

## REPORT OF THE FINANCE COMMITTEE

OCTOBER 7, 2020

A meeting of the Finance Committee was held on Wednesday, October 7, 2020, at 7:00 p.m. via teleconference.

Mayor Jim Donchess, Chairman, presided.

### Mayor Donchess

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

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

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

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

*To join by phone dial: 1-929-205-6099*

*Meeting ID: 847 2720 1775*

*Passcode: 303204*

*The public may also view the meeting via Channel 16.*

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

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

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

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

The roll call was taken with 6 members of the Finance Committee present: Alderwoman Elizabeth Lu, Alderman Linda Harriott-Gathright, Alderwoman-at-Large Shoshanna Kelly, Alderman-at-Large Brandon Michael Laws, Alderman-at-Large Michael B. O'Brien, Sr., and Mayor Jim Donchess. Alderman Patricia Klee recorded absent.

Members not in Attendance: Alderman Patricia Klee

Also in Attendance: John Griffin, CFO/Comptroller  
David Fredette, Treasurer/Tax Collector  
Kim Kleiner, Administrative Services Director  
Kelly Parkinson, Purchasing Manager  
Jonathan Ibarra, Superintendent Street Department  
Karen A. Smith, NPD Business Manager  
Captain Joseph Fay, Nashua Police Department

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ROLL CALL

Alderwoman Lu

I am present, alone.

Alderman Harriott-Gathright

I am present, I can hear everyone, I am in this room alone and I am practicing social distancing,

Alderwoman Kelly

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

Alderman Laws

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

Alderman O'Brien

I am present, I can hear the proceedings, I am alone but let me give you a warning, the computer says that I'm stable platform, perhaps maybe with the storm, so I hope I don't get kicked off. Thank you.

Mayor Donchess

I am, of course, present, and I am alone in the room and I am practicing social distancing. Alright, first item is public comment. Is there any member of the public who would like to speak to the Committee about anything?

PUBLIC COMMENT - None

COMMUNICATIONS

From: Kelly Parkinson, Purchasing Manager  
Re: Purchase of Asphalt and Aggregates for Street Operations from the General Fund: Supplies & Materials in the Amount of \$144,500

**MOTION BY ALDERMAN HARRIOTT-GATHRIGHT TO ACCEPT, PLACE ON FILE, AND APPROVE THE SOLE SOURCE PURCHASE OF ASPHALT AND AGGREGATES FROM BROX INDUSTRIES OF HUDSON, NH, AND CONTINENTAL PAVING OF LONDONDERRY, NH, IN THE AMOUNT OF \$144,500. FUNDING WILL BE THROUGH DEPARTMENT 161 STREETS; FUND: GENERAL; ACCOUNT CLASSIFICATION: 61 SUPPLIES AND MATERIALS, BY ROLL CALL.**

ON THE QUESTION

Mayor Donchess

Alright and there's an explanation we have to give here. So for many years, the Department of Public Works did not come to either the Board of Public Works or to the Finance Committee regarding the purchase of asphalt because two Purchasing Managers ago who left I don't know, 10 years ago or so, maybe not that much but quite a few years had the opinion that it was a Commodity Contract which didn't need approval. Then that practice was followed by the previous Purchasing Manager who you all met earlier. Then in recent months, Kelly Parkinson has joined the City as Purchasing Manager and she has raised the point that she thought that this should be approved by the Board of Public Works and the Finance Committee; fine, no problem, we will do that from now on.

The only issue is that pursuant to previous custom, pursuant to previous practice, the Department of Public Works has already bought \$25,000.00 of asphalt this Fiscal Year against this \$144,000.00 Budget amount. Now I am just repeating that this is what has been done for years pursuant to a practice that was established about 10 years ago. Apparently, that was not, at least the current thinking is that is not the way it should have been done, so we are correcting the situation now. And from here on in, we will bring this contract to the Finance Committee at the beginning of the Fiscal Year. Questions or comments? Let's let Mr. Ibarra speak about the asphalt and what it is all about and then you can ask questions or comments on any of this. So Mr. Ibarra could you tell us about the asphalt?

Jon Ibarra, Superintendent of Streets

I would be happy to Mr. Mayor, thank you. So this motion is for funding the asphalt and aggregates for our street operations. We use the asphalt for mill and fill, shims and overlays on roads that may not be part of the existing paving program that we do annually. So this more or less gives us the ability to get some more time out of the roads when they are deteriorated but not yet on the paving list. We also run the hot box out of this and do berm mix. And on the aggregate end of things we would buy stone and sand through the same companies that we would use for project-based stuff or sewer repairs, or drainage repairs, whether we need stone or sand or fill. So this is really something we use daily in our operations.

Mayor Donchess

Ok questions or comments? Alderwoman Lu?

Alderwoman Lu

Thank you, just wondering is this pretty much a year's worth? I am just trying to get a sense of how much of this we buy a year or use?

