

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

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

**Thursday, September 10, 2015**

**6:30 PM**

**Council Chambers**

**Members Present:**

Mitchell Greenwald, Chairman  
Kris Roberts  
Terry M. Clark  
Thomas Powers  
Randy Filiault

**Staff Present:**

City Attorney, Thomas Mullins  
Asst. City Manager/IMS Director,  
Rebecca Landry  
City Clerk, Patty Little  
Public Works Director, Kurt Blomquist  
Airport Director, Ed Mattern  
Asst. City Manager/Human Resources  
Director, Beth Fox  
Fire Chief, Mark Howard  
Asst. Public Works Director Donna  
Hanscom  
Parks, Recreation and Facilities Director,  
Andrew Bohannon  
Finance Director, Steve Thornton

**Kendall Lane, Mayor**

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

**1. MEMORANDUM: Fire Chief - Fire Department Memorial  
Donation**

Fire Chief Mark Howard began by circulating a rendering of what the Fire Department memorial would look like. The Chief stated the Keene Firemen's Relief Association has requested permission to build a memorial to honor members of the department that have passed. Currently the department has 132 members that are deceased and these are

individuals who died in the line of duty or passed after retirement. This number dates back to 1880.

The Chief noted the memorial would be updated each year prior to the June memorial service. He added the department has a memorial service on the first Sunday of June and during that time the deceased members are recognized by roll call.

The Association would provide the funds to build and maintain the memorial. The memorial would be located at the Central Fire Station on the grass area by the exit. The size of the memorial would be 7 feet long, 5 feet tall and 8 inches thick. It is estimated that the cost of the project will be \$30,000 and the plan is to have this built by October 4 prior to fire prevention week.

Councilor Clark asked what this memorial would be built out of. Chief Howard stated it would be made out of grey granite. The Councilor asked how long before the memorial would run out of space for anymore names to be included. The Chief explained there will be five panels and the names to date dating back to 1880 are only going to use about 2.5 panels. The memorial would be located in a well-lit area and protected by security cameras. He added the symbol of a cross would delineate line of duty members.

Councilor Roberts clarified this installation would be at no cost to the City. The Councilor inquired who would be in charge of the maintenance. Chief Howard stated the Association will maintain the memorial and added in their letter to the department the Association had indicated they would be paying for the erection, maintenance and inscription.

Chair Greenwald asked whether permission from the Historic Society has been obtained for this installation. Chief Howard answered in the negative but added he had gone to the building department to obtain setback requirements and obtain permitting.

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

On 4-0 vote, the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to accept a donation for the construction, erection and maintenance of a Fire Department Memorial.

**2. MEMORANDUM: Parks, Recreation and Facilities Director – Acceptance of Donation - Sumner Knight Chapel**

Parks, Recreation and Facilities Director Andrew Bohannon stated the donation of \$450 is from the Keene Music Festival and Kevin Dremel for the Sumner Knight Chapel. In total this group has raised \$7,564. Using these donations, there is a boiler replacement which is going to be undertaken at the chapel.

The next events will take place Saturday, September 26 as part of the Sumner Knight Series and Sunday, September 27 as part of the Sunday Social Series.

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

On 4-0 vote, the Finance, Organization and Personnel Committee recommend the City Manager be authorized to do all things necessary to accept a donation of \$450.00 and that the money be used for the care and maintenance of Sumner Knight Chapel.

Mr. Bohannon explained the story behind the shirt he was wearing tonight “Bull Dog for Brady” is because of a promotion Bulldog Designs would like to participate in for our community. \$5 collection from this promotion will go back to a specific program. He explained, John and Carley Tolman used to work for the Recreation Department as well as for the playground program. The \$5 collected from the sale of these shirts would go back into the scholarship program for the Recreation Department and so far \$190 has been donated to the program.

Councilor Filiault joined the session at 6:45 PM.

**3. PETITION: Requesting Hand Count of Ballots and Creation of a Task Force**

Gerhard Bedding of 25 Ivy Drive stated he was before the Committee to request the City institute audits of its computer voter counts. He noted this petition is the result of team work consisting of Charles Weed, Peter Espieffs, Johanna and Peter Laurie, James Smart, John-Michael Dumais.

