess

Well Mr. Chair, it's an average, it's the average. So some employees will get more some will get less, but the average, payroll will go up 15 1/2 %. Talk to. John Griffin, the cost of the contract, as did Ms. Kleiner. There are things in there besides COLAS.

Chairman Dowd

Mr. Griffin, did you have something to add?

John Griffin, CFO

Thank you, Mr. Chairman. I concur with the Mayor that if you look at the two lines in the costing which is includes the in grades, as the Union President indicated and the COLAS. The summation of those amounts equal that amount that the Mayor referenced. So at the end of the day, the amounts are paid out as part of the contract.

Chairman Dowd

When you're talking that upper level percentage, are you talking about if they reach all the goals that they set for the high deductible?

Mr. Griffin

If I may, Mr. Chairman, John Griffin, CFO. The contract contemplates an attainment of certain percentages towards the HSA subscription. That particular contract is \$191,000.00 more than the one that doesn't have the HSA number. The \$191,000.00 is compared to the expected savings in the costing which is roughly \$83,000.00, so that would be a \$97,000.00 increase if the Board chose to approve the contract with that incentive in place.

Chairman Dowd

Ok do any of the Aldermen have questions on the contract? Oh Chief Rhodes did you want to say something first?

Brian Rhodes, Nashua Fire Chief

I did thank you, Mr. Chairman. Brian Rhodes, Fire Chief, Nashua Fire Rescue. The reality of this 15.8 number, that's a worst case scenario. That means every member is going to take every certification, is going to do every type of training to get to that number. And I can guarantee you, that will not be the case. That's not the case today, it has never been the case. But if we're trying to figure out a budget, we have to go worst case scenario. Again, I'll go back to the other deal was a little too rich for the Board, understand it, I'm a taxpayer as well. I understand this. But they listened, they worked through what the Full Board of Aldermen asked them to do and I think this is fair and I think my people absolutely deserve it. And I'm not just saying that because I'm the Chief and I'm supposed to say that. I am saying it because I believe it, because I've been employed by the City, as I said, for a long time. And I think going forward, you know what the costs are going to be for this contract. What about all the other contracts that have already been passed and all the adjustments that need to be made to those contracts? This one here is a given. Again, I thank all of you, I appreciate your time and I hope we can have your support. Thank you.

Chairman Dowd

Thank you, Chief. Members of the Committee? Questions? Anyone? Alderman Jette?

Alderman Jette

Yes, thank you Mr. Chairman. This is a very, I find this to be a very difficult issue to get a full understanding of. I mean the differences between the numbers that we've been given by President Wholey and the numbers that we've been given by CFO Griffin you know vary considerably. I don't know how we get to an understanding of whose right and who is wrong? President Wholey talks about a 10% overall increase and that's, you know, I look at the proposal, the proposed contract and I see under Article 13 – Salaries, an increase in fiscal year '20 of 3.5, '21, 2.5, '22, 2.0, '23, 2.0 that adds to 10% divided by four it's 2 ½ % per year which seems like a reasonable number to me.

But when I look at Article 13, for Fiscal Year '22 it says 2.0 but then it says that there's a possible .5% increase to that and then it talks about adjustments to different steps and it talks about 25, not 30, 30 plus and it talks about it could be an overall increase of another 1%. I don't know if President Wholey could help explain to me, a lay person who, what does that all mean? Is it 2.0% or is it 2.5 plus 1, that would make it 3.5. And how do you answer CFO Griffin's numbers? I am making an assumption but I'm not sure if you've seen them, but how do you explain the difference with the numbers that he came up with as opposed to what you're telling us? If I could, Mr. Chairman, through you?

Chairman Dowd

Yes, Mr. Wholey?

Mr. Wholey

Yes, thank you Alderman. The ½% you see in '23 is the HSA incentive we negotiated, so we have a certain number of participation which is the highest level in the City for our Fire Department across the board for employees. It was to entice members to switch to the HSA and we were going put the ½% if we reached 70% HSA participation. We wanted to incentivize it because we all know throughout the City the Health Savings Account is where we need to go to save money in healthcare. To drive that home to my membership, we negotiated a 1/2 % raise if we reach 70% participation. We then negotiated in the final year another ½% if we had 75% participation. I worked with Rose and the contract analysis breakdowns were done by her in assisting us. I appreciate all her efforts, she's a wonderful person and she took a great deal of time with us because she cares too and she wants to see this contract move forward.

