

BUDGET REVIEW COMMITTEE

MAY 13, 2020

A meeting of the Budget Review Committee was held Wednesday, May 13, 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:

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

We are utilizing WebEx through the City's IT Department for this electronic meeting. All members of the Budget Review Committee have the ability to communicate contemporaneously during this meeting through this platform, and the public has access to contemporaneously listen in to this meeting through dialing the following number 1-978-990-5298 and using the password 273974. The Public may also view this meeting on Comcast Channel 16.

b) Providing public notice of the necessary information for accessing the meeting:

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.

c) Providing a mechanism for the public to alert the public body during the meeting if there are problems with access:

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

d) Adjourning the meeting if the public is unable to access the meeting:

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
Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O'Brien, Sr.
Alderwoman-at-Large Shoshanna Kelly

Also in Attendance: Sarah Marchant, Community Development Director
Carrie Schena, Urban Programs Manager
Alderman Tom Lopez (arrived after roll call at 7:30)

Alderman O'Brien

Thank you, Mr. Chairman; Alderwoman-at-Large Shoshanna Kelly

Alderwoman Kelly

I am here, I am alone, I can hear everyone and I am attending remotely due to the Governor's Order.

Alderman O'Brien

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

Alderman Wilshire

I am here, I am alone and I can hear the proceedings. I am staying at home due to the Governor's Orders.

Alderman O'Brien

Alderman Ernest Jette?

Alderman Jette

I am here, I can hear you, I am participating contemporaneously, at home due to the Governor's Order.

Alderman O'Brien

Alderman Jan Schmidt?

Alderman Schmidt

I am here, I can hear you and the only person in this room is me, you may hear my bird however.

Alderman O'Brien

Alderman-at-Large Ben Clemons?

Alderman Clemons

I am here, I am participating via telephone, there is no one in the room with me and I am participating this way due to the Governor's Executive Order.

Alderman O'Brien

Our Chairman, Alderman Richard Dowd?

Chairman Dowd

I am here, I can hear everyone, I am alone and I am doing this electronically by a Government order.

Alderman O'Brien

Mr. Chairman, there are seven voting members of the Budget Review Committee present. Are there any other Aldermen standing by that I did not call?

Alderman Harriott-Gathright

Alderman Harriott-Gathright is here.

Alderman O'Brien

OK Linda Gathright, thank you. Also in attendance is Sarah Marchant, Community Development Director and I am also going to go down the list and if I didn't get you, you speak out afterwards. I see Bill McKinney, Building Inspection, Nelson Ortega, Camille Pattison, Transport, Deb Chisolm, of Waterway Management. Is there any other Director I did not call?

Carrie Schena, Urban Programs Manager

Urban Programs.

Alderman O'Brien

I'm sorry, and your name please?

Carrie Schena, Urban Programs Manager

Carrie Schena.

Alderman O'Brien

Thank you for that. Mr. Chairman that conducts the roll call.

Chairman Dowd

OK, Communications.

COMMUNICATIONS

From: Cheryl Linder, Chief of Staff, Mayor's Office

Re: Response to Budget Questions Received from Alderman Clemons

From: Lisa Fauteux, Director of Public Works
Re: Response to Questions from Alderman Clemons

There being no objection, Chairman Dowd accepted the communications from the Mayor's Chief of Staff and Public Works Director and placed them on file.

UNFINISHED BUSINESS – None

NEW BUSINESS – RESOLUTIONS

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

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND TABLING BY ROLL CALL

ON THE QUESTION

The reason to table it is we have not had a public hearing on it as of yet. Will you call the roll?

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

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

Nay: 0

MOTION CARRIED

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

(remains tabled)

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 LANSINGMELBOURNE GROUP, LLC.

(remains tabled)

MOTION BY ALDERMAN O'BRIEN TO REMOVE FROM THE TABLE RESOLUTION R-20-023 RELATIVE TO THE ADOPTION OF THE FISCAL YEAR 2021 PROPOSED BUDGET FOR THE CITY OF NASHUA GENERAL, ENTERPRISE, AND SPECIAL REVENUE FUNDS 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**R-20-023**

Endorser: Mayor Jim Donchess

RELATIVE TO THE ADOPTION OF THE FISCAL YEAR 2021 PROPOSED BUDGET FOR THE CITY OF NASHUA GENERAL, ENTERPRISE, AND SPECIAL REVENUE FUNDS

- Public hearing scheduled for 5/20/2020 at 7:00 p.m. via Webex

DEPARTMENTAL REVIEWS OF THE PROPOSED FY21 BUDGET FOR THE CITY OF NASHUA

<u>Dept. #</u>		<u>Appropriations</u>
	<u>COMMUNITY DEVELOPMENT DIVISION</u>	
153	Building Inspection	209
155	Code Enforcement	213
170	Waterways/Hydroelectric Operations	216
181	Community Development	220
182	Planning & Zoning	224
184	Urban Programs	228
186	Transportation	234

ON THE QUESTIONChairman Dowd

Ok R-20-023 is now off the table and this evening we are going to our Department Reviews; Community Development Division, Departments 153,155, 170, 181, 182,184 and 186. And on your Agendas are the pages for the appropriations. Director Marchant, would you like to kick us off on your Division?

