BUDGET REVIEW COMMITTEE

MAY 13, 2026

A meeting of the Budget Review Committee was held Wednesday, May 13, 2026, at 7:00 p.m. in the Aldermanic Chamber and duly noticed in two places, including the City's website, in accordance with the requirements of RSA 91-A:2 II.

Alderman Richard A. Dowd, Chairman, presided.

Let's start the meeting by taking a roll call attendance.

Members of Committee present:	Alderman-at-Large Alicia Gregg Alderman Derek Thibeault Alderman Paula Johnson Alderman Tim Sennott, Vice-Chair (via Zoom) Alderman Richard A. Dowd, Chairman
Members not in Attendance:	Alderman-at-Large Michael B. O'Brien, Sr. Alderwoman-at-Large Shoshanna Kelly
Also in Attendance:	Matt Sullivan, Community Development Director Dawn Michaud, Deputy Building Official/Plans Examiner Nelson Ortega, Code Enforcement Manager Deb Chisholm, Sustainability Manager Sam Durfee, Planning Manager Carter Falk, Zoning Manager Dawn Enwright, CFO

ROLL CALL

Chairman Dowd

Okay. Before we get into the meeting, there's two items. One - it's been pointed out that we should be having Public Comment at these meetings but only what's on the agenda. So in a discussion with Corporation Counsel today, the first Public Comment period this evening can only involve Community Development edition FY27 budget items. Nothing else.

The other item is we were having a problem with our public hearing. Evidently, the School Department double booked the Nashua High North Auditorium and that issue is trying to be resolved. There's some discussion about having it in the - where the Board of Ed. meets and I said I bring it up to the Budget Committee and get their input on that. It doesn't have to be right now but I guess another alternative might be Nashua High South. So keep you posted on that.

So Public Comment this evening. Anyone like to speak on the Community Development Division's FY27 budget?

PUBLIC COMMENT

Fred Teeboom

Okay. Good evening, again. My name is Fred Teeboom, 24 Cheyenne Drive. I don't have a problem giving you my address. You're all invited for tea and sympathy.

Now what I want to talk about tonight is the hydroelectric operations. I have a handout. I'm going to ask Paula Johnson to help. Paula can you hand this out? I got five copies so there's – came up here another seven but you can give one to the CFO. Okay. I sent an email on March 26 to the Board when a couple of days I spent some time looking into the hydroelectric dam. I got an Engineering Degree so I understand this stuff pretty well. You got two low height dams. One of them is Mine Falls - 24 feet. Jackson Mills is 33 feet are considered to be low head height of dams. I put in my cover memo, and you have a cover letter from the facts from the email that this thing is losing a lot of money. Your operation – your hydroelectric operation is losing a lot of money.

Let me go briefly over it. I haven't gotten hell of a lot of time. If you look at what the low head hydropower system should do, it should do between 70 and 90 percent of its 33 feet. It should be between 50 and 70 percent efficient is 24 feet. If you compare this to Niagara Falls, which is 175 feet, it's about 90 percent efficient and hydroelectric advertises - you can Google it - say they're 95 percent efficient. There's nothing more efficient than hydroelectric power if you run it properly. If your turbines are defective, if it doesn't run right, it's not going to be efficient ..

Alderman Thibeault

1 minute.

Fred Teeboom

.. you'll lose money. The efficiency of these two machines are 34 percent Mine Falls Park and 15.5 percent Jackson Mills. There's no way you can make money. You're going to lose money.

Now on the next page, I have the revenue. Now Alderman Klee will always say the revenues but you can have revenues but if the expenses are more than the revenues, you got a loser. Sears Roebuck will tell you that ..

Alderman Thibeault

30 seconds.

Fred Teeboom

Kmart will tell you that. So you see that there's revenues like in 2025 - $1.179 million. These figures came from Deb Chisholm who helped me do this analysis. She gave me all her input. If you look at why is it losing money if you go to the next page, you see you have a high operation management bond and you have a lot of bonds to pay off. If you add the cost of these bonds, you got a cost of the O and M, and…

Alderman Thibeault

Time.

Fred Teeboom

…enormous repair costs, you see this thing is losing a lot of money and the final page it shows you that this year - 2025 - this last year, it lost $1.2 million.

Chairman Dowd

Please wrap it up because your time's up.

Fred Teeboom

And if you take an average, there were times it did better efficiency. It still loses money. It is a loser and if you want to have the taxpayers in mind, you should terminate this operation. Terminate it, stop it, get rid of the bonds, and save the taxpayers money. There's no value to operate these things.

Alderman Thibeault

Time.

Chairman Dowd

Thank you for your comment. Anyone else like to speak at this point on the Community Development Division FY27 budget items only?

Laurie Ortolano

Laurie Ortolano, Nashua. I'm not supportive of this budget and the increase of over 7 percent. I have concerns with the number of management positions. I don't think Mr. Jungers' position should be in the budget any longer and he should be terminated and I think we ought to be seeking a new Community Development Director.

I'd like to know what Mr. Jungers' salary is and who he actually is managing because what I could see from the from the spreadsheet I received on all the positions in Community Development, I'm not certain he's managing anybody. So if you're a manager and you don't have anyone you're managing, I'm questioning the value of that and if it's only 1 or 2 people, I'm questioning the value of that.

I'm also very concerned about any of the HUD money - and I don't know where HUD money is placed in Community Development. Whether it goes into the budget in some other - in grants and is being used in the total budget. So I'm not certain how that - Urban Programs is here. Urban Programs is what addresses HUD money. I have grave concerns about HUD money in this City and how it's being used.

So and I'd like to see, you know, Building Safety. I have some Right to Know's in. I'm looking for records involving policy. I don't want to staff and increase anymore in Building Safety if you don't have policies written on how you handle building safety. When I asked for your policies on inspectors and building safety and you can't provide them for months and tell me to wait, it's an indication you don't have policy or you're delaying records unlawfully. I have a huge problem with what's going on here in the management in this Division. I think you need a turnover.

The whistleblower complaint is extremely telling.

<u>Alderman Thibeault</u>

One minute.

<u>Laurie Ortolano</u>

And I think there's a lot of turnover in this Department, a huge amount of employee turnover. Your intake person, Ada Rodriguez. I found out a few weeks ago left. Only here 3 months. This is a position you want to fill.

<u>Chairman Dowd</u>

That's ..

<u>Laurie Ortolano</u>

So ..

<u>Chairman Dowd</u>

.. and it's not part of the budget. Please be careful when you're using names. I was cautioned by Counsel ..

<u>Laurie Ortolano</u>

I don't care about whether I am using names.

<u>Alderman Thibeault</u>

30 seconds.

<u>Laurie Ortolano</u>

I am a public member and I get to question names in departments. I don't know who told you I didn't but you are wrong about that. I can speak to specific people because actually knowing their titles is very difficult for me from the budget because you don't tie people to names. So.

<u>Alderman Thibeault</u>

Let her slander, that's fine.

<u>Laurie Ortolano</u>

Let's see how this presents but I have a real concern with this Department. There's a lot of things not right going on here.

<u>Alderman Thibeault</u>

Time.

<u>Laurie Ortolano</u>

Thank you.

Chairman Dowd

Anyone else for Public Comment? Seeing no one.

COMMUNICATIONS

From: Mayor Jim Donchess
Re: FY 2027 Budget for Department 109 – Civic and Community Activities

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

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS - None

NEW BUSINESS – ORDINANCES - None

TABLED IN COMMITTEE

MOTION BY ALDERMAN THIBEAULT TO REMOVE FROM THE TABLE R-26-028, BY ROLL CALL

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

Yea: Alderman Gregg, Alderman Thibeault, Alderman Johnson, Alderman Sennott, Alderman Dowd 5

Nay: 0

MOTION CARRIED

R-26-028
Endorsers: Mayor Jim Donchess
Alderwoman Vengerflutta Smith
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman-at-Large Alicia Gregg
Alderman Thomas Lopez
Alderman-at-Large Lori Wilshire

RELATIVE TO THE ADOPTION OF THE FISCAL YEAR 2027 PROPOSED BUDGET FOR THE CITY OF NASHUA GENERAL, ENTERPRISE, SPECIAL REVENUE AND GRANT FUNDS

DEPARTMENTAL REVIEWS OF THE PROPOSED FY27 BUDGET FOR THE CITY OF NASHUA

Dept. #		Revenues	Appropriations
	COMMUNITY DEVELOPMENT DIVISION		
181	Community Development	158	159
181	Building Safety	161	161
155	Code Enforcement		165
185	Sustainability		168
182	Planning & Zoning	171	172
186	Transportation		175
141	Hydroelectric Operations	180	181
	Urban Programs		
109	Civic & Community Activities (see attached)		37

Chairman Dowd

Okay, so this evening we'll be talking about the Community Development Division and we have a presentation.

I'm sure Mr. Sullivan is going to give us an overview and then the first item we'll discuss 181 Community Development. Revenues on page 158, Appropriations on 159. Director Sullivan?

COMMUNITY DEVELOPMENT

Matt Sullivan Community Development Director

Well, thank you, Mr. Chair. For the record, my name is Matt Sullivan. I'm the Community Development Director for the City of Nashua. I just want to thank the Committee and you Mr. Chair, of course, for the opportunity to speak this evening to the Fiscal 2027 proposed CDD budget.

