

**City of Keene**  
**New Hampshire**

**FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE**  
**MEETING MINUTES**

**Thursday, August 28, 2025**

**6:00 PM**

**Council Chambers,  
City Hall**

**Members Present:**

Thomas F. Powers, Chair  
Michael J. Remy, Vice Chair  
Bettina A. Chadbourne  
Bryan J. Lake  
Kris E. Roberts

**Staff Present:**

Elizabeth A. Ferland, City Manager  
Amanda Palmeira, City Attorney  
Terri Hood, City Clerk  
David Hickling, Airport Director  
Don Lussier, Public Works Director

**Members Not Present:**

*All Present*

Chair Powers called the meeting to order at 6:00 PM.

**1) Councilor Favolise - Request to Place Keno Question on 2025 Municipal General Election Ballot**

Councilor Favolise addressed the Committee first. The Councilor stated he had written a letter regarding a ballot question regarding prohibition of Keno operation in Keene for the upcoming municipal election, which has been on more time for several weeks. He stated that the Governor has now signed this legislation into law. He noted that the question of Keno operations in Keene has previously been on the ballot in 2017 and 2019.

City Clerk Terri Hood addressed the Committee next. Ms. Hood concurred that this issue was addressed both during the 2017 and 2019 municipal elections and at both of those elections, the voters voted not to go forward with Keno in Keene. In 2017, the Lottery Commission brought it forward, and then they brought it forward again in 2019. This time, it is coming forward through a Councilor because a law change has gone into effect. She noted the law change has essentially changed the script on what the question is really asking voters.

Ms. Hood stated she had discussed this issue with the Lottery Commission and they explained that if the City Council does not put the question before voters in 2025 and the City waited until 2027, that licenses would start being issued as soon as the law goes into effect. If the City took an action in 2027, those licenses would be allowed to stay in force until their endpoint, which is one year from the date of issuance.

She pointed out that the bill has changed the wording of the question to “*shall we prohibit the operation of Keno games within the town or city*”. Previously the question was phrased as “*shall*

*we allow...*” This not only reframes the wording of the question from permissive to prohibitive, but it also creates a default framework within which Keno will become permitted if we do nothing.

As far as the timeline, RSA 284:51 sets the timeline for adding the question to the ballot. To comply with that timeline, the Council would need to make a decision on whether to add the question or not no later than the Council’s first meeting in October. At the same time, a public hearing would need to be scheduled. Ms. Hood stated the hearing is not for voters to weigh in on whether the question should go forward. The Council actually makes that decision, and then the public hearing is an opportunity for voters to be educated about that question and what it means and what the implications are.

The public hearing must be held no sooner than 30 days prior to the election date, and no later than 15 days prior. The City Council would need to conduct the hearing on October 16 to comply with this timing. Ms. Hood added that in the past the Lottery Commission has been present at public hearings to explain Keno and how it may impact the City if it were to go into effect. They are willing to attend the public hearing again and have added the City to their calendar for that date, should the City invite them to attend.

Ms. Hood stated in the past a nonprofit organization for people who have gambling issues has also attended hearings and could be extended an invitation again if the City Council wishes.

Ms. Hood concluded that in the past the state has been declined to allow the City to provide educational materials to voters about ballot questions. However, if the public approaches staff, staff will do its best to explain what is on the ballot.

The Chair asked for comments from the City Attorney. Attorney Palmeira stated the Clerk covered everything that was important. She stated the one thing she wanted to emphasize is the Committee’s vote tonight is a recommendation to the Council to do two things; place the question on the ballot and to schedule a hearing and then the item goes to the polls.

Councilor Chadbourne made the following motion, which was seconded by Councilor Lake.

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Council place the question of whether to prohibit Keno on the November 4 ballot and schedule a public hearing for October 16.

**2) 2026 Keene PD Highway Safety Grant - Police Department Michael Kopcha, Police Captain**

Police Captain Mike Kopcha addressed the Committee next. Captain Kopcha stated this item is a reoccurring annual New Hampshire Highway Safety Grant, that the Keene Police participates in. He stated this grant allows officers to take part in different initiatives over the course of the year to include special enforcement patrols for speed, drunk driving, distracted driving, downtown pedestrian bicycles etc. This grant helps the department to pay officers to take separate duties and to participate in these different statewide initiatives.

Councilor Lake made the following motion, which was seconded by Councilor Remy.