Mr. Bedding stated people have often asked him why an audit is necessary. He noted 30 states and the District of Columbia have some form of state mandated audit. He noted research indicates that 86% of the US population has an audit while 14% do not.

Mr. Bedding then went over the petition and specifically the provisions called for under State law: “*The counting of votes shall be public and the moderator shall oversee the counting of votes.*” He noted what happens inside the computer is not public and what the moderator could clarify is the number of votes cast equals the final result. Mr. Bedding continued that the computer count may suffer from programming errors and such errors could be introduced by deliberate modifications of the program cards.

Mr. Bedding felt a program card could be easily modified. He added election night audit by hand counting of ballots in high profile races were currently occurring in two New Hampshire towns. He noted that audits are completely legal and added Danfield has been able to complete a hand count audit in about an hour and their City consists 2,700 voters. Such audits were recommended by the “NH Electronic Ballot Counting Device Advisory Committee. In their final report they stated: “*In the long run public confidence relies on the state and local history of accuracy, security, transparency and reliability in the ballot counting process. One of the effective and least expensive ways to achieve these goals is to conduct random hand counted audits immediately after the election.*”

Mr. Bedding stated his group met with the City Clerk which he indicated was a good meeting. However, he noted Ms. Little does not see election night audits as a possibility because of too few election officials and exhaustion after nearly a 17-hour day of work. Mr. Bedding noted the clerk had no objection to next day audits if this process can be organized and authorized. Mr. Bedding felt perhaps a fresh team of election officials trained to do just auditing might be able to accomplish an audit on election night.

He went on to say that financial audits are accepted in the financial world and hence election audits are something that should also be considered.

Former State Representative Charles Weed of 28 Damon Court stated he was elected to the House of Representatives in 2000 and discovered the Election Law Committee. He was particularly interested in their work because of the threat happening at that time to college voting. He stated he became involved with election law issues in the Legislature between the period from 2002-2008. Mr. Weed stated the time for questionable elections started happening in 2000 which was about the same time that electronic counting grew in popularity. What was clear to him is that a lot of people seemed to be losing a sense of confidence as to whether the election process was accurately recording the intention of the voters. Mr. Weed felt this would be a small effort to provide confidence that the election process was being done accurately. He stressed confidence needs to be stressed in the balloting process and agreed he has been involved in the recount many times and has not seen too much changes , but this still does not change the way people feel about the election process.

Councilor Clark asked how this process would work. Mr. Bedding stated it would be a random selection and the Council has the liberty to choose the venue to be counted especially in a tightly contested election. Representative Weed added it does not have to be publicized.

City Clerk, Patty Little, was the next speaker. Ms. Little agreed the public trust in the election process was important. She further stated that she does not interpret the petition to indicate a lack of trust in the election process or a request to return the City to hand counting of ballots even though this is a process that is happening in other parts of the country. Ms. Little stated she does not share the group's concern about intentional manipulation of the outcome of an election, but she does agree that legislation should be adopted which would provide for statistically verifiable audit at the state level after a state or national election.

She continued that In NH there are moderators, clerks and selectmen who are responsible for conducting state and national election according to state law. Although the City Council could dictate as to whether the Accuvote systems are used in a community; they cannot go beyond that and dictate what a moderator should or should not do when it comes to an election process.

Ms. Little then went over the Accuvote system and the tabulation that is being used. Any voting system in NH needs to be approved by the NH Ballot Law Commission. There are

no lever machines or touch screen systems used in the state. The state requires a paper ballot. The Accuvote system is an optical tabulator and has been in place in Keene since 1994. There is only one vendor to program these memory card, which is LHS Associates out of Salem, NH.

These optical scanning devices are an important tool as hand counting is far more arduous and is not something that would be supported by the current election staff or any election staff of a community of this size. Ms. Little added optical scanning removes human error which could happen with hand counting after individuals have been working a 15-hour day.

The Accuvote system was the subject of a statutory committee called the Ballot Counting Device Advisory Committee. This committee was charged with making technical recommendations on the devices that would deter undetected manipulations, improve the transparency of the counting process and improve the electronic and physical security of the tabulators and the memory cards. Their recommendations made changes to several state laws but the Legislature did not pass legislation that would have provided for a post-election state-wide audit.

She continued what exists because of the efforts of this committee are improvements to physical and electronic security. The modem was removed to prevent wireless connectivity, the serial port on the tabulator was disabled which would have permitted the reprogramming of the memory card. There are security seals and tamper evidence labels used on the memory card slots and on the tabulator case.

