

A regular meeting of the Keene City Council was held Thursday, January 18, 2018. The Honorable Mayor Kendall W. Lane called the meeting to order at 7:00 PM. Roll called: Carl B. Jacobs, Janis O. Manwaring, Thomas F. Powers, Randy L. Filiault, Bartolmiej K. Sapeta, Margaret M. Rice, Robert B. Sutherland, George S. Hansel, Gary P. Lamoureux, Bettina A. Chadbourne, Stephen L. Hooper, Philip M. Jones and Mitchell H. Greenwald were present. Councilors Terry M. Clark and David C. Richards were absent. Councilor Powers led the Pledge of Allegiance. A motion by Councilor Greenwald to accept the minutes from the December 21, 2017 regular meeting and the January 1, 2018 inauguration was duly seconded. The motion passed with a unanimous vote in favor.

ANNOUNCEMENTS

The Chair announced the FY 2019-2024 Capital Improvement Program books were on the councilors' desks. The Chair referred the CIP to the Planning Board and the Finance, Organization and Personnel Committee. He set the public hearing for March 1, 2018 at 7:00 PM. The Mayor noted changes to the review schedule. The CIP presentation is scheduled for Saturday, January 27, 2018 from 8:30 AM to 11:30 AM at the Michael EJ Blastos Community Room. The FOP Committee's review will be delayed to allow the City Manager to return from vacation. The FOP will start its CIP review on February 8, 2018 and will continue on February 22, 2018, both meetings will start at 5:30 PM.. The FOP meeting of January 25, 2018 has returned to its normal 6:30 PM meeting time.

PUBLIC HEARING – COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION – MONADNOCK FOOD CO-OP

Mayor Lane stated before opening the public hearing on the CDBG grant application for the Monadnock Food Co-op, he would like to go over the process that they will be following this evening. The City Council previously held a public hearing on this CDBG grant application on December 7, 2017 and adopted the Resolution on the CDBG application. Subsequent to that vote, the Community Development Financing Authority identified a need for clarification on the construction costs associated with the application. At the Council meeting on December 21, 2017, the Resolution was reconsidered and amended to clarify the construction costs. The Resolution was then tabled until this evening to be considered after the public hearing has closed. The Mayor continued that the Community Development Financing Authority has very specific protocols on how these public hearings are handled. Accordingly, this hearing will be handled differently than what we are typically accustomed to. The hearing notice identifies three separate components: the actual CDBG application; the Housing and Community Development Plan; and, the Residential Anti-displacement and Relocation Assistance Plan. The Mayor noted he will be opening and closing each of these three segments separately. The Mayor noted that upon closing the final hearing, he will be calling from the table Resolution R-2017-38-A and looking for a suspension of the Rules of Order to allow action upon the Resolution this evening.

The Mayor opened the first public hearing to address the proposed Community Development Block Grant application at 7:05 PM. The Notice of Hearing and Certificate of Publication were read. The Mayor went on to recognize Rebeckah Bullock from Southwest Region Planning Commission to address the grant request.

Ms. Bullock identified herself as the Community Development Specialist with Southwest Regional Planning Commission. She began with a brief overview of the CDBG program, followed by the specifics of this application. She continued that CDBG funds are available to municipalities for economic development, public facility and housing rehabilitation projects that primarily benefit low and moderate income persons. The City of Keene is eligible to receive up to \$500,000 per year for public facility or housing rehabilitation projects; up to \$500,000 per year for economic development projects; as well as up to \$500,000 per year in emergency funding. Feasibility study funding is also available for up to \$12,000. Ms. Bullock continued she has provided a handout describing the CDBG eligibility criteria which includes the area HUD income limits.

Ms. Bullock continued that the proposed application to Community Development Finance Authority is for up to \$500,000 in CDBG funds. The CDBG would be sub-granted to Monadnock Economic Development Corporation which would use the funds to pay for construction and expansion of the building that MEDC owns and leases to the Monadnock Food Co-op. She continued this expansion will create up to 25 new jobs. The total project is anticipated to exceed \$2 million of new investment in downtown Keene. Ms. Bullock went on to state that here this evening are Jack Dugan from MEDC and Michael Faber from the Monadnock Food Co-op to answer any questions and provide further details on the project.

