

FINANCE COMMITTEE AGENDA

November 16, 2015 @ 5:15 pm

1. Bids/Purchasing

- a. Cemetery Maintenance – Public Works – Thibodeau’s Lawn Care - \$72,345 (3 year total)
- b. Autoclave – Airport – Bondtech Corporation - \$118,900
- c. Air Service Development – Airport – Boyd Group International
- d. Off-Airport Car Rental Agreement – Airport - Enterprise
- e. Group Health Insurance Program – City Wide – Cigna

2. Employee Innovation and Service Recognition Award Recommendations



CITY OF BANGOR AWARD RECOMMENDATION

BID ITEMS: Cemetery Maintenance

DEPARTMENT: Public Works

BUDGET AMOUNT:	43,273	AMOUNT OF AWARD:	24,115
			(per yr)
			72,345
			(3 yr)

ACCOUNT NUMBER: 5246-73040000

VENDOR(S) RECOMMENDED: Thibodeau's Lawn Care

Past Experience with Vendor :

<input type="checkbox"/> Excellent	<input type="checkbox"/> Good	<input type="checkbox"/> Fair
<input type="checkbox"/> Poor	<input checked="" type="checkbox"/> None	References verified

OTHER COMMENTS:

The City owns and maintains 4 cemeteries; Maple Grove, Oak Grove, Pine Grove and a portion of Mt. Hope. On November 4, 2015, the City received two bids for maintenance of cemeteries for the 2016-2018 seasons. Bidders were able to submit bids for all or portions of this work. The low bidder, Thibodeau's Lawn Care, submitted a bid for three of the four cemeteries, and the staff recommendation is to award contracts for the three submitted. Staff's recommendation is to rebid the Mt. Hope portion of the work as only one bid was received. Staff will reach out to past respondents to ensure that they have enrolled in the City's vendor notification program to ensure a wide number of potential respondents are aware of the opportunity.

City of Bangor
 Bid Tabulation
 Proposal No.: P16-017: Cemetery Maintenance
 Bid Opening: 11/04/15

		Thibodeau's Lawn Care Carmel, ME	Bangor Lawn & Landscape Bangor, ME
	2016 Season		
1	Maple Grove	4,290.00	5,800.00
2	Mt. Hope	No Bid	24,900.00
3	Oak Grove	7,150.00	7,480.00
4	Pine Grove	12,675.00	17,800.00
	2016 Total:	24,115.00	55,980.00
	2017 Season		
1	Maple Grove	4,290.00	6,200.00
2	Mt. Hope	No Bid	25,500.00
3	Oak Grove	7,150.00	7,700.00
4	Pine Grove	12,675.00	18,000.00
	2017 Total:	24,115.00	57,400.00
	2018 Season		
1	Maple Grove	4,290.00	6,450.00
2	Mt. Hope	No bid	26,000.00
3	Oak Grove	7,150.00	8,100.00
4	Pine Grove	12,675.00	18,200.00
	2018 Total:	24,115.00	58,750.00
	Total for three (3) Years:	72,345.00	172,130.00



Interoffice Memorandum

To: Finance Committee

From: James Canders, Assistant Airport Director

CC: Cathy Conlow, City Manager
Debbie Cyr, City Finance Director
Tony Caruso, Airport Director

Re: Purchase of sterilizing autoclave for regulated garbage

Date: November 2, 2015

The airport is required by US Department of Agriculture to properly sterilize regulated garbage removed from aircraft arriving from countries outside the United States. Without a USDA sanctioned method of sterilizing regulated garbage, BGR would be unable to accept most international flights. In order to complete this requirement, the Airport has been utilizing a sterilizing autoclave for the past 30+ years. The existing unit has now exceeded its useful life and no longer meets USDA standards. The unit is currently out of service.

In order to maintain regulated garbage compliance with USDA, the Airport has been utilizing the backup disposal method as outlined in our standard operating procedures. This backup method involves transporting the regulated garbage to Eco Maine in Portland. This backup method is much more expensive and costs on average \$4,000 a month. Utilizing an autoclave on site eliminates this extra cost to the Airport completely since the regulated garbage is then handled under a contract with Bangor Aviation Food Services.

It is the Airport's recommendation that we award the bid for a sterilizing autoclave to Bondtech Corporation from Kentucky for \$118,900. The additional cost over the bid amount of \$105,800 is for cold weather protection since the location will have very minimal heat, and a lift table which is required due to confined space requirements. Their unit meets all the specifications put forth in the bid. The bid from Bondtech was the second lowest bid received out of three vendors. The lowest bid unit by Mark-Costello Group was a used unit and after extensive research it was determined that it would not meet State of Maine requirements for pressure vessels. The return on investment on this purchase is fairly short. Not only are we saving the \$4,000 a month by not utilizing the backup method, but we are charging \$75 per bag disposal fee to every international arrival needing trash removal. Based on past aircraft traffic into BGR, we anticipate a 3 year return on investment with the purchase of this autoclave.