I did just want to take an opportunity to allow the team members to actually introduce themselves before we get directly into their budget so I'm actually going to pass directly to Sam Durfee and they can introduce the details of the department a later time but I'll pass to Sam.

Sam Durfee, Planning Manager

Sam Durfee, Manager of the Nashua City Planning Department.

Nelson Ortega, Code Enforcement Manager

Nelson Ortega, Code Enforcement Manager.

Deb Chisholm, Sustainability Manager

Deb Chisholm, Sustainability Department Manager and Waterways Manager.

Matt Sullivan Community Development Director

Thank you, Mr. Chair. I just want to acknowledge that Mr. McKinney is not and Ms. Michaud are not able to join tonight. I asked them to sit this session out. One - because Ms. Michaud is working a lot of hours these days based on staff shortages and building safety and Mr. McKinney is out on leave right now. Ms. Correa was intending to attend this evening. She is not feeling well and so I offered to cover her presentation for her so I'm happy to answer any questions relative to Transportation.

I wanted to start by simply communicating as one of the members of the public noted, that we are presenting a budget exceeding 7% or over 7% as part of our Fiscal '27 budget. My hope this evening though is that as we get into the details of both the revenues and the expenses of the Division, that we can provide a bit more justification and context for why we're at that proposed budget increase. A few factors include taking a part-time position making it full-time, adding some additional staff support in Building Safety, and some unknowns related to our Transit Department that I'll get into more detail as we go through this evening.

But I expect as you've heard from nearly all Divisions and Departments and I have to admit, I've had the fortune or misfortune depending on how you look at it of viewing nearly all of the budget review meetings to date. I think you've heard from them that the largest constraints in this year's budget is the impacts of salaries and benefits which are contractually obligated or controlled by outside forces. Certainly Community Development is no different. These non-discretionary items have a significant driving power behind the over 7% budget that we are presenting.

I also want to just note for the record across the Division we currently have 2 vacant positions. One in the Building Safety Department and one in the Urban Programs Department. We also have one additional vacant position but that position based on diminishing HUD funds that come to the City as part of our entitlement is actually not fully funded. So we really have two full vacant funded positions and a third that is not fully funded based on our diminishing CDBG and HOME allocations. But I just wanted to note that for the record.

That all said, I want to just emphasize the hard work of our Department heads and really all of our mid-level management as well as building up their teams. You may remember several years ago we came to this Committee with nearly 8 vacancies across the Division. We really struggled to keep transit utility workers and front counter staff. Some of our lower paying jobs in the Division. This group has done tremendous work to build that workforce back up, particularly Mr.

McKinney and Ms. Correa who are not here this evening but have worked really hard to make those jobs more competitive and more appealing as well.

I will just note for the record the Urban Programs Department that was referenced this evening is not part of our presentation to the Budget Review Committee. That's something we can talk about more detail if the Committee would like to discuss it. We have not included the Urban Programs Department budget in the budget book in any recent years that I'm aware of. Far before my tenure with the City. The reason for that is quite simply that 100% of the Urban Programs Department is federally funded. So we did not include the salary details in the budget book for consideration beyond the positions. Further, most of the federal funding in fact goes through the CDBG action plan out to external organizations as part of the Human Affairs Committee, and the action planning process, and so that Urban Programs budget has never to my knowledge been included in your budget book for reviewer consideration. So again, I'm happy to talk about that this evening and whether that should change moving forward as a policy but I wanted to explain the reason why we are where we are and expect that question would come up this evening.

Finally before I speak to Community Development itself as a Department, which is a relatively small department, I just want to acknowledge the hard work of the Mayor, Director Cummings, CFO Enwright, Megan Caron, and all the others who have worked to put this budget book together. We appreciate their diligence particularly in light of a constrained budget and very challenging tax rate scenario. They worked really hard this year to dial our budget in and what we're presenting this evening we think is a good reflection of that consensus.

Then finally, I just want to note that Lyn Tripp is our new Senior Finance Manager stepping in for Janet Graziano. She did a fantastic job this year trying to help us get prepared for this evening's presentation. I really just want to commend her particularly in light of being brand new to the City. CFO Enwright did a great job supporting her but there was a lot of work done by her to both learn and do at the same time. So I'm really thankful for all the work that she's done. With that Mr. Chair, I'm happy to jump right into the Community Development Department Revenues/Expenses if you're comfortable with that.

Chairman Dowd

Yes, go ahead.

Matt Sullivan Community Development Director

Great. So within Community Development, our budget modifications are fairly simple. I think you'll find that to be a theme this evening. Really a couple things I wanted to note and I'll sort of work around this slide, maybe not necessarily top to bottom, but we have a line within our budget called “Neighborhood Improvements”. This is a line that actually was crafted out of the former Your Voice, Your Choice participatory budgeting process. We actually worked to build that into our operational budget to preserve that program moving forward. Right now, we're working on improvements to the Los Amigos Reverend Dr. Perkins Park. We anticipate those to be completed this year in partnership with the Division of Public Works. Then in the future year, we're actually talking about using those neighborhood improvements monies to improve the Ash Street Skate Park, and we've been looking at some work potentially in Alderman Sennott's Ward, and some opportunities in Crown Hill to invest some funds in sort of smaller community improvement projects that are based on what the residents would like to see rather than what specifically City staff would like to see. So we're preserving that $30,000 moving into next year's budget but if you see in our budget for last year or current year, it shows a zero expended. We actually intend to encumber all of those monies in community improvements projects before the end of the year. So I just wanted to point that out and that's exactly what we did the year prior as well.

Additionally, I know there's always some questions about what goes into Contracted Service. I know in the budget year to date that you have before you, I think it shows $0 expended. The reality is we've actually spent most of those dollars on appraisals or financial study for different development projects across the City. We're often conducting appraisals as we go out for RFPs or trying to find comparable values for properties. So our Community Development’s Contracted Services line is really - it's fairly modest in light of what we end up using it for but we do intend to carry that number moving forward and we will expend all of those funds in Fiscal ‘26 and hence the full request for Fiscal ‘27.

Then finally, I just wanted to note maybe a more substantial increase within the salaries line within Community Development. I think it appears as a stipend. One thing we've been talking about internally is the need to add some additional capacity to manage some of our environmental programs and so we're actually talking about bringing on a stipend to a position to provide more oversight for environmental work and to sort of serve as a Deputy Director role as well. I'm happy to talk about that more detail. That's not a position that we fully vetted but it's something that we built into the budget to contemplate, again, adding that additional support moving forward.

With that Mr. Chair, we have no revenues on the Community Development side and so I'm happy to address any expense questions related to this Department specifically.

Chairman Dowd

Questions from any of the people on the Committee. Alderman Sennott you all set?

Alderman Sennott

I am, thank you.

Chairman Dowd

Thanks.

BUILDING SAFETY

Matt Sullivan, Community Development Director

Of course. I am actually going to cover the Building Safety Department this evening as well as we've given Ms. Michaud the night off. Very limited modifications to the Building Safety Department but the percentage increase is somewhat higher than perhaps what my comments reflect and the reason for that is we currently have a somewhat unusual situation where we have an individual that is out on leave in the Department. I'm not going to get into any details of that this evening. It's actually related to medical reasons and I think that part is important to point out. We don't know exactly when they're going to return to the City and so we expect them to come back. We expect them to step back fully into their role but because of the indeterminate amount of time that that individual is going to be out and particularly in light of the role that that person serves in, we've actually brought on some part-time support this year from an employee that had retired recently. An individual named Mark Collins. I don't mind mentioning his name because of the important work he's been doing for us over the last several months. Mark has been serving in a not to exceed 20 hours capacity for us to support Ms. Michaud in her role as the Acting Building Official. What we've done within this budget is a bit interesting and what we've proposed is that Mr. Collins would stay on potentially up to a full year - the full Fiscal ’27 year in that part-time supporting role based on the undetermined return of the person that he's assisting to fill the gap of.

What I can commit to this Committee is that when that other individual return returns, the relationship with Mr. Collins will end and so Mr. Collins will cease his part-time role. He'll step away from the City. So what I'm really getting at is that although there's a significant increase as a result of this part-time wages increase, there's a very good chance that some of that money is not going to be expended and some will. So instead of being a bit more perhaps liberal in our approach and only budgeting a small amount of hours, we've actually gone all in and contemplated Mr. Collins remaining on for a full 20 hours all the way through next fiscal year. So I just wanted to point that out for the Committee's consideration because I expect that you saw the significant increase within the part-time wage line.

With that, I just wanted to add one final note and its sort of a market condition comment that I wanted to make the Committee aware of. We've had a lot of internal conversations in Building Safety particularly because the building safety world is something that's really evolving. There's more complex codes. There's a need for more enhanced certification requirements when it comes to these positions, you know, within the International Plumbing Code, Mechanical Code, Residential Code, Commercial Code. These are - people make careers out of specializing in each of these areas. It's becoming a very specialized position. One of the challenges that we're running into is that here in Nashua where we have independent electrical, mechanical, plumbing inspectors, we've wanted to add licensure requirements for those specific inspectors. The challenge with doing that is that by adding licensure requirements, which would obviously be a great thing for the City of Nashua because we'd have people who are literally qualified to do the work that they're inspecting, the challenge is that we then begin to directly compete with the private market. Let me give you an example. If you are having a plumbing inspector and they are a master plumber, they are likely to make much more money being a master plumber on the open private market than they are to be a City Inspector. It's just a natural thing. If anyone's had work done by a plumber recently, you probably know what I mean. Your wallet hurts when you're done with it.

