

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

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

**Thursday, May 28, 2020**

**6:30 PM**

**Remote Meeting via Zoom**

**Members Present:**

Thomas F. Powers, Chair  
Stephen L. Hooper, Vice-Chair  
Terry M. Clark  
Michael J. Remy  
Raleigh C. Ormerod

**Members Not Present:**

**Staff Present:**

Elizabeth A. Dragon, City Manager  
Thomas P. Mullins, City Attorney  
Finance Director, Merri Howe  
Asst. City Manager/Human Resources  
Director Beth Fox  
Public Works Director, Kurt Blomquist  
Parks, Recreation and Facilities Director,  
Andrew Bohannon  
David Hickling, Airport Director

Chair Powers called the meeting to order at 6:30 PM and a roll call vote was taken.

**1) Acceptance of Donation - Human Services**

Finance Director Merri Howe stated the donated money is from Joanne Fenton to be used for Personal & Household items for the clients of City of Keene Human Services.

Councilor Hooper made the following motion, which was seconded by Councilor Clark.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager do all things necessary to accept a donation in the amount of \$100.00.

**2) Gary Boes - Offer of Sale - 0 Old Gilsum Rd**

**3) Proposed Land Acquisition off Old Gilsum Road - Conservation Commission**

**4) Land Acquisition - 0 Old Gilsum Road - Parks, Recreation Facilities Director**

Parks Recreation and Facilities Andrew Bohannon addressed the Committee next and stated the proposed property is off Gilsum Road not visible from the public right of way and is adjacent to city property. The applicant would like the property to remain in conservation. The item has gone before the Conservation Commission where it was approved unanimously.

Mr. Bohannon called the committee's attention to a photo included in the committee packet for its reference.

Councilor Clark asked for explanation of zoning and development possibilities of the other properties along Gilsum Road. Mr. Bohannon stated this is currently a Class VI Road, has no vehicle access to this area, and cannot be developed – they are small wooded lots.

Councilor Hooper made the following motion, which was seconded by Councilor Clark.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends accepting the communication from Gary Boes and the vote of the Conservation Commission as informational and moves to authorize the City Manager to do all things necessary to negotiate and execute the acquisition of property owned by Gary Boes, located on tax map # 218-004-000-000-000 consisting of approximately 0.89 acres in the Greater Goose Pond Forest utilizing the funds from the Land Use Change Tax Fund 90203.

**5) Operating agreement with Monadnock Choppers LLC - Airport Director**

Airport Director David Hickling addressed the Committee and noted Monadnock Choppers is owned and operated by Kevin Provost. This business will provide helicopter flight training which is not a service currently offered at the airport. He noted this addition is in keeping with the Airport Master Plan and the desire of the Airport Marketing and Development Committee to grow business at the airport.

Mr. Hickling noted he is aware of the concerns raised by neighbors with respect to noise and stated he will let Mr. Provost address that issue. He stated there was also talk about bringing in some sort of restrictions with reference to hours of operation and noted there is already an operator who is operating without restriction and noted this could be looked at as being discriminatory under the grants the airport is offered. Mr. Hickling referred to language from Grant Assurance, which calls for the use of the airport for everyone without unjust discrimination and noted the FAA is very strict about providing a level playing field for all businesses. With that, he turned the presentation over to Kevin Provost.

Mr. Kevin Provost stated he is already providing helicopter training and to-date has not received any complaints. He noted he is a resident of Swanzey and plans to maintain the good neighbor status with the residents. He explained unlike with an airplane, a helicopter does not have to follow the route an airplane takes and hence he will be able to avoid residences. He further stated these are small piston helicopters (2 seats) and as far as decibels, they are much quieter.

Councilor Clark indicated the airport in the 1980 operated a helicopter school and asked whether anyone is aware of the circumstance surrounding their departure. Mr. Provost stated he has been working with CR Helicopters in Nashua and is familiar with that school – the reason for their short stay was due to the relationship the school had with its foreign national students, which Mr. Provost stated he does not see happening with his school; the departure of that school had less to do with the flight training operation.

