

City of Keene
New Hampshire

FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE
MEETING MINUTES

Thursday, April 26, 2018

6:30 PM

Council Chambers

Members Present:

Mitchell H. Greenwald, Chair
Carl B. Jacobs, Vice-Chair
Thomas F. Powers
Terry M. Clark
Bettina A. Chadbourne

Staff Present:

City Manager, Elizabeth Dragon
City Attorney, Thomas Mullins
Public Works Director, Kurt Blomquist
Police Captain, Steve Stewart
Tax Collector, Mary Alther
ACM/HR Director, Beth Fox
Fire Chief, Mark Howard
Finance Director, Steve Thornton
Library Director, Nancy Vincent
City Engineer, Don Lussier

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

1) Acceptance of a Donation - K-9 Program - Police Department

Captain Steve Stewart stated the first donation before the Committee is from Edward and Krishni Pahl in memory of former Police Chief Brian Costa in the amount of \$50 to be used for the department's K-9 Program.

Councilor Clark 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 do all things necessary to accept a \$50 donation to be used for the Keene Police Department K-9 program.

2) Acceptance of a Donation - Police Department

Captain Stewart stated the second donation is from Alisa McDonald also made to the Keene Police Department. He noted there was no reason given for this donation.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept a \$10.00 donation.

3) Acceptance of a Donation - In Memory of Ted Dinkle - Fire Department

Fire Chief Mark Howard stated this \$50 donation is from Audrey Starkey in memory of Ted Dinkle. He indicated the department will send Ms. Starkey a thank you note.

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 do all things necessary to accept a \$50.00 donation.

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

Judith Putnam Co-Chair of the Library Renovation Capital Campaign stated she was before the committee with pledges received between the period of March 14 through April 18, 2018 in the amount of \$322,950.12.

Chair Greenwald noted the campaign has reached its five million dollar goal and commended the effort.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Council accept \$322,950.12 as listed in the Cambridge Trust March 14, 2018 - April 18, 2018 donor list to be deposited into the Library Renovation Temporarily Restricted City Trust as part of the Next Chapter Campaign Drive.

5) Deed Waiver Request for 2014 - Finance Department

Mary Alther Revenue Collector stated staff is asking for the City Manager to be authorized to waive tax deeding for certain properties, listed as an attachment to the memorandum. Ms. Alther noted 471 Elm Street should be crossed off from this list as the taxes have been paid and that 792J Court Street should be added to the list.

Ms. Alther explained the 2014 taxes have not been paid and they were intended to be paid by May 2016 for deeding. Three of these properties are very close to being paid off, two are being recommended to be waived as the City wants to make sure they receive clear titles to these properties. Chair Greenwald stressed the City works very hard with these property owners so they could get caught up as it is not the City's intention for someone to lose their home.

Councilor Jacobs clarified what we are waiving is not the taxes, the City is merely giving these property owners a time extension on the tax deed process. Ms. Alther agreed.

Councilor Clark 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 waive tax deeding for the attached list of properties until November 2, 2018 with the exception of 471 Elm Street, which has been removed from the list and the addition of 792J Court Street.

6) Tax Deeding Request for 2014 Property Taxes - Finance Department

Ms. Alther stated this item is for the City Manager to be authorized to deed the properties as outlined in her memorandum. She stated three of the properties should be paid off by next week but staff has not been successful with the other seven properties. Chair Greenwald stressed the many efforts staff pursues to work with these property owners.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends that the Tax Collector be authorized to deed the attached list of properties for the non-payment of the 2014 property taxes.

7) Sole-Source Contract for Water Main Cleaning and Lining - Public Works Department

City Engineer Don Lussier stated during the CIP discussions staff talked about the water main cleaning and lining program. This agenda item brings that project to fruition. Mr. Lussier explained the kind of work that goes into the cleaning and lining process. He noted what staff has been seeing recently with the water main breaks has to do with a particular type of pipe at its joint.

Last summer staff put together a project to redo a section of the cast iron pipes using a different technique that would address these concerns. This method does address the structural concerns, but it is costly and the bids received were over the amount allocated for the work. Staff has now found an alternative product (curaton pipe) that has been certified as being safe for water distribution systems. Staff has been able to find a contractor who is able to complete the work in a day. Turning on the water at the end of the day for the residences impacted with the work would be accompanied by a temporary boiled water order.

Councilor Chadbourne asked how many homes and businesses will be affected. Mr. Lussier stated he wasn't sure of the number but the streets being affected will be Carpenter Street, a portion of Ellis Court, Kingsbury Street, and Woodbury Street. The Councilor asked what the anticipated date of this work was. Mr. Lussier stated staff does

not have a date yet. He added the funding will come out of the FY17-18 funding. The total amount of work is approximately 3,550 linear feet.

Councilor Chadbourne asked whether staff has a timeline on the bid process. Mr. Lussier stated once the bids are received it takes about 30 days to sort out the contract documents. As part of that process the contractor's schedule is received.

Councilor Jacobs asked whether all 3,550 linear feet will be completed in one day. Mr. Lussier stated the shut off of water for each customer would be one day; the project has to be completed in sections and about 600 feet can be completed in a day. The entire contract will take about three weeks.

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 do all things necessary to execute a sole-source construction contract with Suez Advanced Solutions in an amount not to exceed \$497,997, with funding provided from Cost Center 05063.