The Mayor asked Jack Dugan and Michael Faber to come forward. Mr. Dugan began by thanking the Council for rehearing this request, noting that they actually did submit the block grant application before the end of the calendar year and therefor will be able to take advantage of 2017 block grant funds remaining in the pool for this particular project. When they submitted the application, CDFA informed them that it would be preferable that they use the block grant funds for construction of the building rather than to acquire property. Because the CDFA gave them very late notice of this, the application was accepted as a 2017 application, pending the Council holding a rehearing and approving the amended Resolution. Mr. Dugan continued this is the same project as was approved by the City Council in December, with the same size expansion, the same public benefit and the same job creation. The only change is how the block grant funds will be utilized.

Mayor Lane added the one thing that is different this time is that they have gained Planning Board approval. Mr. Dugan agreed, and noted they have attained also obtained the Historic District Commission approval.

The Mayor opened the floor to public comments and questions about the proposed CDBG project. There being none, he closed the public hearing for the proposed Community Development Block Grant application at 7:13 PM.

The Mayor opened the second public hearing for discussion of the Housing and Community Development Plan at 7:13 PM. He went on to recognize Rebeckah Bullock for comment.

Ms. Bullock explained that the Housing and Community Development was last adopted by the City of Keene on December 1, 2016 and is required to be reviewed and be readopted every three

years to qualify for CDBG funds. At this time no changes have been made to the plan. They hope to revise and update the plan during the next three years prior to its next adoption. The proposed CDBG project conforms to the City of Keene's Housing and Community Development Plan's goal to have a strong local food based sector of our economy that connects local farms to businesses and to the community in various ways such as through a food co-op and farmers market.

The Mayor opened the floor to public comments and questions about the proposed Housing and Community Development Plan. There being none, the Mayor closed the public hearing for the Housing and Community Development Plan at 7:15 PM.

The Mayor opened the third public hearing for discussion of the Residential Anti-displacement and Relocation Assistance Plan at 7:16 PM and recognized Rebeckah Bullock to address the Council.

Ms. Bullock stated if any displacement takes place as a result of the proposed CDBG project, the Uniform Relocation Act must be followed, which requires that any displaced household or business in a project using Federal funds must be found comparable housing or commercial space in a comparable neighborhood and at a comparable price. Under the certification section of the application for CDBG funds, the applicant must certify that the Residential Anti-displacement and Relocation Assistance Plan is in place and in the event it is discovered this specific project does displace persons or households, the Residential Anti-displacement and Relocation Assistance Plan must be submitted to CDFA prior to obligating or expending funds. At this time displacement is not anticipated for the proposed project.

The Mayor opened the floor to public comments and questions about the Residential Anti-displacement and Relocation Assistance Plan. There being none, the Mayor closed the public hearing for the Anti-displacement and Relocation Assistance Plan at 7:18 PM.

A true record, attest:

City Clerk

**RESOLUTION R-2017-38-A: RELATING TO AN APPLICATION FOR CDBG FUNDS –
MONADNOCK FOOD CO-OP EXPANSION PROJECT**

The Mayor pulled from the table Resolution R-2017-38-A. A motion by Councilor Greenwald to suspend Section 28 of the Rules of Order, which restricts the City Council from considering a matter the same day as the hearing was duly seconded. On a roll call vote, with 13 Councilors present and voting in favor, the Rules of Order were declared suspended. Councilors Clark and Richards were absent. Resolution R-2017-38-A was read for the first time. A motion by Councilor Greenwald for adoption of the Resolution was duly seconded. The motion passed with a unanimous vote in favor. Resolution R-2017-38-A declared adopted.