Sarah Marchant, Community Development Director

Yes please, thank you so much for the introduction and the opportunity speak with you tonight. I just wanted to quickly introduce the six Departments and their leadership. Bill McKinney with Building Safety; Nelson Ortega, Code Enforcement; Deb Chisolm, Waterways & Hydroelectric; Carrie Schena, Urban Programs; Camille Pattison, Transportation; and Roger Houston did retire in January after a very long, appreciated career with the City of Nashua. We are very actively involved and almost complete with a new position who I hope to be able to introduce to you this summer. The pandemic has put a bit of a pause on bringing that person on board but we are very excited to bring in a new head of the Planning & Building Department.

As far as the Budget goes, the Division came in under the Mayor's mandated amount. I just wanted to take the opportunity to actually say thank you to this amazing team that I get to work with all the time who have stepped up incredibly and in some cases changed entire operations in less than a week to be able to continue provide high quality service during this pandemic. We put a lot of new things in place and hopefully these will sustain us and be even better and help us come back more resilient in the future. It just has been great to work with people on such an important thing. And it is amazing how well functioning we all are remotely so I just want to say thank you.

Chairman Dowd

Thank you. Do you want to start with Building Inspection?

Sarah Marchant, Community Development Director

Yes please, Bill McKinney with Building & Safety.

Bill McKinney, Buildings Manager

Yes, good evening, Mr. Chairman and thank you to the Committee for allowing us to speak this evening. I would direct you to Page 209 of the Budget for appropriations. There are no significant changes in our Budget for this year. I do want to mention that we have a staff of 8 full-time employees in the Department of Building & Safety. We did just recently bring on a replacement permit technician to bring our staff back up to the full 8 and she is working out exceptional for us and providing the Customer Service that we like. We have done some slight adjustments with our Budget Appropriations this year but we have not raised appropriations other than the contract required, salaries and benefits. I would be glad to entertain any questions from the Board.

Chairman Dowd

Does anyone have any questions relative to Community Development, Building Inspection Department?
Alderman Jette?

Alderman Jette

Yes, my question is not about the appropriations side but the revenue side. The fees that you charge for building permits, electric permits, mechanical permits, plumbing permits; are they compatible or equal to what other places are charging. Is there any opportunity for additional revenue there to increase those fees at all?

Bill McKinney, Buildings Manager

Three years ago, we came before the Board of Aldermen at the time with the concern that our fees were significantly lower than several of the communities in our area, including some communities in Massachusetts and communities of common population, Manchester, Concord, Keene. So at that time we had actually instituted a program of a bi-annual permit fee review. We are now in the midst of that review right now. This would be our 2-year term to bring any proposals to the Board of Aldermen for increases, reductions,

whichever that we feel are necessary. So this is the year that we would have that review completed. I anticipate that coming before the Board of Aldermen early to mid-summer.

Alderman Jette

OK, thank you.

Bill McKinney, Buildings Manager

You are very welcome.

Chairman Dowd

Any other questions? Seeing none, we will move on to Department 155 Code Enforcement on Page 213. Who is covering that?

Nelson Ortega, Code Enforcement Manager

This is Nelson Ortega, Code Enforcement Manager. Good evening. As far as my Budget which is on like you mentioned 213, we have had no changes, any increase is due to payroll. But as far as all the other line items everything is up to par, equal to last years.

Chairman Dowd

OK any questions relative to Code Enforcement? Alderman Clemons?

Alderman Clemons

I am not sure, Nelson might be able to answer this, but on the Benefits line actually went down in the Budget and I am just wondering why that is?

Sarah Marchant, Community Development Director

Sure so there was a change over in one of the Code Enforcement Officers and when there's a change in staff they elect a single plan, a two-person plan or a family plan and that would be why there was a change.

Alderman Clemons

Ok, sounds good, I just wanted to make sure we didn't a typo or anything like that. Thank you.

Chairman Dowd

All set Alderman Clemons?

Alderman Clemons

Yes thank you very much.

Chairman Dowd

Any other questions on Code Enforcement? Seeing none – thank you Nelson.

Nelson Ortega, Code Enforcement Manager

Thank you.

Chairman Dowd

Next, we will have Department 170, Waterways and Hydroelectric Operations on Page 216.