Ms. Little then talked about the vendor, LHS Associates. They have controlled access to their facility 24/7. The memory card that contains the code is stored in a special room and is accessed only during office hours and at the end of the day the room is locked. They track about 8,000 memory cards and their work is administered by a retired police officer. In terms of the process, the Accuvote tabulator is delivered to the moderator on Election Day by city staff and is returned to the Clerk's office at the end of the night. There is an activity log that is maintained to show access by both office staff and by election workers; even the opening of the case needs a witness and the date and stamp needs to be registered. Only specific people are authorized to have access to the tabulators and they are stored in the City Clerk's vault when not in use. The memory card is removed and sent to the vendor only when the Secretary of State directs staff to do so.

In terms of preparation for the election, staff conducts a mock election and marks about 250 ballots providing for every possible choice of a voter. The state is very deliberate on how these mock elections are conducted. A hand count is done for these mock elections which are then compared to the tabulator tape. This testing is open to the public and the public is always welcome to come see the process.

Since the recommendation of the advisory committee there have been two attempts to adopt legislation. In speaking with the Secretary of State's office, their office registered support of these efforts for a post-election audit at the state level with appropriate

standards in place but they would not support any audit at the local level due to concern of uniform standards and control custody. Ms. Little then turned the presentation over to the City Attorney.

City Attorney Mullins stated he was a moderator in the town of Greenfield for 12 years and still remembers the effects of the first Obama election. The Attorney understands the need of an audit of some kind but, he agreed hand counting can be arduous. The Attorney explained Keene like other municipalities in the state abides by the authority provided by state statute. He stated he could not comment on what other towns are doing; whether they consulted with legal counsel or whether they called the Secretary of State. He noted there is no statutory authority for a municipality to conduct a post-election day audit of the ballots. In reviewing the statute and the electronic voting process it is interesting to note is RSA 656:42 – the state legislature which wanted to enact electronic balloting measures decided to provide broad authority to the Ballot Law Commission under this statute. What this statute says is the Ballot Law Commission makes the rules and decisions with respect to electronic voting process. They have done that and have specific rules which tell the Moderator what to do with the ballots.

Attorney Mullins stated his stand on this issue is that until the state legislature decides to enact statutory authority to conduct audits the City does not have at the local level to require same. He added the Secretary of State's Office agrees with this understanding and also agrees that such a process should be pursued under state legislation, and it should be uniform throughout the state. In addition, the Secretary of State's Office should be involved with developing the standards that would be applied.

Attorney Mullins went on to say the State has a preemption doctrine, which means when the state has enacted a comprehensive statutory scheme the courts apply this statutory scheme even if a municipality tries to do something other than that. He added that if there was to be a challenge against a municipality for adopting this kind of procedure and if the process went up to the court, the court would conclude the state statute pre-exempts any local authority. He further stated cities like Keene have general authority under RSA 47:17 with respect to a variety of things that may happen in the city provided the state has not otherwise legislated on that field. RSA 47:17 has only two references when it comes to elections processes and none of them has any reference to procedures to conducting an election. Based upon this, Attorney Mullins stated he would advise the Committee and Council even though what is before them is a laudable goal; it should be instituted at the state level and not through a local municipality.

Chair Greenwald asked why the Legislature has failed to institute this process. Ms. Little stated she had had a conversation with the Deputy Secretary of State who had said the legislature recognizes the high number of recounts in New Hampshire compared to other states and this is because of the large state legislature. Hence, the feeling is that if the ballots are recounted an audit is not necessary.

Councilor Clark noted in the absence of a statute that says the City could do this there is no statute that says the city cannot and asked for further clarification. Attorney Mullins

explained in NH you have to have a statute that says you can do something; there has to be a specific statute for a municipality to act. Once the election process closes, the statute is clear as to what happens to those ballots, where they go, how they are counted and nowhere is there a provision for a post-election audit. However, during the election evening if there was a problem with the machine, the moderator after consultation with the Secretary of State would have authority to conduct a handcount to determine the results, but at the end of that evening, that authority would end.

Chair Greenwald asked what the criterion was for a recount. Attorney Mullins stated it is defined by statute and it depends on whether it is a state, local or federal election.

