

City of Keene
New Hampshire

FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE
MEETING MINUTES

Thursday, September 8, 2016

6:30 PM

Council Chambers

Members Present:

Mitchell H. Greenwald, Chair
Carl B. Jacobs, Vice-Chair
Thomas F. Powers
Terry M. Clark
Jay V. Kahn

Staff Present:

City Manager, Medard Kopczynski
City Assessor, Dan Langille
Public Works Director, Kurt Blomquist
Asst. City Manager/IT Director, Rebecca Landry
Fire Chief, Mark Howard
Asst. City Manager/Human Resources,
Elizabeth Fox
Parks, Recreation and Facilities Director
Director, Andrew Bohannon

Other Councilors Present

George Hansel

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

1) Assessors' Board - Periodic Report Presentation

City Assessor Dan Langille was the first to address the Committee. Mr. Langille stated he also serves as the Chair of the Board of Assessors. Mr. Langille stated he would like to explain the duties of the Board of Assessors.

The membership of the Board consists of Mr. Langille (non-voting member) serving in an administrative role, and three other members who make the decisions. Typically these individuals could be real estate agents, appraisers, and people who have that type of experience. The mission of this Board is to make sure that all properties are valued fairly, impartially and equitably in accordance with state law.

Mr. Langille stated the Board gets involved with appeals which can start after someone gets their final tax bill. Once the Assessing Office evaluates the property, for which an abatement was filed, they make a recommendation for the Board. The reason for abatements could be because a property is over-valued; the neighbor's property is out of line with their own property's value, etc. Once this information is received a public hearing is scheduled and the property owner is invited to address the Board. The decision by the Board is final, but the applicant can always appeal the decision to the Superior Court or to the NH Board of Tax and Land Appeals.

Mr. Langille stated it is not a requirement to have a Board of Assessors or this process, but he felt it was important to have a checks and balances and transparency within the City. It also shows the City treats these applications seriously and there is a process in place where a property owner can participate.

In addition to abatements, the Board also looks at exemptions. If the property owner is a charitable, religious or educational institution they can apply for complete exemptions, such as for religious or charitable institutions. Mr. Langille complimented the amount of work this Board does. The meetings happen twice a month between the months of February through July and they process about 15 to 20 applications per meeting.

Chair Greenwald asked whether the revaluation that is going on right now is going to cause a wave of filings to come in to the Board of Assessors, which would be outside the normal cycle. Mr. Langille stated anytime there is a change in valuation it creates more applications. He asked whether the goal of assessment is 100% of the value. Mr. Langille stated during the revaluation the goal is to bring everyone into market value. Right now it is at 106% of market value, which indicates assessment should be coming down a bit.

Councilor Clark asked what determines when abatement applications are accepted. Mr. Langille stated the time period is determined by state law; after the final tax bill until March is when applications are accepted. Councilor Clark stated he was confused why the cutoff was March. Mr. Langille stated values are assessed as of April 1st and if this date is dragged out you run the risk of running into next year's value.

Chair Greenwald asked for explanation as to how the revaluation would work. Mr. Langille stated commercial revaluations have gone out and preliminary public hearings are being scheduled for that. If anyone feels the valuation is incorrect or they have questions they can call the number listed on their notices. This is before the process is finalized and the final tax bill is issued. The same opportunity will be awarded to residential properties as well.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends accepting the periodic report on the Assessors Board as informational.

2) **Broadband Overview - IT Department**

IT Director, Rebecca Landry addressed the Committee and stated Time Warner Cable/Charter Communications will be before the Finance Committee at their next meeting to discuss their services, which include broadband. Ms. Landry stated she wanted to give the Committee an idea as to where the City is today in terms of broadband services. Ms. Landry went on to say the City has an Economic Development Committee, a Comprehensive Master Plan. In addition, Southwest Regional Planning Commission has its Comprehensive Economic Development Strategy, a Broadband Plan, and the Chamber of Commerce has its regional series and all these groups as well as local

businesses are all talking about the essential role of broadband in the future of the community. She stated the goal tonight is to talk about the current broadband landscape.

Ms. Landry then went over history of internet in Keene. MonadNet came into being in the 1990's to create an ISP. This was a grassroots efforts. At that time it was dial-up and you were able to get one-way information. MonadNet efforts proved there was demand for this service and it eventually attracted competition.