Deb Chisolm, Waterways Manager

Good evening this Deb Chisolm, Waterways Manager. You will see my budget is a little bit different than most. My whole department, all 1 of me, my labor is actually under Sarah's Budget for Community Development. So what you are seeing in my Budget is essentially the Budget for hydroelectric operations for both Mine Falls and Jackson Mills. We have a slight increase, most of that seems to be due to increases in dues and membership and fees for things that we are required to part of; Granite State Hydro, and then we've got some other fees that have to be paid for, the dams, for boat facilities. But otherwise, we are very similar to our expenses for last year.

We also have a revenue line item that we keep the same. There's no real scientific or heavy math that goes into calculating what our estimate for revenue is because it is very – every year it changes, it is based on the efficiency of our equipment which we are in the process of upgrading. It is based on rainfall and snowfall over the year that will increase or decrease the amount of flow that's going through both of the facilities. And also it will depend on the rate that we can get when we sell the electricity. So all three of those things play into the revenue.

Chairman Dowd

OK thank you, questions for Hydroelectric Operations? Alderman Jette? Who else?

Alderwoman Kelly

Chairman Dowd

OK Alderman Jette and then Alderman Kelly.

Alderman Jette

So my question has to do with the hydroelectric power generation. Where do we stand with that? My memory is that we are spending a lot of money replacing a turbine in the Jackson Falls Hydroelectric Plant.

Deb Chisolm, Waterways Manager

Yes, we are.

Alderman Jette

So where does that stand and once that is on-line, wouldn't that generate more electricity, but I see your budget for revenues is the same.

Deb Chisolm, Waterways Manager

Right, we are very close to having a completed contract with the company that will be manufacturing the turbine and the controls and the generator for Jackson Mills. We are hoping that is actually going to go in next year. But you are right, we do have bond money that we are using for those expenses. The facility itself is kind of tiny and we are currently exempt from license. If we were to change the capacity of the turbine at Jackson, we would have to go through a licensing process. So we are going to continue with a 1-megawatt turbine at Jackson which is what we currently have. So while it might produce some efficiencies being new, we are going to try to get as close as we can to generating as much power as we can without going over and

then falling into the trap of having that license. So the revenues will be similar although at this point, it will take about a year to manufacture the turbine before it can get installed. We will probably be installing it in the summer of next year.

Alderman Jette

So could I follow up? So there aren't two turbines there, I thought we were replacing one that wasn't working anymore.

Deb Chisolm, Waterways Manager

At Jackson there is one turbine and it still, knock on wood, has been running great.

Chairman Dowd

We are losing your volume.

Deb Chisolm, Waterways Manager

Uh-oh, ok.

Chairman Dowd

Can you repeat that?

Deb Chisolm, Waterways Manager

Ok so we are, at this point, we are planning on replacing the Jackson turbine, it is the only one that we have in that facility. We have two turbines at Mine Falls and one of them has just gone back online after being offline for a year. So our revenue at Mine Falls is about half of what it has been in the past because we have been replacing the parts of that turbine at Mine Falls.

Alderman Jette

So if we were at half capacity at Mine Falls, and we are going to double that, shouldn't that be reflected in some increase in revenue.

Sarah Marchant, Community Development Director

Can I help here? So we budget the revenue based on a 10-year average of production. So we use a 10-year trailing average because it is variable, the biggest piece of this is really Mother Nature. You will remember a couple of summers ago we had massive drought and the drought lasted through the fall and that is some of our biggest revenue producing time. So we use a 10-year trailing average to budget those revenues and we haven't been fortunate enough to actually have a turbine down when we are budgeting, they seem to break outside of when we are trying to budget as well. That's why it isn't it is generally about the same. And last year it was such a wet wonderful year, we went so far above and beyond revenues, in fact, we actually had to make some surplus payment, because we made so much money. So this year is not the case, but it is the same budget from year to year.

Alderman Jette

OK Thank you.

Chairman Dowd

All set Alderman Jette?

Alderman Jette

Yes, I am thank you.

Chairman Dowd

Because when you are dealing with Mother Nature you've got to deal with averages because there are highs and lows. It seems like we are having a lot of rain right now. It seems like the Pennichuck Ponds are up but you know, if there is excess revenues, that's a good thing because that goes into the General Fund which would then offset taxes. Alright, Alderman Kelly.

Alderwoman Kelly

Thank you. Alderman Jette stole my question but I have a new one. I was going to ask the exact same question. So I actually want to ask about invasive species. Is that your disposable services, 542221.

Deb Chisolm, Waterways Manager

No, it is not. The invasive species does not get paid out of the hydro budget that you have in front of you, it comes out of Community Development.

Alderwoman Kelly

OK I saw that there and my question, maybe I can wait for Community Development if that's the most appropriate time is just how that has been going with the shifts in temperature. We had snow in May. Are we seeing it be more of a problem and eventually more of a strain on the Budget.