Councilor Ormerod felt there seems to be an issue here where the interest of the residents and the due diligence formed by the city and airport committee are not in alignment. He stated he has had several complaints. He also note Mr. Provost has not had the opportunity to talk with the residents yet, and added the Airport Director does not have the history of where these complaints

are coming from. The Councilor indicated until these issues are addressed he will not be able to vote in favor of this item.

Councilor Hooper stated he echoes what Councilor Ormerod says and felt the issues raised need to be settled in writing – consider the neighbors on Edgewood Avenue as well as accommodating this business. Until those issues are settled, he stated he would not be able to vote on this item tonight.

Councilor Remy stated he was in support of the continued use of the airport. He felt it was an asset to the city, and this type of use is meant for an airport. He stated he wanted to do all he can to mitigate the noise issue and asked what those steps might look like. He noted the airport pre-dates the residences and felt the residences chose to move next to an airport.

Ms. Chris Manning Grey of Edgewood Avenue addressed the committee next and stated noise is an issue during both day and night. She indicated she has spoken with residents who lived through the prior flight school and recalled their windows vibrating. She did not feel a helicopter school was the same as the flight instruction that was currently being offered at the airport. As a result, did not feel placing limitations would be discriminatory. Ms. Manning Grey stated she understands the financial need at the airport but felt noise mitigation was a much larger issue than a financial need.

Ms. Jessica Allen resident of Swanzey stated she is a pilot and has done her research. She referred to the various aircraft that operate out of the airport currently and noted the noise level can be as high as 89 decibels and the helicopters this school will be operating only operate at 76.8 decibels.

Councilor Ormerod stated what he understands from the recent testimony the operating levels of the helicopters are similar to the planes that exist now and should be treated the same, which would align with the FAA Guidelines. He stated he was however, interested in the noise, time and flight issues shared with the public and asked that a public hearing be scheduled, as this is a rather contentious issue.

Chair Powers asked for City Attorney's comment with reference to scheduling a public hearing. Attorney Mullins stated it would be unusual and added there is no statutory requirement to schedule a public hearing for an issue such as this. However, it is up to the Council regarding processes they want to put in place but cautioned the Council when something like this is put in place there is always the question about public notice and how that was acted upon, etc.

Chair Powers stated he understands what people are saying and agreed it is difficult to judge what exactly is going to happen with this use – this is a new business and difficult to quantify. He added this is an operating rights agreement and it is something that is handled administratively once the Manager is authorized to do so.

Ms. Manning Grey stated she understands a hearing is not required but felt many residents would see such a hearing as a sign of good faith. She asked that the city consider the impact of this use on the community.

Councilor Hooper stated he does not see anywhere in the lease a mention that training will happen in unoccupied areas. He asked whether it would be appropriate to add language which indicates the owner of the business will do all he can to avoid occupied areas – without

mandating he do so. Attorney Mullins stated he would like to have a conversation with the Airport Director with reference to the grant obligations. What is being stated is subject to negotiation, how it is memorialized. He noted this operating agreement is drafted under FAA Guidelines as well as under City Code regulations.

The Attorney went on to say the recommendation is for the Manager to negotiate and execute and based on those negotiations he would have to discuss how those items could be memorialized but added he was not in a position to answer those questions at this time.

Councilor Clark thanked Ms. Allen for her analysis of the decibel level and recalled living next to the airport when the prior flight school was in operation and hoped that type of aircraft is not what is being proposed here. Regardless of the distance, the noise permeated through the valley as well as the constant vibration. He felt more information was needed and agreed he wanted the airport and this business to succeed but also wanted to make sure quality of life of the residents are preserved.

The Manager requested that this item be placed on more time giving staff time to look into some of the questions raised tonight. It will also give the neighborhood the opportunity to bring forward their concerns – it does not necessarily have to be in a public hearing setting. She suggested perhaps asking those who logged in tonight to spread the word so they can participate the next time this item is brought before this committee.

Councilor Hooper made the following motion, which was seconded by Councilor Clark.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the Operating Agreement with Monadnock Choppers LLC, be put on more time.