Monadnock Connect came into being in the early 2000's when Keene and the region were looking for better, faster, cheaper broadband. This was another grassroots effort which did not aspire to provide a service, but rather build a business case. Web was no longer one-way, it became interactive. It was not just information on a screen. It was voice services, video services, and it started evolving rapidly. At that time internet/broadband services, the local telephone company and cable provider left Keene behind in economic development and quality of life. Hence, local businesses and executives worked together to prove the interest and commitment to consume better broadband services. This attracted a few big players which increased competition, reduced cost, gave broadband the boost it needed in the community.

Next was NH Fast Roads which was aimed at reducing barriers to entry to potential broadband providers and improving broadband availability. Fast Roads partnered with Network NH Now, which is a UNH Initiative to receive seven million dollars in grants from the Federal government. There were matching funds required for this program and unfortunately NH was one of those states that did not provide that matching funds, which was a challenge for Fast Roads. Fast Roads went from Rindge all the way into Hanover, New Hampshire. All community anchor institutions (medical facilities, schools, etc.) in the communities along the route had the opportunity to connect with the fiber based-broadband.

The FastRoads model is an open network to eliminate the need for providers to build independent networks in order to provide voice, data and video services. Incumbents and competition lobbied hard to prevent and block this project. Next phase of Fast Roads is network expansion possibly with new partners. The web is now intelligence, innovation, information, customer service, education, youth retention, recreation, emergency response and many such things. Web is now a necessity or reserved for a few businesses or communities.

The current providers are Time Warner/Charter Communications, Fairpoint, Fast Roads, WiValley, First Light, and a number of other providers. Many of these providers are evolving into fiber based services. Ms. Landry stated this City is very fortunate in that her predecessor Keith Damon worked with a number of city departments and city management and prior Councils to install fiber services for the city which has saved the city many thousands of dollars. However, the City cannot provide this service to the community because of pole attachment rights.

The last mile is the challenge, the City has had conversation with Time Warner/Charter Communications, Fairpoint, and FastRoads to make sure fiber is available to every doorstep in the community. It is happening in some cases on a limited basis, but getting it from the provider to the doorstep is called the “last mile” and this is expensive. This involves digging up roads, installing poles, and coming to agreement with conduits and infrastructure shared.

One of the issues at the present time is local pricing is not competitive with communities that can provide gigabit bandwidth for less than \$100 per month. Fairpoint would argue that the residential and small business markets do not need anything better than DSL service based on their market analysis. That assumption or limitation creates a huge opportunity cost. Certainly there is a market for DSL services, but to limit the service to DSL is limiting to the community.

Projects like Google Fiber and Chattanooga’s municipal fiber (among many others) are spurring innovation and competition. Chattanooga is now home to a Volkswagen headquarters and an Amazon distribution center that wouldn’t be there without gigabit broadband. Gigabit service is the difference between barely keeping up with the basic needs of the business community and being known by the business community as an innovation hub, which is where we want to be.

There is definitely wireless potential – WiValley partners with NH Fast Roads and others to deliver their services. DOCSYS 3.1 (Data over Cable) and DOCSYS 3.0 both afford cable providers to invest in equipment they install at the ends of their wires and cable and not have to replace their cable plants. DOCSYS 3.1 is becoming available is much faster, but our cable provider does not provide either.

When it comes to economic development site selectors are searching for places to locate businesses. Broadband is one of the top 3 requirements in their search criteria. Why can’t we do what Chattanooga or Kansas City did? It would be nice to build our own municipal network, but Keene has some sizeable hurdles that those cities did not.

In other states, municipalities own the telephone poles and/or are the electric utility. Other states provide matching funds for broadband grants and other financial support for broadband expansion. Efforts to change legislation that prevents municipalities from bonding for broadband infrastructure where bare minimum services are already available is not supported in Concord, and this has much to do with lobbying efforts of the incumbent providers. This does not mean we are doomed. We just need to start having some conversations with these other providers, which is happening.

In terms of what we are doing? We are meeting with broadband partners to identify gaps in infrastructure and to start identifying specific plans to improve networks. We are brainstorming creative approaches to expanding existing broadband infrastructure instead of waiting for potential businesses to ask for it. We are working with the Chamber of Commerce, MEDC, Southwest Regional Commission, local businesses and others to

build awareness in Concord and push for legislative support. This concluded Ms. Landry's presentation.