Deb Chisolm, Waterways Manager

Well fortunately this year with Invasive Species from the aquatic side we were actually pleasantly surprised that the State provided us with almost 40% of our funding for Invasive Species Management this year. Last year it was closer to 20%. So we have some expenses that we incur and Nick Caggiano at Parks & Rec also provides some of the funding for our invasive species. This year we are treating the Nashua River north of the Mine Falls Dam which we do every year. And then we are also treating the canal and the millpond and we are also treating Sandy Pond so that that doesn't get overgrown too quickly.

Alderwoman Kelly

Alright, thank you.

Deb Chisolm, Waterways Manager

You're welcome.

Chairman Dowd

Are you all set Alderman Kelly?

Alderwoman Kelly

I am, thank you.

Chairman Dowd

Any other questions for Hydroelectric Operations? I did notice that the Operating & Maintenance Services is down. Is that because we are renovating that turbine and it is not going to be as expensive to maintain?

Deb Chisolm, Waterways Manager

No it's definitely not, we've got some expenses that will be incurred during that time period. I am hopeful that it might be a little less. They are out there frequently at Jackson and at Mine Falls tweaking things, because all of the equipment in both of those facilities is quite old. So yeah, the thought was that perhaps the labor would be a little bit less coming up. We were originally thinking that we were installing that turbine at Jackson this year instead of next year. So we will see how that plays out.

Chairman Dowd

Any other questions for Hydroelectric? Thank you. Seeing none we will move on to Department 181, Community Development.

Sarah Marchant, Community Development Director

Good evening, Community Development has been stable. There are only changes based on the salaries and benefits. There are no other changes to this budget. Just to answer another question, under this budget under "other contracted services" that is where the Invasive Species is paid from.

Chairman Dowd

And you actually came in under the request of the Mayor.

Sarah Marchant, Community Development Director

Correct.

Chairman Dowd

OK and your total budget only increased \$20,858.00 total. OK. Any questions on Community Development? Alderman Jette?

Alderman Jette

Yes so what about the Master Plan does that come under your budget somewhere.

Sarah Marchant, Community Development Director

Yes great question, it is under my budget it is a separate fund. We are very close to selecting a firm. It's been pushed off a little bit with the pandemic as so much energy and effort was put into other directions. But we are picking that ball back up and should have I think the rest of the nominations to you for the Master Plan Committee and a selection coming forward in short order for the consulting team we will be working with. So we are hopeful to get rocking and rolling over the next couple months with all the data background. We are looking to do the public outreach and engagement piece this fall. So that's the timeline.

Alderman Jette

Can I ask a follow up? So because of this COVID-19 Pandemic, there's fear that our revenues are going to be down, you know, that people aren't going to be able to pay their taxes, that we are going to get less of a

share of Rooms & Meals Tax and the State is going to give us less money. So if that happens, if our income, if our revenue is short, is there, would it make any sense to put off spending the money on the Master Plan this year and maybe waiting a year to start that?

Sarah Marchant, Community Development Director

The funding has largely been appropriated for the first of this, to do the Master Plan. I also think this is an incredibly important time to have that conversation with our community this fall about where we are at, what we need and how we want to look and grow. We are going to be approaching things differently going forward and having a conversation that we haven't had in 20 years with our community, about what they see for the future of Nashua, how they want to see Nashua and where they want to live and what is most important I think is incredibly important right now. And as these funds have been appropriated, it seems very timely and very appropriate to be able to make sure that our Planned Use Regulations and our planning and our long-term goals for the community can be laid out and articulated now so we can put those policies in place to be the best City we can be going forward and being able to be more resilient coming back from that.

Chairman Dowd

Alderman Jette, are you all set?

Alderman Jette

If I could just follow up. That makes a lot of sense to me I just wonder, you know, when people are looking at a long-range plan for the City and some of the great projects that we could undertake to make the City much better. Whether this current climate is going to make people feel less ambitious or less adventurous about planning for projects that they might see as costing more money than they can afford. But I understand where you are coming from as well. Thank you.

Chairman Dowd

I would just like to add that Director Marchant and I have had several conversations on this. This Master Plan is way overdue, this 2020 budget we had put aside half the money and half the money in the 2021 budget It is something that is going to save the City money in the long run. There are a number of things that are way, way out of date and in order for us to proceed forward with any kind of a sensible plan and optimize the City going forward, we need to do this Master Plan and we need to do it sooner rather than later. I'm sure you'd agree, Director Marchant.

Sarah Marchant, Community Development Director

Yes.

Chairman Dowd

OK, any other questions on Community Development? Seeing one, by the way, in my opinion, my opinion alone, this is one area where we probably should have added more funds over the years and how Director Marchant is keeping it level is amazing to say the least. Also in your Budget, that's where the new person is going to reside.