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PUBLIC HEARING – RELATING TO THE ACCEPTANCE OF FUNDS FROM THE STATE OF NEW HAMPSHIRE FOR LOCAL HIGHWAY AID

The Mayor opened the public hearing to address the proposed Community Development Block Grant application at 7:19 PM. The Notice of Hearing and Certificate of Publication were read. The Mayor went on to recognize Finance Director Steve Thornton to address the grant request.

Mr. Thornton stated that last summer the State of NH authorized through Senate Bill 38 the disbursement of \$30 million dollars of additional highway block grant funds to communities throughout the State. The City of Keene was awarded \$417,356.69. He continued last October the Public Works Department made a presentation to the City Council with a plan for the use of those funds; however, under the enabling legislation the City was required to have a resolution and a public hearing for the acceptance of those funds.

The Mayor opened the floor to public comments and questions about the acceptance of these funds from the State of NH. There being none, the Mayor closed the public hearing at 7:24 PM.

A true record, attest:

City Clerk

PRESENTATION – CAPITAL IMPROVEMENT PROGRAM INTRODUCTION

The Mayor recognized Finance Director Steve Thornton who stated this evening he will present this year's CIP document and walk through the contents of the document. He continued he would also provide some information regarding exhibits included in the document as well as some financial information. He noted he would also briefly go over any new projects. He went on to explain that in general terms the focus of the CIP is planning for the future of the City. the City staff and City Manager develop and propose a mix of projects at a funding level acceptable to the community that seeks to balance and accommodate divergent and disparate priorities, and which also advances the community vision of a safe and healthy place to live, work and do business. In attempting to do that, City staff adheres to the Community Master Plan, Fiscal Policies and other Council Policies, as well as stated Council goals and objectives, community and resident input. Finally, the plan relies on City staff who are knowledgeable in the infrastructure and systems of the City.

At this point, Mr. Thornton spoke about long term fiscal measures the City pays attention to as they develop the budget and CIP. The first one deals with containing the general fund debt service and current revenue capital outlay appropriations on a five year average at or less than 15% of the general fund operating budget. They exceeded that percentage for a while, but have been chipping away at it over time. He went on to go over the impacts that have required the City to go beyond the 15%, such as the reduction in State funding which skewed the City's numbers. He also provided projections for the next 10 years demonstrating that the City will be within and a bit below the 15% threshold during that time given the information available today.

Mr. Thornton went on to discuss some future initiatives or projects that are on the City's radar and may have been in previous CIP's, but are not included this year. He provided details on

where those projects currently stand. Projects discussed included the feasibility study of the Senior Center moving to the Recreation Department facility, the proposed Gilbo Avenue parking structure, storm water management utility, etc.

He went on to orient the City Council and the public to the layout of the CIP document. He also provided details regarding financial information across the CIP that have been provided in a graphical format. He commented some new charts and tables are included that are meant to provide greater detail on some of the large projects that are planned. He specifically mentioned the Downtown Rehabilitation Project, the Victoria Street Extension Project, the State Bypass Project, two bridge replacements and improvements to Marlboro Street. There is a great deal of information on these projects and this will be covered before the Finance Committee during the CIP review meetings.

Mr. Thornton continued by going over new projects that have never been in the CIP before. Some of the projects include the airport beacon replacement proposed to be funded in FY 20, airport perimeter fence to be funded in FY 21, voting booth replacements to be funded in FY 20, business financial software needs analysis in FY 23, breathing apparatus replacement in the Fire Department in FY 24, telephone system replacement in FY 23, a Comprehensive Master Plan update in FY 23 and 24, and municipal parks improvements to be funded at a set level on an annual basis, among others. He provided some additional details on certain new projects coming forward, noting that they would be reviewed thoroughly before the Finance Committee during the CIP review meetings.

Mr. Thornton stated that in the general fund the bulk of the programming includes: streets, bridges, sidewalks, transportation, airport projects, as well as storm and flood water management. He went over some information about how these programs are funded. For the transportation projects 30% are funded with grants, another 52.5% are funded from bonds. For flood and storm water management, about 72.5% comes from bonds and the rest is funded through current revenues. For airport projects, 95% are funded by state and federal grants.