Mr. Ibarra

Glad you asked, so I had a similar question out of the Commissioners at our BPW and this past year, last season, we used approximately \$99,000.00 worth of material. But to put in perspective the prior year to that, Fiscal '19, we used \$126,000.00. So it does vary based on the Departmental needs and projects that are coming around every year.

Mayor Donchess

But as I understand it you do not necessary – you only spend for the product that is delivered. So if you end up using \$99,000.00 you pay \$99,000.00 not \$144,000.00.

Mr. Ibarra

That's correct.

Mayor Donchess

It's a so-called requirements contract.

Mr. Ibarra

Correct.

Alderwoman Lu

Ok thank you.

Mr. Ibarra

You're welcome.

Mayor Donchess

Are there any questions or comments? Could the Clerk please call the roll?

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

Yea: Mayor Donchess, Alderwoman Lu, Alderman Harriott-Gathright,  
Alderwoman Kelly, Alderman Laws, Alderman O'Brien 6

Nay: 0

**MOTION CARRIED**

From: Kelly Parkinson, Purchasing Manager

Re: Purchase of MNVD Monocular Night Vision Devices utilizing 2019 Homeland Security Law  
Enforcement Terrorism Prevention Activities (LETPA) Grant in the amount of \$35,710

**MOTION BY ALDERMAN HARRIOTT-GATHRIGHT TO ACCEPT, PLACE ON FILE, AND AWARD THE PURCHASE OF MNVD MONOCULAR NIGHT VISION DEVICES IN THE AMOUNT OF \$35,710 TO MAXAVISION TECHNOLOGIES OF JUPITER, FL. FUNDING IS AVAILABLE THROUGH HOMELAND SECURITY 2019 LAW ENFORCEMENT TERRORISM PREVENTION ACTIVITIES GRANT, BY ROLL CALL.**

ON THE QUESTION

Mayor Donchess

And I believe Karen Smith is on here from the PD.

Karen Smith, Nashua Police Department

Karen Smith and I have Captain Fay to speak to the binoculars and any questions you might have.

Mayor Donchess

Could you just give us a brief overview of what, I know this is grant-funded, but what it is you are buying?

Captain Joseph Fay, Nashua Police Department

Good evening Mr. Mayor, we are intent on buying night vision devices, binocular type devices. As you know most of the work is done, public safety and police work is done during the low light or nighttime hours so it is important for us to have the capability to be able to see at night so we can do our work effectively. So that's kind of applied to both our search and rescue (inaudible) sets as well as our law enforcement you know, (inaudible) sets. So night devices will be issues out to individual members of our team and it is going to increase our ability to be able to see at night.

Mayor Donchess

Ok, any questions or comments?

Alderman Harriott-Gathright

Yes, can I have the spelling of the Captain's last name? F-A-Y

Mayor Donchess

That's just for the minutes.

Mayor Donchess

Alderman O'Brien.

Alderman O'Brien

Yeah, thank you. I just wondered if Captain Fay can answer a technical question. Of course I support this. I think it will definitely enhance the safety of our officers, particularly working in a low light environment. But having experience with the Fire Department, heat sensing cameras, I imagine this will pick up some of the heat's signature. But is it capable of looking through walls and different types of environments and everything?

Captain Fay

No these devices do not have a thermal capability. We do have a couple of thermal devices in inventory but these ones in particular will not do that. It will be a much expensive device if we were to go with that option. Some of the newer technology does include night vision technology with thermal technology blended together, but it is extremely expensive.

Alderman O'Brien

Thank you for the explanation, thank you.

Captain Fay

You're welcome.

Mayor Donchess

Anything else? Could the Clerk please call the roll?

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

Yea: Mayor Donchess, Alderwoman Lu, Alderman Harriott-Gathright,  
Alderwoman Kelly, Alderman Laws, Alderman O'Brien

6

Nay:

0

## **MOTION CARRIED**

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS

### **R-20-076**

Endorsers: Mayor Jim Donchess  
Alderman Richard A. Dowd  
Alderwoman-at-Large Shoshanna Kelly  
Alderman Patricia Klee  
Alderman Skip Cleaver  
Alderman Thomas Lopez  
Alderman-at-Large Michael B. O'Brien, Sr.  
Alderman Linda Harriott-Gathright  
Alderman-at-Large Lori Wilshire

### **AUTHORIZING AN ENERGY PERFORMANCE CONTRACT AND LEASE FINANCING ARRANGEMENT**

### **MOTION BY ALDERMAN HARRIOTT-GATHRIGHT TO RECOMMEND FINAL PASSAGE, BY ROLL CALL.**

Mayor Donchess

The members I'm sure are aware that this was the subject of last night's public hearing and a rather extensive explanation was given at that time. But basically this is authorizing the payment of lease payments, in order to do a major energy saving project with the School Department at the two High Schools. The objective is to convert to LED lighting and make a number of other energy efficiency measures at each High School. The resulting savings will be about \$460,000.00 a year. The engineering company that has designed this project is guaranteeing the \$460,000.00 of savings and will write a check to the City if that level of savings is not achieved in any one or any number of years. But they are very confident that it will be for 60 or more. EEI, who is the engineering company, has done extensive work with Manchester and other public bodies so they do know what they are doing. The School Department, Shaun Smith, and Dan Donovan, and also Doria Brown, Energy Manager have worked on this.