Sarah Marchant, Community Development Director

It will actually be in the Planning Budget which I think might be your next one.

Chairman Dowd

OK so there are no other questions for Community Development? Alright, next we will go on to 182, Planning & Zoning and that's on Page 224.

Sarah Marchant, Community Development Director

Correct so thank you. So this Budget would include the new Head of the Planning Department. Those are the main changes in this Budget. The only other change is related to printing supplies as we have the Master Plan coming up, we just wanted to have a line item in here for additional printing of materials. We also have some serious discussion about zoning changes in the next year. Those now require significant abutter notification, so we have beefed up some of those items that way. But otherwise it is basically all benefit and salary changes.

Chairman Dowd

Any questions on Planning & Zoning? Let me see if I had anything.

Alderman Jette

Mr. Chairman?

Chairman Dowd

Yes, Alderman Jette?

Alderman Jette

My only question is there is a picture on Page 222, the rendering of approved Temple Street Apartment Project. Where is that?

Sarah Marchant, Community Development Director

Yeah, that's a great question. That project is on the old, I think it was a Corriveau Routhier site. If you were on Temple Street, you'd drive past the Temple Street Diner, there's a railroad track. The very next huge open lot is this project. It was approved, I think 176 units, it has really nice architectural style. It has the potential for mixed use unit on that first-floor corner. It was very much done in mind with the future rail station at 25 Crown Street. We are hopeful that it will be under construction probably next spring at this time; maybe earlier, maybe as soon as the fall, but that is not up to us. But it is actively on the market and I've heard good things.

Alderman Jette

Thank you.

Chairman Dowd

And that should add significant revenue to the City's Tax Coffers. Any other questions on Planning & Zoning? Oh I had one question on Dues & Nashua Regional Planning; we had no expenses last year but \$66,110.00 this year?

Sarah Marchant, Community Development Director

Excellent question, that actually was a mistake last year. The dues from the Nashua Regional Planning Commission have been the same for the past 5 years. This is the same exact amount it should have – it was in the previous budgets and it was unfortunately just left out of last year.

Chairman Dowd

Did we have to pay someone out of something else?

Sarah Marchant, Community Development Director

We found the money, yes, not necessarily in the Division but yes.

Chairman Dowd

Right. Any other questions?

Sarah Marchant, Community Development Director

I would just note that the last few Departments have large amounts of Federal funding or are totally Federally funded and so Urban Programs and Transit are a little bit different, those budgets look different than the rest of the budget.

Chairman Dowd

Yes, the next Department is 184, Urban Programs on Page 228. Isn't that 100% funded by Federal Grants? The one question I have before we get into it is, when that Federal Grant Money comes in, does it go into the General Fund and then we draw down on it. Where does that money go into?

Carrie Schena, Urban Programs Manager

Hi, so I can take that, Carrie Schena, Urban Programs Manager. As you said, Urban Programs is fully funded through Federal Grants, primarily HUD, Housing & Urban Development. So we actually used those funds on a reimbursement basis. We find out what our allocation is going to be at some point in the year and then we start a public process to allocate those funds out to do projects within the City; either through the City itself, Community Development, Economic Development, Parks & Rec, our out through the non-profits in the community who are our partners. And then as we spend those funds, we draw them down from HUD, so they don't go into General Fund.

Chairman Dowd

Yes, I sort of knew the answer but I wanted it to be stated so that anybody that wasn't aware of it would know how that money is offset against expenses versus revenue. So you want to add anything else relative to what is going on in the program.

Carrie Schena, Urban Programs Manager

Sure, right now we have a lot going on. Typically on an annual basis, the Department oversees those allocations, the Community Development Block Grant, or CDBG; the Partnership Program which is all about affordable housing. We have a competitive lead paint grant which right now is \$2.4 million, that's actually nearing the end of that grant at the end of this calendar year. We are waiting to reapply; we think that will come out any day now which will actually be much a larger grant. It is going to range anywhere from \$4 to \$5 million for lead grants and we hope to be able to do a lot more units and making a difference on that side.

Then we also oversee what we call the CAC Process, which is the Citizen's Advisory Commission. That does use some General Fund that the Mayor puts into the Budget and then it has a small portion of CDBG and that is all for operating costs for non-profit. So we coordinate that and we take the applications and then the Commissioners review and make recommendations on those grants. CDBG and HOME actually goes through the Human Affairs Committee and that allocation process is done there.

Chairman Dowd

OK, questions? Does someone have a question?

Alderman Jette

Yes, I do.

Chairman Dowd

Alderman Jette and then Alderman Wilshire.

Alderman Jette

So my question is the money that the City pays to the various non-profit organizations in the City, does that all come from the CDBG, the Federal money? I thought so but you just said something about the mayor puts in some portion from the City funds. Does any of the City tax money go to non-profits?