Mr. Thornton went on to go section by section through the proposed CIP. He talked about the potential impact on property taxes and user fees. He explained how historical trends and known factors impact the projections. Mr. Thornton noted they have been lucky to have a relatively stable economy over the last few years. Inflation has been low, and borrowing costs have been at historic lows as well. The costs of petroleum products have also come down. These savings in energy costs filter through our operation.. The base bid unit prices were recently reviewed and updated by the City Engineer and the costs have remained steady with little increase. Our health inflation cost for the period from FY 14 through 16 has been less than 4%.

Mr. Thornton continued he spoke to Bill Fazioli, the City's Financial Advisor with PFM, and his opinion is that after a period of stability and predictability they are entering a period of higher volatility that may or may not have an impact. Things in the national economy such as the CPI can impact the City's bonding power. The inflation rate is higher at the moment than it has been since 2011. Health insurance costs are expected to rise as well. There can also be volatility in the petroleum market. Regional factors like state budgetary actions that pass costs on to local municipalities also have an impact. Water and sewer consumption around the country is

decreasing because people are getting more energy efficient appliances, and so that is expected to decline as well.

Mr. Thornton stated the first year of the CIP includes a 2% increase in property tax dollars, and a 3.09% change in combined utility bill for water and sewer. The projections also include a 10% increase in parking rates through 2019, a 3.5% increase in equipment fund internal service charges (down about 1% from what it has been for many years), and a \$3.00 tipping fee per ton change for solid waste.

Mr. Thornton went on to discuss the projected impact on outstanding debt. He explained there are charts provided to show the City's outstanding debt and how it will decline between the current year and FY 24. He also noted there is a new appendix in the CIP providing debt service details.

Mr. Thornton spoke about the financial detail for all funds and noted the CIP presents General Fund projections including last year's actuals, this year's budget and six years of projected budgets as well as capital programs, debt service and property tax impact. A list of general fund projects is included for each year of the six years of the program. An annual list of proposed projects by funding source is also included. There is a debt service schedule for all projects through the life of the CIP. He noted where certain funds are located in the book. He spoke a bit about capital reserves, using the ambulance fund as an example to go over how this information is presented and where funding for each capital reserve comes from. Project requests detailed in the CIP will be reviewed in detail at a later time. He ended his walkthrough of the CIP document by going over the various appendices and what is included in them.

CONFIRMATIONS

A motion was made by Councilor Greenwald and duly seconded to confirm the following nominations: Jake Pipp to serve as an alternate member on the Cities for Climate Protection with a term to expire December 31, 2020; Kenneth Bergman to serve as an alternate member on the Conservation Commission with a term to expire December 31, 2018; Councilor Gary Lamoureux to serve as a regular member on the Partner City Committee with a term to expire December 31, 2019; Frank Richter to serve as a regular member on the Partner City Committee with a term to expire December 31, 2020. On a roll call vote, with 13 Councilors present and voting in favor the motion carried. Councilors Clark and Richards were absent.

NOMINATION

The following nomination was received from the Mayor: Drew Bryenton to serve as a regular member of Bicycle/Pedestrian Path Advisory Committee with a term to expire December 31, 2020. The nomination was tabled until the next regular meeting.

**COMMUNICATION – MINDY CAMBIAR – HUNDRED NIGHTS, INC. –
LODGINGHOUSE LICENSE REQUEST**

A communication was received from Mindy Cambiar, of behalf of Hundred Nights, requesting a renewal of their lodging house license. The communication was referred to the Planning, Licenses and Development Committee.

**COMMUNICATION – UNITED CHURCH OF CHRIST IN KEENE – OVERFLOW FROM
THE HUNDRED NIGHTS SHELTER – LODGINGHOUSE LICENSE REQUEST**

A communication was received from The Reverend Cynthia E. Bagley and Kathy Blair, United Church of Christ in Keene, requesting a renewal of their lodging house license for overflow from the Hundred Nights Shelter. The communication was referred to the Planning, Licenses and Development Committee.