The reason I bring this up is that I believe we're going to have sort of a moment over the next year to two years where the private market begins to take steal our employees because of the competitiveness of our employees in the private market. So what I think we're going to need to do - certainly not this year - is look at the positions that we have, look at the qualifications, and the requirements that we have for those positions, and possibly talk about reforming some of the way those positions are actually laid out. That's not something for this Committee to talk about tonight but I just wanted to note the fact that our inspector positions are critically important. They have qualifications that could easily be taken to the private market and we may need to look at how to retain them and attract them moving forward in light of that.

With that, happy to answer any questions that you all might have and I'll add just finally that the revenues we've projected are stable for the Building Safety Department. The reason for that in speaking to Mr. McKinney is really that we see a stabilization in the new building permit market. It's not a dip just yet but we're very concerned about increasing revenues as we have in prior years. I will say we outpace for the most part our revenues by several tens of thousands of dollars typically. We tend to do fairly well but we're always hesitant to over project revenues in light of an unpredictable market that's out there. So happy to answer any questions you have.

Chairman Dowd

Questions?

Alderman Thibeault

Thank you, Mr. Chair. Building Safety. Do you have any Building Safety Policies that are written?

Matt Sullivan, Community Development Director

Thank you, Mr. Thibeault. I appreciate the question. We do have some Building Safety Policies that are written. In referencing the public comment which I think is a good one, many of the Building Safety Policies are not written in specific City of Nashua Policies however. They're written in our Conflict of Interest NRO or they're written within the actual Code books themselves. We've gotten this question a few times over the years actually about various policies and how the City of Nashua memorializes them.

We have policies related to processes for the most part. I will admit for the record they are not as comprehensive as I'd like them to be. I think there's work to be done there and I'm not going to say that there's not an opportunity to improve those but the reality is that we rely heavily on the Code books themselves, and we rely on the City's other policies that are written in the NROs, and then we have a couple policies that are process specific about how we use the systems that we use on an everyday basis. But again, always opportunity for improvement and I think we're learning that firsthand right now.

Alderman Thibeault

Follow up.

Chairman Dowd

Follow up.

Alderman Thibeault

So if somebody said give me the policy on A, you can probably find that policy somewhere in one of those places if you have it and give it out. If somebody says give me all your Building Safety Policies, that's probably going to be a little more difficult, correct?

Matt Sullivan, Community Development Director

I would respond by saying any request that involves more documents is always more challenging. What I think is a more significant challenge is if the request is for a policy about how you do a plumbing inspection. That is not something that we have - you can't write out how to conduct an inspection of a fitting. You can look at the Code related to the fitting and what's required but how you actually perform that inspection is not something that we have documented. We have documented the process that you're supposed to follow pre and post inspection but the idea of how you actually conduct that inspection is not something we have developed and I admit that fully on the record. I don't want to say the Code book sort of speaks for itself but to some extent, it does but I think I'm going beyond what your question was. I mean these – absolutely. There are some policies that are clearly written. There are some policies that are within the Code books. The more policies that we have to provide certainly that's more work but that's, again, we have an obligation to respond to requests. That's our job. We do that to the extent we can as required by law. That's all I can say.

Alderman Johnson

Yes, thank you. I just want to do a follow up on that question.

Matt Sullivan, Community Development Director

Sure.

Alderman Johnson

So if you have someone that goes out and does an inspection, do you have a standard that everybody basically that - Inspector A doesn't do differently than Inspector B. So they would inspect it the same way. So if you're looking at the way the fittings are going, let's say in plumbing, hooking up to the faucet ..

Matt Sullivan, Community Development Director

Sure.

Alderman Johnson

.. and everybody's going to make sure the same fittings are on it, that they're making sure it's working completely, all together that they have the same basic guideline where you don't have a policy.

Matt Sullivan, Community Development Director

Alderwoman Johnson please tell me if I don't answer your question. So if you're asking two inspectors go out to look at the same thing. Under the Code book, they are required to be looking at the same things as two independent people. Whether they start on the ground floor, the bottom, you know, what I mean or the top floor, there is some discretion there, right? There is some of that. There are certain things that they're going to look at a little bit differently but ultimately the things that they have to “sign off” on – “sign off” I’m putting that in quotes – approve, those are the same. That is written in the Code book and if someone is not doing that, that is an issue but they are supposed to, they are required to look at the same things and that's frankly, that's why you don't see or you rarely see municipalities augmenting or adopting local amendments to the Building Code because once you start doing that, you add in a level of discretion at the municipal level that I think is very dangerous. So most municipalities default to the International Codes as adopted by the State of New Hampshire under the RSA’s 155. That's why that structure exists because everyone's supposed to be using kind of this common core.

Alderman Johnson

May I continue?

Chairman Dowd

Follow up.

Alderman Johnson

I'm glad that I kind of built on the Alderman's question a little bit.

Just about the employee that's out is that - he's out for illness and is he getting paid while he paid leave or?

Matt Sullivan, Community Development Director

Alderman Johnson I don't - I'm not going to get into the details of the reason that the individual is out right now and I likely shouldn't get into detail of exactly what programs they're using for pay or not but what I can say is that the assumption we're making is that full salary being carried forward. I expect that individual to return. A lot of good things happening there but we just don't know exactly when.

Alderman Johnson

Okay may I continue?

Chairman Dowd

Yes.

Alderman Johnson

Okay because that's why I'm - so the salary is sitting there no matter what so we haven't eliminated that salary. We've just added a part-time person in while the full-time person's gone but the full time person's salary it's just there. Let's just leave it there.

Matt Sullivan, Community Development Director

That is correct. Yes.

Alderman Johnson

Okay. May I continue?

Chairman Dowd

Go ahead.

Alderman Johnson

So you're talking about the employees with the licenses and you're afraid that what's going to happen is the private sector is going to offer more.

Matt Sullivan, Community Development Director

Sure.

Alderman Johnson

Why do you see that trend happening? Do you feel because of the real estate market or is it just that with the homes being built that there's going to be need to be more plumbers, electrician to be available in the housing market?

Matt Sullivan, Community Development Director

I think Mr. Chair, if I may respond?

Chairman Dowd

Yes, go ahead.

Matt Sullivan, Community Development Director

I think absolutely. I think we know we have a shortage of skilled laborers working in the trades. I think we've heard about that for many, many years. There's no question that's real. There's a finite pool of qualified contractors, plumbers, mechanical workers, you name it, fire inspectors. It's an area that needs more workforce. So that's one challenge, right? You know, there's an incredible demand there and therefore that's increased the prices that those fields can charge.

The other sort of factor there though is that the counter factor is that the City as well because these systems are now more complicated, they require more expertise to understand. We also are looking for more sophisticated training and certification to make sure that folks are actually ready to go out and look at a 7-story building or look at a hospital grade HVAC system. So those two things combined, we're sort of competing for the same pool of people in many ways and so it's just a natural conflict. You know, we have to be a more attractive employer based on our benefits and the workplace itself than the private market in some scenarios and that's just a trend that I think is emerging ..

Alderman Johnson

May I follow up?

Matt Sullivan, Community Development Director

.. or has emerged I should say.

Alderman Johnson

Thank you. Well yeah because I just reinstated my real estate license and so I know I'm going to be out there again.

Matt Sullivan, Community Development Director

Yup.

Alderman Johnson

.. only certain things and I'm just kind of curious from your point of view what you're seeing out there as far as a trend with the building, and the apartments, and everything.

One final question probably. How many affiliated employees do you have in your whole Division?

Matt Sullivan, Community Development Director

Alderman Johnson let me take a break and get that number for you.

Alderman Johnson

And the non-affiliated.

Matt Sullivan, Community Development Director

I don't remember off the top of my head but I can come back in a minute. Maybe while someone else is presenting and I can give that to you.

Alderman Johnson

Yeah, I’d like to see ..

Matt Sullivan, Community Development Director

I just don’t remember.

Alderman Johnson

.. yeah, I’d like to see both ..

Matt Sullivan, Community Development Director

Yup.

Alderman Johnson

.. with the affiliate and the non-affiliated.

Matt Sullivan, Community Development Director

Yup.

Alderman Johnson

…please. Thank you very much.

Matt Sullivan, Community Development Director

I can get that. Yup, sure.

Chairman Dowd

Any other questions? One question I have is based on all the building projects we have going on in the City - major developments - do you see that - and there’s 2 questions. One - do you see that as an increased revenue to the City based on what it cost for us to go out and do the inspections and also get the licenses; and two - do we have enough personnel to cover all of these projects going on simultaneously?

Matt Sullivan, Community Development Director

Yes, Mr. Chair. It's a great question. I'll answer the second piece first. I think if you were to have Dawn, or Bill, or any of the other Building Safety folks here, they'd say no we don't have enough personnel but they're there at full capacity right now and that's a reality. But what is also happening that Bill McKinney has done a great job building out is that for more complex projects or projects that want to - and I don't want to say jump the line but have strict deadlines that want to move faster than what our current workload can accommodate - we give all projects the option to opt into third party plan review and third party inspection. So if you're a large multi-family project, casino project, and you have very sophisticated work or hospital project, you can opt in to use using third party plan review and third party inspection. If you do that, it does streamline the process to some extent and it takes staff burden off of our inspectors so they can continue working through the more simple single family residential and other more simple commercial permits that are happening. So I guess what I'm saying Alderman Dowd is we are at full capacity but we've used other mechanisms to allow us to sort of weather these trends that come and go on a year by year basis.

