

BUDGET REVIEW COMMITTEE

APRIL 25, 2022

A meeting of the Budget Review Committee was held Monday, April 25, 2022, at 7:31 p.m. in the Aldermanic Chamber and via Zoom which meeting link can be found on the agenda.

Alderman Richard A. Dowd, Chairman, presided.

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.

Members of Committee present: Alderman Richard A. Dowd, Chairman
Alderman-at-Large Michael B. O'Brien
Alderman John Cathey
Alderman Ernest Jette
Alderman John Sullivan
Alderman-at-Large Lori Wilshire

Members not in Attendance: Alderwoman-at-Large Shoshanna Kelly

Also in Attendance: Alderman Patricia Klee
Alderman Derek Thibeault
Lisa Fauteux, Public Works Director
Dan Hudson, City Engineer
Steve Buxton, Fire Chief
Kevin Rourke, Police Chief
Karen Smith, NPD Business Manager
Jim Tollner, Police Commissioner
John Griffin, CFO/Treasurer/Tax Collector
Matt Sullivan, Community Development Director

ROLL CALL

PUBLIC COMMENT

Jay Leonard

Mr. Chairman, this is Jay Leonard speaking. I'm not sure if the appropriate - how to raise my hand or something here.

Chairman Dowd

You're always welcome to do comment Attorney Leonard.

Jay Leonard

Is now an appropriate time? I have a comment for R-22-026.

Chairman Dowd

If it's on the agenda, yes.

Jay Leonard

Okay. Thank you very much, Mr. Chairman. My name is Thomas J. Leonard. I'm a lawyer in Nashua and I'm working with the Nashua Housing Redevelopment Authority and Boston Capital in the redevelopment of the Bronstein complex. Later on, you have R-22-026, which is a resolution to modify the development agreement and it's a pretty straightforward thing but with the Chair's indulgence, I'll just make a couple of quick comments and certainly we can answer questions should they come up. Also present here by the way is Rich Mazzocchi who is kind of in charge of the overall project. He's the one who knows the most about the project but he asked me to make a couple of comments.

Chairman Dowd

Yes you can make your comments now and when we address R-22-026 if there are questions, we will have you respond.

Jay Leonard

Very good. So basically this project relates to, as I said, the redevelopment of the Bronstein complex, Nashua Housing Development Authority, and Boston Capital are working together in the redevelopment. They're co-developers, although Nashua Housing Redevelopment Authority is going to eventually be the owner and will throughout the project is the operator if you will there. The units are going to be managed by Nashua Housing Redevelopment Authority and it is their real estate. Through the process, we've been working with the city and Matt Sullivan can certainly comment also, but it's been a joint effort on the part of the city and the redevelopment of the housing authority.

Through the process, we estimated some of the expenses and the short story is there's a development agreement that kind of itemizes expenses that the city and the Authority have been working on. One of those expenses, it was agreed that the city would waive building permit fees and that's contained in the development agreement that was signed as part of this project. Originally, the estimation was that those fees would be approximately \$100,000 but of course as we went through the process and the project, the fees became more than we expected. We being I think fair to say both the city and the developer. Short story is there was an agreement that there would be no fees. We estimated them at \$100,000 and they turned out to be \$250,000. So all this agreement does is modify the numbers in the development agreement so that the original intent - that is no building permit fees and a full waiver. Turns out to be true now that we know all of these.

The only other factor I'd like to point out is there are two agreements because there are two limited partnerships that are supporting this project. One is referred to as "Bronstein 4%" and one is referred to as "Bronstein 9%". Because they're actually separate entities, we had to have two development agreements and two components here. Other than that one change, that is the specifics on the building permit fees, all of the balance of the agreement remains in full effect. This has been reviewed by...

Alderman O'Brien

30 seconds

Jay Leonard

...This has been reviewed by Corporation Counsel and shouldn't be too many other questions on the details. Thank you very much, Mr. Chairman.

Chairman Dowd

Thank you Attorney Leonard. Anyone else public comment? Seeing no one.

COMMUNICATIONS

From: Kevin Burgess, Chairman of Board of Fire Commission
Re: Resolution R-22-021

There being no objection, Chairman Dowd accepted the communication and placed it on file.

UNFINISHED BUSINESS - NoneNEW BUSINESS – RESOLUTIONS**R-22-020**

Endorsers: Mayor Jim Donchess
Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Richard A. Dowd
Alderman Ernest A. Jette
Alderman John Sullivan

Alderman-at-Large Melbourne Moran, Jr.
Alderman Thomas Lopez
Alderwoman-at-Large Shoshanna Kelly
Alderman Derek Thibeault
Alderman John Cathey

AUTHORIZING THE MAYOR AND THE CITY TREASURER TO ISSUE BONDS NOT TO EXCEED THE AMOUNT OF THIRTY-SEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$37,500,000) TO FUND THE SECOND FIVE YEAR PHASE OF A TEN YEAR PAVEMENT MANAGEMENT PROJECT

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Alderman Cathey

Not a question per se. Can I be added as an endorser under this legislation? Not too late?

Chairman Dowd

Yes.

Alderman Cathey

Thank you. And then I would just like to comment that I obviously think it should pass. I think the city's done a great job paving and this is obviously the second half of something that we've already sort of promised to the city to come as a goal. So it seems like a no brainer to me.

Chairman Dowd

I would say it would last 11 years. My biggest phone call is about streets and their pavement condition.

Alderman Cathey

I can echo that sentiment as well.

Chairman Dowd

I'm sure Alderman Klee can attest too for Ward 3.