Like I said, we broke that down and all the numbers that I provided to you were done by her, with us in the room to explain what we negotiated. So if we don't reach the 70% then no one gets a 1/2% raise that year, if we don't hit the 75 no one gets that. And then anything else you see in there that we've been addressing this evening with the grid raises, like the Chief said, that's worst case scenario and everyone needs to be certified and have a level of years of service. And we only recognize in this contract because of – is 10 years and plus. Because again if you talk to the Fire Chief we are losing firefighters constantly to other cities and communities and we are trying to adhere to a retention issue. So if you stay longer, you will get paid more. And not only that, but we are trying to address the way we negotiate too moving forward, that way these paid grade increases, so the next time we negotiate, we are not worried about COLAS. Because, as a matter of fact, if you look back over the years, we haven't had a true COLA in the in the last 10 years if you average it out in the national average. That last contract as I said, we took a 0 in one of the years. And I can tell you right now there's an 8 ½ over 4 in the last one but when healthcare for the employee costs went up, we lost almost 2% of our salary.

If you go to the HMO and we talk about the HMO we did the average of the HMO changes, the Mayor was touching on about the unaffiliated, and the UAW's, that's a 3.8% reduction in salaries for the employee. So we are just trying to bridge the gap and we recognize the concerns here with healthcare and driving home to go to a Health Savings Account. Not only that, but we are the first Union to put that language in their contract. And like the Chief touched on, the last time healthcare was an issue, we retroactively paid back the City. We were the first ones that had to adhere to that and then other Bargaining Units within the City were able to use accrued sick time. Again, in 2019 with President McCallister was in my position and I have his notes, healthcare was not on the table. So this, we are almost two years out, and now healthcare is. And the Mayor talked about COVID-19 and the finances and everything else. And we understand all that and that's why I said we reduced cost from the previous TA by a significant amount of money. I have, like I gave out the packets, we broke all that down. All the information I gave you was worked on with Rose from City Financials.

Chairman Dowd

Thank you.

Alderman Jette

Could I follow up? The last time we talked about the contract, I can't remember when that was, I heard somebody say June. During that time, I had looked at Collective Bargaining Agreements for other Fire Departments and I said at the time, it appeared to me that our Nashua Firefighters were being paid better than other Departments in the State and even in Massachusetts. I admitted that I had done quick research, I didn't pretend to have done an exhaustive study.

But I encouraged the Fire Commission and the Commissioners and the Union when they came back, you know, to come back with information about that. When you talk about providing incentives for the higher ranking members of the Department, if we are already paying more than other Departments is it really necessary for us? I mean I understand COLAS and I understand keeping up with inflation. But the rate of inflation has been 2% or under. In other Departments, their increase in COLAS has been around the 2% number and so when I look at the 10% over four years, 2.5% seems reasonable to me. But I wonder why – do you have any answer to my question about how we are paying our firefighters compared to other Departments? Manchester has a much larger Department, has more fire stations, but their budget is well below ours. Do you have an answer to that?

Mr. Wholey

President Wholey of Local 789, the only thing I can say to you Ernest is if you go through those contracts that you are comparing these have these implemented – their salaries are more than what is stated. There is other incentives, there's other things they look at what they provide for the community. Like when you look at Portsmouth, they recognize education incentives. So if you have a Bachelor's Degree or Master's Degree you get more money. So when you look at the contract and the salaries in there and what they are getting for raises and you say, "Oh we pay more than then". Well comb through that and you'll see other incentives, like I said, for education. We don't recognize education on this Fire Department in our contract. We recognize tuition to a degree but we don't recognize when a Lieutenant has a Master's Degree or a Firefighter has a Bachelor's Degree. We don't get money for that.

So when you go through the other Departments and I understand, I think you did a great job of looking them up, but you've got to comb through it. Like, again, I'll recognize Portsmouth, their paramedic level, they run ambulances. They get their paramedic license paid for plus an incentive once they get it completed. And that's what a lot of Departments do and I know you're looking at Manchester. But if you go through there and you look at their most senior firefighters, their salaries have other things built into them. It's just the way they pay their firefighters in the other communities. And again, I don't like comparing because I work for the City of Nashua and I know our value and what we do for our community and our citizens. So thank you.

Chairman Dowd

I would just add that having been in many negotiations when I was on the Board of Ed, it's very difficult to compare cities in New Hampshire because the contracts are all different, they get paid differently, even ours get paid differently. Like the education, the teacher's contract they get more money if they have a Master's or a Doctorate's degree. So you have to look at every aspect of the contract and it's not as easy as you think to do. I just want to state that. Anything else, Alderman Jette?

Alderman Jette

Yeah could I just kind of ask CFO Griffin to explain how he came up with his numbers? Why are his numbers different than President Wholey's and Rose, I can't remember her last name, but I assume he's talking about someone that works for you, CFO Griffin.

