

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

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

**Thursday, March 10, 2016**

**6:30 PM**

**Council Chambers**

**Members Present:**

Mitchell Greenwald, Chairman  
Carl B. Jacobs  
Terry M. Clark  
Thomas Powers  
Jay Kahn

**Staff Present:**

Medard Kopczynski, City Manager  
Dan Langille, Assessor  
Michele Chalice, Planner  
Rebecca Landry, Asst. City Manager/IT  
Director  
Andrew Mueller, Asst. IT Director  
Nancy Vincent, Library Director  
Patty Little, City Clerk  
Bill Dow, Deputy City Clerk/Records  
Manager  
Mark Howard, Fire Chief  
Mary Alther, Revenue Collector  
Eric Swope, Industrial Pretreatment  
Coordinator  
Aaron Costa, Operations Manager  
Kurt Blomquist, Public Works Director  
Brian Costa, Police Chief  
Andrew Bohannon, Parks, Recreation and  
Cemeteries Director  
Todd Lawrence, Police Lieutenant

**Kendall Lane, Mayor**

**Councilors Present:**

Gary Lamoureux  
Jan Manwaring

Chair Greenwald called the meeting to order at 6:30 PM.

**1. MEMORANDUM: Police Department Lieutenant - Acceptance of Donation - Crossing Guard at Fuller School**

Lt. Todd Lawrence stated Fuller School is the only elementary school that doesn't have a crossing guard and the city was not able to accommodate a crossing guard due to funding constraints. The school district has decided to fund this position at 100% of the costs covered by them through the end of the school year of June 2016.

Councilor Kahn asked how the other crossing guards are paid. Lt. Lawrence stated there is a line item in the Police Department's budget which covers this cost and at the end of the school year the school district is billed for ½ of this cost.

Councilor Clark made the following motion which was seconded by Councilor Powers.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept a donation from the SAU 29 School District to cover 100% of the cost of a Crossing Guard at Fuller School for the rest of the school year.

**2. MEMORANDUM: Police Department Lieutenant - NH Highway Safety Agency - S.T.E.P. Grant Project**

Lt. Lawrence explained the purpose of the S.T.E.P. Grant is to address certain motor vehicle infractions, such as seat belt use, distracted driving, speed enforcement, red light enforcement and school bus enforcement. This is a coordinated state effort from the period of October 2015 to September 2016 for a four-hour one officer patrol. The cost of this operation will be \$9,598.50.

Councilor Clark asked the lieutenant to provide the committee with a report from last year's enforcement operation.

Councilor Powers felt the Committee did not need to be provided with the entire grant package. Councilor Kahn felt the budget information is of value but the compliance rules is not something he needs to see.

Councilor Powers made the following motion which was seconded by Councilor Jacobs.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept a grant from the New Hampshire Highway Safety Agency to fund the Sustained Traffic Enforcement Patrol (S.T.E.P.) campaign.

**3. MEMORANDUM: Police Department Captain - Acceptance of Monetary Donation - Police Fund**

Lt. Lawrence stated on February 16<sup>th</sup> the Department received a \$100 money order from Jane Gobeil with a note which read "*This is a donation for your policeman's fund in appreciation for your service to me*"

Councilor Jacobs made the following motion which was seconded by Councilor Kahn.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to all things necessary to accept a donation of \$100 from Jane Gobeil, a resident of Antrim, NH for use by the Keene Police Department.

**4. MEMORANDUM: Recreation Programmer - Acceptance of Donation - MLK/JD Annual Programming**

Chair Greenwald addressed this item on behalf of the Recreation Programmer. He stated the St. James Episcopal Church Thrift Shop has made an annual donation towards the programming effort of the Martin Luther King Jr./Jonathan Daniels Committee. This donation is for \$750.

Chair Greenwald made the following motion which was seconded by Councilor Powers.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept a donation of \$750.00 from the St. James Thrift Shop and that the money is used by the City's Martin Luther King Jr./Jonathan Daniels Committee for its annual programming.

**5. MEMORADUM: Parks, Recreation and Facilities Director Acceptance of Donation - Keene Recreation Center**

Chair Greenwald stated this donation is for \$300 from Monadnock Squares for improvements at the Recreation Center.

Chair Greenwald made the following motion which was seconded by Councilor Clark.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept the donation of \$300.00 from the Monadnock Squares and that the money is used for any improvements needed at the Keene Recreation Center.

Chair Greenwald noted all of these donations will be acknowledged with thank-you letters.

**6. MEMORANDUM: Keene Public Library Board of Trustees - Acceptance of Donation of \$4,000 to Fund City Internship**

Kathleen Packard of 19 Terrace Street who is the President of the Keene Public Library Board of Trustees addressed the Committee and stated under the guidance of retired engineer George Scott, an intern will build a model of the library project to be used in fundraising efforts and allow the public to be part of the project.. Ms. Packard stated Mr. Scott has made models of the YMCA and Keene Ice to be used for their fundraising efforts. He will serve without compensation. This is an opportunity for an architectural student to gain some valuable learning skills. Ms. Packard stated they have met with Keene State faculty who has recommended a qualified student for this work. The model will be built on

Keene State premises using their wood shops and architectural studios and the plan is to have this model ready by May or June.