Alderman Cathey

Especially in her Ward with those streets.

Chairman Dowd

Any other comments?

Alderman Jette

Thank you, Mr. Chairman. I, too, am in favor of this. I think its money well spent by the city and it's an important project that we maintain the roads as best we can. It's a big part of our infrastructure, if not the biggest, and it certainly makes sense that we are continuing this project to repave the streets.

I thought since the City Engineer is here, I thought if I could I would like to ask him about during the last few years of this paving project and generally speaking, people have been very happy with the paving project. But there have been complaints about the level of the street in relation to the curving. So if we are - the streets where there's just pavement being put on top of the existing pavement, it raises the level of the street closer to the top of the curb, which has led in some instances of problems with the drainage that the curbs kind of guide the water along. It keeps the water in the street. So I'm wondering is it part of the program to raise curbs where necessary or not? Is it just a hazard of the project?

Dan Hudson, City Engineer

Thank you, Mr. Chair. Thank you Alderman Jette. Primarily what we've been doing is milling and paving. So we basically take out a depth of pavement and then we put that back. So largely, we haven't been changing the grade of the edge of the roadway. We try to address drainage problems where we can but these mill and pave projects are tough just for the reasons you note. There's not a large opportunity to make a large adjustment.

There is another methodology that we're using on the roads that are really bad shape. That's a reclaim where we grind up the roadway. That gives us a lot more flexibility by regrading. So we do that when we can. Where we have had some complaints is when we set curbing or especially bituminous curbing where there wasn't any before. Last year, we had a couple instances where, you know, half the neighborhood wanted curbing and the other half didn't. So we try to do a holistic treatment and not everybody's happy with it sometimes. What we do is go out before projects. We try to document all the issues that we see, we review complaints we've received in the past, and we do the best we can to address them but can't always address them to everyone's satisfaction. So I'm not aware of the loss or reveal I know of curbing issue and we've had specifics. I'd be happy to have Engineer Saunders try to address that but typically that's not the case because we do try to preserve that. Even if we add some additional mix to the roadway, a lot of times we'll mill the edge so that we tail out in the same place so that we don't have those drainage issues along the curb.

Alderman Jette

Can I follow up? So if you could make note of one of the streets on your list is Shore Drive. It was pointed out to me by some of the residents on that street. Shore Drive is unusual in that there are the residents tell me there's this is a storm water collection point and there's a storm water drainage pipe that goes directly into the Nashua River and plus you've got the regular sanitary sewer. So there are, you know, what seemed to be a lot of extra manholes in the street. They've pointed out to me that over the year's previous paving of that street has led to almost the disappearance of the curb, which was put in there with the original subdivision. It's causing drainage to flow onto property. So they're concerned about this current project and whether or not the street will be in the milling part of it will it will be lowered enough to allow for enough curbing to protect them from that extra water. So if you could make note and maybe take a look at that and try to avoid any problems in the future there.

Dan Hudson, City Engineer

Sure. Yeah, that makes perfect sense. We will we will make note of that. I may have misspoke a little. As part of this paving program with contracted support, we've done the milling and paving but we also do - our Street Department does some paving. They can't always do that milling like our contractor does because they don't have those very expensive tools to play with, right. So there probably are instances where I've done that. We've gone and done an overlay and it's we've lost some curb reveal but when we come through and do a project like we're doing with a contractor support, we can remedy some of those issues. So I do encourage people to reach out if they have historic issues that they're aware of on the streets that we have coming up. We did establish an e-mail address. What's the e-mail address – DPWpaving@nashuanh.gov? That's a distribution list goes to Mark, and our contracted engineer, and others to try to capture all those issues. So I encourage people to e-mail that address. Again, it was DPWpaving@nashuanh.gov. I think we have that right. If we don't, I'm sure you can find it on the website or we have also sent out postcards in advance of paving to folks on the streets or adjacent streets to the paving. On that postcard, that e-mail address was listed as well.

Alderman Jette

Thank you

Alderman Klee

Thank you, Mr. Chairman. Actually to you Mr. Hudson. First off, I want to agree with what Alderman Jette said. Locke Street - there are points where Locke Street road and curb are even and it's very old and something that had been done in the past, which leads in our case not just for the water runoff, but people parking on the sidewalk. It's hard to tell and sometimes it's just a small amount so they may not feel or they might not care because they're not hitting that curb. So I've seen it also in Ward 3 so I do understand exactly what you're saying and it does cause problems.

The comment that I want to make is something that happened in my Ward last year and I think it's happened in previous years too but there was one street in particular. One of the things that people have to remember when you're doing I think it's the reclamation, when you're really going all the way down to everything and so on is that there's different crews that do a different aspects of it. So sometimes it seems like it should just be a two week, three week job. It literally takes two to

three months because you wait for the people that do that next process to come back around. That is very difficult for residents just keeping that in mind. I get a lot of calls. I know there were like two or three streets in Ward 3 that that happened to. I just kept telling people over and over - the signage that goes up, let them know you're coming in to do it but they assume, to be honest with you, Maywood Drive is one of them, which is my street. They just assumed that it says it's going to happen June 1st that by three weeks, two weeks later, it's going to be done and we were into August before it actually kind of got done. So I think that it's very frustrating for residents because they don't know how long it's going to be taking. They're driving over it just like sometimes small streets like mine, kids are playing in the road as well. So I just think we just need to be a little more cognizant maybe when you send out the letters to let them know that their streets can be paved or put up that it could take longer than a short period of time.

Kudos on everything you're doing and I really appreciate it. Ward 3 has benefited from having a lot of streets. We have a lot more to do. We have benefited in and I do appreciate the work that you've done. Thank you.