Councilor Roberts stated New Hampshire is not home rule state and the local municipality needs permission from the state to do anything.

Mr. Kenneth Sevene of Swanzev, NH stated the scanning machines are great but the counting is done in secret by software that no-one can see. He questioned how the tabulation from the machine can be accepted to be accurate when the ballots in the machine are exempt from the Right to Know Law enacted in 2003 by a House Bill which he felt was unconstitutional.

Mr. Bedding stated the two towns he mentioned earlier have done this and according to the Secretary of State that process was solely up to the Moderator whether the town want to do this or not.

Ms. Jan Sevene of Swanzev stated at this time all the public has is the result produced by these machines and she felt the people have the right to know their votes have been counted correctly. She indicated the Attorney General had stated the Moderator has significant amount of authority to do anything possible to make sure that the count is accurate. Ms. Sevene added she has a difficult time understanding nothing can be done during an election or after an election without a law because the Moderator has that authority.

Ms. Sevene agreed pre-testing is great but there are several computer scientists who say that pre-testing is just a mode and not something that can always be relied upon.

Linda Mongones Moderator for Ward 1 was the next speaker. Ms. Mangones stated she has been a Moderator since 1997 and worked at elections where hand counting was done. Ms. Mangones stated it was difficult to explain the element of exhaustion election workers experience. For a Moderator and Clerk the day starts at 7 am. She indicated her predecessor left the job because of the long hours when their day ended around 2:30 am. Having worked with both systems, Ms. Mangones stated she has more confidence in the optical scanning and any future change has to take into consideration a presidential election.

Ms. Mangones stated hand counting is a true art but it is a lost art in Keene. She added that she would give the system currently in place an "A." She stated any aid it exercise

should not include election officials or be done on election night. Even if this process is done by someone else on election night, the Moderator cannot go home because they are the ones who are in charge of this process.

She further stated that when polling stops at 7 pm, this is when election officials' work begins and she doesn't recall anyone getting to City Hall before 10 pm on a presidential election night. In 2004, which was one of the worst election years, staff did not end their day until about 2:30 am and at that time election official asked the Council for some relief for certain functions. The City at that time decided to go to one ballot elections when it was three prior to that time. She added Representative Weed also introduced a change to absentee balloting which also made a big difference and they also asked and received a change to write-in votes which has since been taken back by the Attorney General's office which is very unsupportive of election officials, unlike our own Council and Clerk's office who could not be more supportive. She went on to say she as well as many other election officials would not serve if another hour of work is added to the current workload.

Councilor Roberts asked the City Clerk for the difference in the number of votes, when there was a recount for example for the County Sheriff. Ms. Little stated it is usually a very small number. The Councilor clarified that anyone could ask for a recount as long as they are willing to pay for it. Ms. Little stated she was not familiar enough with that Statute to comment. Ms. Mangones explained with respect to the recount, the machine counts the middle of the "circle". There are some voters who do not have the eye hand coordination to hit the middle of that circle. At times their ballot will not go through and at times election officials can catch the error. When there is a recount, a person might go up by a few votes as hand counting catches those intentions.

Mr. David Crawford of 37 Marlboro Street asked about the different modes of counting during the mock elections. Ms. Little stated when she has done her pre-election in a "test mode" and when everything is reconciled, she indicates "ok" for election, and that changes the mode to "election mode."

Mr. Sevene noted that recounts are done out of the chain of custody. Ms. Little stated recounts are picked up by a state trooper as directed by the Secretary of State's office and are taken to Concord, but she could not comment on the process after that.

Representative Weed stated a lot of the concern about the election comes from the chain of custody. As a re-counter and as a person who has watched the process that happens with the Secretary of State, it is a very safe process but if people don't have confidence it needs to be addressed and he felt this is an easy step. He recommended a pilot study even if it meant going against the state to do so.

Chair Greenwald agreed this would be a good thing but there are details that need to be worked out. He added as the attorney has stated, the issue with home rule needs to be worked out.



Councilor Roberts noted there are two types of recounts; the first is one that could be initiated by voters which is paid entirely by the state or the county. The second is one initiated by the candidate which is paid by the candidate and if the candidate wins then that money is reimbursed.

Councilor Filiault stated he agrees with what has been said but felt the only time the Council has made major mistakes is when it went against the advice of the City Attorney's opinion and he noted he was not willing to do that tonight.

