

BUDGET REVIEW COMMITTEE

JUNE 9, 2022

A meeting of the Budget Review Committee was held Thursday, June 9, 2022, at 7:00 p.m. in the Aldermanic Chamber and via Zoom which meeting link can be found on the agenda and on the city's website.

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, Sr.
Alderman John Cathey
Alderman Ernest Jette
Alderman-at-Large Shoshanna Kelly
Alderman John Sullivan
Alderman-at-Large Lori Wilshire

Also in Attendance: Matt Sullivan, Community Development Director
Deb Chisholm, Interim Urban Programs Manager/Waterways Manager
William McKinney, Building Manager
Nelson Ortega, Code Enforcement Manager
Camille Correa, Transit Administrator
Doria Brown, Energy Manager

ROLL CALL

PUBLIC COMMENT – None

Alderman O'Brien

Mr. Chairman just in case the folks at home if there is any confusion, I hope not. The meeting ID is 858 9849 2715 followed by the Passcode of 905177.

COMMUNICATIONS - None

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS - None

NEW BUSINESS – ORDINANCES - None

TABLED IN COMMITTEE

**MOTION BY ALDERMAN O'BRIEN TO REMOVE FROM THE TABLE R-22-035
MOTION CARRIED**

R-22-035

Endorsers: Mayor Jim Donchess
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman John Sullivan
Alderman Patricia Klee
Alderman Thomas Lopez
Alderman Alex Comeau
Alderman Richard A. Dowd
Alderman John Cathey
Alderman Derek Thibeault
Alderman-at-Large Lori Wilshire

RELATIVE TO THE ADOPTION OF THE FISCAL YEAR 2023 PROPOSED BUDGET FOR THE CITY OF NASHUA GENERAL, ENTERPRISE, SPECIAL REVENUE AND GRANT FUNDS

DEPARTMENTAL REVIEWS OF THE PROPOSED FY23 BUDGET FOR THE CITY OF NASHUA

<u>Dept. #</u>		<u>Revenue</u>	<u>Appropriations</u>
	<u>Community Development Division</u>		
153	Building Inspection	43	185
155	Code Enforcement	43	188
170	Hydroelectric Operations	43	189
181	Community Development		192
182	Planning & Zoning	44	195
185	Sustainability		198
109	Civic & Community Activities	257	59
186	Transportation	257	201

Chairman Dowd

So this evening we're going to be reviewing the budgets of Departments 153, 155, 170, 181, 182, 185, 109, and 186. The first will be Building Inspection. The revenue is on page 43 and appropriations on page 185. Director Sullivan will you give us an overview and introduce your people?

Matt Sullivan, Community Development Director

Yes, I'd be happy to. Thank you Mr. Chair. For the record, Matt Sullivan, Community Development Division Director. Thank you members of the Committee for the opportunity to speak this evening to the proposed FY2023 Community Development Division budget. I did want to take just a moment to introduce the members of the team who are joining us this evening in person and also a member of the team who is also joining via Zoom.

I'll start by introducing Bill McKinney who's the city Building Official and the Manager for the Building Safety Department. Nelson Ortega, the Code Enforcement Department Manager. Camille Correa the city's Transit Administrator. Deb Chisholm who was introduced as the Interim Urban Programs Manager but is also in her primary role the city's Waterways Department Manager, and we'll discuss a little bit this evening some changes to that department. Doria Brown was unable to join us this evening but she is moving into the Community Development Divisions and we'll talk about that in just a few moments. We are also joined on Zoom this evening by Julian Long who is just as of Monday the city's new Urban Programs Department Manager. That department is not being reviewed this evening obviously but we did want Julian to join us to listen in. If there are any pertinent questions, certainly I think those could be addressed directly to him.

Mr. Chair if I may, I wanted to just take a moment this evening to provide a brief overview and hopefully set the stage for Community Development's presentation this evening. I want to start by communicating simply that we are proposing a budget increase of 2.3 percent as part of Community Development in FY2023, which clearly meets the Mayoral guidance and hopefully will be met with support by this Committee this evening.

Like many divisions and departments I'm sure you've heard from the primary increase is the result of just non-discretionary salary and wage increases within the budgets but you'll also see some larger changes as a result of a reorganization that we're going to discuss at some level of detail this evening but we're certainly happy to answer questions that might arise. Beyond those non-discretionary items, the department changes are very limited.

As I mentioned, the primary modifications within the budget and one that I'm excited to formally announce this evening is the consolidation of the current Energy Management and Waterways Department into a unified Sustainability Department that will continue the important work of both those existing departments while also rolling in what's currently a long-range and transportation planning role that reported to the Community Development Director prior. But again, we are consolidating those departments into one unified department moving forward. You'll see some changes in the budget that hopefully will be explained this evening. Generally, that department will be focused on continuing the existing work in scope of those existing departments but will be focusing broadly on energy, water resources, and of course mobility concepts that we're working on in the Community Development Division currently.

The three existing positions that are being repurposed and reclassified within this existing new department do incredible work sort of in silos as it stands right now. However, our feeling is that by unifying them, creating a set of collaborate principles under which they will work, we'll only see more benefit and success within the community and certainly they'll be enhanced support to our important committees that are doing work within the city as well.

You will note this evening as I mentioned that the Urban Programs Department is not included within the review scope of this evening's meeting. However if there are any questions outside of this meeting, I'm happy to answer those. Urban Program is an interesting one that's 100 percent federally funded. So I expect there may be some inquiries and hopefully we can answer those this evening.

With that Mr. Chair at your pleasure, I'd like to pass it off to Bill McKinney to provide an overview of Building Inspection or the Building Safety Department.

William McKinney, Building Manager

Yes thank you Mr. Chair. I'm Bill McKinney. I'm the Building Official for the City of Nashua and I manage the Department of Building safety. So our budget this year for the Department of Building Safety that we're proposing is a total of \$817,464 but it actually comes into a 4 percent increase over last year's fiscal year budget. But you'll also note during our year that we've also seen other increases. Some of the most significant increases are in our permit and inspections area. So permits this year, we started an 11% increase over last year in just permits alone, which equates to a little over 500 permits more than last year.

But inspections is the biggest area. Our Inspectional Services Department you'll note that in Fiscal Year '21, we did 5,524 inspections. In Fiscal Year '22 as of May 31st, we had already conducted over 7,000 inspections for a 31% increase over the last fiscal year. I'm also pleased to announce today that our projections were exceeded this year by \$343,497. So that puts us in a very good revenue exceeding our expenses position. So I'm pleased to have that information.

As far as moving forward with our department in Fiscal Year '23, we'll be conducting our biannual fee review that we do. If you remember, we instituted that back in 2013 I believe as a process to do just what we just did was bring our fees in line with our expenditures so that we're kind of neutral. That's where we want to be. What I'm proposing, and just putting you kind of I wouldn't want to say on notice but just to be aware of, we've seen drastic increases in our workload this year. I'm actually starting to see that, you know, in some of our staff out front in the front counter area. I can foresee in Fiscal Year '24 if we continue at this rate, I will be proposing for a part time position of the front counter area to help with customer service. That's one area we're struggling in. Our team is doing very well but with the workload that we're seeing right now, they are by far taking the brunt of the frontline work. They're doing an excellent job but it's time that they get some relief as well so that we can better service our citizens and our clients. And with that, I'd be happy to answer any questions.

Chairman Dowd

I think we're keeping you a little busy with city projects as well.

William McKinney, Building Manager

Yes, we have quite a few city projects.

Alderman O'Brien

Yeah, thank you, Mr. Chairman. Mr. McKinney I would be in support of the part time position as you say. Can you enlighten us counter time? Like if I come in with plans and stuff like that, what is the average counter time that a builder sits there? Because his time is money too when it goes to review, to get the proper permits, and fees, and all the rest.

William McKinney, Building Manager

The actual submission process is quite quick with our Permit Techs. We moved over to a new software in the last couple of years and helps speed that process up. Then it enters into a review process. We've had some slowdown there this year because of the number of projects that are coming in. We are still averaging anywhere from 100 to 150 permit applications each week - well over 400 permits a month that we're processing through our department. So it's very busy. This is my 10th year with the city and this is by far the busiest year that I've seen in the City of Nashua.

Chairman Dowd

Any other questions?

Alderman Sullivan

Thank you, Mr. Chairman. I was reading through your Fiscal Year '23 objectives and one of which is a digital transformation of the department.

William McKinney, Building Manager

Yes.

Alderman Sullivan

You had a 4% lift in your appropriation year over year. I'm just curious as to digital transformations can be expensive, can be time heavy. I'm just curious to know where those appropriations are if there is such a large push. And then my second question if I may be so bold as to ask, what's the progress bar on that? Where are you on that?

William McKinney, Building Manager

We are actually doing quite well with that. We are moving in that direction. It's a multi-year process to do that. Trying to transform everyone from digital from paper to digital is proving challenging. You know we have some long term contractors that are real firm believers in paper. The problem with staying with paper is that we were running out of storage room. With the way the laws are in the State of New Hampshire, all the documents that we receive, we review, and we approve, we have to keep forever. So we have documents that are stored in City Hall. There's documents that are stored over at Court Street. There's documents that are stored in the library. So we have documents all over the city right now that we have to keep forever. So moving to digital helps to alleviate that problem from us.

Now, as far as storing our paper documents, that's going to be a whole other project years on down the road. The biggest push that we are on now is to get to electronic plan review. So what we would be doing is receiving documents and plans electronically, reviewing them electronically, and then we'd see the final sets that we'd stamp, and then be given back to the contractor, and we'd be storing those plans moving forward electronically. In Fiscal Year '22, we were able to purchase a digital plan review table. It's not up and functioning yet. It just arrived in May and that's going to be a big move forward for our plan review process. In my view, speed up our plan review process by communicating with the designers, the contractors, and anyone else involved in the projects.

Alderman Sullivan

Thank you. As far as the appropriations however, the project that you listed that you purchased in Fiscal Year '22 are there any - I was just curious that the budget is a 4% lift and a digital transformation is a big project I mean depending on the city's been around for a while. There's probably a lot of documents. So I was just curious where those appropriations are? Is it in overtime? Is it in equipment? I mean or has it already been pushed through the budget?

William McKinney, Building Manager

The 4% increase this year is really tied directly to salaries and benefits. There's nothing in new equipment there. Again, there was money in last year's overall city budget, I believe, out of the IT Department where it was funded to purchase the plan review equipment to move us forward to reducing our paper.

Alderman Sullivan

Thank you.

Chairman Dowd

We have provide you documentations, paper copy, and electronic. I assume the electronic is for your retention?

William McKinney, Building Manager

Exactly. That is something we instituted two years ago. We allow folks to still or clients to still submit three paper sets if they wish, but we prefer two paper sets that we move out of our office and an electronic set that we keep. That's moving us forward as far as in our electronic storage. We ask for it on an electronic storage device. We then save that electronically, but we also save the electronic storage device in our files.

Chairman Dowd

So having reviewed those till I almost go blind on the projects, I hope you have a screen about that size to review the electronic copies?

William McKinney, Building Manager

The plan review table that we did purchase in FY22 is a full size plan review table. It's the size of your typical plan that you would do for any construction project.

Chairman Dowd

Yeah, that good.