Chair Greenwald clarified the \$4,000 is the money used to cover the expenses for the intern and supplies required to construct the model. Mr. Scott stated he will be providing the supplies. Chair Greenwald thanked Mr. Scott for his time and effort.

Councilor Kahn made the following motion which was seconded by Councilor Jacobs.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary to accept a donation in the amount of \$4,000 from the Keene Public Library Board of Trustees to fund an Internship for the purposes of building a model of the Library Project.

**7. MEMORANDUM: Safe Routes to School Committee - School Safe Routes to School Travel Grant Applications**

Planner Michele Chalice stated this is the last of the 100% reimbursed federal grant funds through this program. Ms. Chalice stated these funds will enable the city to provide some material support to Symonds School in their ongoing successful safe routes to school program. She noted this grant will be managed by the Southwest Regional Planning Commission which would save the city a lot of time.

Councilor Clark stated he appreciates the work being done for safe routes to school and stated during his recent walk for Jonathan Daniels he found it distressing why parents don't permit children to walk to school. He asked how we can convince parents to let their children walk to school. Beth Corwin, Physical Education Teacher at Symonds School, stated she has been part of this program for six years. She continued this is a constant struggle for them to change the attitude of parents. She stated six years into this program, she is happy to say there are 68.75% of students who are in the walk, ride and roll program. She noted the numbers are going up and with participation from other organizations such as Yankee Lanes who provide for parent drop off, Healthy Monadnock, and Keene State College they are making progress.

Ms. Chalice stated not only do the parents have to see success but at Symonds School it has been the effort of Ms. Corwin which has made this program be so successful. She noted a "point person" in a school is very necessary, someone who can start having the relationships with parents. She added someday the School Board will get on board with this program.

Councilor Jacobs asked what this grant will be used for. Ms. Chalice stated it would be used for non-infrastructure activities such as: education, enforcement and encouragement.

Councilor Clark made the following motion which was seconded by Councilor Powers.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary to accept and execute a "Non-Infrastructure" \$7,338.00 grant from the New Hampshire Department of Transportation (NHDOT) to support the Safe Routes to School program at Symonds Elementary School.

**8. RESOLUTION: Revenue Collector -Tax Deeds for Unpaid 2012 Property Taxes**

Revenue Collector Mary Alther stated there are seven properties remaining from last year for which she is asking deed waivers. She stated there were eleven properties on the list as of November. Two of these are manufactured homes, three are single-family homes of which one is not occupied, one other is working on a reverse mortgage.

Councilor Clark asked whether staff has had a conversation with all these individuals. Mr. Kopczynski stated staff does all it can before taking this step. In some cases these are vacant properties and asked the Revenue Collector to go over the process.

Ms. Alther explained last May there were 24 properties on the list for non-payment of taxes and she received Council approval for deed waivers so she could work with them. She stated she calls the mortgagees, makes appointments to meet with them, makes payment arrangements when possible, contacts Assessing to get them into some program if there are any available. She stressed it is not the intention of the city to take someone's home. She stated some of these properties can be complicated as it is part of an estate and there are a number of heirs who need to be contacted.

The Committee asked what happens when the city acquires a property located in a Mobile Home Park. Ms. Alther stated she recalls this happening one other time and the city might have entered into some sort of arrangement with the Park and didn't have to pay the park rent for a month and the city was able to dispose of the property in that timeframe.

Councilor Powers noted the properties before the Committee today are for back taxes from 2012. Ms. Alther agreed and added she will be back soon with properties from 2013.

Councilor Kahn asked which department would be responsible once the city acquires these properties. Mr. Kopczynski stated if the property was vacant the city would secure it, if there were people who did not belong, the city would have to vacate them but what is before the committee is the first step the city would need to take.

Councilor Jacobs made the following motion which was seconded by Councilor Clark.

On a vote of 4-1, the Finance, Organization and Personnel Committee recommends to City Council to deed the following Properties below that are not considered a liability to the City:

270 Beaver Street  
9 Martin Street  
21 Allen Court  
74 Sparrow Street  
18 Blue Jay Court

It is further recommended that a 30 day waiver be granted to 15 Cross Street and 334 Roxbury Street. Councilor Clark voted in opposition.

Councilor Clark stated he will not be on record for taking anyone's property.

The Chair reiterated the city does all it can to work with property owners and this is the last resort.

**9. MEMORANDUM: Industrial Pretreatment Coordinator - Request to Solicit Donations to be used as prizes for City of Keene 4th Grade Water Science Fairs**

Industrial Pretreatment Coordinator, Eric Swope stated he was before the Committee to seek authorization to solicit prizes for the 4<sup>th</sup> grade water science fairs. The Chair stated this is a great event.

Councilor Kahn made the following motion which was seconded by Councilor Powers.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to solicit and accept donations to be used as prizes for the Fourth Grade Water Science Fairs from local and regional businesses.

**10. MEMORANDUM: Operations Manager - Contract for Phase 2 of an Inflow and Infiltration Evaluation of the City's Wastewater Collection System**

Operations Manager, Aaron Costa stated that the city's waste water treatment plant is designed to treat six million gallons of wastewater each day with a peak flow at 12 million gallons. The average flow is about 3.5 million gallons and this system is made up of about 100 miles of pipe and about 20 miles of these pipes are approximately 80 years old. The pipes range in size from six inches to 24 inches.