**COMMUNICATION – PATHWAYS FOR KEENE – REQUEST TO USE CITY PROPERTY –
4 ON THE 4TH**

A communication was received from Janis Manwaring, Pathways for Keene, requesting a license to hold the 17th Annual 4 on the 4th Road Race on July 4, 2018 from 6 AM to 11 AM. The communication was referred to the Planning, Licenses and Development Committee.

**COMMUNICATION – MONADNOCK TRAVEL COUNCIL – REQUEST TO USE CITY
PROPERTY – KEENE ICE & SNOW FESTIVAL**

A communication was received from Jim Narkiewicz, Monadnock Travel Council, requesting a license to hold the 16th Annual Keene Ice and Snow Festival to be held on February 3, 2018. The communication was referred to the Planning, Licenses and Development Committee.

**COMMUNICATION – COUNCILORS GREENWALD AND RICHARDS – CIP
ADJUSTMENTS DUE TO RECEIPT OF STATE OF NEW HAMPSHIRE GRANT FUNDS**

A communication was received from Councilors Greenwald and Richards, recommending adjustments to the CIP program to recognize the State of New Hampshire grant funds received. The communication was referred to the Finance, Organization and Personnel Committee.

**COMMUNICATION – COUNCILOR GREENWALD – SEVERAL ISSUES CONCERNING
THE OPIATE EPIDEMIC**

A communication was received from Councilor Greenwald, requesting a presentation be made on the impact of the opiate epidemic on City services and crime statistics. In addition, the Councilor is inquiring whether Keene should join the cities of Manchester and Nashua in their litigation efforts against drug manufacturers. The communication was referred to staff to prepare a report.

MSFI REPORT – TRIMMING AND REMOVAL OF TREES AND BRUSH ALONG SCENIC ROADS – EVERSOURCE ENERGY

Municipal Services, Facilities and Infrastructure Committee report read recommending the report from the Conservation Commission be accepted as informational and the City Council authorize Eversource Energy to perform all tree trimming services on requested scenic roads, subject to the following conditions: that the 24” oak tree near line 101 from pole 13 on Chapman Road be removed from the list of trees slated for removal; that Eversource Energy make landowners aware of the option for leaving topped dead or diseased trees for purposes of supporting wildlife habitat; and, subject to the tree removal being coordinated with the Public Works Department. A motion by Councilor Manwaring to accept the intent of the report was duly seconded. The motion passed with a unanimous vote in favor.

MSFI REPORT – VICKY MORTON – SAFETY CONCERNS WITH CITY INFRASTRUCTURE

Municipal Services, Facilities and Infrastructure Committee report read recommending acceptance of this item as informational. The Chair filed the report into the record as informational.

MSFI REPORT – DEPARTMENTAL PRESENTATION – REMOTE WATER SYSTEMS MONITORING

Municipal Services, Facilities and Infrastructure Committee report read recommending acceptance of this item as informational. The Chair filed the report into the record as informational.

PLD REPORT – VICKI BACON, BODY & SOUL ROAD RUNNERS – REQUEST TO USE CITY PROPERTY – RED CAP RUN

Planning, Licenses and Development Committee report read recommending that Body & Soul Road Runners be granted permission to sponsor a running race on February 10, 2018, subject to the customary licensing requirements of the City Council. In addition, the Police Department shall identify Railroad Street from Main Street to Community Way as a No Parking zone from the hours of 6:00 AM to 11:00 AM. This license is conditional upon the petitioners providing ten volunteer race marshals, and subject to any recommendations of City staff. A motion by Councilor Hansel to carry out the intent of the report was duly seconded. The motion passed with a unanimous vote in favor.