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept and expend the grant from the New Hampshire Highway Safety Agency to fund Highway Safety Grant- Keene.

**3) 2026/2027 Substance Abuse Enforcement Program Grant - Police Department Steve Tenney, Police Captain**

Police Captain Tenney stated this is another grant the city sees every year and pertains to Substance Abuse Enforcement Program. This year, the award is \$70,000, which is double what the City is used to seeing, and that is because starting this year, this grant is on a two-year grant cycle.

Councilor Roberts stated he sees cuts in public safety and other type of grants from the federal government and asked whether this could have an impact on the city. The City Manager stated that is difficult to predict and stated the City has not seen a direct impact yet for the grants the City typically receives.

Councilor Remy made the following motion, which was seconded by Councilor Lake.

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept and expend the NH Department of Safety 2026/2027 Substance Abuse Enforcement Program Grant in the amount of \$70,000.00.

**4) Lease of parking spaces for Thomas Transportation - Airport Director David Hickling**

Airport Director David Hickling stated Thomas Transportation has been leasing parking spots at the Airport for a couple years. Their lease has expired and there are no more renewal options, but they would like to continue their lease with the Airport. This item is a recommendation for the City Manager to be able to negotiate and execute a new lease with Thomas Transportation.

Councilor Chadbourne asked with this renewal whether there would be an increase in the lease amount. Mr. Hickling answered in the affirmative and stated it will be based on fair market value. He added they are currently paying \$7,200 a year. Mr. Hickling noted the last lease did not have an escalation clause but one will be added with this lease with a 3% escalation.

Chair Powers asked how many spaces Thomas Transportation leases. Mr. Hickling stated they lease 40 spaces.

Councilor Roberts made the following motion, which was seconded by Councilor Remy.

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to negotiate and execute a lease agreement with Thomas Transportation for parking spaces at the Keene Dillant-Hopkins Airport.

**5) Monadnock Alliance for Sustainable Transportation - Grant Application - Public Works Director**

Public Works Director Don Lussier addressed the committee next. Mr. Lussier stated the grant before the Committee is the Monadnock Alliance for Sustainable Transportation. Mr. Lussier stated the City has applied for this grant in the past and have received it. In the past, those funds were used for bike improvements on Main Street.

He noted the city is applying for two separate grant applications in parallel. One will be for the cost of the flashing beacons as part of the downtown project. The other one would be for the differential cost between concrete sidewalks and bike lanes for the downtown project. He indicated as with certain grants, this grant is looking for a letter of support from the governing body (City Council). He noted the committee has a revised recommended motion authorizing the Mayor to a write letter supporting the grant application. Councilor Remy stated he would be happy to write a letter of support as well.

Councilor Chadbourne made the following motion, which was seconded by Councilor Remy.

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to apply for, accept and expend a grant from the Monadnock Alliance for Sustainable Transportation (MAST) for an amount not to exceed \$130,000 and further that the Mayor be authorized to write letters expressing the Council's support for the proposed bike lanes and crosswalk safety improvements.

**6) Keene Airport Solar Project - City Manager**

Mr. Hickling addressed the Committee again. Mr. Hickling stated this was a great project and the location at the Airport is primed for this kind of development. He indicated McFarlane Johnson's study a few years ago, determined this location's only use would be solar because of height restrictions. He stated this was a great opportunity for the airport and will help the City reach its clean energy goals.

The Manager addressed the Committee and stated the city has been working with Revision Energy and introduced Dan Weeks from Revision Energy. She stated the size of the project and the timing of the project has the City contemplating whether they should purchase the solar arrays versus a power purchase agreement. With the power purchase agreement, you are locking in the price for your energy for a number of years (20) and then usually after six years have the opportunity to purchase. The Manager explained the reason for the year six mark is that investors have been taking advantage of a 30% tax credit through the federal government; there is a period of time they have to maintain ownership before they can sell. The Manager stated the City could apply for the 30% tax credit as well which would reduce the overall cost of the project and make the project more favorable. However, the issue is trying to fit this into the City's Capital Plan.

The Manager stated the Committee would hear from Revision Energy today and talk more about that analysis at the next FOP meeting.

Dan Weeks, Vice-President and Employee Owner of Revision Energy addressed the Committee next. Mr. Weeks stated for a location for this project they are looking at an area south of the runway at the Dillant Hopkins Airport.