Alderman Cathey

Thank you, Mr. Chair. I have quite a few questions so bear with me. I wanted to piggyback on Alderman Sullivan's questions about the digital transformation. You said that a lot of that increase was salaries, which I understand. So I guess what I'd want to know is should we expect another appropriation coming through that is tied to the digital process because the admin services has a digital process right now. That's hundreds of thousands of documents. Over a long period of time, it'll end up being millions of documents, you know, years from now. I assume there's a lot of building permits. I don't know how many years it goes back but I'm assuming there's a lot of paperwork there. So should we expect that there's gonna be some bidding and you're gonna have to contract out? Is it already contracted out to get those files scanned or do you have the project covered with your budget currently?

William McKinney, Building Manager

We have not moved into the phase of scanning and saving our existing paper documents. That is something that we do plan for in the future. At this point here what we're trying to do is, you know, kind of put a finger in the dam if we will. Stop the paper from coming in and then we'll move into that phase. I would anticipate that project would probably within the next five years, we'll start looking into moving that to that phase of it.

Alderman Cathey

Follow up. Thank you, Mr. Chair. With that being said, are you at all concerned with either security or maybe fire, water damage that sort of thing if the documents are stored in different buildings around town? Are we concerned about that? Do we have any mitigation efforts underway to keep those documents from falling into disaster?

William McKinney, Building Manager

There are certain documents that are very historical to the city that we have scanned in house and we do have those saved, but those original documents are also in sealed sheets if you'll say and stored in an environmentally controlled room at the library. So any of the important documents are in a safe place.

Chairman Dowd

By the way, that's like a city wide problem. DPW has bazillions of documents.

Alderman O'Brien

And that's incorporated in the DPW building.

Alderman Cathey

Oh, yeah.

Alderman O'Brien

We have maps that go back to the 1860s that we still use. We don't know what's under the streets 100%.

Alderman Cathey

Well I understand because Director Sullivan actually sent me a map one time that was helpful that had wetlands marked that were not marked in the GIS.

Alderman O'Brien

Oh they dried up.

Alderman Cathey

Can I get a follow up? All right, now I'm getting into the budget. Is there a backlog in building inspections or are you guys on track right now?

William McKinney, Building Manager

We do not have a backlog on building inspections. We are keeping our head above water with that but occasionally we have people that might be out on vacation. Someone that may be out ill. That does cause a backlog for us but we are able to catch up within a couple of days. So typically, our average response to any inspection in the city is 24 to 48 hours. We pride ourselves in doing inspections within 24 hours a request. Occasionally, there'll be 48 hours.

Alderman Cathey

Follow up. Thank you. I'm just curious about the increase in building inspections. Why do you think that happened? Is that going to die down or do we see like a trajectory increase of growth in building inspections because there's going to be more development or will that level off and plateau?

William McKinney, Building Manager

This year here it's the complexity of the projects that we're working on. The Performing Arts Center, you know, the new High Street flats, Bronstein projects, the DPW facility, school projects that have been going on are all around the city on the school renovation project. Just the complexity of the work, it requires multiple inspections. As you get more into the commercial industrial type buildings, they're much more complicated than your average houses which we've been doing more of in the past few years.

Alderman Cathey

Okay. I'm good. Thank you.

Alderwoman Kelly

Some of my questions were asked but that's okay. I'm coming. I wasn't expecting you to call me. I was saying that's a couple of my questions were already asked. I was interested in that part time position. What I understand is that you have not put it in the budget, but you may request it next year. Is that true?

William McKinney, Building Manager

The part time position - I would foresee in FY24.

Alderwoman Kelly

And if you don't, not to put you on the spot, but do you know what the salary is that you would need?

William McKinney, Building Manager

I have not researched that fully yet. I just want to make you - again, I want to study see what the year does. We don't know what the economy is going to do to us. So I want to make sure we look at it thoroughly and that we absolutely need the position before I propose it.

Alderman Kelly

Thank you.

Chairman Dowd

Any other questions?

Alderman Cathey

I have a question for you, Mr. Chair but I'm sorry, I didn't see Ernest.

Alderman Jette

Thank you. I noticed that permit fees you took in over 766,000 by April 30. You're only projecting 555,000 for next year. Why is that?

William McKinney, Building Manager

I'm very conservative on my projections and only because of the uncertainty of construction. We are in a very good economic time right now but that could change in the next couple of weeks. So I like to stay in a very conservative level where we base it on a four year average and then I spent an awful lot of time with our Planning Department to try and determine what projects are coming down the road and how fast we think those projects will arrive. This year here, we had some larger projects that came in faster than we anticipated and that would cause that increase over our projections.

Alderman Jette

Thank you.

Alderman Cathey

Thank you. The fee review would that come to us eventually to be passed through ordinance?

William McKinney, Building Manager

Yes.

Alderman Cathey

Okay.

Alderman Kelly

I just want to ask one more question. So in terms of - I know that one of the things that we've done is kind of look back at different fees and fees that haven't been raised in a while. Are we pretty in line with other cities in terms of the inspection fees and all of that?

William McKinney, Building Manager

Yes. I like to try and keep our community in a middle of the road type position. We do comparisons between similar cities - Manchester, Concord, Portsmouth, Keene but we also look into the communities that are closest to us as well, even the smaller communities because that's where these contractors when they work with us, they work in those communities as well. We like to try and be somewhat consistent. We don't want to be too high. We don't want to be too low. Right in the middle is a nice place to be. So part of our review that will happen this year, we'll be doing that. We'll be researching all of those communities again and seeing where their fees stand and then what we believe our projection should be further.

Alderman Kelly

Thank you for the thorough answer. No, that was very thorough thank you.

Chairman Dowd

I just want to thank you. You've been very responsive for all the city projects and I know we keep you very, very, very busy but you've been very responsive and the contractors appreciate it.

William McKinney, Building Manager

Excellent. Glad to hear that, thank you.

Matt Sullivan, Community Development Director

Mr. Chair, I'm gonna pass it to Nelson Ortega the Code Enforcement Department Manager.

Nelson Ortega, Code Enforcement Manager

Good evening. Nelson Ortega, Code Enforcement Manager. Our budget is actually low this year because we had a senior employee leave the city and then a grant funded code officer moved up to the salary position. So my budget is actually down by about \$7,000 because of that salary change. Other than that, we're strictly - any other kind of increase was strictly contractual. So other than that, I really don't have much on this. If anyone has any questions.

Chairman Dowd

Questions?

Alderman Cathey

Thank you, Mr. Chair. Curious about the violation revenue. One, it looks like our city does not violate a lot of code enforcement issues but maybe I'm incorrect. And if so, are we going after those fees or are we sort of struggling we don't have the people to sort of go after the money?

Nelson Ortega, Code Enforcement Manager

No. When we started the citations portion of it that was strictly an enforcement tool. We didn't begin that program to – it is more of an incentive to get individuals to comply because compliance is our number one goal. So we do receive a lot of compliance. This year is probably the one of the years that we've issued less violation because we've had more compliance. But then we've also had the COVID issue and we were dealing with a lot less complaints come in. So the code officers, you know, weren't going out as much to do home inspections versus exterior. But as far as going after it, yeah the city does. I think we've gone through the Legal Department in the past when we have someone who doesn't decide to pay. For the most part, most individuals do pay. We have a handful that might end up letting the fine double. Like this \$500 that it shows in that budget, it's probably because one or two people hadn't paid and it's double from \$50 to \$100.

Alderman Cathey

Thank you, Mr. Chair. Do you expect to fill that those positions that you lost or are you stacked appropriately currently?

Nelson Ortega, Code Enforcement Manager

No, we expect to fill the position. What we did is the Code Officer who took the city funded position who was half grant funded is now there. So we now have to fill the grant position. It's my intention to fill that.

Alderman Cathey

Okay, thank you.

Chairman Dowd

Any other questions?

Alderman Sullivan

Thank you. Just to that point, I was looking at your full time employees. And, again, I apologize for not following. In Fiscal Year '22 you had 3.5 full time employees. Fiscal Year '23 - 3.5. Headcount neutral. Are all - so what you're saying is you don't have people in the seats for the three and a half employees?

Nelson Ortega, Code Enforcement Manager

At the moment.

Alderman Sullivan

Okay, got it. Thank you.

Alderman Jette

Thank you. So, we've had this conversation before about how your department is complaint driven. Apparently we have little or no capacity to regularly inspect apartments, for example, and we wait for people to call up and complain, or file a complaint, and then that triggers your department to go out and do an inspection. I'm concerned that with the housing market being what it is, that, you know, there are people who are living under conditions that would warrant a complaint but they're afraid to complain because they don't want to lose their apartment or their dwelling. So I'm wondering how you feel about whether with a restructuring of a licensing schedule, for example, where everybody who rents an apartment would have to pay some kind of a fee that could then be used to pay for the required staff to do regular inspections to get away from this complaint driven system to a system where the city, you know, actively makes sure that the housing, including hotel rooms for example meet the requirements of the code.

Matt Sullivan, Community Development Director

Alderman Jette, you're absolutely correct. We do operate under a complaint based enforcement system and without question that results in limitations and how effective we are I think as a city and pursuing code enforcement cases. I would say to both the idea of a regular or structured residential inspection, that's been investigated by the city in the past and ultimately the conclusion was that it would require the addition of two to three if not more additional code enforcement officers in order to perform that licensing process. So we're certainly willing to explore that again. It's really a result of lack of appetite and an understanding of fiscal constraint that we have not pursued it at this time. Certainly I think that goes, it goes the same for any more proactive enforcement. It would require additional code enforcement officers to actually execute that as our process. We are happy to explore it but the budget that we're presenting this evening does not reflect additional court enforcement officers to actually perform those functions. Certainly if that's something that the Board of Aldermen are interested in pursuing collectively, we'd be willing to be a part of that conversation but it's not included within the budget this evening.

Alderman Jette

Okay, thank you.

Alderman O'Brien

Thank you, Mr. Chairman. I do just have one comment and perhaps Mr. McKinney and Mr. Ortega can answer. But this is to Alderman Jette, they have other partners and don't forget, too, the Fire Department it goes into these structures that basically see. A good firefighter - and we have good firefighters, the Lieutenants, and Captains, and Deputy Chiefs. They see something that is a violation, they immediately report it. Nobody wants anything to happen on their watch. That gets done and they work in the team. Also we have what you may call, the Inspection Division within the Fire Department that works together with these and to assist and help out. So there's a lot of community involvement between multi agencies that assist them. I don't know if you want to comment.

Nelson Ortega, Code Enforcement Manager

No, that's absolutely correct. We get notified if a fire team responds to a unit and they find that it's whether they find hoarding conditions, or electrical issues, or construction issues. We do get notified of that and that gets taken care either

by the Building Safety Department if it falls under their guides or we'll take care of it. We work closely with the Fire Marshal who investigates and we work closely with the police. We'll even get notifications from EMS, the ambulance company, if they end up going to a call. So we do get quite a bit of referrals that way when these individuals go into those homes. So it does work out in the long run.

Chairman Dowd

Okay. I was just gonna say those of us have been around for a while in the aldermanic chamber as Alderman Jette was pointing out, we've had discussions for a number of years about the fact that we probably don't have enough code enforcement people. Like I remember years ago, we had some problems with car sales people not paying attention to ordinances. So, again, that you're sort of complaint driven and do a good job when you get a complaint and go out and take care of it. But if we were to be proactive, you'd need more staff.