Chairman Dowd

Mr. Griffin?

Mr. Griffin

I'd be happy to Mr. Chairman. As Chief Rhodes said, the way we cost this out is the maximum possible payout. We don't guess at whose going to be certified, when they are going to be certified, etc. So working with my colleague Rose Evans, we did a couple things. One is we figured out what the Union and the Fire Commission wanted to do with the 20 not 25, 25 not 30 and the addition of the 30. We costed that out and that's shown on the second line under the base salaries and that's called in-grade increases.

That number has gone up from the last time you saw that contract in June. So that number has gone up without the HSA it says by \$243,000.00. The COLA has been reduced by \$500,000.00. So the net effect of this contract the affordability of this contract is \$250,000.00 less than the one you saw in June. I'm not sure what Mr. Wholey gave out to you, I can definitely take a look at it. But the costing that I am in charge of in, Financial Services is in charge of the costing, working very closely with Admin Services on the medical and my understanding of the NH Retirement System's employer cost.

So the interesting part of this Alderman Jette is you have received two costings, one with the incentive which adds .5% in years 3, Fiscal '22 and then the other .5% in Fiscal '24, the fourth year. That's the half of a percent that you're looking at. So it's essentially a half a percent in year three and 1 percent in year four because it is embedded in the COLA. That value is \$191,000.00 more with the incentive than without the incentive. The savings projected – one final point on the savings, the savings don't equal the additional cost. So from a financial perspective I wouldn't recommend trying to attain a percentage to give everybody else a .5% increase. That's my financial perspective on that. So again, in summary I haven't seen what has been handed out but I am very confident and comfortable with the costing that my Division is required to provide to the Board of Aldermen. Thank you.

Chairman Dowd

All set, Alderman Jette?

Alderman Jette

Yes, thank you.

Chairman Dowd

Anyone else with questions? Alderman Lu?

Alderwoman Lu

Yes, thank you. As a new member of the Board of Aldermen I just wonder if someone can clarify for me that the Budget Committee is being asked to approve an agreement between the Mayor and the Board of Fire Commissioners, but there doesn't seem to be an agreement. So if I could just get some clarification was this not really agreed upon? Because at times we've been told, well we were told many times that this was an agreement with, I can't think of the term. But is this an agreement that has been made between the two parties or not?

Chairman Dowd

No, all City Contracts have a place for the Mayor to sign them after they go through the Board of Aldermen. If they are approved by the Board of Aldermen, the Mayor can take various actions. He can approve it and sign it, he can veto it or he can approve it just by not signing it, I think if it goes 10 days I could be wrong and if the Board of Aldermen approved it and he doesn't sign it and takes no action against it, it's approved. So those are the three actions. But every one of the Collective Bargaining Agreements has a signature line for the Mayor at the end of it.

Mayor Donchess

Mr. Chair could I give a brief response on this just to clarify?

Chairman Dowd

Certainly Mayor, since it's your signature.

Mayor Donchess

This is an actually an agreement Alderwoman Lu between the Fire Commission, they are an independent Board elected Board pursuant to the Nashua City Charter. So it's essentially a proposed agreement which the Fire Union and the Fire Commission have agreed to and they are asking the Board of Aldermen and the Mayor to some extent to also agree with and approve this as a financial commitment for the City.

Chairman Dowd

All set Alderman Lu?

Mr. Wholey

Can I add to that Alderman Dowd. That was a tentative agreement with the City and that's what is before you now.

Alderwoman Lu

Thank you. And so one of the stated parties is actually representing the City? It's either the Board of Fire Commissioners or the Local?

Chairman Dowd

In the negotiations, as I understand it and somebody correct me if I'm wrong, you have the Union, you have the Fire Commissioners who sit down and talk and I believe Attorney Clarke represented the City in those negotiations.

Mayor Donchess

I think she represents the Fire Commission, if you ask her.

Chairman Dowd

She's nodding her head so I am going to assume that's a yes. We sometimes we get into convoluted relationships with our attorneys and different Boards, long story. Anyway, I am going to also go out on a limb and say representing the Fire Commission Attorney Clarke you made sure that everything was legal as far as the contract was concerned?

Attorney Clarke

Yes, my role was assisting the Board of Fire Commissioners in the negotiations. They are the employer Board for this group of employees. And so what's interesting, the City is actually at different times represented by different entities and so in this case they, as the employer Board for these employees, they are sort of the first step of negotiating with the Union to get a tentative agreement. And then once that's ratified by both the Union and the Board of Fire Commissioners, it comes to the Mayor and the Board of Aldermen to approve the cost items which is the step it is at now.