Your first question was do I think there'll be because of all these projects that we'll see increased revenues. It's possible but again, we do see perhaps a cooling in some of the market when it comes to multi-family. That said if the Mohawk Tannery were to walk in tomorrow and ask for their building permit, that would change things. If the Maynard Homes Phase Two were to come in tomorrow for a building permit, that would change things. It's just unpredictable as to what projects are going to be permitted in what year and that's why we're always so resistant to modifying the budget because it's a very volatile - permit is a very volatile space. So hopefully that answers your question.

Chairman Dowd

Yep. Alright. So that was Building Safety. Move on to Department 155 Code Enforcement. It's on page 165.

CODE ENFORCEMENT

Nelson Ortega, Code Enforcement Manager

Good evening, Nelson Ortega, again, Code Enforcement Manager. (inaudible) as far as the Code Enforcement Department goes, our function is to address the main function of Code Enforcement is Housing Code. So that is where our true expertise is in enforcing Housing Code and working with landlord tenants.

The other portions of our enforcement work is assisting other departments within the Community Development, Planning, and Zoning, Building, Sustainability, and sometimes if with Urban Programs by referring lead projects to them or homes that we go to and feel that they might be qualified for the Lead Grant Program. So that's the extent we do.

And then we also assist other departments outside of Community Development if they ask with an enforcement issue. We would help DPW whether it's Solid Waste, Park/Rec, the Streets, or whoever feels that they need a little assistance with an enforcement action. If they ask and they've taken the first step to address the issue, then we would step in and help them out and the same thing goes with working with Environmental Health, the PD/Fire. We do a lot with Fire and the Health Department. So that's a general gist of what Code Enforcement works in the Department.

As far as our budget, really our increase again is like Mr. Sullivan said in the salary part. What changes in my budget this year is that I have two full-time Code Officers and then I have a part-time Code Officer who works 15 hours a week. He was full time about 5 years ago and he left but we're now looking to see if we can make that part-time position full-time again. So it's covered partially - its half covered by the City already because it was funded by the Lead Grant several years ago and then we didn't have that so he continued on to help us. He was really going to help us for a few months and here he is 4 years later still helping us stay on track because we haven't been able to fill the position for a full time. We're now looking to see if we can bring him back full time because, you know, there's an interest there. There's an interest for us having someone who knows the job, knows the City, is 6 miles from City Hall. Those are all contributing factors to having someone who can just keep doing the job full time, which we definitely need because our caseload is just increasing. We have closed 300 - in that short span, we've closed 380 cases. We've done 700 inspections and those are the ones I was able to do just as of when I designed the slide. So we are getting busy and the thing with our cases is that even though we have 246 open now, one case can take 15 minutes and another one can take 3 months or longer, and its repeated inspections, and getting to know what's going on, and that's just for the Housing Code part of it. So we definitely just have that need to see if we can – and it's been talked about in past budgets and we're usually asked hey how are you doing with the staff that you have but this year, we kind of have to ask to see if we can take that part time and actually make them full time. But the rest of the budget is standard. Nothing has changed really.

Chairman Dowd

Questions?

Alderman Johnson

Thank you. How long have you been with the City for?

Nelson Ortega, Code Enforcement Manager

Monday I enter my 29th year.

Alderman Johnson

Because I remember you when I was on the Board of Aldermen the first time and I think you were just starting somewhere around then.

Nelson Ortega, Code Enforcement Manager

‘98, yes. I started as a Code Officer.

Alderman Johnson

Yeah, I remember. Now look at where you are. You know, congratulations here.

Nelson Ortega, Code Enforcement Manager

Thank you.

Alderman Johnson

What qualifies you to become a Code Enforcement Officer?

Nelson Ortega, Code Enforcement Manager

Well just so you know till this day in my briefcase I carry the job announcement laminated, okay, because way back then - I said this is an interesting job. A paralegal, I am. I have the qualifications. Investigator - I have been for 50 something years so everything that happened I found it was interesting so I applied, I got it, I got here, I said wait a minute, this is not what this says but so I had what they were asking for. The investigative background, what they consider legal background for this position, working with courts, testifying, interviewing, and so forth, and enforcement. After that, it just went on to continuing going to joining the ACE organization and going to the American Association of Code Enforcement Officers is what ACE is. When I started here, I joined that organization and we've been members for 27 years. So that's how we get a lot of education, and training for these programs, and most of us have law enforcement background which was a requirement and a criminal justice degree.

Chairman Dowd

Now you have 29 years’ experience.

Nelson Ortega, Code Enforcement Manager

Yes and training.

Alderman Johnson

Thank you.

Chairman Dowd

All set?

Alderman Johnson

Yes.

Chairman Dowd

Do you have a question?

Alderman Gregg

Yes, thank you.

Chairman Dowd

Alderman Gregg.

Alderman Gregg

So wanting to take this part-time position to a full-time are you seeing a rapid increase in the number of cases being reported, or is it staying pretty level and you just need one more person to help clear these, or what is what is the status on these kind of complaints in the City right now?

Nelson Ortega, Code Enforcement Manager

We have always had full-time Code Officers. It's always been a full-time. The caseload is basically the same level every year but we are seeing more complex cases coming in, which is taking more time for a Code Officer to address. So while he's spending 2 - 3 weeks dealing with this - not all consecutively spread out of course - we have to prioritize life safety, with non-life safety, and we'll get a lot of individuals, and we try to explain them that when they call and of course, we don't want to think that their complaint isn't as important but we have to prioritize. So this way it’s going to help stay on top of all the cases and meet the expectation of what we used to meet before.

Right now, the Code Officers are backlogged. I mean I have 70 cases myself that I work on. One Code Officer has 80 - another one - so some of them are just time consuming and it's getting very harder to deal with no offense to people but it's getting harder to deal with public. People are more aggressive and Code Officers now have to work with toning something down so they can just at least start their cases. So yeah, it's basically to just stay on top and make sure we don't keep backsliding and just keep going forward.

Alderman Gregg

Thank you.

Chairman Dowd

All set?

Alderman Gregg

Yup.

Chairman Dowd

I've been involved in many city budgets over the years and I can't ever remember a time when we didn't think you were understaffed, so.

Nelson Ortega, Code Enforcement Manager

Yeah, thanks.

Chairman Dowd

Okay. If there are no other questions for ..?

Alderman Sennott

Mr. Chairman?

Chairman Dowd

Oh, yes. Alderman Sennott?

Alderman Sennott

Thank you. I did have just a couple of line item questions here in the budget if I could?

Chairman Dowd

Sure.

Alderman Sennott

First one down on line 81100 Capital Improvements. You do have a jump from zero in ‘26 to $50,000 proposed going forward in ‘27. I was wondering if you could just speak to that briefly.

Nelson Ortega, Code Enforcement Manager

I can but if you don't mind, I can let Director Sullivan answer it.

Alderman Sennott

Yeah, whomever.

Matt Sullivan, Community Development Director

Yes. Thank you, Alderman Sennott. This is one of the known budget amendments that we need to make in the printed budget. That's not in fact a Capital Improvement, although I'd love to know what Nelson would do for Capital with that money. That's actually the recommended modification to the funding for the position. That's the FTE creation. Just ended up in slightly the wrong line from where we intended it to be.

Alderman Sennott

Yeah, I was hoping you were looking at building a Code Enforcement building but ..

Matt Sullivan, Community Development Director

For that amount of money, I wish.

Alderman Sennott

If I could continue?

Chairman Dowd

Go ahead, go ahead.

Alderman Sennott

Alright, thank you. Looking at the actuals to date through 3/31. It's not a huge number but it's just something I wanted to ask about just to see how we're going to manage it going forward. Your mileage reimbursements, which I'm sure is a pretty big line item given the line of work that you and Rob do in particular. I actually noticed that this year through the end of Q3, you're slightly over budget but you're not asking for an increase in ‘27. Is that anticipated to level out? Do you have a control going forward that you think will keep that level going forward?

Nelson Ortega, Code Enforcement Manager

Well ..

Chairman Dowd

Microphone.

Nelson Ortega, Code Enforcement Manager

No, we have found - obviously the issues going on with gas these days and so forth, we'll probably take a hit but we've been pretty good and consistent with staying with that mileage budget. Sometimes it goes up when you see me go out more to handle more cases or the Code Officers also have been doing or trying to do more phone calls in addressing with people calling them up and saying hey, this is an issue. What can we do to take care of it? So we're trying to .. (inaudible) so we kind of control it that way. The Code Officers know that you know that hey - and I've told them - watch your miles and just try and stay within the budget that we have and they're usually pretty good about it.

Alderman Sennott

Alright and I would assume that the City reimburses at the standard IRS rate is that correct?

Nelson Ortega, Code Enforcement Manager

Correct, whatever the government, yeah.

Alderman Sennott

All right hopefully these gas prices level out a little bit and we don't have to see midyear jumps like we saw back during the pandemic. That's everything I've got for now, Mr. Chairman. Thank you.

Chairman Dowd

Alright, thanks. Yes, Director Sullivan.