Alderman Cathey

To follow up to that, I guess that's kind of what I was hitting at when my initial question was do we need more people? Director Sullivan I'd be curious, and maybe you don't want to go on the record just yet, if you said that's something you could look at as something you would advocate for or is it just something you don't think the city has an appetite for in the budget as far as getting more code enforcement? Does that bring in more revenue as well for violations or is it just strictly eating expenses?

Matt Sullivan, Community Development Director

I think there are a few questions there. First, I would say that, you know, I view my role as being an advocate for doing our jobs as effectively as possible. So I'd be negligent to not say that I prefer to we had a 20 person code enforcement department and we were very proactive and conducting regular inspections. I think that would certainly be the best thing for the city. As I said, I understand and respect the financial constraints that we operate under and that's why we haven't explored it as part of this budget.

I want to be clear, too. Obviously, I'm new in my role and this is something that Nelson and I haven't had a chance to talk about in great detail. But it is something that we would be open to have a conversation about if, in fact, there is some political and fiscal will in support of doing so.

I want to just clarify when we're talking about complaint based, maybe it goes without saying, but it's not that we turned a blind eye to violations, right. So we're actively looking with our eyes open when we're driving around the city whether it be signs, or other public health, safety, welfare issues. Those are always a priority. It's really we don't review aerial imagery to seek code violations. We're not taking that level of proactive approach that perhaps we could be if we had additional staff. But we are always prioritizing clear and obvious and public health, safety, welfare violations as our enforcement officers and other community development and other staff navigate the city.

Alderman Cathey

Thank you.

Chairman Dowd

Any other questions for Mr. Ortega? Thank you very much.

Matt Sullivan, Community Development Director

I'm gonna pass it off to Deb Chisholm, the current Waterways Manager to overview the hydroelectric operations budget.

Deb Chisholm, Waterways Manager

Thank you. Deb Chisholm, Waterways Manager. This portion of the budget that we're looking at -hydroelectric operations. I as the Waterways Manager oversee hydroelectric operations in both of our hydro facilities. This particular budget is strictly for the operation and maintenance of the hydro facilities. There's no salary involved with this. There's no benefits. It's strictly the operation of both of those facilities. The majority of our budget really is to pay a contractor to do that actual work. I don't have the slightest idea how to operate a hydroelectric facility.

But that being said, why don't we start with looking at the revenue. The revenue this year has been actually outrageous. It's the highest revenue that we have had since I've been here and I think ever since the city has owned both of those facilities. You can thank the rainfall from last July and October for really boosting the revenues. I think what you have in front of you is about \$1.466 million in revenue as of the end of April. We're currently at about \$1.7 million as we speak. So even today with a little bit more rain, adds a few more dollars to the bottom line. So that's where we're at right now. But despite that really great number for revenue, really looking at revenue for next year to be similar if not a maybe a little bit more to the revenue that we had originally budgeted for Fiscal Year 2022. And really, I have no way of predicting the rainfall or snowfall in any given year. So that is really the driver of where our revenues come from in addition to the downtime that might be involved with any of the hydro equipment. Anytime it's down, that's a loss of money. So that's really where the revenue comes from.

And as far as any of the appropriations are concerned, again, we had some discussions with our current vendor that is doing the operation and maintenance of both of those facilities. The budget for next year is really, we had to really look at how much we were spending. Again, both of those facilities built in the '80s are getting very old. As you know, the older things get the more maintenance they need. So I'm just gonna leave that at that. We were looking at about a 10% increase in what we pay to have both of those facilities operated. We had some other miscellaneous increases. We've seen increases in - I don't know if any of you have rented a porta-a-potty lately but the prices have just about doubled over the last year for those. So we've got that and we've got some dumpster services that have also shown a bit of an increase. So that's hydro in a nutshell.

Chairman Dowd

Questions?

Alderman O'Brien

Thank you. Miss Chisholm you and I worked together on that net metering bill. So we are seeing a profit eventually out of it. Are we at our maximum potential in net metering with the good rainfall that we are getting and everything?

Deb Chisholm, Waterways Manager

We are. The extra benefit of the net metering bill being increased to a five megawatt, that's something that we won't really see the true benefit of until we have completed our existing contract for the power that we sell from Mine Falls. The Mine Falls facility is a three megawatt facility. We do net meter the Jackson facility, which is a one megawatt facility. So we do get the benefit, but we'll get more of a benefit once we're done with it with the current contract we have for the Mine Falls power.

Alderman O'Brien

Follow up, if I may. And even though we may be - I think I wrote the bill that we allow a little bit more leeway than were allowed because we're limited to what we have as far as the older structures. We have older dams that aren't really meeting the complete expectation. Also too, we're one of the very few - I think we're the only city in the State that has been municipal dams that is making any profit out of this type of venue. Am I correct?

Deb Chisholm, Waterways Manager

I think that you're correct about that. I do believe that you're correct about that. There are very few municipalities that actually own hydroelectric facilities.

Alderman Cathey

Thank you, Mr. Chair. This might actually be a question to the more experienced Aldermen. The dam I see the maintenance cost and its high but I get it because of the age of the structures. Are these on deferred maintenance schedules? Are we behind on maintenance? Should we be spending more money taking care of these facilities? I'm thinking of something like a Court Street where all of a sudden we had to spend a lot of money on a roof which I get. I'm not against putting on a new roof but is the dam also similar where we should really be strategically planning to figure out how to spend more money to instead of just playing catch up or keep up we are making it better?

Alderman O'Brien

Well if I may Mr. Chairman and Deb correct me if I'm wrong, but we had a problem with the Jackson Mill Dam and that particular turbine was original. Yeah we try to maintain it. I think that will show you the maintenance schedule. But to replace it - the whole diameter, and unless you're gonna blow up the whole dam, so you need to get a special right circumference and everything. So you're dealing with antiquated equipment and a point to need but I think Ms. Chisholm has fine control over it to keep it going - to keep it at the profit margin.

Deb Chisholm, Waterways Manager

As Alderman O'Brien stated at the Jackson Mills facility over by Margaritas, we are actually in the process of replacing the turbine there. It has seen better days. We purchased a turbine. We are going through the permitting process, which is really been quite detrimental to the project at this point. But we are planning this time next year to be replacing all of that equipment over there. We're also going through the relicensing process for the Mine Falls facility and as part of that process, we have been working in coordination with US Fish and Wildlife Service, New Hampshire Fishing & Game, etc., to begin developing better fish passage opportunities. We've had a couple of years of fairly good fish passage, but they're always looking for better results. So as part of that process, I may be back in front of you sooner rather than later looking for some additional funding to help with that.

Chairman Dowd

Follow up but just before that, the new turbine that we ordered long time ago had to be specially built to fit in that site. But it also has - it's built for better maintenance and we ordered spare parts I believe, I brought that up, spare parts to have on so if it fails, we can have it repaired much more quickly because that costs us money. The other only question I have is, is we have to two generators at Mine Falls. Are they both working right now?

Deb Chisholm, Waterways Manager

We have one that's working and one that's working at about 60%. Although, it could be that neither is working right now. When the water levels get really super low, then we don't have enough energy, enough power in that water to actually go through the turbines.

Alderman Cathey

Thank you, Mr. Chair. I'll make my question a little more pointed. Are we doing maintenance just to bare minimum keep them operational and we need to be spending more money or is this money adequate to keep us above minimum level? Because, again, I don't want to see a situation where we are just doing what we need to continue and then we're spending even more money than we would right now to really implement some strategic changes and getting...I understand there's a lot of like older equipment, and it's very specified, and building a whole new dam would be crazy money. But I just don't want to look at a situation where we're going to be spending more money than we would need to if we were just on the front end spending it now.

Deb Chisholm, Waterways Manager

I appreciate the thought on that. The reason that we were changing out the turbine at Jackson was to be proactive. It has worked. We've, you know, cobbled it together with some duct tape and string every once in a while but to be honest with you, that was the whole idea was let's hurry up and replace that turbine, which did really require a commitment from the Board of Aldermen and the Mayor to say okay if we're going to spend that kind of money, we're in this for the long haul.

So as far as the Jackson Mills hydro facility, by the end of 2024, we should be completely up and running with a really fantastic facility. And that being said, then we will turn our thoughts to Mine Falls to see okay exactly what is it we're going to need to do for maintenance and for parts replacement in order to make sure that this facilities is staying up and running. Ultimately, those two turbines there will need to be replaced at some point as well.

Alderman Cathey

Thank you for your thorough answer. I appreciate it.

Chairman Dowd

And also, again, we have a private company that we hire to maintain these and isn't part of their requirements to make sure these things are running.

Deb Chisholm, Waterways Manager

Absolutely. They are experts. They own at least a dozen other facilities. I think our facility - they previously were the owners of the Jackson Mills hydro facility, which the city then purchased from them to their dismay but they have been really fantastic with sticking with it and they are experts in that field. They know exactly what they're doing. They will come to me and say, hey this stuff is looking like it needs to be repaired. We've got a little bit of money in our bond account that we had put together a few years ago to help with expenses like that.

Alderman Jette

Thank you. So I'm a little confused, I guess. So exactly what is the status of these two dams? Is Jackson operating? Is it generating electricity right now? Is Mine Falls you said something about, you know, one turbine at Mine Falls was at 60% and then you said something about you can't control the water level, and the force of the water, and it might be down, not generating anything now. I understand it varies with the water level, but if there's plenty of water are they capable of generating electricity to the full extent now or not?

Deb Chisholm, Waterways Manager

Both of the facilities are somewhat operational. Like I said, the facility at Mine Falls if there was full water, you'll see that our power generation in the summer because the water levels are lower our generation is less in the summer than it is say in the fall and in the early spring. When you see the rivers really raging, then that's really good power generation for both of those facilities.

The Mine Falls facility has one turbine that is operational 100% and the other one, it's got some clicking noises that are causing concern to the vendor. So they have toned it back and we're only running at 60% if there's plenty of water. If there's not plenty of water, then they don't run.

Jackson actually has been down for the last three weeks. There was a shaft breakage and some bearings that needed to be replaced. So that facility right now is not generating any power at all. It would be if there was plenty of water and we got the things repaired. The idea is to - we've got about a \$40,000 - \$50,000 repair to do on Jackson and then once we've got, we'll be able to operate for another hopefully another year until we actually do the replacement of all the equipment out there.

Chairman Dowd

What's the projected date of the replacement with the new turbine at Jackson?

Deb Chisholm, Waterways Manager

The idea is to start immediately following the fish passage season, which is about June 1st. So we'll be starting next year June 1st assuming that we have received our approval from FERC to actually do the work. That's really what we're waiting for at this point.

Matt Sullivan, Community Development Director

Sort of really a quick comment. Speaking to the deferred maintenance concern and now hearing that we have facility that's down, in speaking to the private contractor this was an unanticipated and really unpreventable failure. So I just want to be clear that there was no deferred maintenance or preventative maintenance program that would have avoided this breakage. So these things do happen. I believe the quote was "it happens all the time". So I just want to convey that outside of a complete replacement, which we're obviously working on, there was not a program that would have prevented this type of failure.