PLD REPORT – COUNCILORS FILIAULT AND CLARK – RECOMMENDING THE CITY TAKE A POSITION ON NET NEUTRALITY RULES

Planning, Licenses and Development Committee report read recommending the Mayor write a letter to the New Hampshire Congressional Delegation regarding the Net Neutrality position taken by the FCC. A motion by Councilor Hansel to carry out the intent of the report was duly seconded. On showing of hands, 13 Councilors were present, 10 voted in favor and three

opposed, the motion carried. Councilors Powers, Sutherland and Hansel voted in opposition. Councilors Clark and Richards were absent.

PLD REPORT – MAYOR LANE – PROPOSED AMENDMENTS TO THE CITY COUNCIL RULES OF ORDER

Planning, Licenses and Development Committee report read recommending the adoption of the proposed amendments to the City Council Rules of Order as presented. A motion by Councilor Hansel to carry out the intent of the report was duly seconded. On roll call, 13 Councilors were present and unanimously voted in favor. Councilors Clark and Richards were absent.

PLD REPORT – LEGISLATIVE UPDATE

Planning, Licenses and Development Committee report read recommending acceptance of this item as informational. The Chair filed the report into the record as informational.

CITY MANAGER COMMENTS

The Assistant City Manager commented about the recent events from the weekend regarding weather. On Saturday, due to a combination of snow melt and approximate 2 inches of rainfall the Branch River overflowed its banks on the lower main street area, including the back lots of Keene Auto Body, Keene Monument and Davis Oil. The back water flooding impacted 2 residential properties at the end of Boston Place. Though the runoff rain amounts were not a record amount of rainfall, the combination of water, ice and the ice jams that have been created by the thawing resulted in the water ways exceeding their banks in these locations. Fortunately, the Fire Department was able to respond to the impacted property owners and have remained in contact with those folks since the event had taken place. The Assistant City Manager continued with that staff has maintained communications with State Department of Homeland Security and Emergency Management along with the Army Corps. All of them are monitoring the water levels in the rivers. The Army Corp, following flood management protocols, are working to discharge as much water as possible from Surry Mountain and Otter Brook Dam with the goal of keeping the water levels within the banks. Currently, ice in the Branch River along the lower Main Street area where it converges with the Ashuelot near Martel Court seems to be allowing the flow to pass and the built up of ice is south of Martel Court in the Ashuelot River. The ice built up has created some restrictions in the flows, the Army Corps is aware of this situation and considering them in the context of their flood management efforts. People who live in the community in those flood prone areas should be aware that the weather conditions will continue to change. If further warming occurs, snow melts and forecasted rains will be monitored by the agencies. There is no estimated time when the ice will clear the river. The public is encouraged to follow this on the city's website, Facebook postings, as well as Twitter @notifyKeene for local emergency reports. People should also consider logging into the Department of Safety website www.readyNH.gov app of which can be targeted to the area you wish to have alerts.

The Assistant City Manager commented on the Assessing Department held public reviews with property owners over the past weekend. This was a review with the individual owners on the

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new city's parcel maps, which is part of the CIP project approved some years ago. There were a lot of participants from the community in these sessions. They took advantage of the opportunity to look at the maps and also provide the city map drawers with new information. Using that new information, the map drawers are going to make any adjustments and the new maps will be published. The new maps when they are delivered will be on the city's website. Finally, it should be noted that maps are never done, they are always in adjustment. She welcomed any new information to be shared.

The Assistant City Manager announced the feasibility study sessions is coming up on January 22 and 23, 2018. She encourages everyone to attend. The Assistant City Manager went on to Scott Martin and Tom Moran should be commended; they both received their building operator new certifications. These certifications are guarded highly in the State with only a few people having it. The City Manager recognized Mike Hagan, who received the Code Official of the Year award in December.

MORE TIME

More time was granted by the Chair for Gilbo East Parking Lot Improvements – Public Works Department.

ADJOURNMENT FOR LEGAL ADVICE

At 8:28 PM, there being no further business, the Mayor adjourned the meeting for legal advice.

A true record, attest:

City Clerk