After many iterations to the design, the design has been decided to be at 5.5 megawatts, 3.5 megawatts of power that will be directly fed to the grid. There will be about 9,000 individual panels. From a climate standpoint it will produce close to 6.5 million kWh of clean electricity each year, which is equivalent to approximately 800 homes. This will offset nearly 3,245 tons of carbon emissions each year.

Community Benefits – Energy credits exceed approximately 1.1 million dollars per year, which would be applied to municipal and school utility accounts.

Upfront costs would be approximately 14.1 million dollars. Most municipalities use third party investors to fund the project but as the City Manager alluded to; the city has the ability to directly access the 30% tax credit, which would bring the cost down to about 10.2 million dollars. If the city was to finance the project with a municipal bond it would be cash flow positive from year one.

Timeline – In 2019, the City Council passed its 100% Clean Energy Resolution with a goal of 100% clean energy for municipal energy needs by 2030 and community wide by 2050. In 2016 and 2017, the City undertook a major solar project at the 350 Marlboro Street site. In 2020 and 2021, the City underwent another RFP process and signed a letter of intent with Revision Energy to develop multiple solar farm opportunities at the airport.

Mr. Weeks stated that they have been working with the Town of Swanzey, FAA, Fish, and Game to work on the required variances as well as the protection of a bird species in that area.

Mr. Weeks stated in reference to the 30% credit, it would be important for the City to move to a contract soon. He noted the tax credits for residential use does phase out by the end of this year but for commercial systems, it runs through 2027 as long as they meet beginning of construction of safe harbor. The state has a net metering program for the last few years and has expanded to 5 megawatts.

Mr. Weeks stated should the City move forward with ownership Revision would recommend operations and maintenance agreement with Revision or some other entity. This agreement provides annual maintenance, weekly inspections, production monitoring etc. The commercial lifespan is estimated between 30 to 50 years. Mr. Weeks indicated this is a long lifespan and wouldn't want the City to assume the system would produce at a certain level for 50 years – 30 years is the panel warranty period, 40 years is considered the minimum commercial life span (produce nearly 80% power by this time). He noted inverters are one component that would need

to be replaced. At the end of the life span, the City could repower the system, decommission it and return it to open land.

Mr. Weeks went on to say administration of these assets are fairly simple; annual insurance policy, developing these as pollinator habitats, as has been done next door at the other airport site and at the wastewater treatment plant, minimal mowing (twice a year) to avoid the grass from reaching above three feet, annual administration of the net metering agreement, confirming that the city accounts and school accounts utilize all the power generated. However, at some point if this was to change and the city were to pursue other solar projects they could always bring in other municipal participants such as Cheshire County.

Mr. Weeks reviewed the financial overview. He noted to a slight discrepancy between this slide and the first slide. As noted to the City Manager this afternoon, there has been some upward movement in solar panel pricing, which accounts for the slight increase of approximately 2%. At the same time, there has been positive movement on the renewable energy credit-trading price.

He indicated the net investment figures are substantially the same, about 1% delta from the initial July figures, and the long-term savings are slightly higher. Mr. Weeks noted the 25-year period; \$25 million dollars is a very substantial sum.

The key assumptions driving that very substantial long-term savings figure, is the production level of the solar array; annual degradation is assumed which is a loss of production of 1/3 of a percent per year, which is in line with the current solar panel warranty. Included, in this is the annual inspection and maintenance. Energy rates start at an average rate, default service rates do fluctuate quite significantly.

Mr. Weeks noted they are proud to be a local employee-owned company and are excited to collaborate with the city and schools.

Councilor Remy noted 20% of the savings is banked on the renewable energy credit (REC) value and asked if there is a risk on this value with the taxes that are going away. Mr. Weeks stated RECs are compliment to the federal tax policy where states in New England have set their renewal portfolios standard (RPS) goals for transitioning to clean energy. Mr. Weeks noted NH has a low RPS when it comes to solar but have the benefit of being part of the ISO New England grid with the other New England states. Hence, all RECS in New Hampshire are sold into the Massachusetts market, which has very substantial clean energy goals under their renewable portfolio standard. He stated because of the attacks on offshore wind, this is contributing to the REC values remaining very high. Trading rate has been around \$38 to \$40 consistently over the last few years.

Councilor Remy asked how the collaboration with the school would work. The Manager stated conversation is yet to be undertaken with the school district. However, if the City was able to complete the project with the current projections, it would make sense for the school district to join in. Mr. Weeks stated over the years they have had multiple conversations with the school district. They have periodically looked at on site solar mostly because of roof condition and age.