**6) Transfer Funds From ESCO Project and Fire Station Replacement Project to the General Fund - Finance Director**

Finance Director Merri Howe stated this item is in reference to transferring \$4,904.08 from the remaining balance in the ESCO Project along with \$15,095.92 from the Fire Station Replacement Project help fund for new lighting in the budget for the fire station. She noted in keeping with the emissions goal it is time to upgrade the existing lighting to LED lighting. The payback is supposed to be between three to five years.

Councilor Clark noted this fire station building is new and the city has been under the guidance for energy savings since around 2003 and asked how much more of this building is not sustainable and would need to be addressed in the future. The City Manager stated this building is about ten years old and the city has had to address a few issues with this building in the last few years. The Parks and Recreation Director has done a good job moving those projects into the capital plan and creating a more holistic plan for the fire station – this is another item of that plan. There are a few other items for the upcoming budget but beyond that, she was not sure. Councilor Clark stated the city when it is constructing new facilities, needs to be careful about adhering to city policies, particularly those surrounding sustainability.

Chair Powers asked when the ESCO Account is closed out whether the replacement account will also be closed out. Ms. Howe stated there would still be a small balance in that account.

Councilor Hooper made the following motion, which was seconded by Councilor Clark.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the transfer of funds in the amount of four thousand nine hundred four dollars and eight cents (\$4,904.08) from the ESCO Project (90236) and fifteen thousand ninety five dollars and ninety two cents (\$15,095.92) from the Fire Station Replacement Project (90220) to the FY 2021 General Fund Revenue Capital Project Account be referred to the Finance, Organization, and Personnel Committee for their review and recommendation.

**7) Relating to Class Allocation and Salary Schedule Ordinance O-2020-06**

Human Resources Director Beth Fox was the next to address the Committee. Ms. Fox stated she was before the committee regarding class allocations for about 100 positions in the city that are not unionized.

The city has about 300 full and part time employees of which about 2/3<sup>rd</sup>s of part time employees are covered by one of the six collective bargaining unions (fire, police, public works and Keene city employees). This adjustment before the committee is for the non-bargaining group, one of the largest groups of employees. This adjustment aligns with the cost of living adjustment provided by collective bargaining agreements.

Ms. Fox then went over the schedules. The first one pertains to City Code Section 231, which pertains to the council appointed positions.

The second pertains to Section 61-141 – Call Fire Fighters – not part of the collective bargaining unit. This section has a 5% adjustment over the existing hourly rate and this is because it was inadvertently left out of the update last year.

The third pertains to Section 62-166 – currently the description say it pertains to Parks, Recreation and Facilities, Airport, Library, City Hall and probationary Public Works. Language is being corrected to delete the departments it no longer applies.

The fourth pertains to Section 62-191 and 62-192 – probationary Fire Fighters (full-time) and probationary police officers (not holding a NH Police Standards and Training Certification).

The fifth pertains to Section 62-194 - Administrative, Office, Technical and Management (85 positions) – from administrative assistants, Fire, Chief, Public Works Director.

Chair Powers asked what percentage of these changes are for full time and what percentage is part time. Ms. Fox answered 20-25% is part time and the rest are full time positions.

Councilor Hooper noted he saw 2.5% for union employees but did not see any percentage indicated for non-union employees and asked what that was. Ms. Fox stated this adjustment except for the call fire fighters is the same as the collective bargaining units of 2.5%. The Councilor asked whether there was any wiggle room for adjustment. Ms. Fox stated it was important to treat the city's workforce fairly across the organization. She added if schedules are adjusted at different rates, there is the risk of compression where supervisory and managerial positions are compensated at a rate that is lower than those they are supervising.

Councilor Hooper made the following motion, which was seconded by Councilor Clark.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the adoption of O-2020-06.

**8) Relating to the Reallocation of Bond Proceeds Airport Terminal to Fuel Tanks Resolution R-2020-21**

Ms. Howe stated this Resolution is for the Reallocation of Bond Proceeds from the Airport Terminal project to the Fuel Tanks project in the amount of \$24.00 of unspent bond proceeds from the closed out airport terminal project. Included in the FY21 CIP, which was recently approved, is a project to replace the fuel tanks and this is scheduled for FY21. The remaining project will be funded through the sale of bonds.