Alderman Cathey

I apologize. I had another question written on my notes tonight. I totally skimmed over it if you don't mind.

Chairman Dowd

Sure.

Alderman Cathey

Thank you. Mr. Hudson maybe - I don't know if you can answer this question but I believe if I'm not mistaken in the first five year plan the total amount was the same but it did jump from one year from 2018 to 2019 from \$37 million to \$41 million. Are you aware of that in the budget from 20 - I think it was 2018 and 2019. Do you know why that was? If there was - maybe it became more expensive than we originally thought, or there was a labor thing, or COVID materials, or I don't know but I wasn't sure if you're aware of that.

Dan Hudson, City Engineer

I'm not sure specifically. I know earlier in the program we did get an infusion of some federal paving funds. So early in the program, we had some additional funds. We take contributions from utilities sometimes in lieu of some restoration where we're going to do the reclaiming. It doesn't make sense for them to go do a full fix of the pavement when we're going to come by and grind it up a couple months later, whatever. So there are other contributing funding sources that weigh into the program and support the program.

I just wanted to speak briefly about the scheduling. I do understand resident concerns with scheduling. Last year, we had a lot of challenges. There were definitely labor issues. Contractors suffered from that. The contractor also suffered from some sub-contracting issues so where we had preferred they come and do the curbing right after the milling or whatever it is. A lot of those schedules kind of got messed up last year. This year seems to be going well. We built more timeline controls into our contract and the contractor this year is the same contractor as last year. I think they've learned, and made an adjustment, and we're seeing much better performance this year. So we're happy about that.

West Hollis Street for instance, we milled it and we've base paid most of it. That's what we're trying to do. We're trying to be quicker with that turnaround. So yeah, I think hopefully we see better results this year than we did last year in terms of time performance.

Alderman Sullivan

Thank you, Mr. Chairman. I see that CFO Griffin is in the audience as well. I have a question about the bonding schedule because this goes out over, I believe, is it five years and you're estimating that to get the \$37 million, it'll end up costing us 49 once everything is paid back. It's interest of about 3% to 4%. With the way that the fed is raising rates, help me understand is that a conservative estimate? Do you buy all the bonds at once or do you - how does all that work just so I better understand it?

John Griffin, CFO/Treasurer/Tax Collector

Thank you, Mr. Chairman. John Griffin, CFO/Treasurer/Tax Collector. Appreciate being here. I wanted to address Alderman Cathey's question. One of those years subject to check, we had about a \$4 million federal amount to spend on

paving related to, I believe, the Broad Street Parkway. So I appreciate you bringing that up but there was a quite sizable funding source that I believe it was over near around one of the major thoroughfares - maybe part of Amherst Street subject to check.

As far as the bonding when it became apparent that we needed to do something with bonding five years ago, the Mayor, coupled with the DPW Director, and the leadership at the time felt we had to do something rather dramatic. I became the CFO in 2010 and we were literally spending a million dollars as part of the capital improvements project just not enough. So we conceptualize the 10 year plan to fund it. As the Mayor said, the first five years and what we've done is set up a special road and highway fund where the revenue to that fund is the State Highway Block Grant that we'd like to see a lot more revenue from that, but it does climb slowly. So that's one of the major pieces of setting up that special road and highway fund.

The other piece – and it kinda was a good nexus - we took the first \$700,000 from the motor vehicle revenue and moved it in there. So your revenue is the motor vehicle fund off the top - the Highway Block Grant. That pays - that's designed to pay for the debt service. So being conservative, former Treasurer Fredette would bond in arrears after we spent the money to make sure there wasn't any arbitrage interest component. So we've literally bonded four years at the 7.5. The Engineering Department and Director Fauteux, they've positioned contracts this year to be fund to the end the first five years in the program. So they've spent the 37 - they will have spent the whole 375. We would have borrowed 7.5 times four plus this July or August, we'll bond the other 7.5.

With respect to the interest rates, we're programming at 4% going forward. We're worried. A lot of inflation taking place, a lot of costs of things are increasing but the first set of monies that we had were at rates very attractive - 2.85, 2.01, 1.63, and 1.79. So if you think inflation is 2%, you're really borrowing money at nothing no cost. We have to impute the costs of the bonding. Back then, we had the bond. We couldn't add \$7.5 million annually to the operating budget. So what happens is as much as Mr. Hudson saying, you know, you might get 10, 15 years. At the time that this program was over, it's Fiscal '43. So what we need to program several years from now is an infusion of additional revenue to pay for the bonds in the middle of the program. How I would recommend doing that is we budget in the general fund budget. Motor vehicle very conservatively. I was here when we generated \$10 million in Fiscal '10. That was like the lowest point because back if you remember, '08, '09, and '10, people really couldn't afford vehicles or replacement vehicles. Now it's a different story. You can't get them and if you get them, they're very expensive. So we do see unless something happens in Concord, and Alderman O'Brien knows this very well, unless somebody tries to reduce the fees that we get, and they have tried to do that. If that passes, that will affect the revenue but we're very comfortable with our strategy of putting about \$11 million towards the budget and having a surplus of about \$4 to \$5 million.

So somewhere down the road, we're gonna have to come to you folks and say would you let us transfer additional motor vehicle revenue into the fund and make it whole. The benefits of the paving program is as I've witnessed clearly outweighs not doing it. As we fund it, we've got a major middle school project going. We've got other things going. This would be a good use of the funding and we've created a mechanism to fund it. But those folks that are in these seats, Fiscal '27 and Fiscal '35, they're going to have to enjoy the newly paved roads but also fund it. I see over the next six years selling the bond for 7.5 and then over the next five years, an additional 7.5. So we're paying for the debt service out of this fund and the revenue as I mentioned was the highway block grant and the motor vehicle revenue. So everything kind of trues up. It's a self-contained revenue and spent.