Matt Sullivan, Community Development Director

Mr. Chair, I just wanted to address Alderman Johnson's question. We have 25 filled UAW positions currently. The only affiliation in Community Development is with United Auto Workers (UAW).

Chairman Dowd

All set?

Alderman Johnson

Yes. Thank you.

Chairman Dowd

All right. Next is Department 185, Sustainability, and that's on page 168.

Sustainability

Deb Chisholm, Sustainability Manager

Hi. Good evening. Deb Chisholm, Sustainability Department Manager. Not a whole lot of excitement going on in the Sustainability Department budget. As everybody else has already indicated, the salaries and benefits are the biggest driver of the increase in Sustainability Department.

I will say that this year we got some funding already in our budget for an intern. Just going to give a shout out to the University of New Hampshire Sustainability Institute. We're collaborating with them to bring in a summer intern. I don't know if any of you are familiar with the Environment and Energy Committee. The woman that we've selected to come and hang out with us all summer was a student rep on the Environment and Energy Committee a couple of years ago when she was in high school. So we're super excited to have Taylor come back. She starts on Monday so she'll be around for about 12 weeks and we're hopeful that she'll come in front of you at some point during her stay to provide you guys with some information. She'll be working mostly with Doria and Levent on greenhouse gas emission calculations. So happy to get her on board. So that's something a little bit different that we're doing this year.

Otherwise, most of our line items for expenses are pretty much level funded. We've got some other Contracted Services. I know that's always a mystery for you guys but primarily that other Contracted Services line item is the City's portion of the Aquatic Invasive Species Management Program that we have. We share that cost with the State Department of Environmental Services.

I will say this year we're using a little bit of our Contracted Services funding to hopefully get a vendor on board to help us with doing some utility tracking, purchasing a new software that we're going to work with the folks down in Accounts Payable with electricity bills so that we have a better control and better understanding of the hundreds of meters that the City has to be able, again, to do some of that greenhouse gas emission calculations a little bit more easily.

Other than that, we don't really have a whole lot going on here. I did add some new pictures to our slide this year than what we've normally had. That one on the right is the fan boat that is used for the aquatic invasive species herbicide application. That's them just launching off of the boat launch over near Conway Arena into the Mill Pond. So they spin around in that thing. It's kind of cool. Super noisy but it's kind of cool if you get a chance to see it. I'm happy to answer any questions.

Chairman Dowd

Questions for Sustainability? Seeing none.

Alright, we'll go on to Department 182, Planning and Zoning. The revenues on 171 and the appropriations on 172. Mr. Durfee.

Planning and Zoning

Sam Durfee, Planning Manager

Good evening, Mr. Chair, members of the Committee. Sam Durfee, Manager for the Planning Department. So again as indicated by other members of the Division, a primary increase into the budget is related to salaries and benefits. I will just note one of the increases is associated with a new stipend which we intend to pay to our newest hire, our Deputy Planning Manager. He has attained his American Institute of Certified Planners Certification, which is essentially the highest certification you can achieve as a planner. It's very exciting. That makes him, our other Deputy Carter Falk, and myself as we all hold our AICP certifications, which is a rare thing to have, you know, your top planners in any community to have these certifications. So we wanted to award that because it is no small feat to achieve that certification and that's a $4,000 stipend still to be sorted out with the union but that is included in that salary line.

We are on track to exceed projected revenues. We've had a number of large planning applications come through. If you've been following some of the Planning Board agendas, you may understand why but interestingly, we are seeing fewer Planning Board applications. But again, the ones that do come in are of large size and our fees are tied to number of units, thousands of square feet of commercial space. So those larger projects bring in larger fees.

Our ZBA applications have increased and this is a trend that we've been seeing over the past few years indicating a broader and greater need of relief from our current Code to be able to do all sorts of different projects whether that is the addition of the deck, all the way up to something more significant including wetland impacts, or anything associated with use variances.

That segways well into the large project we've been working on for the past 2.5 years and that being the Code update. We recognize for many reasons we do need to update the Code and Alderman Thibeault will be very familiar with the work we've been doing and the time we've been spending before PEDC for the last two or so years as we've been talking about this.

But more broadly aside from the long-range planning that I just alluded to with the Code update, day to day is primarily involved with development review and assistance with applicants, abutters, and also members of the public inquiries around development projects. That's really the day to day work but we do also do that long range planning as well as some enforcement we coordinate with Manager Ortega on a lot of cases relative to that. I will stop there and take questions if there are any.

Chairman Dowd

Questions for Planning and Zoning. Alderman Sennott you all set?

Alderman Sennott

Still doing all right.

Chairman Dowd

Okay. Thank you very much. Next is Department 186, Transportation. That's on 175.

Transportation

Matt Sullivan, Community Development Director

Matt Sullivan, Community Development Director, here on behalf of NTS. Ms. Correa who's unable to attend this evening. We are requesting a 10% increase of the current allocation to NTS and I wanted to tell you a little bit about why. As you folks know, and I'm thinking now that Alderwoman Johnson may not have been here for all these conversations over the years, but we currently have an operational contract where we hire an outside company to drive, and dispatch, and manage our workforce that you see out driving the NTS buses. The City itself has a small labor force that provides maintenance support for all the vehicles, provides general administrative support through Ms. Correa's team, and then provides other mobility management, marketing, and other support as well. So we have about 10 folks in the City side that work over at NTS as well.

But that contractual piece of NTS is significant. It's a large part of our between $4 and $5 million budget. We are in currently the 7th year of an ongoing operational contract that we signed back in 2019. We opted not to go for an 8th year. We had that option with our current operator but we felt the need to test the open market and understand what was out there for options based on what we had seen with the school bus and other contracts over recent years. So we issued an RFP in early 2026 calendar year, of course. We currently are in the process of selecting a vendor to proceed with and we're literally mid process there but based on the preliminary numbers that we received back and this is no surprise because we saw what happened with the school bus contract, we estimate an increase to our Transit Operational Contract of about 10%. Could be a bit lower, could be a bit higher but generally we think that's where we're going to be.

It is worth pointing out that you may recall that our local allocation, the money that you actually approve as part of the budget, is really about less than 1/5 of the overall budget for NTS. There are outside federal funding sources, there are State funding sources. We have revenue contracts with other municipalities and agencies. You're actually going to see those over the coming months. The municipality or the City of Nashua is just a small part of the general revenues that go into NTS and its operations. That all said, a 10% increase to our Operational Contract does have its impact at this level and so we've applied that general 10% increase to our local allocation. Hence, the request to you all.

I will not be able to answer tonight's specific questions about the vendors of course because we're sort of midstream in our selection, but I am very confident that that 10% number is going to cover us over our next year of operations. We just don't know the exact number of what that contract is going to be but we're comfortable with that number. Happy to answer any questions about NTS that you might have but we're really pleased. I think, that we did go out to the open market to understand what competition might look like to make sure that we're providing the best service and the best service for our riders. So these are the resulting impacts to the budget.

Chairman Dowd

Questions? Alderman Johnson.

Alderman Johnson

Thank you. We just gave an increase in fares didn't we?

Matt Sullivan, Community Development Director

We did.

Alderman Johnson

And how is that being reflected in the budget?

Matt Sullivan, Community Development Director

That's a great question, Alderwoman Johnson. So in the revenue side of the budget, those fare increases are included. So if we have an overall expense budget let's say for the purposes of argument, let's say our expense budget is $4.7 million. We've increased the number of revenues that we think we're going to get from the fares. Now I will tell you, we've also included some consideration that the fares could result in a minor decrease in ridership. We thought that it was possible that the increase in fares could result in some sub 5% decrease in ridership. I will tell you that's actually not what we're seeing right now. We're seeing fairly stable ridership from pre-fare modification to now, which is good but in the end those fare increases, they add some support to the budget but they do not fully fill the gap necessary if this Operational Contract goes up in the way that we think.

Now let me just add one more wrinkle here. NTS is a bit unique in the way that your local allocation goes in. We actually carry over operational budget revenue that goes to NTS. So if you allocate - let's say $900,000 in a given year and for some reason we only expend $880,000, that money is actually put into an account that carries over year to year. So if you over allocate this year Alderwoman Johnson and we underspend, we actually take that money into our next year and can carry it over. That's why if you were to look back at a 20 or 30 year history of NTS, there were several years where we would get additional grants, or other revenues would come in, and therefore we would under expand the local taxpayer revenue going to the system. So our year to year increases were extremely low. We don't really see that happen anymore and so generally both the fare increase and the increase in local allocation has to happen to accommodate this increase in operational contracted services. I am hesitant to say it this way but in the event that we don't change local allocation or we don't go to at least I would say eight or 9% here, we are likely going to have a gap in the General Fund that's needed to run the service next year. But again, we won't realize that until very late into the year. Hope that all makes sense. I know I've said a lot.

Alderman Johnson

Yeah, it does. May I continue?

Chairman Dowd

Follow up?

Alderman Johnson

Yeah, I hope you're negotiating hard with companies because when I was on the Board of Ed, I lowered everything in their negotiation. I gave, you know, some guidelines and we made sure that the gas during Covid didn't go up on us.

Matt Sullivan, Community Development Director

If I may just quickly respond. The good news is so we haven't started negotiating yet so I don't want to lie to you and say that we're negotiating hard there, but the good thing is that when we are negotiating, we're going to know from this Committee what our options are and that combined with our revenue contracts. The nice thing about negotiating for the City in this position is that we have a line we can't cross, right? You know, there's a line we absolutely cannot go to and so it makes negotiations a lot easier quite frankly. It makes it easier for us to shoot low and our budget is known publicly. So those who are proposing service, they know that we have no more room to pad their revenues. That's a known factor.