Carrie Schena, Urban Programs Manager

Yes, the Citizen's Advisory Commission, the Mayor recommends an amount, I believe they are under "Other Human Services". Sarah can correct me if I'm wrong, it used to be run directly straight of the Mayor's Office and when Mayor Donchess came in, it got folded into Community Development because of the link to CDBG. So this year, I want to say the amount out of General Fund and this is just for operating costs to non-profits was about \$520,000.00 and the CDBG portion was like \$96,000.00. In addition to the operating cost, separately we also use CDBG Grant to do physical improvements and that's the piece that goes through Human Affairs.

Alderman Jette

Ok so if someone wanted to see which non-profits are getting money from the City, where would they find them? Where would that be listed?

Carrie Schena, Urban Programs Manager

I meant to look up the page in the Budget; Sarah I don't know if you know off-hand, I think it falls under the Mayor's section.

Alderman Dowd

It is in the Budget Book, in detail. I can't remember the page either off-hand.

Sarah Marchant, Community Development Director

I'm sorry I don't have the whole Budget Book in front of me, I can probably look it up as well. But it also available on the Urban Program Web Page. Every year the awardees and all of the application packets and all of the back up is all on the Urban Program Web Site.

Alderman Jette

OK, thank you.

Chairman Dowd

Alderman Wilshire.

Alderman Wilshire

Alderman Jette, that's on Page 63, the non-profit.

Alderman Jette

Thank you.

Alderman Wilshire

I have a question about the 2020 Consolidated Plan what is the status of that right now.

Carrie Schena, Urban Programs Manager

So one thing I didn't describe is that everything we do is based on a long-range plan, it's called the Consolidated Plan. It is a 5-year period which we are due to submit one right now. As she said, Alderman Wilshire for 2020. So we had the process (audio breaks up) by the pandemic so we put a pause on that in order to turn their attention to some other immediate needs. We are hoping to bring that back up and move it forward. There's Legislation before the Human Affairs Committee that has been tabled. I am hoping to get the Draft Consolidated Plan out for public review around the beginning of June and then allow a comment period and we would bring that discussion through the Human Affairs Committee in the June timeline so it can be approved by the Board of Aldermen near the end of June.

Alderman Wilshire

Thank you, appreciate that.

Chairman Dowd

Any other questions? Just on your projected budget for Urban Programs, under 68 – Other Expenses, there's \$16,450.00 for relocation costs. What is that for?

Carrie Schena, Urban Programs Manager

Sure so that's actually part of the lead paint grant. When the contractors go in to remediate the lead hazards, almost always the tenants need to temporarily leave their units. So there are stipends that we offer the tenants while they are out.

Chairman Dowd

OK I thought maybe you'd be getting a new office. No I knew that was going to prompt questions in the public so I thought I would point that out. Any other questions? Thank you very much.

Carrie Schena, Urban Programs Manager

Thank you.

Chairman Dowd

Ok the next is Department 186, Transportation.

Camille Pattison, Nashua Transit System

This is Camille, running Nashua Transit System. So we have a staff of 10 people that fall under the City and then we contract with First Transit. First Transit hires the dispatchers and the drivers. Over the past year we have continued to green our fleet and we have replaced our trolleys with two new electric hybrid vehicles. So all of our buses are either run on compressed natural gas or they are electric hybrid at this point, the full-size buses. We are looking for an increase this year of \$5,000.00 and if you look, as Sarah had mentioned earlier, we have a significant amount of our overall budget is paid for through either Federal Funds or State Grants or contracts with other communities. So about 13% of our Budget is actually from the City's General Fund and the rest comes from other sources.

Chairman Dowd

Ok, questions? Alderman O'Brien

Alderman O'Brien

Thank you, I would like Mr. Chairman, through the Chair, to ask Ms. Pattison, I did go to the start up when we went to the hybrid buses and if you could just mention to the public as compared to what we would traditionally pay in diesel cost to run a typical bus, how much we are actually saving in fuel costs since we got those two buses. And I think that was a collaboration with BAE and everything and it has just worked out perfect, the numbers to me were very surprising and positive.

Camille Pattison, Transportation Manager

Yeah, I don't the exact calculation, I could get it for you but I can tell you that we definitely get significantly higher mileage in the electric hybrid buses than we do in the compressed natural gas. In the order of a 3 to 4 miles per gallon higher which doesn't like a lot, but collectively over the course of the life or the year of a bus, it is significantly higher. And our bio-diesel cost is actually cheaper right now than the compressed natural gas, actually significantly cheaper. So overall it is a huge savings and I know that the drivers really prefer driving the electric hybrids as well. So overall it has been really successful. And a lot of people really did not enjoy the trolleys and they have been pulled off the road and will just be used for special events. So that is kind of exciting.