Chairman Dowd

Yes good point; I just want to point out that in these contracts that we are approving, we can only take action on any cost item not anything else. The other thing I want to point out is like when we deal with the Board of Education, they have their own Attorney that does their negotiations and that attorney, I can't think of his name off the top of my head, but he represents the Board of Education and our Corporation Counsel represents the City in those type of negotiations. So it's a little different on some of these Labor Boards. Are you all set, Alderman Lu?

Alderwoman Lu

Just one clarification, thank you. Because several times it's been stated that the bargaining was done in good faith and I just want some clarification because that seems to keep being repeated. And I guess I would feel like it's important if we are just here to approve the contract that was made by two legitimate entities representatives of the City. But the description of this says it's negotiating in good faith, it says that it's between the Mayor and the Board of Fire Commissioners. So did, in fact, the Mayor and the Board of Fire Commissioners arrive at this agreement? And as I said, I'm new to this.

Chairman Dowd

In this instance there is a little disagreement between and I'll let him speak for himself in a minute, the Mayor and the Fire Commission. The Fire Commissioners are established by City Charter. They oversee the Fire Department and that includes the budget. So when they are approving a contract, they are taking their budget into account as well. We, as a Board of Aldermen, get to approve any cost items and ultimately the budget. So what they are asking us is to approve the contract that was negotiated between the Fire Commissioners and the Nashua Fire Rescue. And if we have specific questions about any of the cost items, that's what we are here for tonight and everyone votes either in favor or not in favor of the contract the way it is currently presented. We can't make changes to it.

Alderwoman Lu

Well I guess what concerns me is that the Mayor says that this is an agreement and that the Mayor is a party to the agreement and yet he doesn't seem to agree?

Chairman Dowd

Well as I mentioned before, if the Board of Aldermen agrees to the contract, the Mayor has three courses of action.

Alderwoman Lu

OK.

Chairman Dowd

Are you all set on that Jim or do you want

Mayor Donchess

I mean I don't know what Alderwoman Lu is looking at but this is a tentative agreement, as Mr. Wholey said between the Fire Commission and the Fire NFR, the Local. And it goes to the Board of Aldermen in the first step. They have to approve the cost items, I have a role in it, in the sense that as the Chair said, I can take several actions. But ultimately I think what is meant there is that if this all approved in the end, there is an agreement between the City, if you, the Board of Aldermen, ultimately approve this thing after all these steps, then the City not just the Fire Commission, then the City after approval by the Board of Aldermen at the final stage, there's an agreement between the City and the Local and I as the Administrative Head of the City sign contracts. I suppose at that point, there would be a contract, if it was finally approved by the Board of Aldermen that I would have to sign but I have told you my opinion now as to what I think and the reasons for it.

Chairman Dowd

Ok, are you all set Alderman Lu?

Alderwoman Lu

I just want to say thank you, Mayor Donchess, that helps clarify. As I said it was a thought and I'm new to the process. Thank you. I thought that you had agreed initially to this contract. Now I'm all set.

Chairman Dowd

Alright, any other Alderman, Board member or not, Budget Committee or not. Anyone have any questions? I'm not seeing any.

Alderman Jette

Chairman? Mr. Chairman?

Chairman Dowd

Nobody else is, because you had one slice at the apple, if nobody else wants to speak you can go ahead Alderman Jette?

Alderman Jette

Ok that previous discussion just reminded me of a conversation I think, I'm not sure if I had it if it was just me and the Mayor talking or if it was the Mayor talking to a larger group. But I kind of recall his saying that he had formed a group to help in these Union negotiations which included Director Kleiner and some other people from the Administration to help present the City Administration's point of view in these Union negotiations and that the Fire Commissioners if I remember correctly, he said that the Fire Commission would not accept the participation of that group. If I could ask him to clarify that?

Chairman Dowd

I'll let him clarify but it's a little outside of the scope of what we are dealing with tonight because that was an effort to put together how the City is going to negotiate future contracts. In fact I was asked to sit on that, we had one meeting and then COVID hit. Mayor?