Alderman Johnson

Thank you.

Chairman Dowd

All set? Any other questions? Alright, moving on to Department 141, Hydroelectric Operations, Revenues on 180, Appropriations on 181.

Hydroelectric Operations

Deb Chisholm, Sustainability Manager

Good evening. Deb Chisholm, Waterways Manager. Hydro Electric Operations. This particular department for the General Fund does not have any labor or benefits associated with it. I'm the only City employee - well Matt also spends some time holding my hand when I need some help, but all of my labor is paid through the Sustainability Department. So

Hydro is just really revenue, which our target this year was $1.4 million. As of the end of April, our revenue to date is a little over $1.1 million. So we are actually looking like we are going to be close to hitting our target. This is in spite of the fact that one of the turbines, one of the two turbines at Mine Falls, has been down since November but that is currently under repair. So we're hopeful that we're going to really hit the ground running at the beginning of Fiscal Year ‘27 and have both facilities up and running completely, which would be great because we did actually increase our proposed revenue target to a little over $1.6 million. So if we could - fingers crossed on how much precipitation we're going to get over the next year. That's certainly one of the main impacts as to how much revenue we can actually generate. Drought years - terrible.

The other item that does actually help us with our revenue this fiscal year both of our facilities will be what they call “net metered”. So we will be paid from Eversource for the power that's being generated and when the electricity rates go up and everybody is sad that their electricity rates are going up, it also means the net metering rate goes up and Eversource pays us more and provides us with more revenue. So there is always that to think about when you’re sad about your electricity rates going up.

As far as appropriations are concerned with the General Fund, it's pretty much the main item under Property Services is the Dam Operating and Maintenance Services line item. That's our contractor Essex Hydro that does operation, maintenance, repairs. That is the majority of our budget. We provided a bit of an increase there for their services. Part of the trick to trying to figure out what we need to put in the budget is part of the way that we pay them in an effort to incentivize them to continue to make sure that both of those facilities are up and running as best they can is to provide them - we provide them with 15% of the revenue that's generated. So while it's tricky to try to figure out what our revenue generation is going to be, it makes it even more tricky to figure out what our expenses are going to be because they're directly related. So at this point we're actually running pretty well as far as being able to meet our Fiscal Year ‘26 budget but time will tell. We've still got a couple of months left.

As far as all of the other items are concerned, I try to level fund those but the cost of trash service, porta potty pickup, fees associated with the permits that we have through both FERC and the Dam Safety Bureau through the State Department of Environmental Services continue to go up. So we've increased those as needed. That's about it. Happy to answer any questions.

<u>Alderman Thibeault</u>

Thank you, Mr. Chair. I don't know if you guys – well I don't know if you saw Ms. Chisholm. We got a memo that said we should close both dams. So how you respond to that? Like as far as why shouldn't we close them and, you know, can you just explain that a little bit or go through that?

<u>Deb Chisholm, Sustainability Manager</u>

Oh, sure. It's always an option to close both of those facilities. I will say that if it was as easy as simply just flipping the switch and locking the door behind you when you left, then okay. But it's a fairly extensive process to get out of the work that you're doing with two existing facilities. I will say the Mine Falls one might be actually the most challenging. We are in the middle of getting a new license. So to have to give a license back or to potentially sell it to somebody who might think they want to purchase the facility from us, it's a fairly extensive process and we went through it when we purchased the facility back in 2017. It's a process that does - it takes years to rid yourself of a facility. So, it is certainly an option. Not one that we're necessarily entertaining right now but that's something that's always out there as an option.

<u>Chairman Dowd</u>

Follow up?

<u>Alderman Thibeault</u>

So Manchester has - do they have just one hydroelectric? Is that hydroelectric up there?

<u>Deb Chisholm, Sustainability Manager</u>

Garvin Falls?

<u>Alderman Thibeault</u>

Yeah. How do they do compare to Nashua like as far as like if anybody knows. I don't know if you or Director Sullivan might know.

Deb Chisholm, Sustainability Manager

I don't but I can look into that and get back to you.

Alderman Thibeault

I'm just curious. Like generally how do these do in cities of our size and Manchester is pretty close and we have 2. So I mean you would think we would be bringing in some revenue. I know we've had some downtime over the last few years between the two dams and some of the parts we've needed. So I think that's certainly hit us in a way that didn't bring in as much revenue as we would expect. Two fully functioning dams, I assume, would do very well over the course of a year of a normal weather pattern where we get enough rain and all that. Okay. I was just curious about that but if no one knows off the top of their head, I certainly can look it up myself too. Thank you.

Chairman Dowd

Other questions? So ..

Alderman Thibeault

You were going to say something, Director Sullivan?

Matt Sullivan, Community Development Director

I am not.

Alderman Thibeault

Okay. He had his mouth open. He was like.

Matt Sullivan, Community Development Director

I thought about it.

Chairman Dowd

So you're anticipating a revenue for '27 of $1.6 million. If we close the dams where's that 1.6? We don't get that $1.6 million, right?

Deb Chisholm, Sustainability Manager

If we close the hydro facilities, we would get 0.

Chairman Dowd

0.

Deb Chisholm, Sustainability Manager

Yup.

Chairman Dowd

So ..

Deb Chisholm, Sustainability Manager

And then the costs associated with ..

Chairman Dowd

I'm sure if we can make it do more we will but, you know, I don't think any of us want to take $1.6 million out of our revenues.

Deb Chisholm, Sustainability Manager

No, I don't.

Chairman Dowd

Any other questions? Seeing none. Thank you very much. If I'm not mistaken, that's it.

Matt Sullivan, Community Development Director

That's correct.

Chairman Dowd

Unless you want to talk something about Urban Program.

Matt Sullivan, Community Development Director

I believe I addressed it during my introductory comments. Happy to follow up, though.

Alderman Thibeault

Thank you. So we just went through all the departments and you said was it a 7% increase or 6%?

Matt Sullivan, Community Development Director

Believe we're more at 9% based on the transit contract ..

Alderman Thibeault

Okay.

Matt Sullivan, Community Development Director

.. and the part-time position increase. I believe we're at 9%,Alderman Thibeault.

Alderman Thibeault

Okay. So I think that's what I was going to ask you like ..

Matt Sullivan, Community Development Director

Yep.

Alderman Thibeault

If you just gave a quick elevator speech would it be - what would be the increase from the 3% the Mayor asked to your 9%.

Matt Sullivan, Community Development Director

Spoke to the Senior Finance Manager right before this meeting and my understanding is we're at 9. I had us at 7 but my understanding is we're at 9.

Alderman Thibeault

And – follow up?

Chairman Dowd

Follow up.

Alderman Thibeault

And those two main items are the added salaries and the transportation contract?

Matt Sullivan, Community Development Director

And all the other benefits and salaries.

Alderman Thibeault

Right, so I think its salary stuff together.

Matt Sullivan, Community Development Director

Correct. Yes, I'm sorry. It's really - a huge portion of that is the contractually obligated salary and benefits increases. That's most of it but the other two factors - three factors rather are the transit operations - 10% request, the FTE created within Code Enforcement, and then the additional part-time wages within the Building Safety Department. Those are the three items that I would say are really driving any additional increase beyond the contractually obligated things in Community Development's budget.

Chairman Dowd

Follow up?

Alderman Thibeault

Yeah just asking for a general question I have here. So based on some public comment over the last few weeks and stuff I'm seeing or I hear about - I don't see it because I don't go on it - but I hear about it online in social places. How's the morale of your Department?

Matt Sullivan, Community Development Director

It's a great question, Alderman Thibeault. I think it's difficult for me to speak on that quite frankly and I'm not going to put the Managers in a position to do that either. I don't think that's fair to them.

Deb Chisholm, Sustainability Manager

Don’t you want to tell people about the cheese party we had last week?

Matt Sullivan, Community Development Director

I don't, you know, it's easy for me to want to talk about how great morale is but I think I'm actually I'm going to go in the opposite direction. I tend to think morale is very good in most of our departments within Community Development. I would be remiss if I did not mention that we do have ongoing personnel challenges and if anyone has worked in a workplace with personnel challenges whether they're directly related to you or not, they have an impact, right. So I think that generally the culture is very good. I think there's strong teams in place. That said, we do have some departments that have been impacted by, I think, some morale challenges and I accept full responsibility for that, but the reality is that I think we're not unusual in that way. Every workplace has challenges here and there. I can tell you, this is the first moment in my time as the Director of Community Development that we've had these challenges and you can attribute that to whatever you'd like, but I certainly am looking forward to working through the personnel issues and really returning to sort of the family environment that we had in that Division for a long, long time.

One of our challenges quite frankly because you've asked me the question I'm going to get into it is that our transit operations are off site. So we've always sort of struggled to have them be a part of our team. It's just a reality of physical proximity but Camille has done such a good job of keeping that environment very strong over there that frankly, she's covered my butt in a lot of ways and I have a large presence over there too. So if anything, that's the thing I've struggled with over the years but these more recent issues they're impactful certainly, but I think these folks have done a great job keeping the tone positive and working with their teams to just continue doing the great work that they're doing. So that's my response but I'd be remiss if I didn't mention the fact that there are always challenges, particularly when they're personnel issues.