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

On 5-0 vote, the Finance, Organization and Personnel Committee accepted the communication requesting a hand count audit of ballots be accepted as informational.

**4. MEMORANDUM: Airport Director - Grant Offer - Snow Removal Equipment Acquisition**

Airport Director Ed Mattern stated in working with the Department of Transportation as well as the Federal Aviation Association the City has been fortunate enough to work on a project that resulted in a grant offer for the replacement of the airport's rotary snow plow. This piece of equipment maintains the safe operation at the airport and accommodates aircraft during inclement weather.

This would replace a piece of equipment the airport has had for 23 years which has gone through a lot of wear and tear and is becoming difficult to find parts for. Since submitting the memo, the airport has received the grant offer.

Councilor Clark noted in the CIP in FY16 there is \$722,000 allocated for this purchase but the grant is for \$512,000 and asked why the difference was. Mr. Mattern stated the CIP projects are based on estimates and it is usually estimated higher. He added based on the current use they have been able to handle a smaller piece of equipment.

Councilor Powers asked what the department is planning on doing with the existing machine. Mr. Mattern stated it will take the vendor 280 days to build the new one so the existing equipment will need to be used for another year and at that time it will be evaluated as to whether it should be kept as a backup or be put out for bid. The revenue generated from the sale will need to be returned to use at the airport; this is the condition of the grant.

Councilor Roberts noted even at this lower price the City's portion is \$7,000. Mr. Mattern agreed because the project is funded as 90% federal grant, 5% state and 5% local match.

Councilor Roberts made the following motion which was seconded by Councilor Filiault.

On 5-0 vote, the Finance, Organization and Personnel Committee recommend the City Manager be authorized to do all things necessary to accept and expend grant offers from

the Federal Aviation Administration and the New Hampshire Department of Transportation, Bureau of Aeronautics, in the amount of \$512,838.80 and \$28,490.60, respectively, for acquisition of snow removal equipment for use at the Dillant-Hopkins Airport. The balance of the project cost of \$28,490.60 would be the responsibility of the City.

**5. MEMORANDUM: Airport Director - Grant Offer - Phase 2  
Environmental Assessment - Runway 20 Obstruction Removal Project**

Mr. Mattern stated the airport has been working on the runway 20 obstruction removal project for a while. There have also been environmental impact assessments conducted to figure out the impact the project would have on the area and as part of the assessment there was a public comment period. A significant amount of comments were received. Those public comments were categorized into four basic areas and staff made the argument to the FAA that those areas need to be studied in more depth.

This is an actual grant offer not an anticipated one. Mr. Mattern stated the Airport Advisory Commission (AAC) discussed this grant offer as well as the snow removal equipment and has recommended acceptance. The grant is funded at 90% federal grant, 5% state and 5% local match.

Councilor Clark asked whether this item is different to what is included in the CIP for FY16/17. Mr. Mattern stated when an environmental assessment is conducted it is not anticipated there will be a second phase but an environmental impact statement might be required – this is what occurred in this case. This was not contemplated in the creation of the CIP. The projects in the CIP are included with the anticipation that the project is going to move forward so that staff can estimate the next step of the project which is the acquisition of navigation easements. In the upcoming CIP project all of these components will be included in it.

Councilor Clark asked where the \$6,400 of city cost will come from. Mr. Mattern stated the money could possibly come from the easement acquisition funding. Councilor Clark noted the \$6,400 being added into the budget is not included in the budget. Mr. Mattern stated the description can be changed.

Councilor Roberts noted \$6,400 falls within the City Manager's discretion and he could possibly find this money. The Finance Director agreed the department could come up with the source for this funding and there will be no need to come back before the Council for approval.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary to accept and expend grant offers from the Federal Aviation Administration and the New Hampshire Department of

Transportation, Bureau of Aeronautics, in the amount of \$115,200 and \$6,400, respectively, for Phase 2 Environmental Assessment related to the Runway 20 Obstruction Removal Project at the Dillant-Hopkins Airport. The balance of the project cost of \$6,400 is the responsibility of the City.