Alderman Cathey

But only if interest rates don't go crazy?

John Griffin, CFO/Treasurer/Tax Collector

Yeah, the interest rates - we put 4% in. We're probably going to sell in July before things happen in August and September but going forward, you know, it's interesting. Then we want obviously more revenue, and you'll learn this in the budget, we want the banks to kind of catch up with paying us more for our money that's invested. So there's a combination. It's kind of a double edged sword. You can't be disappointed at your revenue income and then have a bond that's 1.63 and 1.79. So that's a long way of saying I think what you were asking but if you have any more questions, I'd be happy to answer.

Chairman Dowd

Did that answer your questions?

Alderman Sullivan

It did.

Chairman Dowd

I've been working with Mr. Griffin. We are going to have an evening to talk about bonding - is how bonding works. And by the way when we pass a bond, we never go out and buy that bond right away as he was just explained over time. The only one thing I'll say is bonding plan has two levels. They have the bottom level where things are planned but not legislated. So those things can shift and then you have the top part because once it's legislated, now it falls into payments. So you'll see that whole thing when they're updating the bonding plan right now. Any other questions? Seeing none. The motion is for final approval of R-22-020.

MOTION CARRIED**R-22-021**

Endorsers: Mayor Jim Donchess
Alderman-at-Large Melbourne Moran, Jr.
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman-at-Large Ben Clemons
Alderman Alex Comeau
Alderman Richard A. Dowd
Alderman Derek Thibeault
Alderman-at-Large Lori Wilshire

CHANGING THE PURPOSE OF UP TO ONE HUNDRED AND FIFTY-TWO THOUSAND AND THIRTY DOLLARS (\$152,030) OF UNEXPENDED BOND PROCEEDS FROM THE FIRE DEPARTMENT PUMPER TRUCK AND AERIAL LADDER TRUCK PURCHASES TO INFRASTRUCTURE IMPROVEMENTS TO THE MUNICIPAL FIRE ALARM SYSTEM

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGEON THE QUESTIONAlderman Cathey

Mr. Chair, thank you Mister Chair. May I ask a question of Chief Buxton? Thank you, Chief. This funding, this is just an initial funding to get this new circuit underway but there will be additional funding needed to finalize a new circuit? Is that correct or does this sort of take care of the whole problem all by itself?

Steve Buxton, Fire Chief

Steve Buxton, Nashua Fire. So this will take care of the bulk of the heavy lifting that needs to take place to get both those circuits stood up. We do have a full time Fire Alarm Division that maintains this system day in and day out throughout the city. This will take care of the underground work. It's very easy for them to do above ground pole to pole type work. So there'll be some material cost after the fact but the bulk of the work is going to be done with this investment.

Alderman Cathey

Okay, thank you.

Alderman Sullivan

Thank you, Mr. Chairman. Chief Buxton to help me understand this, I'll just use round numbers. You borrow \$300,000 to buy a truck. It costs you \$150,000 some odd thousand. You have this money left over. You're going to use that money to rebuild or kind of improve on the circuits of the city, correct?

Steve Buxton, Fire Chief

That's correct.

Alderman Sullivan

Okay. Thank you.

Steve Buxton, Fire Chief

If you can find me that truck for \$300,000 nowadays, I'll...

Alderman O'Brien

Thank you. Chief I know the answer so I'm gonna give you a real softball here. But basically, some of the new Aldermen don't understand the ISO. The ISO requirements which is the Underwriters Institute, they live down in gaggles down in Hartford, Connecticut, where the insurance companies live. But they come up at any given time and they look at the City of Nashua and they determine the home insurance value and set the rates of what people would say. So something that the ISO looks at is the fire alarm systems, and its maintenance, and whether it operates, as well as the quality apparatus, training of the men, and the list goes on, and on, and on. So therefore by taking this assessment, could have a benefit to the taxpayers farther down the line of making sure that the insurance rating within the City Nashua stays within the appropriate means. In my case, better to pay locally than to pay Harvard.

Steve Buxton, Fire Chief

Agreed.

Alderman O'Brien

Thank you.

Chairman Dowd

And part of this money also is we were able to buy two trucks one fiscal year and other fiscal year together and save a significant amount of money. Is that's part of this?

Steve Buxton, Fire Chief

So that purchase that you're talking about is a separate bond. This is actually two separate bonds for an engine and a ladder purchase. The one you're thinking of was the following year.

Chairman Dowd

Okay. So that also was underspent at that time.

Steve Buxton, Fire Chief

Yes.

Alderman Jette

Thank you, Mr. Chairman. So at the risk of Alderman O'Brien coming over here and beating me over the head...

Alderman O'Brien

I'll never do that.

Alderman Jette

I'm gonna ask what might be considered a very naive question but, you know, I did visit the headquarters or the building on East Hollis Street and I saw the alarms going off. Frankly, it struck me as kind of a rudimentary system. I'm wondering I was walking out Sunday and I saw some of those boxes. I never even noticed that they were there. One of them is kind of in the adjacent to a vacant field. I understand, you know, in a high rise building or an industrial building, you know, you've got these alarm boxes. Out in the neighborhoods, I'm wondering how many fires are currently or how many emergencies

are currently reported by those boxes? And how many are just people picking up their cell phone and calling you? With cell phone technology, do we really need this fire alarm, you know, these boxes and things?