Mayor Donchess

So recall that we've been discussing how various contracts effect City finances for some time. And a year or so ago we were talking about healthcare costs and there were two police contracts; one civilian, one supervisors. At that time, and previous to that as well, I and some members of the Board of Aldermen had been talking about the need for uniformity. That we couldn't have these contracts all over the place, you know, one contract is 15, one is 8, you know, healthcare benefits all different. So there should be some level of uniformity. So Ms. Kleiner leading Administrative Services has met with various departments at various times telling them what, at least the Administration believes the City can afford and how the health plan works, what changes we are seeking, you know, that kind of thing. She can detail all of that but she's met with various departments in several meetings. And because she and John Griffin are most informed regarding how this health plan works, how these contracts affect the City Budget, because they are part of the budget team, I asked the Fire Commission to include Ms. Kleiner in the negotiations. And I think, well they declined to accept that proposal. I suppose that's their right as an independent board. But I think not including her or in the alternative Mr. Griffin is one of the reasons we are here.

I mean the healthcare plan as you've heard Mr. Griffin explain that the Fire Commission and the Union came up with independent and without the input of the people who know about what we are trying to achieve, it's going to cost \$191,000.00 more not – the point here is to reduce costs not increase them. But the plan that is incorporated in this contract the so-called incentive raises.

We've never done that for any of the other Unions that have agreed to this. We have given, certainly raises, again the UAW Contract that is going to come to you. It's 10% raise over 4 years, something you and I agree is a fair raise and they've agreed to the health plan we had proposed. Ms. Kleiner was very engaged and involved in those negotiations. So I think would help to have someone who understands what the City is seeking part of all of these negotiations. I mean we've had people who know how to cost the contract involved but there was no one who really could – but the people who are part of the budget team were declined.

Chairman Dowd

Yeah so, again, I'd prefer not to go back in history on things that didn't happen why they didn't happen and I certainly don't want to get into what this Committee, if it ever meets again, structures it going forward on contracts because that is not what we are here for tonight. We are here to evaluate the current contract. Is there anyone else, Alderman that wants to raise a question or make a comment? If not, I am going to make a comment. I am going to start off by saying I'm going to support this contract because I don't want people to get confused when I go through what I am about to say.

The contract that came before us before in June had some significant expenses in the first two years, which has been reduced by some amount of money that we don't seem to agree on but somewhere up to maybe a half a million dollars. At the time, I was concerned about with the pandemic, first of all in 2019 how are we going to come up with money that hadn't been budgeted since it was after – when we started discussing it, it was after the budget had been closed. There were probably ways but I was concerned about plus I was concerned about the current year of infamie 2021 or FY 2021 budget because of COVID and not knowing where we were at. Somewhere after that, we started getting these costs for FY '22. But a lot of the costs that are being driven to the City by the State are not the firemen's' fault and they shouldn't be held responsible for them. The pension plan, I think the State is being very disingenuous with the City; it's a State-wide pension plan that they pay nothing for. It is ridiculous, they started at 35% to get the City's to join it and now they are at 0. So that's an issue.

The Education cost is \$6 million dollars, I think are not realistic. They are basing it on numbers that are going to change; it's all because of COVID again. By the time the final calculations are made I think we will be back in a more positive light on that. Healthcare costs, again, nothing that the Firemen have done drive those healthcare costs. And after January 20th, you know, health care costs may come to more realization than they have in the past. Whether they go down or not, we'll see, but we don't know where they are going. But again, the healthcare costs are not driven by the Fire Department. Now the changes that came about in what we are trying to do with the new contracts came about after this negotiation started. And I've been in a lot of contract negotiations and if you keep changing the ground rules, you never get anywhere. You know, that's not fair to either side. So going forward, I think anything coming before us needs to comply with the City's health plan and we can get into more of that later. But on this contract, the firemen stepped up and they reduced the cost in those first two years.

Is the contract more expensive than we really should be looking at in the timeframe and all the expenses the City has, yes. But I don't think that we want to take the actions to fix the FY '22 Budget issue on the backs of the firemen. For all of the reasons they have stated, they are there on a day to basis. They are out there, they have people that have come down with COVID because they are out with the public on a first line basis and they are dealing with people. The last contract, they took the hit, they had one year of zero. And I only know of one other union that did that and that didn't work out well for them either. So you know, when I went back and looked at their past contract, I said, OK, we need to step up to the plate this time and help them become a little more whole. Is it a hit on the budget, yes. But you know, we have the funds for the '19 and '20 and they will have to budget the funds for the two years of the contract. And how the City budget in FY '22 works out, we don't know, because there are a lot of things that we are saying are going to happen in FY '22 that if we take some positive action as a City should not happen, in my opinion.

I also think that the City needs to sit down and figure out how negotiations should go. Too often we have waited until the 11th hour when the contract was coming in to the Board of Aldermen to make changes because something else changed. You can't do that, you just cannot do that. We have to have a process that says, OK, and I'm not saying these are the things that we'll agree to, but these are the Holidays that the contracts can have. Period. This is the health plan for the City, take it or leave it. You know, there are certain things that we as a City need to take a position on and then the Board of Aldermen have to stick to it. But we can't be all over the place and changing things every time a contract comes down the pike.