Alderman Cathey

Thank you.

Alderman Sullivan

Thank you, Mr. Chair. A few questions. One to Miss Chisholm. On the appropriations, I want to make sure you mentioned that we sub out the operation. Is that line item 54290? Is that what I see there for 551?

Deb Chisholm, Waterways Manager

Correct.

Alderman Sullivan

Great. And then a couple of general budget questions. They forecasted - round numbers - a million dollars to be brought in through the hydroelectric dam. Year end is going to be about \$1.1 million. Where does that \$100,000 go? Does that go back into the general fund? How will that be reflected?

Chairman Dowd

It goes to the general fund.

Alderman Sullivan

It does, okay.

Chairman Dowd

So it would be year-end revenues, which will have an opportunity to allocate somewhere.

Alderman Sullivan

Perfect. Thank you. One last question if I may. In regards to this turbine, wouldn't we appropriate that into the capital reserve fund or capital improvements? I mean a turbine just screams capital equipment to me. Is that where that would go?

Chairman Dowd

Are you talking about the new one that's coming?

Alderman Sullivan

Yes. New one, future one.

Chairman Dowd

It was paid for by bonding. It's paid for.

Alderman Sullivan

Okay.

Chairman Dowd

Just waiting. It took a long time because it had to be specifically designed and built to fit in the location but it will be significantly easier to maintain. We will have spare parts to assist in that.

Alderman Sullivan

But in the future when we do need another turbine, will that be appropriated in the capital equipment reserve fund or will that come from somewhere else?

Matt Sullivan, Community Development Director

We're not certain. I think it may be a mix of funding sources, but it's possible we would pursue another bond. It's possible that we would pursue it by the capital process but at this time, I don't know that we know what the funding source would be. Obviously, one of the interesting components here is that we're distributing the excess revenues back into the general fund of course, so it's not operating as an enterprise fund but in many ways it is in a sense. So certainly when we come

back to make the argument for a bond or whatever, ultimately that funding mechanism might be will likely use the surplus revenues to make an argument as to why that might be an appropriate expenditure.

Alderman Sullivan

Okay. Thank you.

Chairman Dowd

Miss Chisholm just asked you to use your crystal ball. If the Mine Falls turbine – the one that's running at 60 percent fails, what's the anticipated cost of replacing that?

Deb Chisholm, Waterways Manager

(Laughed)

Chairman Dowd

I knew that was going...

Deb Chisholm, Waterways Manager

I will tell you at this point to replace the single turbine at Jackson, we're looking at probably \$4.5 million for the one turbine.

Alderman Cathey

That hurts a little.

Chairman Dowd

Fortunately, the one at Mine Falls is not the special design and we have little more room to put a current design in there, right?

Deb Chisholm, Waterways Manager

Correct. I think this one would be a little bit more direct. Although, you know, we're at a point where there are a lot of options out there relative to better power generation and also better fish passage. So there's a lot of complicated discussions to be had about how that will play out.

Chairman Dowd

Because we're constrained on the Jackson because it's in an existing building that also houses a local facility.

Alderman Cathey

I have a question for maybe you or the other members. The waterways are they under local jurisdiction and control or do they also have to be maintained up to maybe a State law standard? The reason I'm asking is if it falls under some sort of EPA or State sort of level, jurisdiction, then I would think that maybe State funds would come into play as well as far as grants if we needed to get turbines.

Alderman O'Brien

You're a riot.

Alderman Cathey

I'm just trying.

Alderman O'Brien

You're a riot. You know you live in New Hampshire, right?

Alderman Cathey

Hey, I'll take a shot in the dark.

Chairman Dowd

So I'm sure Ms. Chisholm can concur but anytime you're near water, you have DES and EPA involved. Also there's another one.

Alderman Cathey

So grants or no grants?

Alderman O'Brien

Right and I think all waterways, and correct me Ms. Chisholm, they're owned by the State. They own up to the land but they technically, they own the waterways.

Deb Chisholm, Waterways Manager

Correct. They are waters of the State. To your point about grants, we are always looking for more grant opportunities. The city has a grant writer and she's been fantastic with coming up with some new ideas with the new bipartisan infrastructure law. There are some hydroelectric type grant monies that will become available. So we're trying to stay ahead of that and trying to, you know, apply for whatever we can. We had put a grant application in with the State Department of Energy during the winter. I haven't heard back yet but yeah, we're always looking for outside funds to help for sure.

Alderman Cathey

Sounds good, thank you.

Chairman Dowd

I won't throw the State completely under the bus but they are trying to help us relative to kilowatt generation of power by increasing the net metering.

Alderman Cathey

Is that under like their sustainability efforts trying to make everything green? They're trying to give us more leeway?

Chairman Dowd

I'll leave that up to the State Rep.

Alderman O'Brien

I worked on that Bill. We got the maximum that they would give us.

Chairman Dowd

Any other questions?

Alderwoman Kelly

Two quick questions if I could. Question one. You said that like the waterways are owned by the State. Oftentimes rivers are borders to two different States. Do they split it? What happens in that case?

Deb Chisholm, Waterways Manager

I don't know. Not part of my purview so. But when we do have issues on the Nashua River, particularly with speeding boats that are in the no wake zone that don't realize it's the no wake zone, it's the New Hampshire Department of Safety, Marine Department that will come down. I've seen them. I took pictures of it to document. They do come and every once in a while they're patrolling the Nashua River.

Alderman Kelly

It was more of a curiosity.

Alderman O'Brien

If I may, I was in charge of the Fire Department Dive Team and we work in conjunction with the waterways. It's New Hampshire Marine Patrol and also with New Hampshire Fish & Game. Those two organizations solicit with additional divers and different things from patrolling the waterways.

Chairman Dowd

Follow up?

Alderman Kelly

Yeah and this one's a little bit future feature looking but as we're trying to continue to grow, the things that are more energy efficient. Are there places that we can be adding dams, or adding like other - how can we continue to think about pushing this and making more out of our rivers? I'm tired. It's been four nights of meetings.

Deb Chisholm, Waterways Manager

Well my number one goal right now is to make sure that the two facilities that we do have are operating as efficiently as possible. The concept of adding additional dams is really - people are more on the track of getting rid of dams as opposed to adding more. But the concept of, you know, micro turbines - there's a whole lot of brand new information coming out that might be worth taking a look at. I will say working together with Doria in the new Sustainability Department something that we certainly will be looking at.

Alderman Kelly

Good to hear. Thank you.

Chairman Dowd

Couple of quick things. One was - I can't remember how many years ago it was now time flies - we just rebuilt the Jackson dam. It has the automatically controlled rubber barriers that control the water level and built the retaining wall so the library didn't fall in the river. So that was done 2012. That's a long time ago. The other thing I was going to mention is if anybody would like a tour of the Mine Falls dam, I think we've done that for the Aldermen before. It's interesting. Just don't touch the one that's at 60%.

Alderman Kelly

Thanks Alderman Dowd.

Chairman Dowd

Any other questions?

Matt Sullivan, Community Development Director

Thank you. I would just comment quickly that Army Corps of Engineer plays a significant role. I would be remiss if I did not mention them and they will be obviously involved in any new damming or rivering work. So that would be an impediment to any potential future damage, but one that could be overcome.

I wanted to quickly speak to the Community Development Division. Very little to offer beyond the fact that as a result of the proposed reorganization into the Sustainability Department, we're taking this Division down to just one staff member. That being myself. So you'll see a substantial reduction in salaries and also in benefits within the budget that's proposed. Again, it's based on that move of both the Waterways Department Manager into Sustainability and the Transportation and Long Range Planner being moved over as well.

You will see that we've maintained a balance for contracted services. As of today, the intent for those contracted services are to actually support the implementation of the inclusionary zoning ordinance that was passed at the end of 2021 and also to support some of the activities associated with administering the Housing Trust Fund and actually expending those monies within the community. Certainly a portion of that will likely be funded through an ARPA allocation subject to the Board of Aldermen's review and approval but we also anticipate there'll be some more technical work that's needed. So that's the contracted services budget included.

I also just want to note when we look forward to 2023 that we've been slightly delayed in the rollout of a comprehensive update to the city's Land Use Code based on some staff transitions that I know you folks are aware of. We will be beginning that process as soon as we bring on a new Planning Department Manager which I'll speak to in a few minutes as well. But we're very excited about the idea of kicking that process off supported, of course, by the work of the 2021 Imagine Nashua Master Plan but also going back out to the community and getting a sense of what the priorities might be for the Land Use Code standpoint.

As I mentioned as well, one of our primary tasks this year working with planning and all certain programs, we'll be working to successfully implement the Affordable Housing Trust Fund or the Housing Trust Fund, and the inclusionary zoning ordinance, and regulating standards that are included with that. I'd be happy to answer any questions that the Committee might have.

Alderwoman Kelly

Thank you. You said some of my favorite words. I was looking at your goals and one of your goals is, of course, the inclusionary zoning ordinance and working through the Affordable Housing Trust Fund. I was wondering if you could give us a very quick overview what that project is going to look like. I'm gonna give you two more things. Timeline perhaps for when that might be completed and I want to make sure that you have the assets in order to do so.

Matt Sullivan, Community Development Director

Great. Well, I hope we have the assets to do so as well and I think that we do. We have a lot of existing expertise not only in this small one person division, but also in the Urban Programs Department, and also in the Planning Department. So I believe that we have the expertise necessary at least to roll out the trust fund with our existing resources. I have to mention as well that under the ARPA consultant that the Board of Aldermen recently approved - iParametrics. They'll also be providing some technical support to our initial work with the Housing Trust Fund. So for at least this first fiscal year of that fund, I do think we have the resources in place to effectively administer it.

And to inclusionary zoning, I want to provide a brief update on sort of where we're at with that. The policy is of course in place right now. We've had a few - actually I'm sorry, just one project approved under the inclusionary zoning ordinance that being in the 58 unit Flatley subdivision north of Gateway Hills.

But one of the things that we're working on right now and really our next step in the process is creating the regulating standards that will be adopted by the Planning Board that dictates specifically how different income limits are calculated reliant upon household size, bedroom size, utility costs, all of those factors that determine how we actually determine the affordability of units. The Planning Department is currently working on those standards. My expectation is they'll be provided to the Planning Board in the next two months for their review and approval, which the timing is critical as we actually see these projects start construction. But effectively, the inclusionary zoning work is in place for now.

What I would say, however, is even as at this point in time we've identified some areas of concern and further study within the existing ordinance that we have come to light as a result of working with project developers. So we understand a bit more about some of the challenges of financing when it comes to requiring these inclusionary zoning units. So it's possible that there may be modifications to the ordinance coming back to the Board of Aldermen in the near future. So it will ever be a work in progress Alderwoman Kelly but right now we are comfortable with the policy that's in place. It's going to be a matter of actually communicating to developing community effectively and creating those standards that will ultimately govern what the unit costs will be.

Alderman Kelly

Great, thank you.

Alderman Cathey

Thank you, Mr. Chair. Director Sullivan I feel like some people in Nashua have a little bit of downtown fatigue. As far as developing downtown, there's been a lot of emphasis on downtown. Now I understand why because of the revenue generation I get that. I'd be curious to hear from you, where you think you might go next as far as developing areas, which corridors your department is going to start focusing on? Are we going to get more information about that? I really do think people are starting to think we're just worried about downtown. I'd like to hear more about DW, Amherst, sorts of things. Where do you think you're gonna go?