Steve Buxton, Fire Chief

It's actually an excellent question. So probably about ten years ago, the Fire Alarm Division went around and determined which boxes were too deep in the weeds sort to speak and pulled them out onto the main roads because of cell phone technology. We usually have half a dozen to a dozen incidents, working incidents, emergencies reported yearly that come in through the gangwall system.

So the other benefit that we have as a city, the ones connected to the major buildings and target hazards, the occupancy is either going to pay a private alarm company to monitor that alarm, which contributes to a delay in the transmission of the alarm where they're going to hook up to our municipal system. We've basically offered that to them free of cost after their initial investment of the hardware. Then we receive the immediate notification. There is no delay. So the ones hanging on a telephone poles deep in the neighborhoods that you see if you kind of look around, we've kind of pulled them back onto the main roads based on the technologies that you spoke to but they do still get utilized from time to time and the maintenance on those is very minimal. Does that answer your question?

Alderman Jette

Just to cut to the chase, so the investment in this alarm system is still very necessary for you to do your job protecting the city.

Steve Buxton, Fire Chief

Yes, it is an archaic system. If we were to design the system and the infrastructure as a whole in the city today and try to implement it, you wouldn't want to pay that bill. Where we have such a well maintained system to continue to grow it a little bit at a time is a very good investment for the city.

Alderman Jette

Thank you.

Alderman Klee

Thank you, Mr. Chairman. Chief Buxton when you when you spoke earlier and you mentioned the redundancy and that this that we actually did not have this was a little part of me that went (inaudible), kind of like a shocker of that. There's this redundancy. Okay so maybe I should ask the question a different way. Do we not have redundancy at all in any part or is this just one section that doesn't because you mentioned that if certain lines were to go out, we would lose one half of the city. Is that because everything focuses into one central point and that's why we would lose it?

Steve Buxton, Fire Chief

Yes. So thank you for that question. While it is archaic like I just said, it is also one of the most reliable or the most reliable system out there. Some of you may remember the ice storms we've had in the past where there were significant breakdowns in the power line transmissions in the city. This system still stood up and we were able to transmit alarms and communicate with our fire houses throughout all those incidents. The redundancy that I spoke of only exists in those areas that I spoke about - the Amherst Street corridor and circuit 12 out to the southwest quadrant. Part of that is due to quite honestly, we didn't have another way over the river until we constructed the Veterans Memorial Parkway. We couldn't string cable up the turnpike. They kind of frown on that sort of thing. Back in the day when we strung the initial line across the turnpike in the area of Exit 5, that was literally done on a Sunday morning with a couple of Fire Chiefs in their car slowing traffic down and you're dragging some line across the highway to get it done. Those days have come and gone and now we need to do it appropriately. It's important that we get another line across the turnpike so we have redundancy out there as well.

Alderman Klee

Thank you. I really appreciate that.

Chairman Dowd

Just a real quick question. We've upgraded the fire alarm system at Fairgrounds, and now Pennichuck, and of course the new school will have all upgraded fire alarm systems. Are they connected via that same system or are they fiber optic connected?

Steve Buxton, Fire Chief

No, absolutely. Those are all hardwired connected to the system.

Chairman Dowd

Okay. So all three schools have an upgraded wire alarm system. Any other questions? Thanks, Chief.

Steve Buxton, Fire Chief

Thank you very much.

MOTION CARRIED

R-22-024

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

APPROVING THE COST ITEMS OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE NASHUA BOARD OF POLICE COMMISSIONERS AND THE NASHUA POLICE PATROLMAN'S ASSOCIATION FROM JULY 1, 2022 THROUGH JUNE 30, 2026

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Chairman Dowd

Good evening Chief.

Kevin Rourke, Police Chief

Good evening. Kevin Rourke, Chief of Police.

Alderman Sullivan

For my understanding, there are several unions that incorporate the Nashua Police Department. Could you help me understand this specific contract and to which officers it applies to?

Kevin Rourke, Police Chief

Absolutely. So we do have five unions. This is the Patrolman's Union. This is our largest union. It's made up when we're

at full staff of approximately 114 police officers. They are the backbone of our police agency. In fact, our city for public safety. They are your police officers that ride around in the police cruisers, responding to your house on a call. They are your first line detectives if there's a felony investigation. They are your detectives that are coming out there. They are basically the best way I could describe as your frontline defense of the Police Department.

Alderman Sullivan

Follow up, please. Thank you. You mentioned fully staff that 114 officers?

Kevin Rourke, Police Chief

Yes. In the Patrolman's Union there's 114.

Alderman Sullivan

And then I see number of employees in analysis at 136?

Karen Smith, Business Manager, NPD

Yes. Karen Smith, Business Manager. We also have a first year agreement and they're in it for one year until they become part of the Union when they are a second year. So we would have positions that are first year officers and we would have vacancies and that will total 136. So you don't want to eliminate those positions from the total count because they will be coming along shortly. Okay.

Alderman Sullivan

Okay. Very good. There was a lot of talk as we were going through contracts about the health care. Does the city healthcare apply to this contract?

Kevin Rourke, Police Chief

Yes and a couple of years ago, we started attending the strategy sessions with the city. So the Patrolmen already started switching over a few years ago when the city requested that. I don't know the exact number. I know its pretty low of 114 but I know there's a large majority that switched over in the last couple of years. We actually had one of our Captains on the Task Force full time, Craig Allard, who was getting everybody to switch over. So we've done a lot of switching over in the last few years.