Mr. Costa stated some of the recent storm events or a high snow event has produced high volumes of wastewater, three to four times the normal rate which could cause operational problems, violation of the discharge permit, increased electrical demand, and increase to staff time.

In 2013, through the request for qualifications process, staff selected Hazen and Sawyer Environmental Engineers to perform an Inflow and Infiltration (I/I) evaluation. The evaluation included the installation of flow and rainfall monitoring equipment and

because of the rainfall which occurred during this period they were able to obtain some good results. What the study noted is most of the problem lies in the eastern portion of the city which is also the oldest part of the system. Hazen and Sawyer recommend further evaluation of the four sub-basins and because this contractor performed phase one of the study, staff feels they should be responsible for phase two as well. This project is funded through the CIP program.

Councilor Clark asked whether it was not necessary to obtain a second opinion. Mr. Costa stated in the report they identified areas which have a high rate of in-flow and infiltration and they have proved it with facts and data and the city was able to perform its own measurements to obtain this same data as well and stated there is not much to dispute. Public Works Director, Kurt Blomquist added when a firm is selected to also do the phase two work the costs are looked at to see if they are in line and this contractor's cost seems to be reasonable. Councilor Powers stated he would usually ask the same question Councilor Clark asked but this contractor seems to be validating the same information the city already had. Councilor Jacobs noted this organization was chosen by an open bid process when they were first hired.

Councilor Kahn suggested adding the language *on the east side of the city* and stated the reason for this suggestion is because there are a number of projects proposed in the CIP for the east side of the city and calling this to the public's attention would be prudent.

Councilor Clark made the following motion which was seconded by Councilor Powers.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the City Council authorize the City Manager to do all things necessary to execute a professional services contract with Hazen and Sawyer, Environmental Engineers (H&S) to perform Phase 2 of an Inflow and Infiltration (I/I) Evaluation of the City's Wastewater Collection System on the east side of the city for an amount not to exceed \$48,750.

#### **11. MEMORANDUM: City Clerk - Significant items of Legislation**

City Clerk Patty Little stated this is the annual review of the significant items of Legislation. She explained this program was started by Mayor Lynch in 1994. Mayor Lynch was a member of the General Court and felt it was necessary for municipalities to be aware of what was happening in Concord.

Ms. Little stated staff being involved in this process provides for a sense of awareness and is something which is supported by the City Manager and is on their agenda for their weekly meetings. Ms. Little stated there is a webpage which has been created by the city to regularly monitor pieces of legislation for the different departments. She noted staff has received a lot of support from the Council as there are municipalities that don't permit staff to testify on behalf of their municipalities.

She further stated when a municipality is active in Concord it receives a sense of credibility with the Senators and Representatives, but there is a time when a political stand is required and this is when the Council is brought in and the items brought before Council are items

referred to as “significant” in nature which means they have a budgetary impact, service delivery impact, and/or tied into the concept of the master plan (at the request of the Planning Director).

Ms. Little stated for this evening she has three pieces of legislation for the Committee’s consideration. These Bills have been heard by the House last night.

**HB 1696 - An Act requesting modification of the New Hampshire Health Protection Program**

Mr. Kopczynski stated the House approved this Bill. He explained what HB 1696 would have done was to reauthorize the Medicaid expansion program. He indicated through this program affordable healthcare and medication is provided to many of the city’s Human Services clients. If the Bill did not pass this money would have come out of property taxes. Staff is in support of this Bill.

**HB 1659 - An Act Relative to the Implementation of the Clean Power State Implementation Plan**

Ms. Chalice stated staff is in opposition to this Bill and it has been deemed inexpedient to legislate. This Bill would have prohibited DES from developing a Clean Power Plant.

**SB 333 - An Act Relative to Net Energy Metering**

Ms. Chalice stated last year the Cities for Climate Protection Committee requested the Mayor to write a letter regarding the net metering cap. She stated there is a cap at this time which is a discouragement for many entities trying to develop solar energy projects. She noted this Bill has moved forward with amendments but there is still progress which needs to be made. Ms. Little noted this Bill will be moved forward to the House with a letter from the Council should the Council authorize same.

Councilor Clark asked for clarification about the letter which was already sent. Ms. Chalice explained the letter which was sent was about a different Bill. She indicated she would know the contents of the new letter in short order. Councilor Clark stated his position on this new letter would be the same as the prior one in that the cap is protecting utility profits and stifling growth of other alternative energy efforts. He stated he would like to see the cap removed as it is not appropriate. We are continuing with this folly that fossil fuels have anything to do with our future. Ms. Chalice stated that staff could do a review and come back before the Committee so this issue makes better sense. She noted the first letter sent by the Mayor requested the complete removal of the cap. She further stated what SB 333 also does is to require the Public Utilities Commission to consider how net metering would go in the future.

Councilor Powers made the following motion which was seconded by Councilor Clark.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends endorsing staff’s position on the items of legislation in this report.