Matt Sullivan, Community Development Director

Absolutely. Luckily, we have a great roadmap and that's the Master Plan. If I could point to this map, I would and many of the corridors and areas of redevelopment and development opportunity are identified there. You mentioned a few. You've thrown me a softball by mentioning those. The Amherst Street corridor - and I would say individual areas within the Amherst Street corridor are developing in different ways. We're seeing the injection of more residential in the side street areas of the Amherst Street corridor, which is something that was a bit unanticipated. How that aligns with the concept in the Master Plan to bring the commercial and other mixed uses closer to the roadway, establish some side arterioles, that's something that we're going to have to grapple with I think in the very near future.

Many of the visions of the Master Plan are complicated by the fact that they involve major transportation corridor operates or revisions. So we're working actively with New Hampshire DOT on the Amherst Street corridor widening project. At least that's how it was contemplated before to maybe re scope that project and actually make the corridor rather than widen it to allow more flow and vehicle passage to actually introduce more pedestrian safety, bicycle safety, based on concerns that we recognize exists. So transitioning that from widening into another project to a more pet project, I think will greatly revision that corridor. So Amherst Street is a priority.

Daniel Webster Highway is an interesting one. That's actually where we're seeing much of our development and redevelopment right now, particularly some of our land use applications that have been in front of the Planning Board whether it be the Nashua landing project, work that Flatley has proposed in the Gateway Hills area. That's where a lot of the activity is happening even in spite of some of the development that's happening in the downtown. We have similar goals there in the sense that we have a project in with NH DOT to complete substantial pedestrian upgrades along the DW corridor. We're also working with some other development applications to prepare those private sites for what will ultimately be, or we hope will be, additional pedestrian connections. We're trying to generally encourage - and this will be done through the Land Use Code - and a more dynamic mix of uses along Daniel Webster. One component that people don't know is it's actually the densest concentration of residential to the west side of Daniel Webster Highway that we have in the city, even in spite of the some of the more dense development in the tree Street area. So we have to recognize and have a cognizance that yes, it's a major retail corridor with a significant congestion but it's also a major residential area. How we balance those uses and make them more complimentary is something that's identified in the Master Plan. It's something that I think we're working towards.

And the one that I would mention last but there are certainly others is the East Hollis Street corridor where, again, we have this intersection between redevelopment, and development activities, and a major transportation project. That being the redoing of the Bridge Street intersection there and a reconfiguration of that from a safety perspective.

We also have hundreds of units that are either recently built, under construction right now, or potentially could come online in the East Hollis corridor. Then add in this little thing called "passenger rail" and the potential of bringing that to Crown Street and that quickly becomes an area that's going to grow and change in the future. Add in the fact that we're bringing the Heritage Rail Trail East project out there in 2023. I think I'll stop there. There are a lot of things going on and so all of those involves something other than the downtown. So we have a focus on the downtown. Certainly at this point in time, we want to revision what Main Street looks like and some of those other streets but we need to be constantly aware of development trends in other areas of the city and not keep our blinders on.

Alderman Cathey

Thank you. I appreciate it.

Chairman Dowd

All set? Any other questions?

Alderman Sullivan

Just one question for Director Sullivan. Overall, I know that you moved some - you created a new department under your division. Just headcount in general. Is it neutral? I mean your budget is only up 2.5%.

Matt Sullivan, Community Development Director

Headcount is neutral.

Alderman Sullivan

Okay. And are you fully staffed? Well I know one department isn't. How are the others doing?

Matt Sullivan, Community Development Director

We are not fully staffed. We're getting there. We had a substantial amount of staff transition at the end of 2021. We're currently high in the process of looking obviously for a new Code Enforcement Officer for Mr. Ortega. We're also in the process of hiring for a replacement for me in the Planning Department, a Planning Department Manager.

And lastly, we are hoping to bring on someone to fill the position of Transportation and Long Range Planner, which is one of those that's being moved over into the Sustainability Department. We recently lost Julie Chizmas from that role. So we're looking for those three positions. I don't think I'm missing any. I would note that in the Transit Department, we're also looking for some staff, particularly our utility workers as we refer to them that have a lot of critical duties when it comes to maintaining the buses. We need some folks there as well.

Alderman Sullivan

Okay. Thank you.

Alderman Jette

Thank you. So I know you're short staffed. You're in transition. There's been a lot going on. But I was really surprised when I was watching the Planning Board meeting the other night. I don't know if everybody knows this, but we do have an ordinance that says once there is a rezoning in process, that the Planning Board can hold off on approving projects but until that rezoning. So proposing a zoning ordinance until that happens, we're kind of subject to what I saw happening the other night. We've got this great Master Plan but we haven't changed the zoning yet. So I was really surprised to find out that near this Henry Hanger building that has approximately 100 apartments going in there and I know there are other areas there. The so-called rail yard district where the Mayor has been wanting additional housing. So evidently, there's an area there that's zoned industrial and somebody wants to put in asphalt plant in the shadow of these new apartment buildings. I don't know if I'm accurate about that but we've got to start this zoning process a couple of weeks ago, I think.

Matt Sullivan, Community Development Director

A couple of months ago. You're absolutely right. We're in this odd middle ground where we have a Master Plan that in some areas, in particularly the East Hollis Street corridor is one of those, the proposed uses and the recognition of opportunity are very misaligned from what the underlying zoning is. This is particularly problematic in areas where the city had installed zoning that was very liberal and intended to incentivize growth and redevelopment. We're now seeing that growth and redevelopment, but we don't have adequate design standards and other standards in place to effectively regulate what's been proposed. So we've been successful in the sense that things are happening but because of this gap and timing, we don't have the appropriate regulations in place to stop projects that do not align with the Master Plan. So I get anxiety when you talk about it because the other evening it's a very frustrating place to be. All the more need to bring our departments up to full staffing and get that process started. I would openly admit that that is a project that has fallen by the wayside and one that really shouldn't have. We need to begin as soon as possible.

Alderman Jette

Thank you.

Alderwoman Kelly

I like to ask big questions. Ready? So I know we have this Master Plan. I know we have, you know, a critical need for housing. Really interesting to hear you talk about neighborhoods that are going to shift from potentially being retail. I actually the very first apartment we had was right behind the McDonald's at Exit 1. We lived there exactly one year because it was not walkable and it was like oh I'll be able to walk to the mall. No, not at all. So my question is as we're thinking about these things as part of our Master Plan, are we also thinking about the types of costs that the city will incur because of those shifts, right? So we're going to need more pedestrian walkways. We're going to need more lights. We're going to need more sidewalks. Are we thinking about that as we're growing these types of developments in our city?

Matt Sullivan, Community Development Director

We are but I'm not sure that we're doing enough. I think we need to be self-aware as a municipality that we haven't necessarily supported our existing infrastructure to the level that we'd like. So the idea of bringing additional infrastructure on board as part of the private developments is something that concerns me. We are I think in our new model of development review shifting more of those responsibilities and those costs onto the development community, which I think is a very wise thing that we're doing. I am making them more responsible for infrastructure improvements whether front door or not that they need to do as part of their project. What I want to speak to is that we're currently, with the Mayor's support, we're actually working with the Hampshire Housing Finance Authority on a detailed analysis of how different densities and land use impact our ability to fund infrastructure, maintenance, and expansions in the future. I'll be excited to bring that to you in several months and perhaps even as much as nine. But that will actually give us a nice general analysis but detailed to Nashua and specific to Nashua about the implications of the type of development that we're doing and just how it impacts the infrastructure cost that you're talking about.

The conclusion won't be shocking. It will be that dense development is easier when it comes to supporting infrastructure long term. Further development of single family residential or the like either requires substantial investment from the development community, or ultimately private control of infrastructure, or it will require more municipal investment to ensure that that infrastructure is kept up long term. A single family subdivision is far more costly to the taxpayers of Nashua with all of the roads and other associated utility infrastructure than a multi-family building in the downtown. That said, we recognize there's a need for both. So it's going to be striking the balance between those two that we need to strive for but it's certainly something that particularly City Engineer Husband, Director Fauteux, and I have been talking about recently. We need to be prioritizing development in areas where infrastructure capacity already exists not in areas where it doesn't.

Alderwoman Kelly

I could just comment back. It's interesting to hear you say that, you know, we're trying to work with development to make sure that the infrastructure is in place because I know that hasn't been historically the case.

Matt Sullivan, Community Development Director

If I may, just quickly Mr. Chair. Absolutely and I think there's a development community shock there to an extent. But fortunately with our geographical location, we're able to sort of pull the trends from the State to ourself and sort of pull those into New Hampshire. So they're seeing that shift in Massachusetts and so a lot of our development community are familiar with this shifting of municipal or shifting of infrastructure responsibility onto the private development community. So it's been a little bit easier for us than I expect it might be for other New Hampshire municipalities that are grappling with this.

Alderwoman Kelly

Thank you.

Chairman Dowd

Any other questions for Community Development? Just one thing, I know the zoning redo was thought about when the first time your predecessor Director Marchant came in the office. The problem was they didn't have the budget or the bandwidth to do both the Master Plan and the zoning at the same time. We have chipped away at the zoning and it'll be

interesting to pull all that together. Like one of the first overlay districts was on Amherst Street. I have a distinct interest in Amherst Street. So the first overlay was there and you're right, there has been an intermingling of residential mostly condos off of Amherst street mingled with industrial. So it's kind of unique and general business. So trying to set the new zoning standards for Amherst Street will be a challenge. Okay.

Matt Sullivan, Community Development Director

I'll pass it off to Matt Sullivan to review Planning and Zoning Department. Thank you, Matt Sullivan - Planning Manager and Community Development Division Director. I'd like to provide an overview here. Really?

Just a very, very simple modification to the Planning and Zoning Department budget for 2023. As I mentioned before, we're in the process of hiring a new Planning Department Manager. I hope to have an announcement on that potentially within the next month, which I'm very excited about particularly in the context of our conversation about rezoning.

A few items of note. We obviously have substantial reductions in cellphone stipends as we move out of COVID. We have an overall reduction of \$1,500 - \$1,528 to be precise within the budget. I did want to point out just quickly the substantial line relative to Nashua Regional Planning Commission dues and explain what that is. We make an annual dues payment to Nashua Regional Planning Commission, which is Nashua's Regional Planning Commission that assists us particularly with interface with New Hampshire Department of Transportation among other tasks where we ask for technical support to planning and other land use efforts here in the city. We currently have a contract outside of this with them for assistance to an update to our natural resource inventory that we're currently working on. NRPC is critical to how we are competitive when it comes to submitting 10 year plan and other transportation projects to the State of New Hampshire. They have been critical in ensuring that Nashua remains a priority in addition to other regional communities as needed. But they've been wonderful and ensuring that our interface with DOT is smooth and keeping us informed about potential modifications to the 10 year plan as well.

So I want to explain that dues payment. There's a real service that's provided there. It's not simply a check that's written and goes away. Jay Minkarah and his staff at NRPC have been tremendous. Camille Correa actually sits on the Executive Committee and serves on the TAC as well. If there are any questions about their activities, I'm sure that Camille will be able to comment as well.