Alderman Sullivan

That's all I have. Thank you.

Alderman Cathey

Thank you, Mr. Chair. Chief Rourke I know that there's been some recruitment efforts by the NPD and wanting to get more police officers on the force. This might be an easy one but in your opinion, this contract helps make recruitment attractive in your opinion for officers?

Kevin Rourke, Police Chief

Yes it does, absolutely.

Chairman Dowd

Any other questions?

Alderman Jette

Thank you, Mr. Chairman. So looking at the proposed contract, I think it starts on page 22, talks about wages. So there's a list of ranks. It goes from part time employees, second year officer, and it goes up to master patrolman II. I don't find any definitions of those positions. How are those positions defined? How are they qualified? What about the – it starts at

second year officer. What about the first year officers where are they in this?

Kevin Rourke, Police Chief

So the first year officers has their own contract. So to become part of the union, you have to complete one year of service and pass your probationary period which is 12 months. So they would not be in this. They have their own contract. A second year officer is just a second year officer. They've already completed their one year. It's their first year in the union. Patrolman, senior patrolman, master patrolman, and then master patrolman II. So those are defined in there, I believe. If they're not, I do have them. So Master Patrolman II is right there.

Chairman Dowd

Do you have a copy of the contract in front of you because they're defined in there?

Alderman Jette

Can you point to where it is?

Kevin Rourke, Police Chief

So Master Patrol Officer is an officer with seven years and they must pass a written test and pass an oral board. Master Patrolman II is 12 years of service and pass the Sergeants oral board.

Alderman Jette

Where would I find that? Where is that?

Kevin Rourke, Police Chief

It's under our rules and regs. I can send it to you tomorrow if you'd like.

Alderman Jette

Okay. So it's not in this contract?

Kevin Rourke, Police Chief

No. It's under our rules and regs. A second year officer is someone that obviously is in their second year. A Patrol Officer is a Patrol Officer and a full time member of the Nashua Police Department who is in his third year of continuous employment. But under five years, a Senior Patrolman is a full time member of the Nashua Police Department who has completed five years of continuous service. These are definitions I can send to you tomorrow if that's okay.

Alderman Jette

I appreciate that because I looked for it in the contract.

Kevin Rourke, Police Chief

Yeah it's under our rules and regs. It's not in the contract.

Karen Smith, Business Manager, NPD

The contract cites the rules and regs.

Alderman Jette

I noticed that it cited the rules and regs, but I couldn't find the rules and regs. I went on your website and I couldn't find it anywhere.

Kevin Rourke, Police Chief

I can send them to you tomorrow.

Alderman Jette

Okay, thank you.

Alderman Dowd

Any other questions?

Alderman Jette

Yes, could I continue? So you said that the first two years are in a separate contract. So what is our starting pay?

Kevin Rourke, Police Chief

So our first year officer with this contract, the new annual pay would be \$58,214.

Alderman Jette

Okay, thank you. Do we know what - so this schedule, you know, provides for the straight pay but officers are eligible for overtime in addition to that? Can you tell us what they're actually paid, including overtime? I know they earn it but I'm just trying to get an idea of what the...

Kevin Rourke, Police Chief

So each officer is different. We do have some guys that work nonstop. I think they sleep in the uniform and then we have some guys that don't work any overtime. Apparently, they're independently wealthy. So we have the two far extremes. We did run an analysis and the median of the department is approximately \$10,000.

Alderman Jette

\$10,000 in overtime?

Kevin Rourke, Police Chief

Yes.

Alderman Jette

And how does our pay schedule, our wage schedule compare to other New Hampshire cities and towns and in northern Massachusetts cities and towns? I know a lot of our officers come from northern Massachusetts and I'm wondering where we...

Kevin Rourke, Police Chief

We do have a lot of officers from Massachusetts. There's been many changes to our job descriptions over the years. A lot of stipulations have changed. So we're not getting as many people from Massachusetts as we did before. Are you looking at salaries from other police departments in the area?

Alderman Jette

Yes. How does what we're paying our officers, how does that compare to other cities and towns in the State and in northern Massachusetts?

Kevin Rourke, Police Chief

So we pulled up something from Manchester PD. I tried to go on the website. Manchester is approximately \$57,000 but

reading their chart if you go on a contract, I mean, you have to have a degree in it because everything they do if they belong to a specialty unit and so many years on, it's a chart that there's different levels of it. It moves over with different grades. So it's tough to pinpoint what their actual salary is. I think they're around right around us within a couple \$1,000. I checked with Lowell PD this afternoon. They're at about \$58,000 starting but you've got to understand they have the Quinn Bill if you've ever heard of that. If you have an Associate's Degree, it's an added 15% on to your salary. A Bachelor's Degree is 20% and a Master's is 25%. So they're quite higher. MA State Police - I spoke with a Sergeant today. Their starting pay is at \$70,000. Again, they have the Quinn Bill. So if you want to look at agencies that I would compare myself to, besides MA State Police, I think we're in the same ballpark. I think in New Hampshire, we're compensated well. We're in the top tier. I would absolutely say that. But for dollar for dollar, I don't know that because when you get into those stages of specialty pay and how many years you're on, it gets difficult to pinpoint. It's not as easy as saying, alright they make 58 to start and they make 59. It's not that easy. I would definitely say that we're definitely the top echelon of being paid in New Hampshire. I think our services a lot better than other departments that I've mentioned so.