**12. COMMUNICATION: Mayor Lane - Suggested Amendments to the**



## **Fiscal Policy Resolution**

Chair Greenwald referred to the CIP and stated Councilors present have an opportunity to offer their suggestions and the Committee will consider those changes. At the next Council meeting, Councilors can offer their amendments. However, the fiscal policies are still open for public comment.

Mayor Lane addressed the Committee next and stated he had the opportunity to review the fiscal policies from the Town of Hanover and there were two items which were of importance. He stated there has been a lot of discussion as to whether we want to continue to use the Boston CPI as the city's cap for the tax revenue it receives. He felt an explanation as to why we use the Boston CPI might be appropriate. He stated the use of the Boston CPI is to keep the city's portion of its financial obligations in line with the other financial obligations it incurs. He stated the language included in the Memorandum is a modification of the language used by Hanover.

The other amendment the Mayor is proposing is the down shifting of expenses from the State and they are relying on local property taxes to balance its own budget. He stated at the end of every legislative session there are expenses passed down and referred to the recent one with respect to providing security for the Roxbury Reservoir. The Mayor stated in the long run this is not sustainable. He stated each year the city cuts its costs but there are expenses being passed down from the state.

Chair Greenwald stated he likes the following language being proposed by the Mayor:  
*f. The State has chosen to solve its revenue problem by downshifting expenses to the local communities and tapping into the broad based property tax at the local level. Downshifting is an effective strategy for the State however it is unsustainable at the local level and would quickly lead to a significant reduction in town services. The City is sensitive to this added expense to the taxpayers and will attempt to limit the impact. However, as a State expense we will pass through State downshifting to the taxpayers.*

The Mayor stated this notion will only change if the taxpayers decide there should be a change.

Councilor Kahn asked what the Mayor was proposing with the downshifting and how that should be absorbed and noted there are currently three entities which make up the city's tax rate, the school, county and local and asked whether the Mayor was suggesting a fourth line. The Mayor stated he would like a fourth line but wasn't sure whether it would be legal to add a fourth line and these expenses might have to be absorbed by the city's line. The Mayor noted the County did the same thing when they moved Mutual Aid to the city.

Councilor Clark stated he agrees with Item f. and asked what exactly this item is conveying. The Mayor stated what it is saying is when the city is considering its own budget the city will not consider as a primary driving force expenses passed down by the state. The city uses the Boston CPI as a cap and anything over and above that passed down by the state will need to be considered separately.

Councilor Powers stated he does agree with item f. as well as 1. a. as they both amplify what the city is doing. Mayor Lane stated this is not an attempt to change the process but an attempt to highlight the process the city is doing.

Chair Greenwald asked whether the language would be better clarified if language in d.i. says as follows:

*...expenditures required by law, debt service payment, downshifting from state...*

Mayor Lane stated if it is going to be changed it should probably be d.i.i.i which would then be a section under property taxes as opposed to an “f” section.

Councilor Powers asked procedurally how this was going to be handled tonight. Chair Greenwald stated this matter will be accepted as informational tonight, the staff report will be accepted as informational as well and a motion will then be made to accept the fiscal policies.

Mayor Lane noted there will be a workshop in July on Council goals and at the same time the city will be looking at the fiscal policies and hence the financial structure will be looked at before the budget cycle begins in July.

Councilor Jacobs made the following motion which was seconded by Councilor Clark.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends accepting the Mayor’s communication on fiscal policies as informational.

**13. MEMORANDUM: Finance Director - Staff Recommended Change to the 2016 Proposed Fiscal Policies**

The Manager addressed this item on behalf of the Finance Director. Mr. Kopczynski stated he would like to call the committee’s attention to the last page of the Director’s Memorandum where he draws a comparison of rates. He noted Medicare reimbursement keeps dropping and what is happening is the tax payer and insurance companies are picking up more of the cost and this rate increase would equalize the cost a little more.

Councilor Powers noted the city charges \$719 and asked how much Medicare would pay. Fire Chief Mark Howard stated in relation to the current Medicare rates he referred to the last page: BLS Emergency Rate, the current Medicare rate is \$374.87; BLS Non-Emergency - \$236.59; ALS Non-Emergency - \$283.91; ALS 1 - \$449.53; ALS 2 - \$650.63; Specialty Care Transport - \$768.93.

Councilor Clark asked what Medicare rates are based on. Chief Howard stated he did not know.

Chair Greenwald asked how much someone who does not have insurance would be charged if they are transported by ambulance. Chief Howard stated the rates which are

going to be adopted would be across the board based on the service they provide. Medicare, Medicaid and Blue Cross are fixed rates but all others pay the rates the city establishes, for example BLS (Basic Life Support) would be \$719. He went on to say as per the Finance Director's report, for the last calendar year there were 2,261 billable transports, and of those 254 (11.2%) were uninsured persons and the collection rate was 16.89%.

Councilor Clark asked whether those uninsured clients who don't reimburse the city get included in the city's rate. Chief Howard stated there are two rates to offset the cost of the ambulance service; the primary rate is to bill the patient (insured or uninsured), at the end of that revenue any uncollected amount goes into the standby fee for the Keene tax payer and the six other towns Keene provides service to (City of Keene tax payer pays 80% and the other six towns will pick up 20%). It is not included in next year's rate but goes into the standby fee. Medicare has continued to downshift the fees they are going to pay even though the city's cost to provide the service keeps going up. He added if the Medicare Bill did not pass, the city might not necessarily make money but they will definitely end up losing more money.