The lease payments will be \$450,000.00 a year so the City would save at least \$10,000.00 probably more. But the reduction of the carbon footprint is considerable. This will save about 1,600 tons of carbon emissions every year equivalent and Doria figured this out to be 340 something automobiles. The City, in terms of automobiles and SUV's only has about 80 which are used regularly and about 16 sort of back ups so it's like taking the City's car and SUV fleet off the road several times over. It will be a big step to achieving the energy goals that we have articulated of a 20% reduction in carbon emissions by 2025. I won't go into more detail just because I think a lot of you heard it last night. But I did have one question for Alderwoman Lu. You asked a question about the interest rate and I actually answered it but then when I got through, I think that my speaker was on mute, so I don't know if you heard the answer great, if you didn't I can answer it again. But I didn't know if you could hear that or not?

Alderwoman Lu

Yes, I heard you speak, yes.

Mayor Donchess

Ok because when I finished speaking, I looked and it was on mute and I wasn't sure if it had been on mute.

Alderwoman Lu

No, you came through.

Mayor Donchess

Ok. Alright any other questions or comments? Yes, Alderwoman Lu.

Alderwoman Lu

I did have a – shortly after the meeting last night I sent a couple of questions and I haven't heard back and it sounds wonderful. There's just one thing, when I read – when I looked through the paperwork there were references to the energy performance contract but I didn't see it, for instance on Page 138, it refers to the energy performing contract and it says it is Exhibit C1. So I only saw the equipment lease purchase agreement. That was my question that I sent last night.

I mean there were a couple of other things but they are not, you know. But the question I also had is I noticed that if at some point we decide its better to buy because we've already got the assets installed, etc., but there's kind of a pre-payment penalty. And does anyone on the call know when that pre-payment penalty goes away. I noticed that for several years, I only went 5 years and I saw that it's about a \$200,000.00 fee if you prepay it.

Mayor Donchess

The attorneys were on last night, there's been extensive interchange regarding this contract. These are questions, I don't know who you wrote your question to, but these are certainly questions we can get answered. But we would need to bring in the Legal Office to do that, which, of course, I'm glad to do but they are not here tonight.

Alderwoman Lu

No that's fine. I did include them on that so I will just wait for that answer.

Mayor Donchess

Alright, I will follow up with them and make sure they get back to you.

Alderwoman Lu

I'm sure they will. No problem.

Mayor Donchess

Any other questions or comments? Alderwoman Kelly?

Alderwoman Kelly

Yes, thank you. I wasn't feeling well last night so I didn't hear the full context of the conversation but I have been following this closely as a member of the Energy Environment Committee and I am happy to see this come forward. I would commend both the Mayor and Doria Brown for making our commitment to carbon footprint reduction a reality with projects like this. So thank you.

Mayor Donchess

Thank you. Now I want to also say the School Department has been very important in this and we believe we can work with them on a lot of other projects in various schools. So I think this is a big project, but hopefully just the first. There's a couple of smaller projects, but hopefully there will be a number of projects following up from this.

Alderwoman Kelly

I look forward to it, thank you.

Mayor Donchess

Anyone else? Alright, could the Clerk please call the roll?

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

Yea: Mayor Donchess, Alderwoman Lu, Alderman Harriott-Gathright,  
Alderwoman Kelly, Alderman Laws, Alderman O'Brien 6

Nay: 0

**MOTION CARRIED**

NEW BUSINESS – ORDINANCES - None

RECORD OF EXPENDITURES

**MOTION BY ALDERMAN HARRIOTT-GATHRIGHT THAT THE FINANCE COMMITTEE HAS COMPLIED WITH THE CITY CHARTER AND ORDINANCES PERTAINING TO THE RECORD OF EXPENDITURES FOR THE PERIOD FROM SEPTEMBER 11, 2020 TO OCTOBER 1, 2020, BY ROLL CALL**

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

Yea: Alderwoman Lu, Alderman Harriott-Gathright, Alderwoman Kelly,  
Alderman Laws, Alderman O'Brien, Mayor Donchess 6

Nay: 0

**MOTION CARRIED**

GENERAL DISCUSSION - None

PUBLIC COMMENT - None

REMARKS BY THE ALDERMEN - None

NON-PUBLIC SESSION - None

ADJOURNMENT

**MOTION BY ALDERMAN O'BRIEN TO ADJOURN BY ROLL CALL**

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

Yea: Mayor Donchess, Alderwoman Lu, Alderman Harriott-Gathright,  
Alderwoman Kelly, Alderman Laws, Alderman O'Brien

6

Nay:

0

**MOTION CARRIED**

The Finance Committee meeting was adjourned at 7:24 p.m.

Alderman Linda Harriott-Gathright  
Committee Clerk