This purchase was approved as a capital item in the Airport's FY 16 budget, for a cost of \$75,000. The Airport will use \$50,000 in funding approved to lease a fuel truck, which will not occur.

In summary, it is the Airport's recommendation to award this bid to Bondtech for the purchase of an autoclave.

City of Bangor Bid Tabulation

RFB: B16-012: Sterilizing Autoclave- BIA- REBID

Bid Opening: 9/11/15

				IMS Fabrication, Inc Salisbury, NC	BondTech Corp. Somerset, KY	The Mark-Costello Co. Paramount, CA
Item	Description	Qty	Unit	Total Bid Price	Total Bid Price	Total Bid Price
1	Sterilizing Autoclave	1	LS	\$129,225.00	\$105,800.00	\$57,620.00



To: Finance Committee
From: Risteen Bahr, Marketing Manager
Date: November 10, 2015
Re: Air Service Development Consulting Contract

Background

In September of this year, the City issued a Request for Proposals (RFP) for Air Service Development consulting services to assist Bangor International Airport in the area of air service development for scheduled air service. The RFP was developed and released in accordance with industry and City best practices.

The requested scope of work was defined as providing market and data analysis, development of proposals for airlines, appointments and meetings with airlines, and periodic performance reports.

The RFP, including guidelines, timelines, and instructions, was disseminated to potentially interested parties. The City received 3 responses all from outside the State of Maine.

Review Process

A Selection Committee consisting of Tony Caruso, Risteen Bahr, Elizabeth Sutherland, Kerrie Tripp and Joe Imbriaco coordinated the selection process focusing on qualifications, experience, methodology, and costs. The overall search and selection was defined by the following core issues: 1) What are BGR's challenges and opportunities? 2) How are you and your team different from the rest? 3) What strategies are most effective with airlines in the current industry climate? and 4) What similar situations have you dealt with successfully in the last two years?

The Committee reviewed all the responses with particular attention paid to the credentials and qualifications of the firms submitting proposals, and the case studies submitted. The committee considered Qualifications and Experience of the Assigned Team, Track-Record, Relevant Experience, Methodology, etc. Members of the committee independently scored each agency on these criteria.

Recommendation

Boyd Group International is outstanding and their understanding of the industry and BGR makes them an excellent choice for this contract. They have been the Air Service Development firm for the last ten plus years and have been very responsive to BGR's needs. They have guided BGR through tumultuous times in the last few years and have provided candid and forthright advice. Their fee structure is fair and affordable. Their client list includes: New Orleans Louis Armstrong International Airport, Sarasota-Bradenton International Airport, Springfield-Branson National Airport, Cherry Capital Airport, Saint Vincent and the Grenadines Tourism Authority, Central Illinois Regional Airport, and Ithaca Tompkins Regional Airport.

The Selection Committee recommends that Boyd Group International of Evergreen, Colorado be engaged as the Air Service Development Consultant for Bangor International Airport. Boyd Group International has provided air service development assistance to airports and communities for over 30 years. Their clients range from major international gateway and hubsite airports to small EAS-subsidized markets. It is the Committee's opinion that their understanding of the industry and the issues facing Bangor International qualifies them to be our consulting firm.



Interoffice Memorandum

To: Finance Committee

From: Tony Caruso, Airport Director

CC: Cathy Conlow, City Manager

Debbie Cyr, City Finance Director

Re: Off-Airport car rental agreement - Enterprise

Date: November 4, 2015

As the Finance Committee is aware, the City recently approved new 5 year agreements with Avis, Budget, Hertz, Alamo and National to provide car rental services within the terminal at the Airport. One car rental company that was not selected was Enterprise Rent-A-Car. Enterprise provides car rental services for Airport customers from an off-site location, through an off-site agreement. Enterprise wishes to renew this agreement which outlines the procedures, parameters, and payment arrangements for off-Airport rentals. In exchange for the right and opportunity to operate an off-airport rental operation, Enterprise will pay the Airport 7.5% of gross rental revenues derived from Airport Activities.

The Airport respectfully requests that the Finance Committee recommend to the City Council that this renewal off-site car rental agreement with Enterprise be approved. This agreement has been reviewed and approved by City Legal. I will be available at the meeting to address any questions or concerns.