Chairman Dowd

Follow up?

Alderman Thibeault

Yeah, just a follow-up comment. I've been in a few companies over my time and I can't imagine if some of the issues I've seen in companies like that would ever get constantly pulled out into the open all the time and people dragged through the mud. That would be - no private industry would ever be able to deal with that and being a public industry, everything is shined a light on no matter what. So I get that, you know, it can be tough.

I think you guys - I worked with a few of you in Planning and Economic Development Committee and over the years in Planning Board, Historic District Commission, and I think your Department does a great job and everybody I've worked with has been upstanding and done the job that I've expected them to do while I work with them. So I appreciate what you do. I appreciate what your department heads do. The people that work under them that I've had any contact with and I certainly think you should keep your job. So I'll end it on that.

Chairman Dowd

Any other comments? Alderman Johnson.

Alderman Johnson

Thank you. Mr. Sullivan the 25 UAW contracts when were they signed - do you know?

Matt Sullivan, Community Development Director

When was the UAW contract itself signed?

Alderman Johnson

Yeah.

Matt Sullivan, Community Development Director

It was signed last year.

Alderman Johnson

Last year. So how many years are on the contract?

Matt Sullivan, Community Development Director

I'm sorry what are you asking?

Alderman Johnson

These are union contracts for your workers.

Matt Sullivan, Community Development Director

The workers that I've referenced are governed by the UAW Collective Bargaining Agreement.

Alderman Johnson

Right.

Matt Sullivan, Community Development Director

Yes, that Collective Bargaining Agreement was signed last year.

Alderman Johnson

Okay in 2025.

Matt Sullivan, Community Development Director

Correct.

Alderman Johnson

And how many years is on the contract? Is it a 3 year contract – 4 years?

Matt Sullivan, Community Development Director

It's escaping my memory right now. I believe it's a 5 year contract.

Alderman Johnson

Five year contract. Okay. So this is why I have a problem with signing contracts for 5 years. I know it's great for you're not in negotiations all the time, but we're looking at a 9% increase and the most of it, it's always salaries and benefits under a contract and the step increases that usually - you have step increases in your contract?

Matt Sullivan, Community Development Director

The UAW contract does include step increases but it extends far beyond Community Development into other departments as well.

Alderman Johnson

Right. Okay.

Matt Sullivan, Community Development Director

But yes, it does include - it includes increases yes. I wouldn't necessarily call them step increases in fact, I would call them increases.

Alderman Johnson

Okay, because mostly - well, that's how the terminology is used all throughout the City and the School District. The step increases, the Police, everything. But ..

Matt Sullivan, Community Development Director

And the only reason I'm correcting Alderman Johnson is because in the most recent UAW contract, we moved away from a step system ..

Alderman Johnson

Okay.

Matt Sullivan, Community Development Director

.. to a percentage increase system without steps and we still have grades but no steps.

Alderman Johnson

I'm just marking this down.

Matt Sullivan, Community Development Director

No, yeah sure. That's why I say it's not a step system.

Alderman Johnson

Right. May I continue?

Chairman Dowd

Continue.

Alderman Johnson

Right because I wasn't here last year when the contract was signed so I'm trying to figure this out. Because mostly in every part of the budget, the driving factor - if you remove these contracts out of here, you probably wouldn't see that high 9% but what you're seeing is because most of the contract, the Department probably about 80% of your whole operations in your budget is the salaries, and the benefits, and that's what is driving everything up so high. Again, I can't, you know, you're getting 9% in this department, 7% in that one, 6% in the school. Where's that happy medium going to come in?

You know the Mayor says he wants the increase below 8%, so I'm hoping maybe the Mayor can roll up his sleeves and kind of sit down and work with us on this and see where he feels that he can make some reductions into this budget also. You know. So but thank you very much, Mr. Chairman.

Chairman Dowd

One thing I have a hard time with was using percent increases by different divisions because a 9% increase in your Division is nowhere near the dollar amount a 9% in the School Department would be, or Police Department, or Fire Department. I'm more interested in the dollars involved and I'm not going to get into it and bring out the calculator and figure out the dollar amount. But I've got to assume the 9% increase in your Division is far less dollars than many of the other Divisions because their - say 6% increase is probably many times more dollars than in your 9%. So it boils down to dollars not percentages.

If there's nothing else? Alright. Thank you very much for coming in. Do I have a motion Alderman Thibeault?

MOTION BY ALDERMAN THIBEAULT TO TABLE R-26-028, BY ROLL CALL

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

Yea:	Alderman Gregg, Alderman Thibeault, Alderman Johnson, Alderman Sennott, Alderman Dowd	5
Nay:		0

MOTION CARRIED

Chairman Dowd

Thank you. I'll let you leave before Public Comment. Is there anyone that like to speak in Public Comment?

PUBLIC COMMENT

Fred Teeboom

Fred Teeboom. I certainly would.

First of all, I like to say that the Building Inspectors do a pretty good job in this Department. I've dealt with them when my house burned down. I dealt with them when I built a sun room. I dealt with them when I built a Holocaust Memorial.

What I want to address is the total lack of financial understanding in this Committee and the Board in general. Now let me focus on the hydroelectric. When Deb Chisholm pointed on the Board she said the revenues. Oh the revenues are fantastic. Over a million bucks. She did not give you any figures for the operation and maintenance, which is very large and she didn't give you any information about the bond payments with all these bonds that you approved and nobody asked a question. You're looking at the losing proposition by over a million dollars. You ought to worry about that.

All I hear you say Mr. Dowd is I don't want to lose those revenues. It was like a Ponzi scheme. Somebody comes out and tells you look at all the revenues I make. Look at all the money I'm making. What they’re not saying is all the money it's costing me to make that money. That's a good lesson for you to understand, Mr. Thibeault. Why is this City in the business of hydroelectric? I did a little bit of research. Mayor Lozeau pushed this thing. Did she have an organization reviewing why you bought a bankrupt operation which was the Jackson Falls? Did she look into the cost benefit analysis of why you bought the Mine Falls Dam operation?

Alderman Thibeault

One minute.

Fred Teeboom

None of it. It was just let's go do this. We're going to be in a water business. We're going to be green. It's baloney. It's your job to put these things together. I don't expect Chisholm to address bonding. I don't even necessarily - well she should have addressed the (inaudible) cost. She made a note of it. She gave you no figure. Nobody asked but it's your job to look at the totality of this stuff and we have large bonding costs and I've given you the presentation. Figures don't lie. These figures don't lie. You need to examine more closely the financial impact. Like yesterday when someone said we hired - what 5 extra days. Nobody says, "what's the impact? Why are you hiring 5 more days for the system principles? Nobody asked. I sent you a message on it.

Alderman Thibeault

Time.

Fred Teeboom

You have to start doing your job of managing which you're not doing. Six percent is unacceptable and the Mayor's directives are not followed.

Chairman Dowd

Anyone else for Public Comment?

Laurie Ortolano

Laurie Ortolano. Fred, I think we heard it's 9% not 6%.

Fred Teeboom

Oh, I heard 6%.

Laurie Ortolano

Okay. So a couple things. I want to address Building Safety. I appreciate the comments made regarding the complexity of inspectors and the work that they have to do but around the State, the entire State, there are so many small towns. They don't hire licensed people to do inspections because they could never afford it in their budget. So usually somebody in the fire department goes through certifications of the State program, ICC or whatever, gets certified, and then is certified to go out there and do these inspections for the mechanical, electrical, plumbing services. Now we're a bigger city so obviously we would like to see people come in who probably are licensed, but I don't think the issue of trying to compete with industry is an issue. I mean it's just not.

First of all, we have an inspector who did moonlight and does do his job as a - I mean - an electrician doing electrical work on the side and serving as an Inspector for the City. Now I don't know what he's paid. I'm guessing it's around - I don't know - $90,000 maybe $80,000. I don't know what he's paid. Again, I'd like to know what that salary is because all the inspector salaries were combined into a single line item. So I can't see the breakout. The Chief Inspector, I don't know what they get but I would like to see that. So that person, you know, if somebody comes in licensed and gives up “their practice” to come be an Inspector, obviously they could make 2 or 3 times more on their own. But if they're moonlighting essentially and doing work, they're going to make what they make which would still be respectable. My issue of course is policy. If you're going to allow moonlighting does an inspector who works and does inspections in this City are they permitted to do electrical work in this City if they conduct ..

Alderman Thibeault

One minute.

Laurie Ortolano

.. inspections and how do you regulate that? So I think our issue to me is policy and this individual was placed - I learned on social media that an investigation was being conducted on this. City didn't disclose it. They did on the Broth Report in Assessing but this they kept - no transparency. I learned it on social media that this was being handled with a private investigator. I was contacted last week to be interviewed by that private investigator who's been hired for two months ..

Alderman Thibeault

30.

Laurie Ortolano

..which means this inspector potentially has been sitting home for 2 months probably getting paid while this “investigation” goes on. Why is this happening? Because we didn't have policy. Because we didn't have policy on how we deal with moonlighting, and having a license, and working. Now there were questions about this individual's license that came up but I can tell you my interest in this came from people within the Department themselves who addressed me - not because I ..

Alderman Thibeault

Time.