Chairman Dowd

All set Alderman O'Brien.

Alderman O'Brien

Thank you, Mr. Chairman.

Chairman Dowd

Yeah, I was going to ask how those buses are doing since I have some interest in how they do. Were we ever thinking of adding an additional ones? Not to try to sell something, I was just wondering if that's part of our replacement strategy.

Camille Pattison, Transportation Manager

Actually we are in a really good position now that we have almost all of our entire fleet is a state of good repair, which means it has not exceeded its useful life. All of fixed route is good with the oldest vehicle we have is actually from 2013 I believe, 2014? That would be the next one to be replaced but right now we do not have plans or needs to replace any of the fixed route buses, the large buses. We do have two more vans that need to be replaced, they are beyond their useful life and they will be the next vehicles we replace. Although those ones really you can only buy them in gasoline, they do not manufacturer them any more in diesel and the cost to do electric hybrid for those is prohibitive. We looked at that and it just really doesn't make sense. It is almost twice the cost to get an electric hybrid for the smaller vans.

Chairman Dowd

Ok and when we replace the vehicles in the Transportation Department, do we do that via CERF or do we use Federal Funds.

Camille Pattison, Transportation Manager

A combination, so they are listed in CERF and what we typically do, we have been really successful lately, basically any time a grant comes out that we can use for Capital Funds, we have applied for it. So that's actually how we got the electric hybrid buses. We applied for what is called a Low No Grant and it paid for those and we did have the match from CERF. And then we also applied for a 53/39 grant and that's we replaced the last remaining compressed natural gas bus that we brought on-line in the fall.

Chairman Dowd

OK, excellent. Alderman Jette did you have a question.

Alderman Jette

I do. Hopefully this Coronavirus thing is not going to last forever and I know that when you plan, your know, your plans are long-range not short-range, but do you people in the Transportation Business, I'm sure you talk to people all over the country. What are you thinking about, or how are you going to be able to maintain these large buses if people have to keep six or more feet apart? How are you going to be able to that in an enclosed space like a bus?

Camille Pattison, Transportation Manager

That's a great question, so we've been thinking about this and having a lot of discussions about this. So we have gone through the vehicles and figured out that we can socially distance safely, nine people on a large bus, the 35-footer, 7 people on a 30-foot bus. We can get four people safely on the vans right now and our maintenance crew is looking at installing barriers at the front of the bus to try to create an additional barrier and protection between the driver and the passengers. This sounds kind of funny but a lot of places are actually doing a very simple solution, with just using shower curtains, which we feel will be effective in the vans. They are inexpensive, easy to replace, really hard to find right now so we are grappling with that.

Our buses they actually have manufactured kits that you can put like a plexiglass barrier at the front of the bus that still allows the driver to be able to see and engage with a passenger but have an added level of protection. Our guys have actually been looking at how they can manufacture something themselves.

So they are mocking up a model that they think they can do to a plexiglass place and see what they can do to figure something out. They are very good and they are talented at being able to manufacture something. Each bus is a little bit different and it has to attach in different ways. So we are looking at that and also making signs on the buses so that people know where they can sit making sure there's enough space between the driver where those seats will stay vacant to try to increase everyone's safety. And we have been sanitizing everything, deep clean, every night.

Chairman Dowd

All set Alderman Jette?

Alderman Jette

I just have a follow up. I am assuming that the fares that people pay are a small portion of your budget and I am assuming that this is having an effect on that. How do you anticipate being able to continue with a drop in fare revenue?

Camille Pattison, Transportation Manager

That's a great question and I think that's a drop in fare revenue, that will be sustained for quite some time. You know, there's going to be a certain level of uneasiness and people just behaving in their previous manners are not going to be the same going forward. We did receive a significant amount of funding from the CARES Act and that is intended to off-set your loss that you would have from fare loss revenue or advertising revenue and that is intended to sustain you for a while into the future. So we've been working with Finance on that and figuring out what is the best way to maximize those funds. One of the nice things about that too is they are not requiring a local match, so it makes your dollars, it is easier to access those funds going forward.

So I think this year it is going to be much different but I do think that we were very successful in getting funding to help us get through and be successful on the other side. And it is also allowing us to try out some other models, you know, we have essentially been proving on demand van service, more like a Lyft or Uber which we have wanted to test out for awhile and it is allowing us to test that out. And I do think on the other side of this, that's kind of more of where we are going to be going. We will be trying to look at some more innovative services, because that's really what people want ultimately and this allows us to try it out. So in a way there's a bit of a golden piece to it that we are trying to maximize.

Chairman Dowd

All set Alderman Jette?

Alderman Jette

Yes thank you.

Chairman Dowd

Alderman Lopez, you are either cleaning your screen or you have a question.