Chairman Dowd

Questions?

Alderman Cathey

Thank you, Mr. Chair. Director Sullivan on the revenue side for planning and zoning, I know that we're obviously undergoing a revision of the Land Use Codes. All these line items listed under "license and permits", are they all underneath the Land Use Code and therefore are not up to date and then will be restructured or are they in other areas? The reason I'm asking is I want to know what the fees are up to date or if that revenue line could be higher.

Matt Sullivan, Community Development Director

That's a great question. I expect you may have done a little bit of research in advance of that question. So the answer is that yes. The fees are set within the existing Land Use Code. The fees have not been updated as regularly as they have in the Building Department and so I expect that we are out of alignment with comparable communities and our neighboring communities as well. It's certainly something that we need to do. The intent when I arrived with the city is that it would be done in concert with the Land Use Code just the process that you spoke to. Unfortunately with the delay, I expect we fall more and more out of line with our neighboring communities and comparable communities. But yes, they are codified within the Land Use Code those fees specifically.

Chairman Dowd

Follow up question?

Alderman Cathey

Thank you, Mr. Chair. You really expect the revenue to stay flat given all the development that's coming? I know the

Flatley thing was on hold and there's a lot going on but I do know there's more development coming. So is it really gonna be flat or are you being conservative in your projection?

Matt Sullivan, Community Development Director

It's a mix. It's actually interesting. When you look at our actual through 4/30, I was surprised to see where we're at from a revenue perspective that we really aren't pacing – or are not outperforming in what we projected. I think there are a few factors there that lend themselves to that. But I am being conservative. We are likely going to end at above our \$170,000 that was budgeted. I am not comfortable adjusting the revenues up to 180 or wherever we end up in Fiscal Year 2022.

I do want to point out that there are a multitude of projects where the fees are variable. So depending upon the type of project, what may appear to be a large development project may actually not be a large project from a fee perspective. So that explains a little of that nuance and why we're not maybe at the point that I anticipated and perhaps that you anticipated based on the development that we're seeing in the community. We are very busy. I don't know that the fees accurately reflect that.

Alderman Cathey

This might be a question for you. When the Land Use Codes come through, and I assume that we'll pass them because they're going to be pretty common sense based on how old they are now, are those effective immediately or do they take a while to kick in? How does that affect developers that are in current development?

Chairman Dowd

Unless there's a specific date in the ordinance, it becomes effective as soon as we pass the ordinance. Correct?

Matt Sullivan, Community Development Director

If I may just add a quick correction. Land use ordinances are interesting. They actually are effective upon the date of posting for public hearing. So in the event that we have a version of the Land Use Code ready and we've scheduled a public hearing a month out, it's actually the date of public hearing or the date of posting a public hearing where those codes become effective.

Next question would be well what happens in that interim period if a project is submitted? It actually has to adhere to the new Land Use Code. If the amendment were to not pass, you would revert back to the existing Land Use Code. So we really won't be prepared to post public hearing until we have a really good handle and have a good sense of how the community and the Board of Aldermen are going to react to whatever we're proposing just for that reason. Any project that would be submitted in advance of that public hearing posting date would be protected, and invested, and would be held on the old Land Use Code and rather than the new.

Alderman Cathey

That's why I asked cuz I was curious. I know there was multiple permitting processes and especially in a bigger building like the school, PAC, and that sort of thing. So I didn't know if mid PAC, mid school we change a fee and they expected when they started their project that the fees would be a certain way and now they're not. Do they just get grandfathered in for the entire project and then only new projects have to go by the new fees?

Chairman Dowd

Well two things. We're not having any mid change in any school project.

Alderman Cathey

Well just as an example.

Chairman Dowd

And we don't pay the fees, otherwise it would be like taking money out of your left pocket and putting it in your right pocket.

Alderman Cathey

You knew what I meant.

Matt Sullivan, Community Development Director

The short answer is, it's different for every fee. Building Department fees are a bit different in the way that they administer those and how they would be impacted midstream. Impact fees are a bit different. Alderman Cathey you've heard about those and the same goes for land use fees.

The vesting that I'm speaking to is actually much more a State Statute vesting than it is a local vesting. I believe, and I'd ask Mr. McKinney to confirm. In the event that a building project was submitted and they then came in for a new plumbing permit and the plumbing permit fees had been changed since the initial building permits have been submitted, I believe that they would be subject to the new plumbing permit fees. Is that accurate Mr. McKinney?

William McKinney, Building Manager

It would depend upon how that ordinance was passed. In the past what we've asked for is a delay period so that we could advertise and educate the contractors in time. So usually a 60 to 90 day delay and that allows for education and getting everybody to somewhat amicably go with the cost increase if there are any.

Alderman Cathey

If I may? The reason I asked was I was just curious because if the Land Use Codes come in next year 2023, I just was thinking maybe that that revenue line would go up because we had new fees or if projects are already in the pipeline, we're not really going to see that until 2024.

Matt Sullivan, Community Development Director

I would say I hope that's the case. I hope we do see a large influx in revenue and I expect that we might but obviously we're not in a position where we're comfortable projecting that at this point in time. I'll be very frank though, a market downturn is coming. When that happens if any of us knew, we'd be making a lot of money probably right now. But I don't think that anyone does. So I in my vision of our revenues for this year have been particularly conservative based on some trends that we're starting or some data points that we're starting to hear from contractors, from developers. It seems like we're getting some development and approvals or submissions and approvals on spec rather than with real investment behind them. So all of those signal a reason to be more conservative when it comes to our revenues.

Alderman Cathey

I appreciate that. Thank you.

Chairman Dowd

Anytime we have - they always project revenues conservatively because you don't know what's going to happen. But if there are excess revenues generated - I think was last year or the year before with all the car registrations. That money just ends up in the general fund and at the end of the year, the excess funds you'll have an opportunity to - the Mayor will present how those can be spent whether it's to reduce the tax rate or other things. You'll get a shot at that probably in August.

The other thing is the zoning ordinances. We've been picking away at them for God it seems like decades. It has to be decades. It's going to be an interesting and involved rewrite and it's going to take some time, I think.

Okay, next department. My favorite term.

Matt Sullivan, Community Development Director

Matt Sullivan and I will pass it off to Deb Chisholm. I apologize. The slides are a bit difficult to read. Nothing beyond the scope of what's in the narratives, but I'll pass it off to Deb to overview.

Deb Chisholm, Waterways Manager

Thank you, Matt. There's really not a whole lot to say regarding the budget. I think Matt has covered the losses from the community development side going into the Sustainability Department. It is a new department so we can't show you of what our changes are from last year. I can tell you that it's a very basic budget at this point. The only thing that I can give some additional explanation to consulting services \$68,000. The majority of that will be to cover some of the invasive species management costs that were originally in Community Development budget.

Doria Brown the Energy Manager is bringing with her some of the consulting service money that she would have put in her energy management budget money for energy efficiency. We've got a consultant on board that helps manage our livable Nashua dashboard that we will be sort of upping our game on relative to sustainability and how that's playing out.

But to give you an understanding of where the Sustainability Department is, we're super new. One of the things that I was thinking about as I was trying to put these slides together is everybody's got a logo or a symbol for their department. I'm like, we don't even have one of those yet. So we've got a lot of thought to put into what we really want to get out of Sustainability Department but the overall objective is that we're the three of us and I guess at this point, I just mean myself and Doria, as we've yet to fill the Long Range Planner, and Transportation person. But at this point, we're more better together than we are separately. The idea that we can sort of merge the work that we do into one department I think is overall going to be more efficient. I think it will be a little bit more helpful for both of us to be able to bounce ideas off each other and understand where we're at relative to whether it's renewable energy, solar energy, and hydro energy efficiency projects that Doria is working on. We both are staff people to the Environment and Energy Committee so we're hoping to up the game on that a little bit as well.

And then taking over responsibilities as the staff person for Conservation Commission. I think that's the part that that's it's sort of getting a little lost in the sauce as I'm the one that does waterways, Doria does energy but understanding where we are with the natural environment in the city of Nashua is becoming increasingly important as we're talking about development, development, development, let's make sure that we're also paying attention to what we have for our existing green spaces and natural resources. So I don't really have a lot else to say about the budget but I'm happy to answer any questions that you might have.

Alderman Sullivan

Thank you very much, Mr. Chairman. Specifically to the Fiscal Year '23 objectives that you have listed in the workbook. Bullet one - negotiate lower electricity rates. My question to what?

Deb Chisholm, Waterways Manager

Deb Chisholm, Waterways Manager, not Energy Manager. But that's actually a task that Doria does now. She's the one that will go out and look for cheaper energy rates other than what is being provided by Eversource. So you as a resident can also go and find a third party energy supplier. You'll pay still the distribution costs, but the actual cost of energy could be cheaper if you went with a different vendor. So Doria does a lot of that. She is also spending lately about 120% of her time working on that new project Community Power Program and that is something that's being implemented on a statewide basis through this particular group that Doria is a founding member of and it's really quite a spectacular opportunity. It's very similar. It's finding third party suppliers to help decrease our energy rates, but we're doing it on a statewide scale. So it's right now, I think, there are probably eight or nine communities within the State that are working together to pool all of their users if you will to provide more leverage in the purchasing opportunities. So right there in and of itself is kind of a huge follow up activity

Alderman Sullivan

Bullet number two - finalizing a complete public hearing process for our aggregation plan. Please explain that. What aggregation plan?

Deb Chisholm, Waterways Manager

Community aggregation I believe is what she's talking about here. Again, there is a plan in place, I think, and Doria's got a couple of folks on the team that are working to represent Nashua when it comes to the development of this new...they've actually incorporated it as a business and now I don't want to misspeak. So it could be - Doria is probably watching right now. To that end, the idea is to hopefully kick off this plan sometime in Fiscal Year '23 and I would defer to Director Sullivan for additional details.

Matt Sullivan, Community Development Director

So if I may just comment, it's not a specific detail but we did plan to have Doria Brown present this evening. Unfortunately, she was unable to make it. So I would ask if there are any energy specific questions, we'd be happy to follow up on those. I apologize she wasn't able to be here but we're happy to take those questions and respond directly via written communication. Deb is not prepared to speak to those this evening. So please give us the questions and we'll respond but not prepared to speak this evening.

Alderman Kelly

Thank you. I wanted to reply that I sit on the Energy Environment Committee with Doria and she's very eloquent if you want to hear about the aggregation plan. It's really something she's very passionate about. I'm sure she would happily walk you through it. It's very complex.

I actually did have a question though as well if I could. I know that you're new and I know that you may not have all the details, but I did my ears perked up at the energy efficient projects at the library. I know I've had actually constituents come to me and say what are you doing about the library? It needs some help. I know Miss Brown's been pretty passionate about also doing that. Looking at this year, is it really just starting to look at it because I don't see any funds appropriated to it?

Deb Chisholm, Waterways Manager

I know that Doria was going - she was trying to meet with the Library Board of Trustees to have a discussion with them. I don't know where they're at as far as the funding mechanism for that. I can't speak to that.

Alderman Kelly

I'll follow up with Ms. Brown. Thank you.