So again, I am going to support this. Do I think it's expensive? Yes. But do I think they deserve it? Yes. So that's my 2 cents. Does anyone else want to speak. Alderman Clemons, I knew you would speak.

Alderman Clemons

Thank you, Mr. Chairman. Yeah I too am going to support this contract, you know, truer words have never been spoken in that it's never a good time for the firefighters. I've been on and off this Board since 2008 and I have seen many contracts come before us. When I was first elected, the 789 Local had been without a contract for 2 years and they want on for another year without a contract, even from there. So I've seen these battles before. And the argument from the administration every time is just that it is not a good time. But it's always a good time somehow for the Police Department; it's always a good time for some other Union, but for whatever reason it's just not a good time for the Fire Department.

And for me, I have never, ever subscribed to that. To me we have hardworking people who work for the City across many different areas. The Fire Department is one of them. I supported the contract the last time, I thought it was a fair contract. I certainly am going to support this one. I think it's high time, I think a year and a half without a contract is way too long; I think it's embarrassing. And quite frankly, this City can and should do better. So I am urging my colleagues to please support this contract. I have heard from very few taxpayers (audio cuts out) who say that they do not want this contract to go through, very few. Most of them want this, they want to support our firefighters, they want this to go through. They know the cost and they want it. And so I am going to support it and I am going to listen to the taxpayers of this City and I am going to support this contract. Thank you.

Chairman Dowd

Anyone else like to speak? Alderman Wilshire?

Alderman Wilshire

Thank you. So I did not support the last go around with the Fire Department. I thought it was a rich contract. But this time I am going to. They went back, they did what we asked them to do and I'll agree with Alderman Dowd. You know, one thing comes down the pike, another thing comes down the pike, it can't all fall on the backs of the firefighters, it just can't. I think this is a reasonable contract and I hope that you will all support it.

Chairman Dowd

Alderman Jette?

Alderman Jette

Yes thank you, Mr. Chairman. You know I hear the argument that when the Board rejected the last contract and I hear several of you say that the firemen went back, they heard us and they came back with changes. When I first looked at it, I thought that was true. When I saw that the COLAS were, what they asked for last time was 3.5% per year for four years. This time it's 3.5% in the first year, 2.5 in the second and then 2 in the third and fourth, which comes out to 10% over the four years, an average of 2.5% which seemed reasonable and I was encouraged and I thought that yes, they did listen to us and they did come back.

But then I hear that those numbers really don't reflect the actual cost of this contract, that besides these COLA numbers there are built in to the contract some increases in wages beyond COLA which the last time the firemen said that they wanted an increase beyond COLA, they wanted to reach parity with the Police Department. And my research which has still not been rebutted is that our Fire Department is being paid better than most of the other Fire Departments, I think all of the New Hampshire Fire Departments and a lot of the similar fire departments in Massachusetts. So if we were starting from a point where our fire fighters were being underpaid, then yes, everything I've heard about the fire fighters and the fire department being top notch and doing a great job; I don't disagree with any of that.

But I think we are starting from a point where they are being appropriately paid and they deserve cost of living increases to keep up with inflation. But the inflation rate you know my research shows is 2% or less. And other departments are increasing their people around the 2% level. So you know, again I thought the 2 ½% COLA increase was appropriate but then when I am told that that's not the whole story, that there are built in increases in wages and salaries, you know, especially for our more senior people. So 1% of \$50,000.00 is one number; 1% of \$100,000.00 is twice as much. And the issue of the health, you know, we are being told that they are making a compromise on the health but the administration is telling us that it is actually going to cost the City more, the compromise that they've come up with. I know you don't want to talk about it Mr. Chairman, but the fact that the City Administration was not given a place at the table of these negotiations, I agree with the Mayor, it was missed opportunity. So I am, again as I said the last time, if my research is wrong and if what I am saying about our firefighters being paid appropriately is wrong, I'm happy to hear it and I am happy to change my mind if that's the case. But from what I know so far, I am having trouble, I mean, what they asked for last time was about approximately a 15% increase and now according to the administration's number they are asking for 15 1/2 % so I don't – I am not convinced that they have come back to us with, that they heard us, and they are coming back to us with a more reasonable contract. So I can't support it.

Chairman Dowd

Anyone else that would like to speak, I think I saw Alderman Wilshire again and then Alderman Klee and then Alderman Schmidt.