Alderman Jette

Yes to both. By the way I have been here since 7:30 I was just lurking. I just wanted to suggest in terms of creating barriers, it might be a good idea to talk to MakeIT Labs. They have been doing a lot of laser cutting of plastic material so they might be able to come up with a cost-effective alternative that is generated locally rather than away or whatever.

Camille Pattison, Transportation Manager

That's a great idea.

Alderman Lopez

This is the kind of project I get excited about.

Camille Pattison, Transportation Manager

Thanks.

Chairman Dowd

All set Alderman Lopez.

Alderman Lopez

Yes.

Chairman Dowd

Any other questions? Go ahead. Oh you're all set, ok. Any other questions? I have a couple, we just signed the contract, the Board of Aldermen, we didn't sign the contract we gave authority for the contract to service Hudson, Merrimack, and a couple other places. When do you anticipate starting that service and will that obviously if things were better it would be different, but improve your revenues to some degree?

Camille Pattison, Transportation Manager

So we have been partnering with those communities for years, I don't know the exact length, I'm going to say about 10 years. So it is just basically a continuation of that service. We are still, right now, providing service to residents you know who are in Hudson or Merrimack and are coming to Nashua. SVTC might have been the other one that you were thinking of, it's Greater Milford. So they do have a downturn in ridership right now, just as everybody does. But I do expect that that will pick up slowly. And again, if we run into challenges with that, that's what the CARES Act Funding is for.

Chairman Dowd

So the other question is Hudson is looking at possible, unfortunately they are thinking Green Meadow Golf course, but they are talking about putting in a major logistics hub and 2,500 new employees. I would like to believe that some of them will live in Nashua and need to get there. I don't know if that will improve ridership but there's that possibility. I think you go down, do you go all the way down to BAE in Hudson?

Camille Pattison, Transportation Manager

No, we (inaudible) in Hudson, we do the demand response but that might be an opportunity to see if they are willing to partner with us and maybe extend a service line into Hudson.

Chairman Dowd

Ok sounds good. The other thing, I don't know if you have considered it, but we just approved a grant to the Police Department for electrostatic clean machines for their vehicles, actually their building, the larger one. Is that something that either you do use now or are thinking of using to clean buses?

Camille Pattison, Transportation Manager

So we don't use that now. It is definitely something that we should probably look into and see if there is merit to doing that rather than what we are doing now. Right now we are using a combination of just basic sanitization or wipes on all the touch surfaces. We spray everything down with Lysol and we also bought a fogger that disinfects so we can spray that throughout the larger vehicles. It is more time effective and cost effective because you go through a lot of Lysol on a big bus. And that seems to, the fogger seems to be the standard in the transit industry that we are seeing a lot of other agencies use right now.

Chairman Dowd

Any chance of getting Federal Funds to pay for those?

Camille Pattison, Transportation Manager

Yeah, I mean that's what the CARES Act is there, we are allowed to use it for PPE, for additional cleaning supplies, additional cost with starting service back up or reducing service. So yes, all of those would fall under that funding option.

Chairman Dowd

Yeah, the reason you may not be able to find the shower curtains, today I saw on Facebook that grandparents are making shower curtains with arms so you can hug your grandchild safely, very innovative. Any other questions for transportation?

Alderman Lopez

I don't think that would really work.

Chairman Dowd

Ok, are there any other questions at all for Community Development. Yes, Director Marchant.

Sarah Marchant, Community Development Director

I do have one correction to CFO Griffin, the NRPC dues were previously in the civic and community activities area of the budget last year and that's where that money was paid out of. But the amount has not changed.

Chairman Dowd

Ok so the more important thing is that the overall budget stays the same based on the fact that the amount is the same and it was just covered somewhere else in the budget last year.

Sarah Marchant, Community Development Director

Correct.

Chairman Dowd

For anybody who thinks it is going from \$0 to \$66,000.00.

Sarah Marchant, Community Development Director

Yes, thank you.

Chairman Dowd

Any other questions? Thank you all for being with us tonight and giving us the insight into the Community Development Budget. Hopefully, everyone stays safe and we are going to be having a Public Hearing on the Budget a week from today, at 7:00 via WebEx and we will be looking forward to running through all of the Divisions at that time. Alright thank you very much Director Marchant and to you and your staff. Alright, Alderman O'Brien.

Alderman O'Brien

For our transcriber, if I may, I would like to say that Alderman Lopez has joined the Budget Hearing at 7:30.

MOTION BY ALDERMAN O'BRIEN TO TABLE R-20-023 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 CARRIEDChairman Dowd

Alright the motion carried and the Budget discussion is tabled until next Tuesday night at 7:00 when we will be going over the educational budget.

GENERAL DISCUSSION - 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 8:02 p.m.

Alderman-at-Large Michael B. O'Brien, Sr.
Committee Clerk