Alderman Thibeault

Thank you, Mr. Chairman. Just a quick comment. Some of you know, I probably said this before that my grandfather was a Nashua Patrolman. So I have a lot of reverence for our police force here in Nashua. The union made this contract. I still think it's probably way too low. There's much less consequential jobs out there making a lot more than \$58,000. So it's low, in my opinion, to begin with. So I will fully support what the union and the police force have come to us with when this comes to the Board of Aldermen and 100% behind the Patrolman and this contract. So thank you.

Chairman Dowd

Any other questions?

MOTION CARRIED

R-22-026

Endorsers: Mayor Jim Donchess
Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman-at-Large Melbourne Moran, Jr.
Alderman Thomas Lopez
Alderwoman-at-Large Shoshanna Kelly
Alderman Derek Thibeault
Alderwoman-at-Large Gloria Timmons

AUTHORIZING FIRST AMENDMENTS TO DEVELOPER AGREEMENTS FOR BRONSTEIN REDEVELOPMENT

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Alderman Cathey

Thank you, Mr. Chair. I do have to questions. More for confirming curiosity. So the original agreement was structured where the builders would not pay any fees. They estimated a certain amount. That amount was incorrect so they're just sort of amending that amount. Is that it in a nutshell?

Matt Sullivan Community Development Director

Yes, that is correct.

Alderman Cathey

I noticed that in this particular contract it mentions in passing impact fees but in the actual contract, it does not mention impact fees. So impact fees are not included in this. It's just building fees, is that correct?

Matt Sullivan Community Development Director

Impact fees were included in the initial development agreements and those impact fee waivers were adequate that were originally contemplated by the first version of the development agreement. So that estimation was accurate, as those fees are a fixed fee based on the unit count. It's the building permit fees only that needed to be modified, but impact fees were included with the initial development agreement yes.

Alderman Cathey

Obviously, I wasn't around for this when this contract passed. I think it was 2021. Why were impact fees waived because my understanding it is going to be multifamily so there will be children in this particular development?

Matt Sullivan Community Development Director

That's correct. There were Mr. Chair, if I may. And I guess I should have said Matt Sullivan, Community Development for the record. Apologies for that. There are a few factors at play here. One of which is that this is a redevelopment and so there's an existing unit counts and therefore that's not contemplated as new development. However for the additional units that are contemplated beyond the existing unit count, the opinion was at the time that because this was a partnership between the city and the private developer and because of this being a critical, affordable house housing development, the view at the time when the development agreement was initially voted upon was that those impact fees would be waived in the interest of creating this affordable housing. Particularly the tight financial pro forma of actually developing the project. So certainly, it is a unique situation that those fees were waived but they weren't contemplated in that initial agreement.

Alderman Cathey

Thank you.

Alderman Sullivan

Thank you, Mr. Chairman. Regarding the delta between the building permit fees originally quoted at 100 now coming out to 250, that's a big delta. When were those original fees calculated and what goes in to that calculus of a permit fee? I mean, I would think if the city is quoting it, then they would have a pretty good understanding of what the permit fees will cost. My question is all over the place. When did you originally quote them and what goes into the delta of that \$150,000 that we're looking at now?

Matt Sullivan Community Development Director

Great question. I'm actually really happy that you asked. I've actually had to learn a little bit about this process as I was not intimately involved in the initial development agreement in legislation. There were a few sort of perfect storm items that happened with this particular waiver request. The first of which is that due to the financing nature of the project, the estimates of construction costs and building permit fees associated with it had to be done very, very early in the process for some of the federal funding particularly. So with that in mind, the plans upon which the city based their fee waiver estimates were at a concept level rather than a final design level.

What happened is that we underestimated a few things. Number one, we underestimated some of the fixture counts within the development based on the unit mix. So we use a comparable project at the Marshall Street apartments to use as the basis for these calculations. We didn't understand that the unit mix would ultimately include the number of three bedroom, four bedroom and five bedroom units that were ultimately included in the project. Additionally, we were in the midst of a fee update process as well. So that was an initial consideration that ultimately led to the larger delta. But quite simply, the early timing or the very early timing necessary to create the estimates the level of design that was actually available at that time for the Building Department to review, combined with the fact that the unit fixture counts were substantially greater than initially anticipated, combined lastly with the fact that the comparable units that we looked at were not actually comparables. All of those led to sort of this perfect storm resulting delta that you see presented this evening.

Alderman Sullivan

Thank you very much. So was that time? Is that what that is?

Matt Sullivan Community Development Director

It's level of design. It's level of design. So I think does that answer your question? It's because of this being a concept level design, we were not able to accurately estimate the final fee payments that were contemplated.

Alderman Sullivan

Okay.

Matt Sullivan Community Development Director

And should more time had been available in that process where we would have made the decision based on final building permanent plans, I would offer that this agreement would have been more accurate at the time of the drafting of the first development agreement.

Alderman Sullivan

Okay. All right. Thank you.

Alderman Cathey

Thank you, Mr. Chair. To piggyback off of Alderman Sullivan's questions, do you foresee this happening again? It's still early. They're still groundbreaking. They only have the elevator shafts up, I believe so could this happen again? And is there a point where it becomes an untenable situation where we're just giving away too much money in this situation?

Matt Sullivan Community Development Director

The answer is no. We are fully confident in the numbers that are presented within this \$250,000 waiver and that is because the stage that we're at in the building permanent process. So there's no - we're very comfortable with this \$250,000 number. Certainly, I know that the project developers are available for questions, but that very discussion did happen prior to this legislation being drafted and submitted for the Committee's review and the Board's review. This is, you know, as final as it comes I would say. Great question, though.

Alderman Cathey

Thank you.

Chairman Dowd

Any other questions?