Chair Greenwald stated one of the topics that came up at the Economic Development Committee is the issue with conduits and the suggestion raised was that when roads are dug up for utility work that these pipes be laid. Ms. Landry stated there is a dig policy in many cities that dictates when a road is dug up, municipal conduits be laid at the same time, but you also run the risk of conduits that are disconnected and it doesn't serve the purpose it is intended for. Ms. Landry stated there has been discussion which has happened between staff where it was felt a plan needs to be in place as to how these conduits are going to be maintained, what would happen to it once it is in the ground, and how it would be inventoried. This effort will require planning effort and this is a topic staff will raise with the Council as a future capital project.

Chair Greenwald asked how the city can force these providers to "up" their services. Ms. Landry stated competition is the most effective mechanism, but these conversations are happening already.

Councilor Clark stated at the last PLD Committee, Eversource asked about locating a transformer on Church Street and the question was raised about locating conduits at the same time because of the dig once policy. Ms. Landry stated she and the Public Works Director might have different responses; she would like fiber to be located everywhere and added she didn't think the city had a formal dig once policy but rather it is something the City is looking into.

Councilor Powers felt we need to have a plan and this needs to be a priority and added the City should not be in the public utilities business.

Councilor Jacobs noted having broadband seems to be an incentive for businesses to come to this area which would give the providers more business and asked whether this was not enough of an incentive. Ms. Landry stated this is a conversation the City has had with Fairpoint, which says the City can provide fiber based services to anyone who wants. However, if you look at Fairpoint's maps it is all about where you are located and if they don't have fiber in a certain location it would be at a hefty cost to get it there. Keene is not Boston and we are fairly rural and have lot of hills and valleys and this has not been their number one priority for them. Some businesses have had to relocate just to get fiber but that is not what the providers seem to say. The City is trying to work out the best method to figure this out.

Councilor Kahn asked whether we are thinking too much along the lines of telephone services and not enough about wireless services which is going to be the last mile connection for most. Ms. Landry agreed wireless has come a long way and Google is stalling some of its plans to move forward with fiber because of the hurdles they are facing getting on poles. Wireless depends on fiber and fiber continues to be the most band width potential and most reliable.

Mr. Kopczynski stated Facebook is going to launch a satellite to connect up the ultimate last mile which is rural Africa to the internet. He stated he doesn't want to concentrate on just the last mile, what we are really talking about is a modern economy and a modern society; we are talking about basic infrastructure that makes a modern city viable and he felt the City needs to look at the economic vitality of this community, not just the last mile.

Councilor Clark asked whether pole right agreements are negotiable. Attorney Mullins stated Ms. Landry has as much knowledge to talk about this issue but the only thing he would like to add at least in New Hampshire, these utility companies like Fairpoint and PSNH essentially own the poles and they have rights as to who gets on and who doesn't. Much of this is legislative – a lot of the hurdles we are facing is the legislature and the powerful people who do not want this to happen as there is money involved.

Councilor Hansel asked whether there was any resources available to show what services are available and where and what gaps exist. Ms. Landry stated they have created a broadband report for the city and it outlines where fiber exists. This document needs to be updated but the providers are not forthcoming about this information. The Councilor asked whether wireless and high speed depends mostly on line of sight. Ms. Landry answered in the affirmative.

Councilor Kahn asked how the cable providers will have the capacity for things like Hulu and broadband delivery of video streaming and what type of technology changes they are going to require. Ms. Landry stated she has prepared Time Warner to be ready for this type of questioning but doesn't really have any good predictions. Ms. Landry indicated her mission is to come up with some creative solutions to get gigabit connection in the next year or two to businesses and homes – examples of this is Chattanooga, TN, Charlotte, NC, Burlington, VT, and some communities in Maine.

The Manager asked Ms. Landry which country in the world has the best internet. Ms. Landry stated it was Japan with US at #31 on this list. However, NH comes in on the top for "take rate" for internet, which means they use it when it's available.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends accepting this report on broadband as informational.