Councilor Kahn asked whether Chief Howard is aware of the insured rates and whether the city has scoped that out. Mr. Kopczynski stated he was not aware of any such costing out but the manner in which he understands the billing system – ambulance billing goes through an ambulance billing service and a collection process goes through the same service. He stated this is information he could obtain for the committee. Councilor Kahn stated the reason he is asking this question is because if the city is at a point where the actual cost is not being covered and the city is raising the rates to a degree where the insurance companies have already said is not covered by their common policies, he would like to know at what rate those prices should be set.

Councilor Powers stated the way he understands this issue is insurance companies will pay 80% of usual and customary costs and the city can't raise its rates until Medicare does and felt the city is keeping up with it as best as it can.

Chief Howard noted the top Comstar 50 rate refers to the following municipalities: Four from New Hampshire, six from Rhode Island and the others are from Massachusetts. They are all municipal agencies and are not private agencies. Chief Howard stated the collection rate last year was higher so the standby fee went down, but this year the collection rate is lower. He stated what prompted bringing this issue forward as part of the fiscal policies to set the new rate at \$250 is that it has been projected by Comstar that this new rate will bring in approximately \$85,000 in additional revenue.

Councilor Powers referred to a clarification – for the Medicare plus \$250, BLS Non-Emergency, ALS Non-Emergency Base Rate; \$800 and \$900 are not correct. Chief Howard agreed and stated there are three different rates, the Comstar 50 rate, the Keene current rate and the Medicare 250 rate. Based on the Finance Director's Memo, Keene's current rate should be Medicare plus 75%. However, this is not the rate and the reason is because in 2013 when the last increase went in for Medicare the industry standard was changing from what they referred to as an "A La Carte" list which had a base fee and then

you could charge for the different items such as: IV, Defibrillator etc. However, in 2014 these were all combined into the base rate and were referred to as the bundled rate which is what the insurance companies prefer. For BLS Non-Emergency base rate – the current rate with those items rolled in is 92%, while the ALS Emergency Base Rate is Medicare plus 168%, and the ALS 2 is Medicare plus 176%. In these three categories – it would be at this number going to \$250.

Councilor Powers asked why this item is in the fiscal policies and not in the fee structure. Chief Howard stated in the spring there will be a list of fees which will come back before the Committee for its approval.

Councilor Kahn made the following motion which was seconded by Councilor Clark.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the Fiscal Policy section V.b.iv relating to ambulance service fees be accepted as informational.

**14. RESOLUTION: R-2016-02: Relating to Fiscal Policies**

Chair Greenwald made the following motion which was seconded by Councilor Powers.

That the Finance, Organization and Personnel Committee recommends adoption of R-2016-02.

A motion was made by Councilor Clark that Section 3. b. Collaboration be amended as follows: “The City *shall* seek collaboration...” The motion was seconded by Councilor Jacobs.

Councilor Clark stated he has had discussions with the School Board and the County relative to collaboration of services such as for example janitorial services which cost is paid by the same tax payer and it would be beneficial to the tax payer if these services are combined. He noted the city is still paying much less in fuel costs as compared to the County or the School Board. He indicated this is something which is included in the city’s fiscal policies but not in the County or School District policies. He felt this is something about which staff should have a conversation with these two entities.

For the benefit of the public the Chair referred to this language:

*Collaboration. The City may seek collaboration with other interested governmental entities or agencies to consolidate when possible and practicable employees, services, and the purchase of materials, supplies, and other consumables, when doing so:*

- i. reduces duplication of effort,*
- ii. provide for the efficient and effective use of public resources, and*
- iii. conforms to budgetary parameters and remain cost competitive.*

Councilor Powers asked how the city can make this work from a practical standpoint because staff has done everything they can.

Councilor Jacobs stated he has no issue with the amendment - the city is just being encouraging.

Councilor Kahn noted all the other sections use the term “will” and recommended for consistencies sake to change the term to “will”. Mr. Kopczynski stated staff always tried to collaborate with the School District and County but the difficulty has been trying to coordinate the contract years. He stated if the term is changed to “will” staff will make every effort to do this but wasn’t sure how effective this will be with the School District and County. Chair Greenwald asked whether the Manager sees an impediment to staff by changing this term. Mr. Kopczynski answered in the negative and added the intent can always be achieved which is to reach out and staff is already doing that.

Councilor Clark stated anything to highlight to the taxpayer the city is trying and are also encouraging the other entities to get on board would be beneficial. As far as the timing, he stated the discussion about the fuel contract did come up and felt in four years something could have been done to mesh everything together. He stated he was speaking for the tax payer and the city needs to do all it can to save the tax payer money and if there needs to be more definitive language added then it should be done.

Councilor Clark who made the motion and Councilor Jacobs who seconded the motion agreed to change the word from “shall” to “will”.

The motion carried on a unanimous vote.

Chair Greenwald made the following motion which was seconded by Councilor Powers.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the suggestions made by the Mayor be arranged according to the City Clerk’s best judgment.