To: Finance Committee
 From: Debbie Cyr
 Date: November 13, 2015
 RE: Group Health Insurance Program

On October 21, 2015 the City received five responses to its Request for Proposals (RFP) – Group Health Insurance Program. The respondents were Cigna (the City’s current provider), Anthem, Maine Municipal Health Trust, Harvard Pilgrim and Aetna. We were very fortunate to receive so many qualified responses. The proposal requested health insurance rates for the City’s currently offered coverage levels.

The overall total annual cost submitted for the group health insurance program beginning January 1, 2016 for active employees ranged from \$6,890,977 to \$8,396,163, with the lowest premium being submitted by Cigna, see the table below:

**Estimated Premium Costs by Plan
 Active Participants**

	Cigna 1	Cigna 2	Anthem	MMEHT	Harvard Pilgrim	Aetna
OAP 90	6,853,302	6,552,015	6,568,903	6,963,401	7,983,702	6,602,820
OAP 80	181,741	173,715	174,394	168,747	211,962	175,572
OAP Low	172,585	165,247	164,972	177,172	200,499	166,080
	7,207,628	6,890,977	6,908,269	7,309,320	8,396,163	6,944,472

Estimated current premium (CY 2015) for Active Participants: \$7,428,272

Percent change compared to current estimated premium (active participants):
 Cigna 1: -2.97%
 *Cigna 2: -7.2%
 Anthem: -7.0%
 MMEHT: -1.6%
 Harvard Pilgrim: +13.0%
 Aetna: -6.5%

*with over 65 retirees included, rate decrease is 7.0%

The City's current contract with Cigna contains a shared returns provision, in that when the City's utilization (claims paid) of health insurance is below estimated costs, the savings are available to the City through an established premium stabilization reserve (PSR) fund. Conversely, if health insurance costs are higher than the billed premium, the excess costs are subtracted from the balance of the PSR fund. While increasing health insurance premiums based on past utilization is the norm in the health insurance industry, allowing the City to utilize savings realized in good years to reduce future premiums is very beneficial provision. The Cigna 2 submission with an overall rate reduction of 7% is based on the use of approximately \$308,000 of anticipated calendar year 2015 shared returns/savings. (The Cigna 1 proposal would not utilize any of the calendar year 2015 PSR funds.)

The results of the RFP were reviewed with the City's Health Insurance Advisory Committee which is comprised of City wide departmental staff (union and non-union) and retirees. At that meeting, there were no objections to continuing the group health insurance program with Cigna in accordance with their Proposal #2. Additionally, the City's independent health insurance consultant reviewed the submissions and has also recommended the acceptance of the Cigna #2 proposal. If approved by the Finance Committee, this recommendation would be presented to the City Council to authorize the contract award on November 23rd.

To: Finance Committee
From: John Theriault, Engineering Department
Date: November 12, 2015
Re: Employee Innovation and Service Recognition Award Program Nominations

This past spring, the City of Bangor decided to resurrect the Employee Innovation and Service Recognition Award Program to recognize city employees for ideas or performance which has or will result in cost reductions, enhanced revenues, improved service levels, or enhanced public service efforts.

The City Committee which oversees this program met on October 30, 2015 to review two nomination forms that were submitted for employees that worked in the Public Health and Community Services Department.

Jennifer Theriault is the Immunization Assistant within the Department. In addition to the immunization work, Jennifer is responsible for payroll, department wide ordering, as well as managing invoices and deposits. Jennifer has changed the processes within her Department to take advantage of vaccine provider discounts as well as finding ways to eliminate the wasting of vaccines.

The Director of the Public Health and Community Services Department estimate that the changes that Jennifer has incorporated into the Department have saved the City approximately \$5,800 in reduced waste of vaccine.

Anitra LaRouche-Audet is a General Assistance Case Aide within the Department of Public Health and Community Services. Welpac is the software platform used by General Assistance (GA) in the process of assisting clients. Anitra came up with the idea to save time, money, and filing space, by scanning these documents into Welpac rather than photocopying them for storage in clients' paper files. She worked in conjunction with the software developer to create that capability and trained each caseworker in the process of scanning into Welpac. Anitra also worked with the software developer to create the capability to pull, synthesize, and create reports of the data that the Department uses most frequently.

The Public Health and Community Services Department estimates that the changes that Anitra has incorporated into the Department have saved the City approximately \$7,000/year in employee hours freeing staff to better serve the public.

The City Employee Innovation and Service Recognition Award Program Committee believes that both of these employees are deserving of recognition and would like to provide them with a \$200 award for their contributions to reducing costs and improving service to our residents. We ask that the Finance Committee to approve this request.