3) Acceptance of Donation - Parks, Recreation and Facilities Department

Parks, Recreation and Facilities Director Andrew Bohannon stated the City has received a \$1,000 from the Keene Elm City Rotary Club. This donation is for the purchase of play equipment called Imagination Play Ground which is a giant Lego blocks set made out of foam which they can use to build their own play grounds. He indicated the Recreation Center has a stay at home parents group that meets on Tuesday and Thursday during the winter months. The goal is \$6,000 for this equipment.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary to accept a donation of \$1000.00 from the Elm City Rotary Club and that the money be used by the Parks, Recreation and Facilities Department.

4) Acceptance of Donations to Library Renovation Project - Campaign Manager for the Next Chapter Campaign

Capital Campaign Manager for the Library Renovation Project Patty Farmer stated she was before Committee to request that the Finance Committee accept \$400,362.09 listed in the June and July statements of the Cambridge Trust. Ms. Farmer stated they are continuing in the quiet phase of the campaign with campaign committee members meeting with individuals and companies and to date a total of \$1,046,167.18. The Committee plans to move into a public phase during the middle of October.

Councilor Kahn asked if he is one of the donors whether it was acceptable for him to make a motion. The City Attorney stated it was acceptable.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends accepting donations of \$400,362.09 listed in the June and July statements of the Cambridge Trust Bank to be deposited into the Library Renovation Temporarily Restricted City Trust as part of the Next Chapter Campaign Drive.

5) Request to Solicit Donations - Human Resources Department

Human Resources Director, Beth Fox stated there are two upcoming employee events; the Health Fair and the Employee Recognition event. Ms. Fox stated staff was here seeking authorization to solicit and accept donations from local businesses for these two events. These donations are used for door prizes and fund raising. Last year the City obtained \$800 in prizes which is listed in the Committee's memorandum.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary to solicit and accept donations from local and regional businesses to be used as prizes or fundraisers for the Employee/Retiree Health Fair and the Annual Employee Recognition Event.

6) Thomas Cook/Cheshire TV Board of Directors - Impact from the Heberton Hall Renovation

Mr. Tom Cook Chairman of the Cheshire TV Board stated the Board has been

working very closely with the members of the library with respect to the renovation efforts. He indicated what they have learned is a design is not set in stone until the necessary funds are raised.

Mr. Cook stated Cheshire TV has been quoted upwards of \$60,000 as moving expenses and they have already created a moving expense account and have started setting aside funds to help with this move. He indicated because this move won't happen for about two years and they would like to ask the city for assistance with this funding or with the physical aspect. He also stated he would like to know how their rent will be affected and added because of the space; configuration of some of their programming will have to be put on hiatus.

Chair Greenwald stated this sounds like an opening of a lease discussion.

Councilor Kahn asked whether the current rent is paid by Cheshire TV. Mr. Cook stated his understanding is that the rent is deducted from the franchise fee the City receives.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends this matter be referred to the City Manager for discussion and a report back at some future time.

7) Re-Allocation of FY17 CIP Mobile Radio Project Fund Balance - Fire Department

Fire Chief, Mark Howard stated the FY17 CIP Portable Radio Project is the first of a four year replacement project. The quote that has been received, to begin the first year purchasing of thirteen radios is \$508 more per radio than the price that was estimated in the FY17 CIP budget preparation. The current quoted price is a NH State Bid. However, on a happier note the FY17 CIP Mobile Radio Project is in the final purchase year of the project. After all mobile radios have been purchased there will be a fund balance of \$10,185.92. With approval of the allocation, there will be adequate funding for the first year purchase of the portable radios.

Councilor Jacobs asked for the difference between a portable radio and a mobile radio. Chief Howard explained the mobile radios are a fixed unit and the portable radios are assigned to individuals.

Councilor Clark clarified the \$10,185.92 is being taken out of the mobile radio project due to the amount left in the fund. Chief Howard stated these would be the funds remaining after the radios are purchased this year. He added this would allow them to purchase a few additional radios this year early, but overall the project would be under funded and he would be back before the Council looking for funding to meet the shortfall for the 66 units that is being proposed to be purchased. Councilor Clark asked whether the defibrillators were bonded. Chief Howard stated he wasn't sure.

Chief Howard explained how a \$3,000 item goes up by \$500. He stated these units which are being purchased have a life span of at least ten years. However, these models have been upgraded since they were out for about a year and when they upgraded the units, the price went up.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to allocate \$10,185.92 from the FY17 CIP Mobile Radio Project to the FY17 CIP Portable Radio Project.

