

City of Keene
New Hampshire

FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE
MEETING MINUTES

Thursday, December 10, 2020

6:30 PM

Remote Meeting via Zoom

Members Present:

Thomas F. Powers, Chair
Terry M. Clark
Michael J. Remy
Raleigh C. Ormerod

Members Not Present:

Stephen L. Hooper, Vice-Chair

Staff Present:

Elizabeth A. Dragon, City Manager
Thomas P. Mullins, City Attorney
Andrew Bohannon, Parks, Recreation and
Facilities Director
Aaron Costa, Wastewater Treatment Facilities
Manager
Don Lussier, City Engineer
Kurt Blomquist, Public Works Director
Mark Howard, Fire Chief
Todd Lawrence, Police Captain

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

1) Art Roberts/MEDC - Request to Retain an Allocation to the City of Keene

Mr. Art Roberts, President of Monadnock Economic Development Corporation (MEDC), addressed the Committee first. Mr. Roberts stated this request is for MEDC to retain \$10,000 from a settlement with the law firm of Preti Flaherty relating to the County Courthouse project. This was a 10 million dollar project which began in 2012. Mr. Roberts noted this project required financing from different entities which MEDC helped pull together as well as pulling together a New Markets Tax Credit. The purpose at that time was to retain the courthouse downtown and to retain Keene's role in the county seat.

He stated he was not part of this effort but it is his understanding there were many last minute payments on the part of the City and County to close this project. He thanked the City for helping close this project. The Agreement reflects an investigation regarding the law firm that represented MEDC, Preti Flaherty and the negotiation between all parties involved. The investigation was coordinated by MEDC's counsel Gary Kinyon which led to the agreement. The agreement is for the law firm to pay \$25,000; \$10,000 City of Keene, \$10,000 for the County and \$5,000 to MEDC.

He noted this ask represents a financial situation MEDC is up against today. This money will eventually put them in a sustainable business plan to continue its important work. To that end they have formed an Advisory Board consisting of various local and regional business leaders,

established a fund raising campaign – Mr. Roberts added he is not looking to gain anything from these efforts and as of next month he will be stepping down to a part time position. Mr. Robert noted the same ask has also been made of the County Commissioners.

Attorney Mullins stated his advice is for the payment to be made to the City in the first instance and then it will be up to the committee as to what it wants to do with those funds.

Councilor Clark explained the attorney who was hired by MEDC, who has since passed forgot an important aspect of the payoff - \$780,000 early payoff. The bank involved was able to negotiate this amount down to \$250,000; the City and the County divided this amount between themselves. The Councilor felt the settlement being offered was nowhere near reasonable. The County Commissioners voted 2-1 to allow MEDC to retain \$10,000. The City is now being asked to do the same thing for monies it advanced because of an error by a lawyer hired by MEDC. He felt the taxpayers seem to be getting penalized for this error and asked why the City settled so quickly for \$25,000. Attorney Mullins responded by saying the underlying terms were just that – how the repayment terms were going to be handled. Unfortunately, when the commitment letter was transmitted by the bank to MEDC the commitment letter contained in it that payment provision where this payment was to be made to the bank and this payment provision was not supposed to be in the loan commitment. So as far as the law firm was concerned, they provided to their client what they understood to be the terms and conditions of the negotiation and the client signed off on that commitment letter. Preti Flaherty's perspective is that they did not commit any malpractice with respect to the transaction and hence do not owe anything but to avoid any further litigation they offered \$25,000.

Councilor Clark clarified the reason MEDC is asking for this \$10,000 is because they have accumulated substantial amount of debt from prior projects and asked how this relates to the City's involvement with the court house project. Mr. Roberts stated because of MEDC's role in driving economic development in the region, they are asking for the city's assistance. MEDC is at a crossroad and in addition to the debt that was mentioned earlier, MEDC has not had a significant real estate project where development monies are obtained since 2018. To be able to produce the kind of courthouse project, MEDC needs to diversify going forward.