EMPLOYEE INNOVATION AND SERVICE RECOGNITION
AWARD PROGRAM

1.0 PURPOSE

The purpose of the Employee Innovation and Service Recognition Award Program is to involve City employees in actively seeking improvements which can be made in City operations and to acknowledge the efforts of individual employees and groups of employees who have provided exemplary service to our citizens. This program is designed to recognize employees for ideas or performance which has or will result in cost reductions, enhanced revenues, improved service levels, or enhanced public service efforts.

2.0 PROCEDURE

- 2.1. In order to be considered for an award under this program, the employee, fellow employees, and/or an employee's supervisor must complete an employee innovation and service recognition award form and forward it to the City Manager's Office. Forms will be made available at all established City work locations.
- 2.2. Completed forms may be mailed directly to the City Manager's Office. If initiated directly by an employee, the employee has the option of requesting his or her director/division head to review the form and complete their evaluation of it prior to forwarding it.
- 2.3. If the form is received directly from an employee without the director/division head evaluation completed, the City Manager shall forward the form, without the employee's name, to the director/division head for review and comment. If appropriate, the director/division head shall also compute the direct savings to be realized from the suggestion or performance.
- 2.4. Once completed, the form shall be presented, again without the employee's name, to the Employee Innovation and Service Recognition Committee.

3.0 EMPLOYEE INNOVATION AND SERVICE RECOGNITION COMMITTEE

- 3.1. An Employee Innovation and Service Recognition Award Committee shall be appointed by the City Manager and shall be composed of the following members: the City Manager or designee, a Department Director, a Division Head, and at least three employees representing different departments.
- 3.2. The Committee shall meet as required to review award nominations and to consider whether to recommend the award of recognition. Any committee member from the same department from which an innovation has originated or for which a service recognition award is under consideration shall abstain from participating in discussion of that item.
- 3.3. The Committee shall also be charged with developing systems and programs to increase the level of recognition provided to employees for their performance and service.

4.0 INNOVATION AWARDS

- 4.1. To be eligible for an Innovation Award, the idea or performance must:
- 4.1.1. Be an original idea which has not previously been discussed or approved, or be an idea which has previously been rejected but which, due to changed circumstances, should now be considered;
 - 4.1.2. Be implemented and in place or be capable of implementation within a reasonable period of time and within existing or available resources;
 - 4.1.3. Be over and above the normal duties and responsibilities of the position held by the responsible individual;
 - 4.1.4. Meet one or more of the following objectives:
 - a) Result in cost reductions to the City;
 - b) Improve service levels without increasing costs;
 - c) Improve employee or public work site safety;
 - d) Improve service to the public.

5.0 SERVICE RECOGNITION AWARDS

- 5.1. To be eligible for recognition, the service provided must:
- 5.1.1. Be an exceptional instance of individual or group effort in going above or beyond the normal standards of service to a citizen or group of citizens or, in the case of internal service departments, to our own employees;
 - 5.1.2. Be a program or a longer term effort which is designed or operated in such a way as to provide consistently exceptional service to our citizens; or
 - 5.1.3. Be an idea or implemented change which brings about a significant improvement in a service which is regularly provided to the public or our own employees.

6.0 AWARDS

- 6.1. The Employee Innovation and Service Recognition Committee may give or recommend awards as follows:
- 6.1.1. For innovations or performance resulting in direct savings or increased revenues, 20% of the annual or one-time savings or increased revenues up to a maximum of \$1,000 per innovation.
 - 6.1.2. For innovation, performance, or service eligible in other categories, a range of awards beginning with letters of commendation and increasing to cash awards of up to \$100 per innovation or service.

6.1.3. All cash awards must be approved by the appropriate City Council Committee.

7.0 GENERAL

- 7.1. Executive Staff, including Department Directors and Division Heads, is eligible for non-cash awards only.
- 7.2. Supervisors and Department Directors are urged to nominate employees for awards based on ideas the employees have developed and/or implemented and exceptional service which they have provided.
- 7.3. Examples of ideas which may be eligible for a cash award include: one-time savings on projects resulting from ideas of an individual employee or group of employees; savings resulting from improved work processes; equipment modifications; the identification of new vendors or products; and other ideas which reduce operating costs or improve revenues.

July 3, 1996

NOMINATION FORM

**EMPLOYEE INNOVATION and SERVICE RECOGNITION
AWARD PROGRAM**

Nominated Employee or Group: _____

Department/Division: _____

Description: (please describe the service which was provided or the innovation or performance involved and explain why you consider it to be exceptional).

Estimate the annual or one-time cost savings or revenue increases (if applicable) and how these were calculated.

Describe other impacts (e.g., improved service levels, better customer service).

Nominated by: _____

Date: _____

Complete and return to the City Manager's Office (attach other sheets if necessary to fully describe)