Laurie Ortolano

.. just did it on my own. So I think you got a lot of things that you have to consider going on in here and I'm not happy with a 9% increase. I think, you know, yeah I think you got some work to do. Thanks.

Chairman Dowd

Okay. There’s no one else for Public Comment. General Discussion?

GENERAL DISCUSSION – None

Chairman Dowd

I will say I think one of the things we heard was some of the expenses that were being referenced are going to continue even if we stopped operations and lost the revenue. We still have the bonds and have to pay the debt service on the bonds anyway.

Unidentified

Inaudible.

Chairman Dowd

That’s not for discussion and we also have a contract with the people running the dams. I mean it's not as simple as saying throw the switch and close them, so. Alright. Anything else?

REMARKS BY THE ALDERMEN - None

ADJOURNMENT

MOTION BY ALDERMAN SENNOTT TO ADJOURN, BY ROLL CALL

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

Yea:	Alderman Gregg, Alderman Thibeault, Alderman Johnson, Alderman Sennott, Alderman Dowd	5
Nay:		0

MOTION CARRIED

The meeting was declared closed at 8:27 p.m.

Alderman Derek Thibeault
Committee Clerk Pro Tem

Community Development Division

FY2027 Budget Review Presentation

May 13th, 2026

Nashua
NEW HAMPSHIRE'S GATE CITY

Community Development Division

- Community Development Department
- Building Safety Department
- Code Enforcement Department
- Sustainability Department
- Planning and Zoning Department
- Nashua Transit System (Transportation)
- Urban Programs Department (fully grant funded – not included)
- Civic and Community Activities
- Hydroelectric Operations

Community Development Division

- Overall increase of 6% including benefits
  - *Stipend for additional staff support*
- Note on Neighborhood Improvements Line
  - *Will be fully expended by end of FY2026*
- Contracted Services line maintained for support to general community development work
  - ~10,000 remaining FY2026 Budget as of today
  - Appraisals
  - Development Financial Reviews
  - Site Concept Design

Building Safety Department

- No modifications to FY2027 proposed revenues – potential stabilization of market conditions
- Proposed FY 2026 Budget: $1,080,228
  - (Overall 11% Increase from FY2026)
  - Significant Part Time wage increases
    - Personnel support due to vacant positions/leave and establishment of full-year part-time position
- A note on inspector positions

Code Enforcement

- FY2027 Budget Changes
  - Increase in salaries and benefits
  - Part Time Position Converting to Full Time.
  - Report Numbers:
    - Open Complaint as of 5/11/26 = 246
    - Closed = 381
    - Inspections = 700
    - *Average inspection time is dependent on type of complaint & number of units*

Hoarding

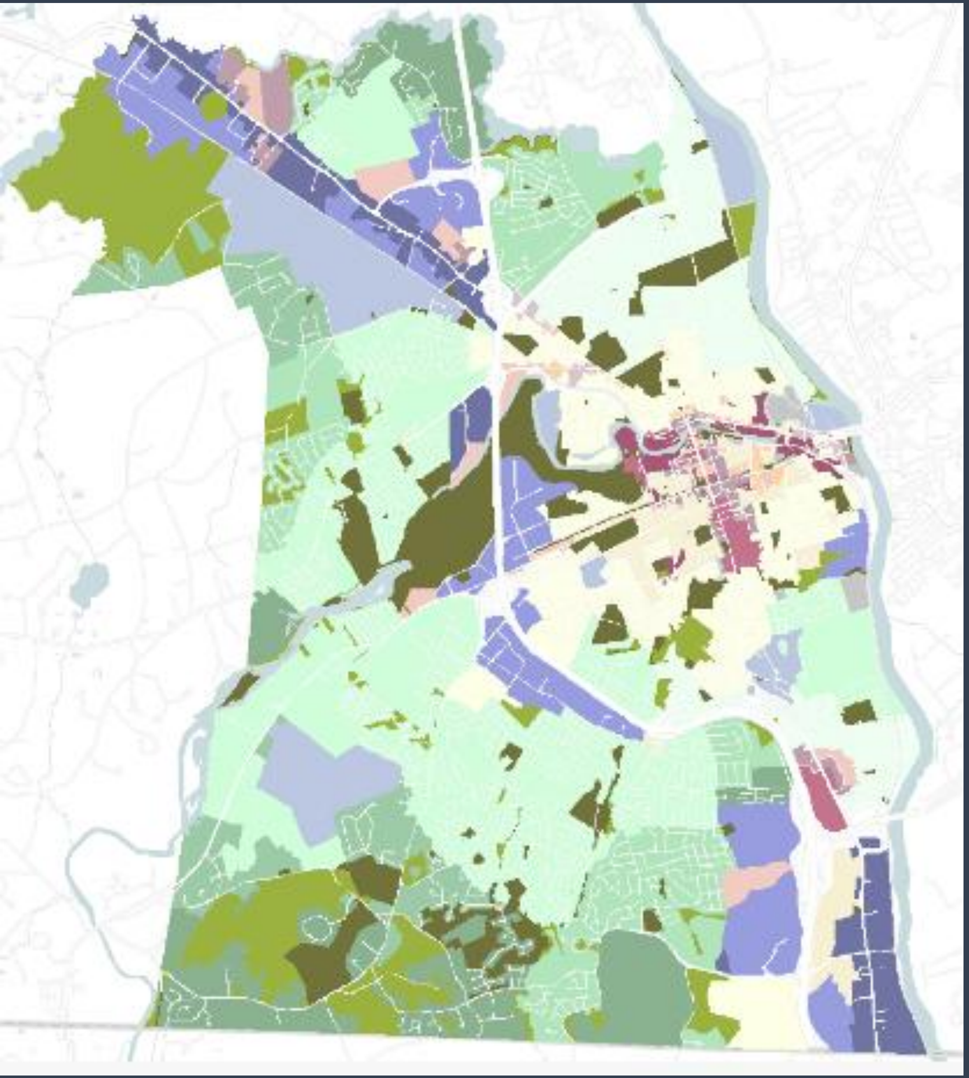
Sustainability

- Primary increase due to salaries.
- No changes in personnel
- Hiring an Intern this summer
- Other Contracted Services the largest line item covers the annual aquatic invasive species management

Rideable Nashua

PLANNING AND ZONING

- Proposed FY27 Budget: $918,635
  - 5.5% ($54,018) budget increase from FY25
    - Increases to salaries and benefits
- On track to exceed projected revenues for FY 26
- Trends
  - Fewer, but larger development applications (Planning Board)
  - Notable increase in ZBA applications
- Land Use Code Update:
  - PEDC Presentations
  - First Draft – May 2025
  - www.NashuaReCODE.com



Transit Department – Nashua Transit System

Budget is grant funded by the Federal Transit Administration (FTA), New Hampshire DOT, Revenue Contracts, and City of Nashua match

- FY2027 Budget Changes
  - City of Nashua Local Allocation
    - Increase of 10.0% based on new operational services vendor contract

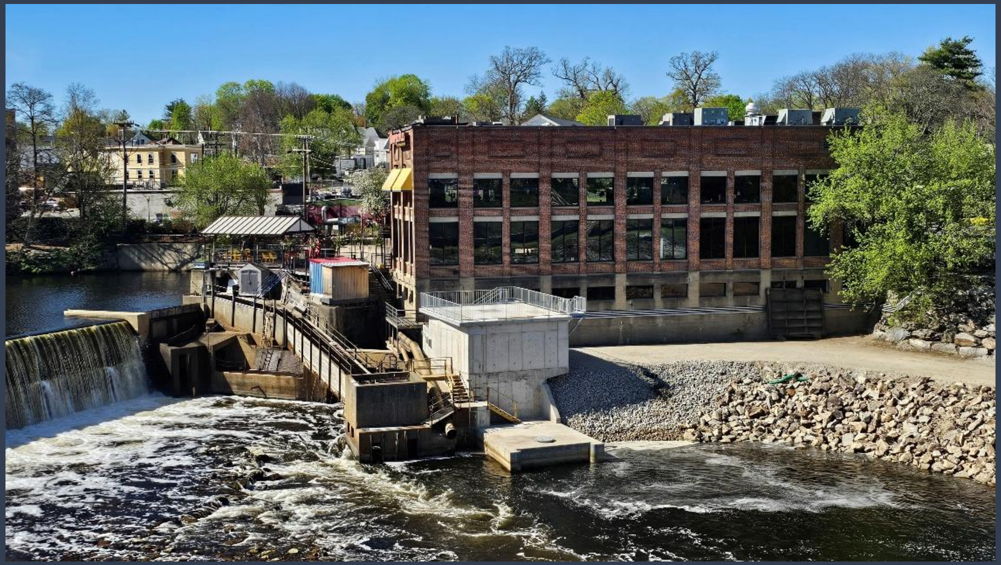
Hydroelectric Operations

- Current FY2026 Revenues are $1,111,561. The anticipated revenue was $1.4M. The broken turbine blade at Mine Falls is the culprit.

- Anticipated revenues are based primarily on rain and snowfall amounts as well as downtime of equipment.

- FY27 revenue estimate is slightly higher anticipating both facilities are up and running.

- Largest expense is Property Services (contractor O&M) - A portion of payments to contractor are revenue-based.



Questions:

Nelson Ortega, Code Enforcement Manager

Deb Chisholm, Sustainability Manager

Sam Durfee, Planning Manager

Matt Sullivan, CDD Director