**6. MEMORANDUM: Airport Director - Request to Sublease - Jason Horne**

The next item from the Airport Director was in reference to a sublease. Mr. Mattern stated the city has several privately owned hangars on land the city leases at the airport. One of those hangars is owned by Jason Horne who is in the process of doing flight training and he is looking for an aircraft to purchase. During that time, he is looking for authorization to sublet his hangar. The AAC has recommended granting this request.

Chair Greenwald clarified this hangar has to be used for aircraft. Mr. Mattern stated non-aviation use will require the approval of the state. Councilor Roberts clarified the aircraft which is going to be located in this hangar is at the airport at this time. Mr. Mattern answered in the affirmative. The Councilor clarified when Mr. Horne acquires his aircraft that the city will receive a portion of the registration fees. Mr. Mattern agreed it will be 25%.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommend that the City Council authorize a sublease of the Jason Horne hangar at the Keene Dillant Hopkins Airport.

**7. MEMORANDUM: Airport Director - Expansion of Tax Increment Financing District**

Mr. Mattern stated the City is in the process of updating the Airport Master Plan and there is a visioning process attached to this. As part of the visioning what is also being looked at is to make it more economical and feasible for development to occur at the airport. To that end having a tax increment financing district was discussed where the additional income generate by development could be used to buy down the cost of infrastructure.

Because the airport is located in the Town of Swanzey, Keene would need to partner with the Town of Swanzey. Swanzey does have a TIF District encompassing a portion of the airport but this area is not suitable for development. This item is to request authorization to request the Town of Swanzey to expand the TIF District. He added this would be a beneficial situation for everyone.

Councilor Clark stated his concern is the location of this footprint and as a result development be permitted to border residential areas. He noted at the present time trees

are being cut between the airport and residential areas and now if a TIF District is added it could move the line close to neighborhood.

Mr. Mattern stated areas have already been identified away from the area the Councilor is referring to. He further stated the area also needs to be in compliance with FAA requirements in terms of setback distances from the runway and he doesn't expect it would be any different from the development areas identified in the master plan. The Councilor asked whether the City of Keene will have any say in this. Mr. Mattern stated he wasn't sure. He added the goal is to make it as cost effective as possible to develop at the airport even for non-aviation purposes. The City Planner is involved in the creation of the master plan and airport staff is hoping for a lot of guidance from his background. Councilor Clark asked that a message be conveyed indicating Keene doesn't want to see encroachment upon neighborhoods.

Councilor Powers clarified what is being discussed is to include some of the City land into the Swanzey TIF District for the economic benefit that comes with that. Mr. Mattern answered in the affirmative. The Councilor asked whether Mr. Mattern has had a discussion with Swanzey Selectmen. Mr. Mattern stated he has already talked to the Town Manager and others who are in support of the concept.

Chair Greenwald asked whether there was any update on the restaurant. Mr. Mattern stated they are negotiating with an individual and something should be coming forward in the near future. Mr. Mattern added they are also negotiating with Monadnock Aviation for the Green River hangar.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommend that the City Council authorize City Staff to develop and submit a request that the Town of Swanzey to expand its Tax Increment Financing District to incorporate appropriate portions of the Dillant Hopkins Airport.

The Councilor asked whether the Council has the authority to go directly to staff which usually is not the case; the Manager is usually the one who undertakes this task. Attorney Mullins stated city staff also includes the City Manager. Councilor Powers noted the Manager did sign the Memorandum.

**8. MEMORANDUM: Public Works Director - Airport Road Culvert Repair Construction Change Order**

Public Works Director Kurt Blomquist stated this item is in reference to a change order for a CIP project which has been approved. There are twin corrugated metal pipes on the airport road. These culverts move water from the east side of the airport to the west side. These pipes were installed about 30 years ago. He stated corrugated metal pipes do well but have the tendency to deteriorate due to water flow. One of the challenges is the city's sewer force main which runs over these twin culverts.

The process identified to replace these pipes is known as the slip lining process where a high density material is inserted into the pipe. The City Engineer originally identified these as 42-inch pipes. After the construction contract was awarded as the contractor was reviewing the pipes and preparing to order the slip liner it was determined that as you move through the pipes they were not truly round but was elliptical in shape. It has been determined that a 34" by 48.5 oval shape slip liner will fit through the entire length of the pipe and provides the same hydraulic capacity as the original proposed design. There is an increase in manufacturing and installation cost for an elliptical shape liner. The total increased cost is \$16,164.