8) Acceptance of Grant - Fire Prevention and Safety Grant - Fire Department

Deputy Fire Chief Jeff Chickering addressed the Committee and stated he was before the Committee regarding the Federal Emergency Management Agency's (FEMA) Fire Prevention and Safety Grant totaling \$64,625.

Deputy Chief explained in an effort to supply fire officers the training and equipment they need in order to be able to assist with the new Keene Fire Department Inspection Program, the department applied for the Fire Prevention and Safety Grant. This grant will fund the training of fourteen (14) officers to the Fire Inspector 1 level and will allow the purchase of the equipment that will be used to document inspections. On Friday, September 2, 2016, the Department was notified that they were awarded \$64,625 for the said training and equipment with a 5% match of \$3,231 that will be funded from our internal training budget.

Chair Greenwald clarified that firemen will be performing inspection of all multi-family units. Deputy Chief Chickering answered in the affirmative and added this helps the firemen get familiar with the various buildings around the City. He then went on to introduce Chris Babcock, retired Battalion Chief from Patterson, NJ who has been assisting local departments with grants.

Councilor Kahn asked whether there was a recovery of revenue from the inspections. Chair Greenwald stated there was no charge for the inspections. Chief Howard stated this is a new program which is not fee based and is intended for commercial and multi-family dwellings. If there is any fee generated from it, it would be based on violations that are noted and upgrades that are required for the building. This is not something new, if a business person called and asked for an inspection today, there would be no fee for such an inspection.

Chair Greenwald asked whether this was further reaching than the Keene State inspection. Chief Howard answered in the affirmative.

Councilor Clark asked whether violations are issued. Chief Howard stated the intention of this program is compliance. However, there are times if the department can't work with a property owner then a violation is issued.

Mr. Kopczynski stated Deputy Chief Chickering was correct about the firemen getting familiarized with the city buildings, but this is also a way to raise the standard of safety for buildings in the city. Properties are now going to be better managed and it will help the property owners receive better insurance rates. He felt there are many positive aspects to be gained from this program in the long run. Chair Greenwald stated last week the Committee learned from Mr. John Rogers about the City's inability to gain access to property even though there could be known hazards and asked whether this is a mandatory program. Chief Howard stated under this program the department has to provide adequate notice as to their desire to perform this inspection. However, if an owner denies access, the department will go through an administrative warrant process to ultimately gain access. He indicated there are about 1600 properties and the goal is to have this work done in about four years. Mr. Kopczynski stated when Code and Fire work together there is going to be some resiliency seen in the program.

Councilor Kahn thanked staff for their work with this grant.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary to accept the FY15 Department of Homeland Security (DHS), Federal Emergency Management Agency's (FEMA) Fire Prevention and Safety Grant totaling \$64,625.

9) Additional Pavement Spot Repairs - Public Works Department

Public Works Director, Kurt Blomquist stated he was before the Committee regarding the reallocation of project balances for spot repairs on various streets. This is for work on top of the base contract in the amount of nearly \$78,000. Funding is currently available. Some of the streets needing spot repairs include West Street, River Street, Leverett Street, Bradford Street, South Street and Adams Street.

Chair Greenwald asked about Water Street. Mr. Blomquist stated this street is in the budget for FY17 from Grove Street up to where Roxbury Street connects. Councilor Powers asked about Baker Street once the gas company finishes their work. Mr. Blomquist stated some sewer work and then some sewer rehabilitation work is going to be undertaken on this street. Councilor Jacobs asked whether any pipes are going to be located here. Mr. Blomquist stated the road is not going to be dug up, it is just overlay work. He added currently he has no money in the budget to pay for conduits, but there is a plan being worked on. Councilor Powers stated just because a road is being dug up it does not necessarily mean a pipe can be located; it might not be in the right location.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary be authorized to do all things necessary

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to negotiate and execute a construction change order with BDM Sweeper Services, Inc. for an amount not to exceed \$78,345 for the 2016 Road Spot Repair Project.

Councilor Powers reminded the public about the Winchester Street reconstruction meeting on September 13th at 6:00 PM in Heberton Hall. This would be a listening meeting and to look at any possibilities that are available for this street.

The meeting adjourned at 7:56 pm.

Respectfully submitted by,
Krishni Pahl, Minute Taker