8) Construction Change Order - Water Street Rehabilitation - Public Works Department

Mr. Lussier stated staff was before the Committee last year regarding the Water Street project with a recommendation to curtail the scope of the project to fit within the budget.

He continued that last fall the State passed SB38. Staff presented the Committee with recommendations about how to spend that money as well as other unspent money that could be used for different projects. One of the recommendations was to complete work on Water Street by using the contractor which was already mobilized on Water Street to finish the work.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to negotiate and execute a construction change order with Bazin Brothers Trucking, Inc., of Westminster, VT for an amount not to exceed \$110,000.00 for the Water Street Rehabilitation Project.

9) Construction Change Order - 2017 Road Spot Repair Project - Public Works Department

Mr. Lussier stated the City put out a construction contract for roadway spot repairs to address areas that are disjointed and too small to be completed through the road rehabilitation program.

The expectation was that the majority of the budget would be spent for this work. The bid prices came back very attractive which meant there was some left over money for more work to be completed. Staff is requesting to add an additional \$72,000 to the existing contract to get more spot repair work done.

Chair Greenwald asked about the spot repair machine and asked what this is used for. Mr. Lussier stated the Highway Department has a milling machine and it is used for addressing isolated delamination work. It is however, not efficient for large areas. The Chairman also asked about the pavement recycler which is used extensively through the winter.

Councilor Powers asked which streets were going to be addressed with this \$72,000. Mr. Lussier stated it would be for Court Street, 200 feet or so north and south of the roundabout as well as Old Walpole Road. Mr. Lussier noted that staff will be discussing the actual area to be repaired. Chair Greenwald asked about Base Hill Road. Mr. Lussier stated this contract is not the right tool for Base Hill Road; but that staff is aware of the condition of this road and some sort of plan is being discussed.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to negotiate and execute a construction change order with BDM Sweeper Services, Inc. in the amount of \$71,992.

12) Health Insurance Renewal – Human Resources Department Resolution R-2018-16

Assistant City Manager/Human Resources Director Beth Fox stated she was before the committee regarding a new contract for health insurance with a new provider (Health Trust) Anthem Blue Cross and Blue Shield). The second item is for third party administration work related to health reimbursement accounts and flexible spending accounts. The third is to negotiate and execute a contract for COBRA administration and retiree billing services.

Ms. Fox went on to say that a few months ago the City started work with IPG to solicit proposals for its health benefit plans. Seven vendors expressed interest, but in the end only two responded. One being the City's incumbent provider and the other being Health Trust. The City's incumbent provider has been with the City since 2012. They provide benefits through Harvard Pilgrim's network. Health Trust has been providing benefits through the Anthem network for about 25 years. The City did have conversations with a self-funded vendor, but those discussions did not come to fruition.

Staff is recommending Health Trust as their choice to provide this contract as their response was fiscally responsible and their cost would be less compared to the incumbent provider. Health Trust will also provide wellness programs and employee

assistance programs. Staff is looking at whether things like COBRA would be beneficial under this plan, but it seems like this would be purchased through a third party. Ms. Fox thanked the Finance Department for their contributions towards this effort.

Chair Greenwald asked whether this is the same plan the school district is using. Ms. Fox stated it is not the same plan but it is the same vendor (Health Trust). The Chair asked whether it would have been beneficial to go in with the school district as a larger group. Ms. Fox stated there may be some benefit to that but joining multiple government groups into one rating pool would be complicated. This is something the school and city would want to consider carefully. The Chairman encouraged staff to look into this.

Councilor Powers asked how long a contract this is. Ms. Fox stated it is an open ended contract – the City could continue with it as long as the service and premium were acceptable.

Councilor Clark asked how much the City actually gets to negotiate. Ms. Fox stated the underlying package might not be negotiable but there are items the City has control over. Councilor Clark stated he did not want to see another year where the city, county and school district don't negotiate together. He stated he understands there are three different silos, but it is the same tax payer.

The City Manager stated she wanted to recognize Ms. Fox for the great amount of work she has done in a very short period of time. She indicated the issue the City faces is that it gets its rate very late in the budgeting process and then has a very short time to make a decision. There are six union contracts that staff needs to come up with a benefit package for. Ms. Dragon stated staff is always looking at the best rates not only for its employees but also for its residents. She reiterated the amount of work Ms. Fox has put into this effort and the amount of money she has saved the City.

Councilor Powers stated the City is in a group with 35 other municipalities and he wasn't sure how else the City could get a better price.

Councilor Chadbourne commended Ms. Fox for her work as well.

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

On 4-1 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to:

- Negotiate and execute a contract with HealthTrust (using its medical benefits provider, Anthem Blue Cross and Blue Shield) to administer the City's health insurance program and to recommend the adoption of Resolution R-2018- 16

which would provide for the participation in a pooled risk management program under RSA 5-B;

- Negotiate and execute contracts with third-party administrators to be determined to establish the health reimbursement arrangements and flexible spending accounts that will be integrated with the City's health insurance; and
- Negotiate and execute contracts for COBRA administration and retiree billing services.

Councilor Clark voted in opposition.

The meeting adjourned at 7:35 PM.

Respectfully submitted by,
Krishni Pahl, Minute Taker