Councilor Clark clarified in the future the city will not be privatizing these fuel tanks. The Manager answered in the negative.

Councilor Hooper made the following motion, which was seconded by Councilor Clark.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the adoption of R-2020-21.

**9) Relating to the Appropriation of Funds for the Airport Fuel Tanks; Relating to an Appropriation of Funds for the Arts & Culture Corridor; Relating to the Appropriation of Funds for Flood Management; Relating to the Appropriation of Funds for Road Rehabilitation; Relating to an Appropriation of Funds Colony Court - Bloomer Swamp Main; Relating to the Appropriation of Funds for Municipal Building Improvements Resolutions: R-2020-05, R-2020-06, R-2020-07, R-2020-08, R-2020-09, R-2020-11 and R-2020-12**

The Finance Director stated these seven Resolutions relate to projects in the CIP approved in March. The Resolutions are for the Airport Fuel Tanks, Arts & Culture Corridor, Flood Management, Road Rehabilitation, Municipal Building Improvements, Police Dispatch Console and Sewer Improvements Colony Court Bloomer Swamp Main. These projects if approved will go out to bond in 2020.

Councilor Clark referred to R-2020-06 and asked if the city had any concrete plans. The Manager stated this is specifically for Gilbo Avenue Infrastructure work – for water, sewer, road and drainage. The reason it is entitled as the Arts and Culture Corridor is because these improvements were scheduled for later but have been moved up in anticipation of any project that might be coming forth for the Arts and Culture Corridor project on Gilbo Avenue.

With respect to the Arts and Culture Corridor project, the Manager stated she has seen a draft compiled by MEDC, which has not been finalized. Councilor Clark asked for the exact plan for the infrastructure work. Ms. Dragon stated in order to come up with an estimate for the capital plan, the city utilized in house engineering staff to replace the existing infrastructure – there is no designed plan yet.

Public Works Director Kurt Blomquist noted all items in the CIP are preliminary estimates. The utilities in this area are older and under capacity, so the City Engineer did some preliminary estimates to upgrade these utilities. The Arts Corridor is still in flux as to what the total scope would be and staff used the best scope at the time of the development of the CIP.

Attorney Mullins stated based on the discussion he would suggest amending the title for R-2020-06. He explained this becomes a Bond Resolution and the purpose statement of a Bond Resolution becomes very important. As this relates to the Gilbo Avenue Infrastructure Improvement project, he suggested it be titled as Gilbo Avenue Infrastructure Improvement Project and this phrase also be inserted in the body of the Resolution to replace the term Arts and Culture Corridor Project. Mr. Blomquist asked whether the term Project could be deleted, so it will be broad enough to cover the things that they need to do.

Councilor Remy made the following motion, which was seconded by Councilor Ormerod.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends amending R-2020-06 as suggested by staff.

Councilor Hooper made the following motion, which was seconded by Councilor Remy.

That the Finance, Organization and Personnel Committee recommend the adoption of R-2020-05, R-2020-06-A, R-2020-07, R-2020-08, R-2020-09, R-2020-11 and R-2020-12.

Councilor Clark asked R-2020-06-A be on a separate motion. Attorney Mullins stated it was alright to separate out the motions but noted when this item goes before Council next week each Resolution would need to be voted separately for Bond Counsel.

Councilor Clark stated he was concerned about the tax rate and even though the City's portion of the budget increase is lower than the school and county budget, he did not feel this was the time to spend  $\frac{3}{4}$  of a million dollars on a bond the city may or may not use. He stated he was not opposed to it but was looking at the budgetary constraints the city was facing. It needs to be put off until there is a plan for expenditure. Chair Powers noted much of this has to do with the water and sewer rate and has no impact on the tax rate. The Manager agreed and added a large portion of this bond has to do with water and sewer and will not have an impact on the tax rate. She further stated in order to complete the Gilbo Avenue work, other work has been pushed out. By pushing this out the other project gets pushed back further. Councilor Clark reiterated what he had said previously.