Alderman Wilshire

Alderman Jette I have a question about what the rest of the contracts look like in the other departments. What do they pay for their healthcare. And you heard what Mr. Griffin said that when they put the numbers in here it was worst case scenario, assuming that every firefighter is going to go for those added trainings and skills and they are all going to jump in this year and they are all going to get paid. Worst case scenario is what we were told and what we heard from Mr. Wholey, was that it is nowhere near that number. So I am not sure that comparing this contract financially on its face is any different or that we are giving away the store to our firefighters and other towns aren't. I don't buy that at all. What's in their contract?

Chairman Dowd

Alderwoman Klee?

Alderman Klee

Thank you, Chairman Dowd. And I was going to make some of the comments that Alderman Wilshire had made as well. That they are the worst case scenario and they call them incentives for a reason, it's to get people. While I think that because it does a .5% or 1% raise that they will possibly make that 70% and 75% with the HSAs. I am kind of banking on that, that probably will happen. I think they set a net cost of \$97,000.00 but when I look at the previous tentative agreement, I see a 17.3%. And when I look at this tentative agreement on the surface I see a 15.2%. So I do see that they have come down in reduction in some way.

And maybe they've built some of that 2% in with the incentives or something to that nature but I think it is being creative, it is saying to their members, you have to do this, you have to meet these requirements in order to get some of these. And in some respects that kind of makes us have a better force and it creates a retention I think as President Wholey and Chief Rhodes kind of mentioned. So I think that they have done some due diligence, I would have liked to see maybe City Administrators be at that table but I don't know what other contracts do, if they have someone from the City there. But in any regards, I hope that you will give a favorable recommendation to this. Thank you.

Chairman Dowd

Alderman Schmidt?

Alderman Schmidt

Thank you, Mr. Chairman. I fully understand and admire the Mayor and our CFO for taking good care to assure us that everything that is coming down the pike is understood and arranged. But in this case, I honestly think that the firemen came to us with a fair contract, passed its due and we simply owe it to the people who care for our City to ensure that they are well paid and understand that we do appreciate them. This is important to us and it is important to the people I've spoken with. This contract is fair and we really do need to support it. Thank you.

Chairman Dowd

Alderman Clemons?

Alderman Clemons

Yeah I just want to respond to one of the previous speaker's comments about comparing Nashua to other cities. The only time, in my opinion, that it is worth comparing Nashua to another City is if another City is doing it better than ours. I don't particularly like to be compared to cities that aren't paying their employees as much as we are. We should be the top, we should be the best. We should always strive to be that way. So the fact that we are not or that we are the top in New Hampshire. Good. We should be. We should be the top, we get the best down here in Nashua. We have the best Fire Department in New England. We have the best Fire Department, I would say, probably on the East Coast. And there is a reason for that. Our insurance premiums are low because of it. So yes, you pay a little bit more in your taxes, these folks get a little bit more money and we are all the safer for it. So for me, when I compare Nashua to other cities, I look at the other cities and I say, can Nashua be like that because they are doing this better. They are not paying their employees as much as we are so why don't we try to pare down? To me that is a false narrative, it's a false choice every single time.

Chairman Dowd

Anyone else? Under that same scenario, looking at other City's contracts, our Police Chief is the fifth highest paid Police Chief in all the cities in New Hampshire. Maybe we ought to be giving him a pay increase, I mean if that's the logic we are going to use, comparing apples to apples. We have enough problems comparing union to union; I don't think we need to go out of town to start doing that, unless you're going to have somebody that's going to put a lot of hours into comparing the actual cost to the cities and the coverage that they get for the cost compared to what we get.

Fire Chief Rhodes

Excuse me, Mr. Chairman?

Chairman Dowd

Yes, Chief?

Fire Chief Rhodes

Have you forgotten I am on this call today.

Chairman Dowd

I knew as soon as I said that about the Police Chief, I knew you were going to say something. I am sure you fall in there somewhere too.

Fire Chief Rhodes

Well the Chief of Seabrook makes more than I do, so I'll leave it at that.

Chairman Dowd

OK I do have to ask one question from Attorney Clarke. Is there any reason why Alderman O'Brien cannot vote on this?

Attorney Clarke

I think – I thought we had already actually discussed that and had a ruling that he shouldn't. But I hadn't re-researched that issue.

Chairman Dowd

I just wanted to double check.