Matt Sullivan, Community Development Director

Just a quick comment and I don't wanna look at the team because they probably want to stop talking. But I do just want to say quickly that one of the things that we're trying to accomplish here is these questions about what we're doing when it comes to our energy moving forward. Miss Brown is doing tremendous work right now and I think she would even admit that perhaps the public presence of all this important work that she's doing has not been to the level that she would like. So one of the things that we're hoping to do by combining these individuals together giving them a more permanent and established seat at the table is to be more open and public about this work that we're doing. It's tremendous talking to her. It's confusing to me sometimes when she's speaking to me about the complexities of a purchase power and certainly aggregation, but we want to be more readily sharing this type of information with the Board of Aldermen. We view this department as a mechanism to do that. So certainly publicity, marketing, those are key elements of what we're trying to do as well.

Alderman Jette

Thank you. I don't know if I misunderstood Alderman Sullivan's question but if it's as basic as what is the aggregation? What are we aggregating? It's a program where, you know, the residents - the city sponsors a program where residents can purchase their electricity through this program. So they aggregate all these electric purchases so that they can get a better rate. It's a conglomeration of electric customers and enables us to get a better rate.

Alderman Kelly

Thank you. I actually was just going to request - I don't know if it'd be appropriate for this Committee or the full Board, but I would love to have Doria do a presentation on what she's been doing. I think it's really critical work and unfortunately, she wasn't able to be here tonight. Does that makes sense?

Chairman Dowd

I can give a couple of tidbits. We have a high school project going on - energy efficiency in the two high schools and the company gets paid on how much money they save and it's working out very well. I'm sure that Doria has the numbers. Also we've done a preliminary analysis. We have solar panels on top of Dr. Crisp and on Fairgrounds and we will have panels, extensive panels on Pennichuck and the new middle school. We did a sort of an analysis.

It's very difficult because of COVID and the fact that Fairgrounds was still undergoing construction at the same time. So at Fairgrounds the consumption of electricity almost doubled but that's because we had contractors there with electronic power tools and heavily and it can't break out but they're using versus the schools using, but the savings was still significant. I would envision next year it will really be significant, which is good for us as a city and I'm sure the same – Pennichuck they won't be put on until we're entirely done. I don't want to get into that story because there was interference – solar project versus school project, but Pennichuck will be down as soon as the school is completed. Same thing as in middle school. When it's completed, it's all set up for solar going on top of it. The other thing that could help is if the battery technology improves. You know when it gets dark, you don't get much more solar but if you have battery storage capability, then you can power unlimited use you have at night via that and I'll let her explain that.

The other thing is sustainability. I managed several sustainability groups with major weapon systems. So I'm very familiar with sustainability and would love to talk to your new group about that. Also, I have a logo that you could use as an example of sustainability. Our sustainability was pretty unique in that each one of our weapons systems cost more than this entire city budget times the number of systems they bought. So it's a very important thing for the military I'll tell you that.

All right. No more questions on sustainability.

Matt Sullivan, Community Development Director

I'm going to pass it back to Ms. Chisholm to provide a brief overview of civic and community activities. I'm not certain that this budget has been included in Community Development in prior years but we did want to speak quickly to it this evening in the event that there are any questions that the Committee might have.

Deb Chisholm, Waterways Manager

The beauty of it is it comes under our division to discuss about how great it is, but the funding actually comes from not our budget. So it comes from the general government budget. If you look at the sheet, page 59 civic and community activities, the part that I can speak to – albeit somewhat briefly is the human service agencies section. I can't speak to the other services and the dues and the fees that the Mayor's office pays nor can I speak to some of the outside agencies that the Mayor's Department provides funding for but the human service agencies is a group of nonprofit agencies that submit applications to the Citizens Advisory Committee, formerly known as Review and Comment.

So Citizens Advisory Committee is a handful of folks who volunteer their time. We supply online fillable applications for nonprofits. They submit their applications and then the Citizens Advisory Commission meets for seven, eight weeks reviewing all of these applications. You can see there are about 35 applicants this year. The Citizen Advisory Commission is advised by the Mayor what the budget is and you can see also from the added spreadsheet that is also provided on page 61 - the names of all of the applicants, their requests totaling just over a million dollars, and then the amount of funding that is provided. One of the reasons why I'm speaking to this this evening is as my tenure as the Interim Manager of Urban Programs Department, which I have since given up thankfully as we have a new Manager on board Julian, some of the funding that funds this particular activity comes from Community Development Block Grant funding. Since the budget was originally put together back in April, we've had a slight, very slight change in our allocations from HUD. So you'll be noticing that the bottom right hand corner of page 61 where the CDBG grant entitlement fund portion is listed as \$99,600, we reduced that slightly to \$96,822 and the amounts coming from the general government portion from the Mayor's Department is still remaining at \$535,837. So overall, the budget doesn't change but in order to make sure those numbers all mashed up, we had a couple of applicants that had their final recommendations slightly decreased.

But as far as that's concerned, that's it in a nutshell. I am simply the overseer of the Community Advisory Commission, at least for this year I was. I will be honest with you, I did not attend one meeting. Those folks are - they've got it all streamlined. We had Nina back in the office collecting the meeting minutes and posting all the agenda is for all of the meetings. So it runs super smoothly to say the least but it is an opportunity to provide many of our nonprofits with some additional funding. I'm happy to address any questions you might have.

Alderman O'Brien

Yeah, thank you Mr. Chairman. Ms. Chisholm, I'm gonna throw you a softball because I've got a hard ball coming somewhere next. But the thing is changing State law to have charitable gaming. Have you seen an impact in this particular budget item because of charitable gaming has given a significant amount of money to many of these nonprofits

and various other different charities? So it took care of a need that we couldn't have answered in any of our previous budgets.

Deb Chisholm, Waterways Manager

I think to go back to what Alderman Cathey had referred to earlier is people are always looking for additional funding. So despite the fact that yes charitable gaming has been a huge, huge success with nonprofits, you know, getting anywhere from \$60,000 to \$100,000 for essentially zero work. But at the same time, I don't think that any of these nonprofits have ever considered not applying for additional funding through the city, despite the fact that they may have received funding through charitable gaming.

Matt Sullivan, Community Development Director

Just to speak quickly. There's also a counter trend and that is that in speaking with many of these nonprofits during my day to day and the days of others, they are also busting at the seams from a capacity perspective and a demand perspective. So they very much have additional funding needs beyond what they had in the past and much of that is due to the pandemic and the increased need for services that they are providing. Despite the access to additional funding sources, the demand has increased greatly and I expect there's a good alignment between these two things.

Chairman Dowd

Any other questions?

Alderman O'Brien

Follow up. Mr. Chairman, is it okay if I could go to 58 or is it 56 with the outside agencies and ask questions in that budget?

Chairman Dowd

You're talking about 56220?

Alderman O'Brien

Yeah. I see by 56211 we had a funding in 2022 of \$27,100 for the Holiday Stroll. I see in 2023 - I don't see any funding for that. That may be because last year we did not have the Stroll and the money may be left over or do we have a Grinch in our mist?

Deb Chisholm, Waterways Manager

I refuse to answer that question on the grounds that it may incriminate me.

Alderman O'Brien

Remember Santa is watching.

Deb Chisholm, Waterways Manager

I'm happy to defer to Director Sullivan.

Alderman O'Brien

I would if I were you.

Matt Sullivan, Community Development Director

And Matt Sullivan Director is going to give a very unsatisfying answer. As Ms. Chisholm had indicated, Community Development does not have an active role in numbers 55 and 56. So I can't speak to why Holiday Stroll monies have been allocated. We are involved in the provision of the human service agencies portion below Alderman O'Brien. With

that said, I'd be happy to get some further information on that back to the Committee. We are not directly involved in the Holiday Stroll nor in those two sections of the budget you referred to. I apologize for that.

Alderman O'Brien

Mr. Chairman in all my fishing, I am a catch and release guy so you're off the hook. I would like to go on record. I am very disappointed in the Great American Downtown which I think is one of the key ways to the city. Just last night, we just had was the Taste of Downtown which sponsored that event. After the budget hearing, Mr. Chairman, I did go out. It was well attended and there was people singing and dancing in the streets. But we went from \$50,000 down to \$25,000. That's a little bit too much about - so you're off the hook on my point but I think it's something that we need to take a look because it's one of the things that enhances the quality of our municipality. Thank you, Mr. Sullivan.

Chairman Dowd

GAD actually reached out to me and this cut stands, GAD may disappear. Because they don't have very much funding and if the Stroll money is not there, there's no Stroll. Something that's attended by 40,000 - 50,000 people, that's a lot of people you satisfy for very little amount of money. So we can address that when we come to the final wrap up.

Alderman Cathey

Thank you, Mr. Chair. Forgive my ignorance. We pay for the Holiday Stroll out of the general fund and it goes into this allocated funds for the Holiday Stroll or does it come from somewhere else? I'm confused about where that \$27,000 would be coming from. Is it general fund? Is it another department? Where's that money coming from?

Chairman Dowd

It's allocated under this line item in the budget.

Alderman Cathey

Right but that line item is getting that money from someplace because Holiday Stroll is not an organization unless I'm incorrect in that. It's just labeled "Holiday Stroll". Holiday Stroll is not a nonprofit, is it? So where's the money coming from? Where are they getting the cash from?

Alderman O'Brien

Yeah, Alderman Cathey and I realize you're new but in my time on the Fire Department we anticipated this depending on the Holiday Stroll and I don't think I would be shy down on Main Street to tell you there was 100,000 people enjoying the Stroll. Every single restaurant was full and everything else. We plan on that for a very mass attended event. I think Mr. Ortega can say you probably have - Mr. Sullivan could probably guarantee that when we get back into it, it is very well attended. Main Street I've seen it full from the tree lighting at the top of Library Hill and I'm not kidding going down to at least High Street. Well it starts at City Hall. So this is a key event for both business community and it's a lot of fun for our citizens. I think a lot of people missed it during the COVID years.

Alderman Cathey

My concern is not the expenditure, it's more a knowledge for me knowing where the money comes from because I'm going to walk you through what my brain thinks and you can correct me if I'm wrong. All of these agencies are actual agencies with offices that I can go to and get help if I need to or someone can go and get help. Holiday Stroll is not one of them. It's not a place to go. It's an event. So this event line item has money allocated. If it's an event with allocated money, that money comes from some place. I'm trying to figure out where that money comes from to get to the Holiday Stroll line item.

Chairman Dowd

It's actually a different account. You've got to separate those two things. Ms. Chisholm talked to it before. That is charities that in that allocated that funds that we use go to those. This is separate. This is funding determined by the city to do things for the citizens of Nashua and it comes out of the general fund.

Alderman Cathey

Okay, yes. You answered my questions.

Chairman Dowd

And I know GAD is extremely concerned right now with a cut in half of monies they get from the city because they live on a shoestring budget and you cut the shoe string in half, the shoe falls off.

Alderman O'Brien

Mr. Chair if I also may say for full disclosure, I was also the Fire Department liaison to the Board of Directors on GAD. For all intents and purposes, they basically behave much like a nonprofit. They are a nonprofit. They're not in it to generate any type of business other than for the benefit of the city.

Alderman Cathey

I'm aware of GAD. Thank you.

Alderman Jette

If I could be so bold as to offer a clarification.

Alderman Cathey

Sure.