Councilor Powers suggested the following changes as scrivener’s errors:

Page 6, VII. H. “The City of Keene has issued three types of bonds” be changed to *The City of Keene issues three types of bonds*

Page 5, V. Fees and Charges f. “All fees and charges shall be adopted by the City Council either by ordinance” be changed to *“All fees and charges shall be adopted by the City Council”* to be consistent what actually happens, ordinances may or may not have fees included in them and Council Committees don’t have the opportunity to adopt fees. Mr. Kopczynski stated there is a workshop being scheduled on the topic of fees and there is at least one Board which sets its own fees, which is the Zoning Board. Councilor Jacobs asked by approving this motion whether the City would be out of compliance because there are Boards and Committees which set their own fee structure. Mr. Kopczynski stated when the fee structure comes back before the Council everything will be included in it and there will be an adoption process which will be undertaken.

Councilor Powers referred to the next correction:

Page 9 - #14 “Fleet Equipment Capital Reserve - for the replacement of vehicles and equipment under the control of Fleet Services” be changed to “Fleet Equipment Capital Reserve - for the replacement of vehicles and equipment under the *management* of Fleet Services”

Councilor Powers made the following motion which was seconded by Councilor Jacobs.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends adding the following language:

*“Whereas this policy shall be reviewed and adopted annually by the City Council in July.”*

Councilor Kahn felt it should say prior to September preceding the fiscal year. The Manager cautioned the Committee the Council has its vacation during the month of August and felt July would be better.

Councilor Kahn felt there should be a discussion as to what should be included in fiscal policies and noted purchasing was just discussed and felt he is sure the city is involved in much more complex purchasing policies than was discussed.

Chair Greenwald made the following motion which was seconded by Councilor Powers

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends including the recommendation from staff regarding ambulance service, and the adoption of R-2016-02, as amended.

Mr. Kopczynski clarified between now and the next Council meeting staff will look at what is on the website for ambulance rates but added there is agreement with the 250% amount.

Councilor Powers stated he agrees with what Councilor Kahn said, which is to look at what a fiscal policy is and what a budget policy is. Budget policies are what politicians are involved in and fiscal policies are what staff uses.

## **15. DISCUSSION: Capital Improvement Program 2016-2022**

Mayor Lane referred to the issue of the revitalization of downtown (page 71) drainage system on Court Street which has some difficulties and needs some work done on it. This would require the digging up of Court Street and the west side of Central Square. He noted 1984 is when the last revitalization happened which was referred to as Downtown Revitalization Part 2. He noted that Part 1 happened in 1978. Two years was spent in the 80's doing an analysis of the downtown, the Council appropriated two million dollars for this work which was completed in 1988. However, circumstances have now changed; there was no consideration given to outdoor cafes, many trees need to be replaced, and complete street policy modifications still need to be made to the downtown to bring it more into

compliance with this policy, the parking meters need to be replaced with kiosks to provide for more room on sidewalks, the traffic lights are not set appropriately, etc. He made note of the request which has come from Dorrie O'Meara who has asked for some landscaping to be removed which area does not have a sidewalk and would require the construction of a sidewalk.

The Mayor urged the committee that should the proposal for a study for downtown come forward that it be approved. He noted Keene's downtown has been voted among the ten top open spaces in the country and the downtown now represents 10% to 12% of the city's tax base which needs to be protected.

Councilor Lamoureux brought up the issue of the Gilbo East parking lot. He noted last year the city rehabilitated the Commercial Street lot which was originally supposed to have been a mill, shim overlay. The Councilor stated his request is to move the Gilbo East project from FY19 to FY18 - the lot has many issues but the city did not want put a lot of money into this lot because of the discussion which has been going on about the location of a parking deck in this lot. He felt it would be prudent to move this project up especially with the library project which is going to be underway soon and would require the use of this lot even more than it is being used now.

Councilor Lamoureux stated conversation has been pursued with Eversource regarding the location of utilities and felt everything could be accomplished with the parking lot being dug up once. He felt the mill shim overlay being proposed for FY17 is sufficient for the time being.

Chair Greenwald asked the Manager for the implications of moving this project up. The Manager stated it would require recalculation for that particular year. Councilor Lamoureux noted the downtown infrastructure capital reserve is one of the funding sources which could be used for this work. He reminded the committee on page 96 there is \$672,000 allocated for a parking structure design which has been in this cost center for a number of years and felt some of these funds could be used for this lot. He stated Public Works is aware of his intention. Chair Greenwald felt this would discourage the construction of a parking deck. The Manager stated he has not seen any concrete proposals for a parking deck but did not feel the construction of a parking lot negates the construction of a parking deck.

Councilor Clark asked about the \$118,000 in FY 19. Councilor Lamoureux stated this was for overlay work and added the installation of kiosks is not part of the \$118,000. He indicated there still needs to be a discussion about the construction of a sidewalk in front of Lindy's Diner and there can be four additional spaces added to Gilbo Avenue. On St. James Street, during the construction of the Fire Station, there were six spaces added and his recommendation would be to take those spaces and add it into the construction of the parking lot.