Councilor Remy stated he has been looking at ways to save money in the budget but what is being discussed has to do with 60–130 year old storm water, wastewater and water infrastructure. He stated if this project was going to be moved out the other project mentioned by the Manager needs to be brought back in. Councilor Clark felt only a small portion of infrastructure would be impacted by postponing this project, as this area is just a large parking lot. Councilor Remy referred to Page 89 where the project is outlined and shows the infrastructure under the site and shows the buildings that will be impacted.

Ms. Dragon stated she needed to point out that the \$770,000 is the part coming from taxation and is not part of water and sewer. If this expenditure was eliminated \$15,400 will be eliminated from the operating budget if this bond authorization is not approved.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the adoption of Resolutions R-2020-05, R-2020-06-A, R-2020-07, R-2020-08, R-2020-09, R-2020-11 and R-2020-12.

**10) Relating to an Appropriation - Salt Shed Replacement Resolution R-2020-16**

Ms. Howe stated R-2020-16 relates to the use of funds from the sale of city-owned property at 560 Main Street. These funds were used for the planning of new salt sheds; approximately \$250,000 was made available from the sale of the salt shed.

Chair Powers clarified normally these funds would have gone to surplus, however in this case net of sale is being used for the new salt sheds. Ms. Howe agreed

Councilor Hooper made the following motion, which was seconded by Councilor Clark.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the adoption of Resolution R-2020-16.

**11) Relating to the FY2020 Operating Budget Resolution R-2020-22**

Ms. Howe stated staff made some changes to correct certain clerical issues as well as items being moved out of the operating budget – they are as follows:

Page 28, Mayor & City Council - Cost Center 00001 Account 62175, Other Services originally \$9,571 was appropriated as a supplemental for NOVUS, this is being moved out and there will now be a decrease in the budget for (\$9,571).

Page 33, Outside Agencies - Cost Center 00002 Account 62157, Monadnock Humane Society, the Agency withdrew their request for \$2,500, there will now be a decrease in the budget for (\$2,500).

Page 76, Human Resources - Cost Center 00500 Account 61704 Social Security originally \$2,335 was appropriated; it was a clerical error so the amount was increased by \$17,679.

Page 217, Parks, Recreation and Facilities Administration - Cost Center 01200 61305 Administrative Personnel there is a decrease of (\$24,335) due to a clerical error.

Page 217, Parks, Recreation and Facilities Administration - Cost Center 01200 61307, Part Time Employees an increase of \$1,528 due to a clerical error.

Based on the above mentioned there is a decrease to the General Fund budget in the amount of (\$17,199).

There are four other corrections:

Page 240, Sewer - Laboratory, Cost Center 08004 Account 61304 General Personnel - Decrease of (\$40,177) – clerical error

Page 240, Sewer - Laboratory, Cost Center 08004 Account 61303 Supervisory - Increase of \$40,177 - clerical error



Page 247, Water- Laboratory, Cost Center 05007 Account 61304 General Personnel - Decrease of (\$40,177) – clerical error

Page 247 - Water - Laboratory, Cost Center 05007 Account 61303 Supervisory Personnel - Increase of \$40,177 – clerical error.

Net budget increase zero – reclassification of supervisory personnel originally budgeted.

Councilor Hooper made the following motion, which was seconded by Councilor Clark.

On 5-0 roll call vote, the Finance, Organization and Personnel Committee moves to incorporate the financial changes into the 2020-2021 budget as noted.

Councilor Hooper made the following motion, which was seconded by Councilor Clark.

That the Finance, Organization and Personnel Committee moves for the adoption of R-2020-22-A.

Councilor Ormerod addressed the committee and stated he shares the comments made regarding the tax burden. He went on to say he feels the tax burden could be reduced if the city moves to a higher equitable fee structure for sewer and water and if these rates are increased the city provide incentives for conservation. He went on to say the City does not have a trail or bike pass for outsiders using our trails – he hoped some vision could be brought in for equitable use.

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends the adoption of Resolution R-2020-22-A.

The Chairman stated this item would go before the City Council next week at 7:00 PM.

There being no further business, the Chair Powers adjourned the meeting at 8:15 PM.

Respectfully submitted by,  
Krishni Pahl, Minute Taker

Additional Edits by,  
Terri Hood, Assistant City Clerk