Councilor Clark noted the last significant project MEDC worked on was the library project and asked whether this project was in any danger. He noted \$25,000 doesn't seem like a lot of money to make much of a difference to MEDC. The City Manager stated in terms of the library project, this project has closed. The issue before the committee today, happened when the City was closing on the Court House and during the unwinding of the New Markets Tax Credit. She noted the City has seven years to unwind another project to purchase the library project back to the City; as the addition is technically owned by MEDC. Ms. Dragon stated she has not been made aware of any concern with the library project and asked for clarification from the City Attorney. Attorney Mullins stated there is nothing of concern at this point, but added the reality is, it is not over until it is over. The attorney noted the funding for the library project was very different to that of the court house. The court house had other entities involved, such as the county and the state.

Councilor Clark asked how many more years tax payers have to pay for the courthouse. Ms. Dragon stated it was approximately 12 or 13 payments, through 2034. The Councilor asked whether there was any more room to recuperate for the error that was made. Attorney Mullins stated that was the purpose of the release and added the City had an indirect role in this issue, more like a third party. Councilor Clark expressed concern the City is unable to recuperate some of the \$114,000 paid out by the taxpayers and now the City is being asked to give back the \$10,000. He also noted the Council was not apprised of this settlement offer. Attorney Mullins stated there was a discussion regarding this settlement.

Councilor Ormerod asked whether it would not be prudent for the City to accept the money and then decide how much to reimburse to MEDC. He felt it could be more than \$10,000 the City could end up contributing. Attorney Mullins felt this would be the prerogative of the Council if it wants to do something later with respect to MEDC. What is before the committee today are these funds and what the City would like to do with them.

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

That the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to pay over to Monadnock Economic Development Corporation the \$10,000 settlement payment to be made by Preti Flaherty to the City in connection with the conclusion of the financing of the courthouse project.

Councilor Clark stated even though he has more questions and is unhappy with what is before the committee, it is not a lot of money and MEDC seems to need funds to continue and would not want to see them flounder. He will as a result, support the motion but felt the City needs to hear more about what MEDC is doing because of the amount of interest the City has in this organization. He felt the City should have been apprised of what was going on with MEDC before it was published in the newspaper.

The Committee approved this motion on a 4-0 roll call vote.

2) Fire Department Acceptance of Donation - Fire Chief Department Acceptance of Donation – Fire Chief

Fire Chief Mark Howard addressed the Committee next. Chief Howard stated \$30,000 worth of fitness equipment is being donated to the Professional Firefighters of Keene by Liberty Mutual. The union then donated the equipment to the department to outfit the wellness rooms at both fire stations. Such donations have been made and accepted in the past to coincide with the Joint Wellness Labor Management Agreement in place between the union and the City. The department will continue annual maintenance of the equipment for use by all members in the department.

Councilor Clark asked about the nautilus equipment the Police Department received a while ago which was accepted in a different manner and asked for clarification. Councilor Powers stated he recalls this was from the Rinaud Fund (a Trust) put in place many years ago to benefit police officers. Attorney Mullins agreed. Councilor Clark asked whether the City has to maintain this equipment. It was indicated the City does maintain this equipment.

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

On 4-0 roll call vote, the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to accept a donation of fitness equipment from the Professional Firefighters of Keene.

3) Highway Safety Agency Grant- Keene - Police Department

Police Captain Todd Lawrence stated that the Police Department applies for the Highway Safety Grant each year and have been doing so for the past ten years. In the past, the grant was divided into sub categories but the Highway Safety Agency has combined all categories into one. Starting this year all items fall under one application.

The purpose of the grant is to reduce driving while intoxicated and to reduce alcohol related accidents and to combat other driving infractions like wearing seat belts, distracted driving. The campaign itself runs from 10/1/20 – 9/30/21 and the total cost of the operation is \$18,833, which will be reimbursed by the New Hampshire Highway Safety Agency which also includes payroll deductions.