Councilor Clark stated there has been much concern expressed by neighborhoods about the reconstruction of existing sidewalks and there is now a proposal to add in a new

sidewalk which is not included in the CIP. The Councilor asked how much more money is being anticipated in addition to the \$118,000. Councilor Lamoureux noted the downtown infrastructure capital reserve could be used for this work and cannot be utilized in other areas. He indicated he wasn't sure how much the cost would be but the Commercial Street lot cost \$186,000 more than the \$99,000 which was budgeted.

Councilor Manwaring requested moving up the tennis courts project at a cost of \$28,390 (page 56). She noted the southeast Keene neighborhood group raised \$3,500 to install a new swing set at Robinhood Park and the reconstruction of the tennis courts would make this area look that much better. Councilor Kahn noted Councilor Manwaring's Memo says \$23,390 but the CIP says \$28,390. Councilor Manwaring stated her figure was incorrect.

Chair Greenwald made the following motion which was seconded by Councilor Powers.

That the Finance, Organization and Personnel Committee adopt the Capital Improvement Program 2016-2022 as presented.

Councilor Kahn noted for FY17 there is a 43% increase in the CIP but did recognize the major reason; however he also recognizes the implications on the tax payers and felt an alternative needs to be found. He felt the Boston CPI was a good target for the city and the change being proposed in the Boston CPI from January 2015 to January 2016 is 1% which might not be an unachievable guideline for this upcoming year when the CIP is suggesting a 1.7% increase on the current tax rate.

A motion was made by Councilor Kahn on Page 38 - Apparatus Capital Reserve – to change the allocation to \$300,000 over the next six years. The motion was seconded by Councilor Powers.

Mr. Kopczynski stated there is a reason why the first two years are front end loaded and asked the Fire Chief be permitted to address this issue. Chief Howard stated the reason for front end loading for the first two years is because over the last few years the department has worked on securing funds for the purchase of ladder 2 in FY18. He noted a considerable amount of work was done on this truck a year ago. He stated six years ago this truck cost \$600,000 now the estimate is up to \$900,000. He also reminded the committee the Council noted a shortfall and the Finance Director was directed to increase the funding source by \$45,000. It was recommended this funding increase will stay in place for three consecutive years. He noted as new NFPA Standards come out the cost of an engine goes up by \$20,000 - \$40,000 every five years. He stated his concern is the Standards are due to be updated in FY17. He stated if the funding is reduced to \$300,000 for the next two years the city will not be able to purchase a ladder truck in FY18 as the projected cost of the truck is \$900,000.

Councilor Kahn felt if \$300,000 was allocated through FY19 the purchase of the vehicle should be possible. He added he does not intend to short the city of what it needs to operate an emergency service but also wants to approach the CIP in a manner that is possible.



Councilor Jacobs stated he appreciates what the Councilor is recommending but felt this was a significant need and there might be other things which could be delayed. He noted also to a purchase in FY20. Councilor Kahn stated the purchase in FY20 is being funded through bonds. The Chief stated this truck in FY20 did not fit into the “pay as we go” program” and hence the reason for using bonds for its purchase.

Councilor Clark referred to allocations of \$245,000 and asked whether the entire amount could be averaged out by doing what Councilor Kahn is suggesting. Chief Howard stated according to the Finance Department when ladder 2 comes up for purchase in FY18 the funds being allocated is what is needed with a balance in the account of \$909 at that point.

The Manager stated he appreciates what the Councilor is trying to do but the reason the amount is being front end loaded was not arbitrarily done; it was done with a particular purpose in mind. He stated if the amount is spread out as being suggested the purchase will be pushed out which could result in changes to standards and rising costs. Councilor Powers noted that if there is no money in the bank, the Manager cannot sign a purchase order and this could also delay the process. Chief Howard stated if the city waited until after a fiscal year (FY19) so there could be \$900,000 in the account the department will have to wait an entire another year to get the truck for delivery of a ladder truck which could result in change to standards as well as change to cost.

Councilor Kahn stated the change can still be made for FY18 and suggested decreasing the allocated amount to \$300,000 at least for FY17. He felt the 1.7% on this CIP is too much for the tax payer to bear.

Chief Howard stated their trucks are on a replacement plan and if they had followed the plan ladder 2 which is going to be replaced in FY18 would have been replaced in FY15. He stated front end loading was to get them back on a better baseline. Councilor Kahn stated another solution would be to amend the FY17 budget to \$300,000 and FY18 to \$500,000 and end up at the same place with a smooth increase. Chair Greenwald stated he cannot agree to this change as he felt this was too much of a spike.

The motion made by Councilor Kahn failed on a 1-4 vote with Councilor Kahn voting in favor.

Because the public was present tonight for the library project the Chair asked if there were any proposed changes to that project. There were no amendments to the library project.

A motion was made by Councilor Kahn on page 71, Downtown Revitalization – to reduce in FY17 \$45,000 to zero and in FY18 to increase the amount to \$70,000. The motion was seconded by Councilor Clark.

Councilor Kahn stated he appreciates what Mayor Lane said but here again in the spirit of a smooth impact to the tax payer this amount be funded totally in FY18.

The motion made by Councilor Kahn failed on a 1-4 with Councilor Kahn voting in favor.

A motion was made by Councilor Kahn on page 58, Jonathan Daniels Trail Study - to reduce in FY17 the amount of \$20,000 to zero.