Alderman O'Brien

Alderman Dowd, Mr. Chairman, if I may. At this particular time I am content. I do not intend to vote on this as the way it is. I feel that the current City Charter that has this specifically mentioned. And let me explain to the good people of Nashua why their Alderman-at-Large, which duly represents you, the people of Nashua, why I cannot vote. The reason I cannot vote is because my son works on the Fire Department. My son is the ripe old age of 36. He's been emancipated since the age of 18 he hasn't lived in my domicile and I do not depend on any financial security from my children. As a matter of fact, I am fortunate that they are my children, I think they depend on some of my financial security, but the thing is, there is no benefit that I would ever receive or vote on this contract, it's not a conflict of interest, other than the fact that my career for 35 years was a firefighter of Nashua. I am content to let that dog lay at this particular time. I will, in the future, work most strongly and to change that, because I feel that the citizens of Nashua elected me to vote and I intend to appease them to do so in the future. Thank you.

Chairman Dowd

Thank you, Alderman O'Brien. If there's no one else that has any concerns or questions, I am going to ask Alderman O'Brien to call the roll, other than himself.

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

Yea: Alderman Clemons, Alderman Schmidt, Alderman Wilshire,
Alderwoman Kelly, Alderman Dowd 5

Nay: Alderman Jette 1

Abstain: 1

MOTION CARRIED

Chairman Dowd

Ok the motion carries. This will be on the Agenda for tomorrow evening at the Full Board of Aldermen. Thank you everyone for participating. I don't think, let's see New Business Ordinances, we have none. Tabled in Committee, I don't think there's anything, having talked to the people involved that we need to take off the table for this meeting.

Alderman Clemons

Mr. Chairman?

Chairman Dowd

Yes, Alderman Clemons?

Alderman Clemons

May I ask just a question for follow up on the feasibility; I know we are not taking it off the table. But I am just curious where that's at and why that hasn't moved forward in some time?

Chairman Dowd

I think it's primarily an issue of a combination of COVID and Director Cummings having a number of things on his plate at that moment.

Mayor Donchess

Mr. Chair, I do have an answer on that. You are talking about feasibility of Elm Street, right?

Alderman Clemons

Right.

Mayor Donchess

We escrowed money for that, so we escrowed money so we don't need this money and I think Economic Director Cummings, I can report to you in the future as to exactly where he is. But the reason we don't need the money is that there is escrow for this.

Chairman Dowd

So I think at the next Budget Meeting we will take it off the table and eliminate it and we will be done and Director Cummings can go off and do his thing with the escrowed money.

Alderman Clemons

OK thank you.

NEW BUSINESS – ORDINANCES - None

TABLED IN COMMITTEE

R-20-016

Endorsers: Mayor Jim Donchess
Alderman Linda Harriott-Gathright
Alderman Thomas Lopez
Alderman-at-Large Michael B. O'Brien, Sr.

AMENDING THE PURPOSE OF A FISCAL YEAR 2020 UNLIKE ESCROW FOR THE COMMUNITY DEVELOPMENT DIVISION

(tabled at 4-20-20 mtg)

R-20-017

Endorsers: Mayor Jim Donchess
Alderman Thomas Lopez
Alderman Richard A. Dowd
Alderman-at-Large David C. Tencza
Alderman Patricia Klee
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Linda Harriott-Gathright
Alderman Skip Cleaver
Alderman Jan Schmidt
Alderman-at-Large Lori Wilshire

RELATIVE TO THE SUPPLEMENTAL APPROPRIATION OF \$50,000 TO FUND A FEASIBILITY STUDY FOR THE FUTURE REUSE OF THE ELM STREET MIDDLE SCHOOL BUILDING

- Requires a Public Hearing which has not yet been scheduled

R-20-028

Endorsers: Mayor Jim Donchess
Alderman-at-large Michael B. O'Brien, Sr.
Alderman-at-large David C. Tencza
Alderman Richard A. Dowd
Alderman Linda Harriott-Gathright
Alderman Patricia Klee

AUTHORIZING THE CITY OF NASHUA TO ENTER INTO A MASTER DEVELOPMENT AGREEMENT WITH LANSING MELBOURNE GROUP, LLC.

(re-tabled at 8-12 mtg)

GENERAL DISCUSSION - None

PUBLIC COMMENT - None

REMARKS BY THE ALDERMEN - None

POSSIBLE NON-PUBLIC SESSION – None

ADJOURNMENT

MOTION BY ALDERMAN O'BRIEN TO ADJOURN BY ROLL CALL

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

Yea: Alderman Clemons, Alderman Schmidt, Alderman Jette, Alderman Wilshire
Alderman O'Brien, Alderwoman Kelly, Alderman Dowd 7

Nay: 0

MOTION CARRIED

The meeting was declared closed at 8:48 p.m.

Michael B. O'Brien, Sr.
Committee Clerk