Councilor Ormerod noted there are specific dollar amounts for each activity and clarified this was the case and asked whether DWI patrol is going to be secondary. Captain Lawrence responded by saying the way the grant is applied for is based on prior years and last year due to COVID the department was asked to cease certain patrols and the department also did the same. The patrols are outlined on an overtime basis, and the department outlines what they can accomplish based on their goals.

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

On 4-0 roll call vote, the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to accept the grant from the New Hampshire Highway Safety Agency to fund the Highway Safety Grant- Keene.

4) Councilor Manwaring - Evaluation Process for Charter Employees

Councilor Manwaring stated what she is requesting is a review of evaluation for charter officers; City Attorney, City Manager and City Clerk. The current process is the Committee Chairs who receive feedback from their members sit down and review the feedback and then perform the evaluation with the charter officer. She noted as a Chair she is noticing fewer and fewer remarks and concerns.

Councilor Manwaring stated what she is asking is to first perform a survey and then discuss the feedback based on the survey.

Councilor Clark stated he always felt it was a not a good idea to take this process out of FOP but it was done so because of a certain incident and the process was changed at that time. He did not feel it has quite worked out since that time. He stated the survey would be acceptable but he would like to make a motion tonight to move this process back to FOP. Under that forum all Councilors were able to sit in on the discussion and the Council was fully involved. Councilor Manwaring stated she would like to hear from the entire Council. The Chair felt it would be

prudent to hear from the entire Council. He stated he agrees with Councilor Manwaring and stated the way he is reading the letter, Councilor Manwaring is not looking for a decision tonight.

Councilor Ormerod stated he favors options 2 and 3; Council involvement is necessary but was not sure how this can be managed during an entire Council setting. He asked how the process should be handled tonight. Chair Powers stated as requested by Councilor Manwaring, she was looking for more time on this item, to place it on more time to look at suggestions.

The City Manager agreed there are some gaps in the current process. She noted there are a lot of different models and felt they could look at some best practices and determine how this process can unfold.

Councilor Clark noted this committee has “personnel” in its title.

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

On 4-0 roll call vote, the Finance, Organization and Personnel Committee recommends putting this item on more time.

5) Conceptual Design for West Keene Fire Station – Consultant Selection - Parks, Recreation and Facilities Director

Parks, Recreation Director Andrew Bohannon addressed the Committee next. Mr. Bohannon stated this item is regarding a professional services contract with Lavallee/Brensinger Architects for the program and conceptual design services for the West Keene Fire Station project for an amount not to exceed \$20,000. If an agreement cannot be reached, to negotiate and execute an agreement with the next highest scoring service provider.

Mr. Bohannon went on to say the need for extra fire protection and emergency services for the west side of Keene started a few years ago. This operation has been happening out of the Old Armory. In 2018, the City acquired this property from the NH Adjutant General’s office. The property had been deeded to the State of NH Army National Guard in 1958 for the new Armory with the clause that if the facility and property was no longer needed to meet their mission it was required to deed the land and property back to the City of Keene. In 2019, the City conducted an extensive GIS survey to review the current station location.

The primary goal is to evaluate the current building to determine if it is economically feasible to renovate or if the City needs to build something new. A secondary goal will be to determine the cost effectiveness to relocate the City’s Emergency Operations Center from City Hall to the Hastings Avenue location.

There were six responses received from the RFQ. Staff reviewed the proposals and virtually met with the applicants. Staff looked at what these applicants had provided to fire service and emergency services buildings. It has been unanimously agreed the proposal be offered to Lavallee/Brensinger Architects.

Councilor Clark asked whether the City has a scope of what the building should accommodate and asked when that determination was made. Mr. Bohannon stated there are certain national safety standards that are required for fire stations and these will be incorporated into the design.