Alderman Sullivan

I do have one more. Thank you, Mr. Chairman. I know this is a Budget meeting but we referred at the beginning about Bronstein apartments the 4% entity and the 9% entity. I'm curious about the difference between those two entities.

Matt Sullivan Community Development Director

Mr. Chair, may I defer to the folks online to provide a little more context about that if the Committee would be comfortable accepting that public testimony?

Chairman Dowd

Sure.

Rich Mazzocchi

Good evening, Mr. Chair. This is Rich Mazzocchi. I'm with Boston Capital Development. I'd be happy to address that question. It really is just due to the nature of the affordable housing financing programs. By the way, just as a mic check, can everyone hear me?

Chairman Dowd

Yes.

Rich Mazzocchi

Okay. So given the nature of the affordable housing development financing programs, there are two separate types of tax credits that we applied for to try to maximize the leverage of federal financing sources. One of them happens to be called the 4% tax credit and the other is a 9% tax credit. So that's really the reason for it and then it just allows us to, again, maximize the capital funding from the government.

Alderman Sullivan

Thank you very much.

MOTION CARRIEDNEW BUSINESS – ORDINANCES - NoneTABLED IN COMMITTEE - NoneGENERAL DISCUSSIONAlderman Klee

Thank you. I just probably could have waited for Remarks by the Aldermen but I just wanted to make a comment that I reached out to Director Sullivan today using the Director's telephone number and almost had a heart attack because the message on it said that they were searching for a new Director. When he finally reached back to me I said, please tell me this is not so and it is not. So they just have not changed their message and hopefully they get on it soon.

Chairman Dowd

Okay, thanks. Any other general discussion? Seeing none. There's no public in the audience and no public online, so no public comment.

PUBLIC COMMENT - NoneREMARKS BY THE ALDERMENAlderman O'Brien

Thank you. I just want to say that I'm very happy that we invested some money back into the fire alarm system. Having worked with that and growing up with it, well of course we all grew up with it. It was invented in 1860. It was one hell of an invention if it's still here in use since 1860. It's infallible. Wires could fall, trees can disconnect them, yet it's a supervisory system. So it creates an open circuit so the technicians can go out and find out where the fault is. It's quite ingenious. Runs practically on nothing milliamps and everything and it's quite. It's actually - the only thing the first thing in America that was bilingual. You don't have to speak English to pull the firebox and you pull the firebox, you get a five minutes, three minutes. Such as I remember a young lady who got off the bus one time and another gentleman got off the bus and was following her and she was concerned. So she pulled the firebox and the gentleman crossed the street or something. I'm not saying anything nefarious were to happen but to me, the box worked. We were there less than three minutes and she was in tears and she explained the dilemma and we called a cruiser and was able to take her home safely. So I'm glad we invested in it. Very few false alarms. There have been some but it's a situation that does guarantee. If this system doesn't work, today's bonding technology and replacing it, I think like Chief Buxton said, would have been a lot more money. So I'm glad so I compliment you all for doing that. And that's also coming from nostalgia side of me.

Also was brought up redundancy. That's part of the insurance requirement - telephones, the fireboxes, and everything. I don't know. Many a night I sat there in a firehouse and my father said it to me in his career. I've been listening to bells all night. We know all seven kids in my family not to bother the old man if he said he was listening to bells all night. I get to say it to my kids too. It's a system that does work. So thank you all.

President Wilshire

Thank you. I wanted to thank the Committee for passing the Bronstein Development waiver because it's so important. That project has been on the table for 15 or more years. It's going to do a lot for that area and it's going to do a lot for the

people that once lived there that are going to be able to move back in there into a new apartment. So I think it means a lot. I think we help the city a lot by doing that. So thank you.

Chairman Dowd

I was just gonna say that for those of you that are younger, in the old days when that box was pulled, it has a number on it and they used to sound the alarm. Everybody, everyone in the city had all the box numbers. Of course today there's too many of them. The box numbers, they knew exactly where the fire was and it was a second or third alarm, everybody went to the fire. We don't want anybody doing that today.

Alderman O'Brien

You're absolutely right. The Telegraph used to put up the box. You can still find them around and then it was - we affectionately called it "the doo dank". The darn horn it would scare the beeguez out of you. But I never heard it. The wife would hear it and wake me up and say you better get going, there's a fire. I'd be asleep at home in my bed.

Alderman Cathey

Thank you, Mr. Chair. I just wanted to help the other Aldermen who won't be here and are enjoying their vacations. I did want to echo what Alderman O'Brien said earlier about insurance. Having had my house appraised twice in the last two to three years, well aware that fire response rates and all of that goes into both the insurance and the appraisal rates for homes. Not that that's the only reason to do it, but I'm more than happy to support the Fire because we do have some alarm issues that we need to take care of in the coming years.

Also I just wanted to make a general comment that being a new Alderman, you know, you get hit with a lot of things. There are quite a few constituents that don't want you to spend money, which is fine. That's fair. But particularly with the street project, that's really going to save us quite a lot of money in the long run. Especially we've already seen the consensus about how we're going to grow in the future and so it's just spending money now so we don't spend more money later. It's a knock it out of the park for me personally. So that's why I would vote to spend money on something like that, especially with infrastructure. So I just wanted to comment on that.

Chairman Dowd

Okay. Any other remarks?

ADJOURNMENT

**MOTION BY ALDERMAN O'BRIEN TO ADJOURN
MOTION CARRIED**

The meeting was declared closed at 8:39 p.m.

Alderman Michael B. O'Brien, Sr., Committee Clerk