Alderman Jette

The Holiday Stroll is managed by Great American Downtown. So this money comes from the general fund. It's paid to the Great American Downtown and they use it to sponsor all the acts and expenses related to the Holiday Stroll.

Alderman Cathey

That's what I needed. Now I connected all the dots.

Chairman Dowd

I also believe that the DPW, Police Department, Fire Department all covered this in their budgets because they're all involved.

Alderman O'Brien

Right.

Alderman Cathey

Right. I was just mainly figuring out where's the money come from.

Chairman Dowd

Okay, anything else on that Director Sullivan?

Matt Sullivan, Community Development Director

No.

Chairman Dowd

Transportation.

Matt Sullivan, Community Development Director

Thank you, Mr. Chair. Last but certainly not least, I'd like to hand it over to Camille Correa to overview Nashua Transit.

Camille Correa, Transit Administrator

Good evening. The Transit Department – Nashua Transit System is funded - the whole budget is funded through grant funding, the NH DOT. We have revenue contracts and also the local match for the City of Nashua. The Fiscal Year 2023 budget changes are no changes. So that's a very nice \$0 amount that we have put in this budget year.

The reason for the pictures is because as we move into the next year, we're looking forward to progress or at least having the word "progress" in the word. So progressing forward outside of COVID, having ridership increase, a lot of our seniors stayed home during COVID, and many of our seniors did venture out still going to work, socialization, grocery store, shopping, and just your everyday way of life. They are a community on board and as they move into the next year, a lot of people are looking forward to the places that they once went to and to continue to go to those places within the community.

The picture to the right is the progress being made at the transit center. You can see that there's asphalt on the ground and that was just a couple of days ago and that's on the north side. So that is the last roadway around the transit center that needs to be paved. That is only binder pavement. Once they have the sidewalks installed, that portion of the transit center and the plaza between the parking garage and City Hall will be more of a plaza look to it. The sidewalks are being extended out and there'll be places for people to sit and also as people go to and from different events in the city, there'll be an opportunity where there'll be some trees and access to the parking garage through that area as well. If anyone has any questions for me, please let me know.

Chairman Dowd

Questions?

Alderman Cathey

Thank you, Mr. Chair. Two questions really. They're kind of in conjunction, maybe they go together. Year over year are we seeing an uptick in rideshare, usage? I know obviously let's take out COVID because obviously I'm pretty sure the numbers went down but generally speaking, are we in an upward trend? If the answer is yes, obviously that would be more expenditure to maintain infrastructure. Are we gonna see any money from the bipartisan infrastructure bill to help out with that or is this all we saw with that the 429 because it's a match, right? They give us 429 and we spent 429?

Camille Correa, Transit Administrator

Yes so your question has a lot of aspects to it. Just an overarching is yes, the infrastructure bill did provide more transportation funds to the City of Nashua and the surrounding area. Our allocation for our area is actually a split between the City of Nashua, Lowell, and MTA, who as assumed cart. It's basically a demand response service and they merged in with MTA or Manchester Transit.

Speaking to one part of your question in regards to the ridership, yes. The ridership was trending upward prior to COVID and during COVID has oscillated up and down a bit just depending upon whether or not the numbers were higher, the numbers are lower. And yes the ridership as it does increase, that just means that more people are getting on and off of the vehicle. So the added expenses would be more along the lines of breaks, or just your general wear and tear on a bus because of the amount of people that are on the bus and the weight. Also the braking, and the stopping, and the going. So that that's the main.

Alderman Cathey

I appreciate that. Thank you.

Chairman Dowd

Other questions?

Alderman Sullivan

Thank you, Mr. Chairman. On page 257, there's a list of grant funds that go to transportation. Are these grants that we get every single year? Is this the anticipated income that we're getting or revenue that we're getting from these grants in Fiscal Year 2023?

Camille Correa, Transit Administrator

So our area has a funding allocation or an appropriation from the federal government and it's called "The 53 Program" that's based upon the number of rides plus the number of miles that someone goes, which is called "a passenger mile". It's also based upon just formula of how many people are in the area and the urbanized area as well, because it's an urban program. So the transportation programs listed here, if you take the year out and you just look at the number after, you'll see that majority of them start with 53. And you'll see also that it says 21 and 22. Those that say CRRSAA and ARPA, those two are not funded from year to year. Now those were funding allocations from the federal government during COVID.

In addition, we do have the formula allocations of 53, which is the 5307 which is the urbanized area formula; the 5339 which is only for capital expenditures. So it could be used for bus, and bus facilities, or replacement vehicles, or preventive maintenance and also 5310, which is the senior and persons with disabilities. That funding is specifically for transportation services for people in that demographic.

Alderman Sullivan

Okay and these are all federal monies.

Camille Correa, Transit Administrator

All federal monies. Yes, Sir.

Alderman Sullivan

Follow up. The last one unanticipated transportation grant funds. This is a forecast for the coming year?

Camille Correa, Transit Administrator

Yes, Sir are you asking me specific...

Alderman Sullivan

Yes, I'm asking you is that a forecast that you anticipate from what's out there that there's a million dollars in grants that you anticipate or don't anticipate?

Camille Correa, Transit Administrator

Yeah, I believe so. What she's listing or what's listed here is all of the formula funding that is already allocated and those that will be allocated. So right now, we're transitioning into a new fiscal year, but it's not the federal fiscal year. The federal fiscal year will come in October and during that time period, new monies will become available during that time.

Alderman Sullivan

Okay, thank you.

Alderman Jette

Thank you. I almost hate to ask this question because I'm a great supporter of the Nashua transit system. I think it provides a great service to not only Nashua but to the area and, you know, I fully support it. But what I see in this budget book, I think the city's portion is \$429,000 if I'm correct about that, but there's nothing that shows us what the overall cost of this service is. What we're paying for, you know, salaries, for the bus drivers, and the staff, and everybody else, and what it costs us to maintain the vehicles, and all of those expenses. I don't see that anywhere here and I know that most of it is paid by grants from the federal government but I don't see that. I don't know how to compare that to what the city is paying, what the federal government is paying, what the overall cost is. Is that available? Is that something that could be provided?

Camille Correa, Transit Administrator

Absolutely. If you would like, I can put together some information for you and also do some pie charts which shows the different aspects as to the percentages. That would be the federal funding versus NH DOT, the revenue, and all the revenue coming in, and then also I can do a breakdown of all the expenses as well into categories such as the ones that you had mentioned.

Alderman Jette

That'd be great. Thank you.

Camille Correa, Transit Administrator

Absolutely.

Chairman Dowd

Any other questions?

Alderman O'Brien

Yeah, it's just that I have one little admitting. As Chairman of Infrastructure, I think and Mr. Sullivan I know you put in a request. We're going to get to it in Infrastructure with Garden Street. The Chairman of Budget and myself agree to the priority to the budget, but it's on the front burner and we're going to get right to it and get that one way for you on Garden Street.

Matt Sullivan, Community Development Director

Thank you, Mr. Chair.

Alderman O'Brien

I just wanted to mention that. I'll be on your hook on this one.

Matt Sullivan, Community Development Director

If I may just quickly speak to that. What's a little bit odd about that forthcoming legislation in Infrastructure is that many of the infrastructure improvements that you're seeing take place out there will ultimately lend themselves to a potential installation of the one way circulation pattern. However in the event that the Board of Aldermen would not pass that legislation in the off chance, we would be prepared to potentially continue with bidirectional flow but we are prepared to speak to the Infrastructure Committee about why that's not being proposed. So we're preparing for what's being proposed as legislation, but certainly we could adjust it should the legislation not pass.

Alderman O'Brien

Looking forward to it. Thank you. Thank you for understanding.

Chairman Dowd

Other questions? No. I have a couple. How are the electric buses working?

Camille Correa, Transit Administrator

We have two hybrid electric vehicles and they're doing great.

Chairman Dowd

Did we buy those under a grant or did we?

Camille Correa, Transit Administrator

Yes.

Chairman Dowd

Okay is there any chance we can get a grant to buy some more?

Camille Correa, Transit Administrator

Hybrid electric?

Chairman Dowd

Hmmm.

Camille Correa, Transit Administrator

Are you asking about straight electric or hybrid electric vehicles which is part hybrid...

Camille Correa, Transit Administrator

The ones we bought from BAE.

Camille Correa, Transit Administrator

Ahh, part diesel. Yeah hybrid electric. At the moment, we don't have any people from BAE knocking on our door saying hey we got a lot of money for you, would you like to buy a bus? But that doesn't mean that we couldn't reach out to them because they were partnering with us in regards to purchasing those vehicles. The remaining amount of the money came from the federal government. We don't have any buses to replace for quite a few years. We have replaced our whole fleet.

Chairman Dowd

And when we dedicate the new transit facility, I'm sure you're going to be inviting former Director Marchant. That was one of her pet projects.

Camille Correa, Transit Administrator

Yes, absolutely. Yes, thank you.

Chairman Dowd

If there are no other questions or any last minute questions for this Division? Seeing none, thank you very much.

**MOTION BY ALDERMAN O'BRIEN TO TABLE R-22-035
MOTION CARRIED**

PUBLIC COMMENT - None

GENERAL DISCUSSION - None

REMARKS BY THE ALDERMEN

Alderman Sullivan

Thank you, Mr. Chairman. I would like to applaud Director Sullivan for his presentation tonight, along with the Division Directors. For all the departments that we've sat through, a lot of them we talk about snow plows, and fire trucks, and whatnot. I feel that this Department this Division talks about the future of our city. I was encouraged that the future the city seems to be clear eyed and I'm excited about that. I am also encouraged that the amount of being a Rotarian as I am the number of local organizations that we support in the city. I just wanted to say that. I enjoyed the presentation. I really did and I want to thank you and I applaud all the work that you do for the city and thank you very much.

Chairman Dowd

All right. Any other remarks?

Alderwoman Kelly

I just wanted to congratulate our new Director on his first budget season. So thank you for doing such a thorough job. I also wanted to welcome the new Urban Programs Manager Julian Long. Really excited to have him join us. It's an important piece of (inaudible).

Chairman Dowd

So I can vouch for the fact Director Sullivan is mega busy every single day because I think I talked to him almost every day. I know he can't wait to have an assistant so he can pass some of these things off. So you do a great job. Thanks. The whole Division does a good job. Thank you. Any other remarks by Aldermen?

Okay. One thing I just wanted to mention as you're going through all these different budget hearings if you look at things that you're contemplating, you could make a motion to add or subtract. When we have the budget wrap ups after the public hearing, that's when the motions will be made. Okay. All right.

Alderman Sullivan

I have one more question.

Chairman Dowd

Certainly.

Alderman Sullivan

When do we make recommendations on how the book is laid out?

Alderman O'Brien

After the budget.

Chairman Dowd

There's a guy named John Griffin.

Alderman O'Brien

You have a whole year for that.

Alderman Sullivan

I'll be having a sit down.

Chairman Dowd

We used to have colored pages but actually I didn't find it too bad. I went through every page of that thing a couple times. But yeah, you talked to him.

Alderman Sullivan

Okay.

ADJOURNMENT

MOTION BY ALDERMAN O'BRIEN TO ADJOURN

MOTION CARRIED

The meeting was declared closed at 9:10 p.m.

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