The Councilor asked whether the City was looking at a full fire station or whether an EMT Station with some fire protection should be considered instead. Mr. Bohannon stated ambulance, fire protection and related emergency services were all part of the GIS study. The program with this firm will look at what the needs are at that station in working with the Fire Department and staff. They will look at the data staff has been collecting over the past five years.

Chair Powers asked what this consultant's experience was. Mr. Bohannon stated they have three other offices in Manchester, NH, Boston, MA and in Portland, OR. This is their primary focus, predominantly constructing municipal buildings and have designed over 40 fire buildings in the New England region and are currently working in Lebanon, NH.

Chief Howard added as to what their needs are, the programming review of the current and future structure will play a large role in the first phase.

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

On 4-0 roll call vote, the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to negotiate and execute a professional service contract with Lavalley/Brensinger Architects for the program and conceptual design services for the West Keene Fire Station project for an amount not to exceed \$20,000; and if an agreement cannot be reached, to negotiate and execute an agreement with the next highest scoring service provider.

6) Water Supply Master Plan and Well Facilities Evaluation - Public Works Department

Operations Manager, Treatment Facilities, Aaron Costa addressed the Committee. Mr. Costa stated the residents, businesses, and industries in Keene use on average approximately 2.25 million gallons of water per day. To meet this demand, the City has three separate water supplies, none of which can meet the daily needs alone. Combined the three supplies are adequate for the current daily demand under average precipitation conditions. He noted there are two surface water reservoirs, located in Roxbury, NH and four groundwater wells – one on West Street and three on Court Street. These wells were constructed in the 60's and 70's with two corrosion control buildings, constructed in the 80's.

Mr. Costa stated the current Water Supply Master Plan dates back to 1992 and changes in infrastructure, climate, and drinking water regulations indicate it is time to update the plan. The proposed Water Supply Plan would evaluate additional groundwater and surface water supplies, potential capacities and water quality. The evaluation will also consider the City's current and future water demands and provide recommendations that will improve the future reliability and flexibility as the City responds to water quality regulations and plans for the likelihood of frequent periods of regional drought as a result of climate change, as seen this year as well as in 2016.

This project also includes an in-depth, detailed evaluation of the four wells and two corrosion control facilities. It will provide a business case and recommendations as to whether repair, replace, relocation of the City's well facilities.

The City sent out a Request for Proposals, received four responses and all four firms were invited for an interview. The firms were rated based on proposed engineering teams' experience, project approach, quality of the presentation and cost/hours of work. Based on the interview, staff recommends offering the contract to Emery & Garret Groundwater Investigations.

As staff got into more of the scope of work, GZA recommended staff include a contingency of up to \$25,000 to perform additional work, if needed for water quality data collection, monitoring of source water, geophysical surveys, or other work related efforts that were not included in the original proposal. The City budgeted \$175,000 for this project and funding is available in the FY20 Capital Improvement Plan.

Councilor Ormerod felt it was important to complete this work now as the general trends seem to indicate northeast is looking at getting a lot wetter and if there is a drought, this region will be looking at a drought or a flood and clarified all contingencies were being looked at. Mr. Costa agreed climate change is being looked at as part of this project.

Chair Powers noted GZA has done work for the City in the past. Mr. Costa agreed they were a local firm with an office located on West Street.

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

On 4-0 roll call vote, the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to negotiate and execute a professional services contract with /GZA to perform a Water Supply Master Plan and Well Facilities Evaluation for an amount not to exceed \$135,024. If the negotiations are unsuccessful, the City Manager is authorized to negotiate and execute a contract with the next ranked firm.

7) Martell Court Pump Station Design Engineering Change Order - Public Works Department

Mr. Costa addressed the Committee again. Mr. Costa stated as part of the Capital Improvement Program, the City has a project to replace antiquated grinding equipment with new screening equipment to address the ever growing problem related to non-flushable materials in the collection system.