Mr. Blomquist stated the original contract was \$78,850. The City Manager has authority to issue change orders up to 10% of the original contract value. This change order exceeds the City Managers authority. There project balance is \$130,000 and even with the change order brings it to \$94,000 which is well within the project balance.

Chair Filiault made the following motion which was seconded by Councilor Roberts.

On 5-0 vote, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary to negotiate and execute a construction change order with Ted Berry Company for an amount not to exceed \$16,164 for the Airport Road Culvert Repair Project.

**9. MEMORANDUM: Assistant Public Works Director - Construction Services Contract - WWTP Dewatering Project**

Asst. Public Works Director Donna Hanscom stated she was before the Committee to talk about phase 2 of the upgrade to the wastewater treatment plant for replacing the dewatering equipment. She stated the Council approved the City Manager to enter into contract with Wright Pierce Engineers.

The next phase is the engineering oversight contract. What is done for this portion of the work is to administer the bidding, prepare bidding documents, prepare shop drawing and construction drawings, review contracts from the contractor, provide a residence engineer to be on site for one to two days a week during the 14 months. Ms. Hanscom indicated Wright Pierce Engineers have done a good job for the City and staff recommends awarding them the contract. They have provided a not to exceed amount of \$301,600 for the scope of this project which is about 11% of the project cost which is currently estimated at 2.63 million dollars.

Councilor Powers stated he would like to have seen a more definite number of hours for the on-site engineer. Ms. Hanscom stated the number of hours is outlined in the contract but staff has left it up to Wright Pierce to administer that with the understanding they will be on site more toward the end of the project.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommend the City Manager be authorized to do all things necessary to negotiate and execute a construction services contract with Wright Pierce Engineers for the WWTP solids dewatering systems replacement project at a cost not to exceed \$301,600.

**10. PRESENTATION: Public Works Director - Bid Process**

Mr. Blomquist stated this item came out of a request from Councilor Richards regarding project implementation process. Mr. Blomquist stated he would like to thank Jeff Titus Purchasing Agent, Carlotta Pini Contract Manager, Yves Gakunde Purchasing Administrative Assistance and Jim Donison the former City Engineer who put together some projects ranging between the periods of 2009 – 2015. He indicated they looked at projects valued at \$50,000 or more.

Mr. Blomquist explained that projects are developed as part of the CIP, or as part of the operating budget if the project does not exceed \$20,000. Project scope typically begins in May/June of each year and goes through the summer. Council review happens January – March with final approval taking place in late March.

Some of the things that influence the bid process are the method of design; city design team or outside consultants as well as scheduling.

Between the period of 2009 – 2014 there were 69 contracts:  
Airport 8 contracts - 9.74 million  
Building 9 contracts - 3.29 million  
Infrastructure 53 contracts - 38.2 million for a total of 51.23 million.

This averages out to be about 6-5 projects per year.

The next question is the number of bidders. From 2009 – 2014, the median number was around 3 which is typical for this region.

Projects advertised per month. During this five year period 42% were advertised between January through April with heavy bidding times being March – May (3 bidders) January – February (2 bidders), July – August (3 bidders)

Looking at contracts based on dollar value.  
\$50,000 - \$100,000 – February – March, median number of bidders 2  
\$100,000 - \$500,000 – March – April, median number of bidders 4  
\$500,000 – 1,000,000 - February – March, median number of bidders 8  
1,000,000 – 2,000,000 plus – May – July - median number of bidders 6

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Contractors for this five year period was about 72 different contractors who bid on projects. Top five were:

Lane Construction, Cheshire CT, a plant in Walpole, NH  
Frank Lucius Construction, Surry, NH  
SUR Construction West , Winchester, NH  
Park Construction, Fitzwilliam, NH

Mr. Blomquist stated he has been asked why contractors from Concord are not bidding on Keene's projects. This is because the City is about an hour or so away and they have to pay for their crews for travel time. There are some who come from Western Massachusetts and Vermont. He noted in his 22 years, this was the first time three projects did not receive any bidders and had to be rebid. The reasons vendors gave is the number of projects the City released at one time which caused bonding issues for some of the vendors.

This concluded Mr. Blomquist's presentation.

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

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

The meeting adjourned at 8:15 PM.

Respectfully submitted by,  
Krishni Pahl, Minute Taker