Councilor Kahn explained this project is not using current revenue funds but will be using current fund reserves and the manner in which this would ultimately save money is by assigning those capital fund reserves to the sidewalk improvement program. This program is already splitting the total cost of that effort between current funds and the reserve.

Councilor Powers asked whether a designated capital reserve can be used for something else. Mr. Kopczynski stated his notes indicate this project is being funded by the Transportation Improvement Fund so it is not coming out of the tax rate. Mr. Blomquist explained the Council increased the vehicle registration fee by \$5 for transportation projects and there is approximately \$100,000 in this fund and this money can only be used for transportation projects and cannot be used for sidewalk work. Chair Greenwald recalled last year a reason for not completing this bike path work and asked for clarification. The Chair asked if this item was not addressed tonight whether it could be addressed during final budget review. Mr. Blomquist answered in the affirmative. Councilor Jacobs asked whether these were tax payer funds. Mr. Blomquist stated they come out of the car registration fee and does not affect the property tax rate.

Councilor Kahn noted with no funding for sidewalk improvement from FY18 on, he would like to have a broader discussion on how that fund should be applied towards a complete streets project such as sidewalks or pedestrian safety. He felt this is isolated from the other considerations in the CIP but have been postponed until later. Mr. Blomquist referred to page 64 which explains this capital reserve and identifies the projects this fund will be used for. The Manager asked that the Parks and Recreation Director be given an opportunity to address this item.

Mr. Bohannon stated the Cheshire Rail Trail phase 3 project for which the city received a grant - the Jonathan Daniels Rail study is one of the projects staff looked at. The plan is to continue this trail which now ends at Appel Way all the way to Maple Avenue. One alternative is to go along the river, the other alternative is to go along the bypass and the final alternative is to go along Wheelock Park, up Park Avenue and then on to Maple Avenue.

The motion failed on a 2-3 vote with Councilor Kahn and Chair Greenwald voting in favor.

Councilor Powers referred to Page 59 and felt this project should be looked at sooner than FY20 - Communications Dispatch at the Police Department.

A motion was made by Councilor Jacobs on page 70 Curbing Repair Replacement, page 82 Sidewalk Repair and Replacement and on page 88 Spot Repair be funded from the operating budget and not from debt. The motion was seconded by Councilor Powers.

Councilor Jacobs felt this type of repair should be coming from the operating budget and even though it is for the maintenance of a capital asset it is not a capital expense. He noted the total of this expense is \$149,836 which would cause a reduction in debt and according to the fiscal policies the city is over in its operating budget for debt service and felt this would be a step in the right direction.

The City Manager noted the city will have an \$18,000 debt payment but the committee will be exchanging this for an increase to the budget which will increase the Public Works budget by \$149,000. Mr. Blomquist stated according to the Finance Department's calculation adding this amount to the operating budget will increase the property tax amount versus bonding this amount. Mr. Blomquist stated staff agrees this is not a capital program but to make the project fit within the budget this seemed to be the better option. Councilor Kahn pointed out the increase to property tax as it stands is 1.7% and with this amendment it would increase to 2.1% and this is just for the CIP. Councilor Jacobs stated this assumes the committee doesn't find anything else to save money on. Councilor Powers asked how moving this into a bonded expense would cause an increase to property taxes. Councilor Kahn explained when an expense is bonded it is spread out over a longer period of time. He felt the city is moving quickly in a direction which might be the right direction but it is increasing the tax rate another step.

The motion failed on a 1-4 vote with Councilor Jacobs voting in favor.

Councilor Kahn stated after FY17 there are no allocations to new sidewalks being proposed and noted there is a list of projects being proposed in the CIP which might or might not be the most important projects in the city. He stated if there is funding in the CIP he would like the tax payers to be able to have a discussion as to what projects are important for complete street improvements. He noted there is \$100,000 in the transportation fund which is likely to be exhausted fast on any project. There are many areas which have been altered and neighborhoods need the opportunity to discuss where the real need is. The Councilor noted because of the suggestion of the estimate around \$500,000 needed per year, he would like to make the following motion:

A motion was made by Councilor Kahn to add \$500,000 through bond funding beginning in FY18. The motion was seconded by Councilor Powers.

Councilor Powers asked whether Councilor Kahn was referring to new sidewalks where there are no sidewalks now. Councilor Kahn answered in the affirmative and stated he is more concerned about bicycle and pedestrian safety. He noted debt service is greatly reduced in the CIP because the sidewalk program has stopped after FY18. Chair Greenwald stated he was not opposed to this suggested but would like to see a list or a plan for sidewalks before money is allocated.

The motion failed on a 2-3 vote with Councilor Kahn and Councilor Powers voting in favor.

FOP Meeting Minutes

On a vote of 4-1, the Finance, Organization and Personnel Committee recommends to the City Council that on page 56, \$28,390 slated for the Robin Hood Park tennis courts be moved from FY18 to FY17. Councilor Kahn voting in opposition.

On a vote of 4-1, the Finance, Organization and Personnel Committee recommends that City Council approve the Capital Improvement Program 2016-2022 as amended. Councilor Kahn voting in opposition.

The meeting adjourned at 10:30 PM.

Respectfully submitted by,  
Krishni Pahl