A couple months ago, they provided their consumption data across the several school facilities to confirm that the demand or usage across city and school accounts meets the generation. He noted there would be zero financial cost for administrative burden on the school to participate. No formal commitment from the school has been received. The way in which those other accounts procure their electricity, does not actually change at all.

Historically, there was a requirement that those accounts revert from competitive supply to default utility supply. This has been changed at state law a few years ago. Hence, the school district and City itself would continue to shop on the open market for the best rate in terms of direct supply for its several accounts. There is no cost to participating, nor is there any state requirement about the level of compensation, the City would provide to the school district. With respect to bill crediting, there is actually one of two pathways allowed under state net metering rules; it is more administratively simple, but the amount of the credit going to each of the bills is determined by the host, the City. So an allocation could be agreed upon between the City and schools. The alternative way is to receive a monthly check from the utility.

Councilor Lake noted the December deadline is getting close and asked if the city had sufficient time to procure this contract. The Manager stated the timeframe is right but felt it can be done and the reason for that is if the Council were to decide that they wanted the City to own the project and at the next FOP meeting referred the item to full Council; there will be Resolution necessary to borrow the funds. At that point, Revision Energy would be able to purchase panels and store the panels to meet the requirement. Mr. Weeks added what the IRS requires under the beginning of construction Safe Harbor Rules to avert the stringent rules that are going into effect as of January 1; the City would need to meet the construction Safe Harbor Rules by end of this year. The two key requirements are a signed contract and a purchase order for minimum 5% of the system cost in terms of solar components. Panels are what are usually purchased by an entity. He added however, they are not in a position to issue purchase orders in December and take delivery within the required 105-day (3 1/2 month) timeframe. The demand to Safe Harbor is such that the suppliers are advising that a customer needs to be placing their final orders in the month of September in order to take delivery. To be able to complete the fabrication, complete manufacturing and deliver the panels.

Councilor Remy asked why then the item is being placed on more time instead of moving forward. The Manager stated because this is a big decision and there is a lot that goes into this and understanding the pieces of this financial puzzle and felt the Committee might need more time. The Manager stated the City did have an independent review of Revision's proposal and it is a more conservative proposal, which is what the City would expect. The proposal is anticipating different electric rates in the future. It has been modeled with or without the 30% if the City did not meet the Safe Harbor provision. The Manager explained if the city owned the solar arrays and use the base pricing, they are estimating a 30-year benefit of 13 million dollars. Base pricing without meeting the tax credit the savings would be 8.5 million dollars.

The Manager stated if the Committee is ready to move the item forward, they could direct the Manager to draft the Resolution and have it ready for the next Council meeting for first reading. It will then come back to the FOP Committee for its next meeting, giving more time for the

process while also keeping it moving forward. Councilor Remy stated he was in agreement with this timeline.

The Manager went on to say staff did look at the bond rates; to borrow 10.2 million over 20 years would be at a rate of 4.3%. Principal and interest for the first year would be \$773,000. Councilor Lake stated he too agrees with moving the item forward. The Councilor noted the solar panels the City currently has are through a Power Purchase Agreement (PPA) and asked if there was any benefit to going with PPA. The Manager responded by saying the benefit of a PPA is that the City does not assume any other risk. She added the proposed agreement has replacing the inverters mid-way through, operation and maintenance of the project throughout the life of the project. With the PPA, you are not assuming any of that, but on the other hand, the City will not be taking advantage of much of the savings. She added there would still be some savings but not as great. The Manager added ownership made sense to her because it is a project of this size and safe harboring it because the credits will be gone by the first of the year.

Councilor Roberts stated he too agrees moving the project forward. He felt these types of programs might not be available for a few years and felt it was prudent to take advantage of the savings now.

Councilor Remy stated he likes that the City has a conservative estimate because there is a lot of variation in the price for solar.

The Manager noted with ownership, by year two the project starts becoming profitable, taking into consideration the loan payment.

Councilor Lake made the following motion, which was seconded by Councilor Roberts.

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager draft a Resolution for bonding for the Keene Airport Solar Project.

There being no further business, Chair Powers adjourned the meeting at 7:02 PM.

Respectfully submitted by,  
Krishni Pahl, Minute Taker

Edits submitted by,  
Terri M. Hood, City Clerk