The grinders have been in service for many years and their primary function is to grind material into smaller pieces so that it may pass through pumps and pipes. However, this technology can no longer handle the trash coming into the collection system, made up of wipes, hygiene products etc. These non-flushable items cause pumping issues at the pump station and at the Wastewater Treatment Plant. This is not only a maintenance issue but also an energy efficiency issue. Mr. Costa stated in 2013, the City upgraded the pump station and added new pumps and added a smaller one with lower flows which would have been great to run during the summer; this is a 50 hp motor versus a 200 hp motor. However, because of all the trash that is coming into the plant this small pump is unable to keep up.

In December 2016, staff executed a professional services contract with Aldrich & Elliot to perform an initial review of screening technologies and to develop a short list of potential screen types and manufacturers.

In April 2020, the City executed a contract with Aldrich & Elliot for \$80,000 to perform design upgrades to include a new building addition, a driveway, flood plain development and permitting, installation of a new multi-rake screening system and bid phase services.

Mr. Costa went on to say that the Martell Court Pump Station is a multi-level building, is divided into two separate sections, a wet side and a dry side. The wet side is where open channels of wastewater come into the building and where the grinding equipment is located. The dry side of the station is where the pumps, motors, electrical gear, controls and the emergency generator are located. The new building and the screening equipment will be connected to and installed on the wet side and it was realized the HVAC system had to be upgraded on the wet side as well.

Mr. Costa noted when staff came before the Committee in the spring to execute a contract, the HVAC component was included in it. Due to miscommunication, this item was not included in the first design contract. The item before the Committee today is for Change Order 1 to address the needed upgrades to the HVAC system for the wet side only.

Change Order 1 is to address needed modifications to the existing heating and ventilation system on the wet side only, this work was not included in the original design contract. The HVAC system on the dry side does not require modification at this time.

The scope of engineering services includes the following: upper and lower level screening room heating, ventilation and control system upgrades, domestic hot water system upgrade, associated electrical and control upgrades and new above ground liquid propane tank.

Staff recommends the City Manager be authorized to do all things necessary to sign a Change Order with Aldrich & Elliot for an amount not to exceed \$28,750. Funds for this work are available in the Headwork's Replacement project. The total project balance is 1.5 million dollars. \$200,000 was allocated for engineering work, so far a contract has been executed with Aldrich & Elliot for \$80,000. This change order for \$30,000 will bring the project balance up to about \$110,000, leaving about \$90,000 for construction engineering services.

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

On 4-0 roll call vote, the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to execute Change Order 1 with Aldrich & Elliot Engineers to perform engineering services for upgrades to the existing heating and ventilation system at the Martell Court Pump Station for an amount not to exceed \$28,750 for contract 04-20-23.

8) Wastewater Treatment Plant Gate Replacement Project - Public Works Department

Mr. Costa stated City Staff has been working on a Capital Improvement Program project at the wastewater treatment plant titled "Gate and Mixer Replacement." This project replaces two mixers and eight manually operated gates. The gates and mixers are original equipment (circa 1985) and are at the end of their useful life.

To date, the mixers have been replaced and the gates have been purchased and are scheduled to arrive in the next two weeks. Engineering contract for the gates was executed with Underwood Engineering.

The last portion for this project, is the contract for construction services for gate installation. Mr. Costa referred to Table 1 in the committee packet which is the total project budget which is around \$210,000. Mixer equipment installation is about \$43,000 (completed last summer). Engineering work for the gates \$40,400. Purchase of eight gates for \$67,000 – leaving a total project balance at \$59,385.

In November 2020, bids were received for gate construction services. The low bid was \$69,191, as well as a bid alternate to remove old, unused spray foam control piping that if not removed will obstruct the installation of the new gates.

The engineer's estimate for the gate construction work was \$81,500 and for the gate construction services and \$22,212 for the bid alternate totaling \$91,403. The City previously advertised a bid for gate construction services in August 2020 and received only one bid for \$437,614. Based on the engineer's estimate the bid price was deemed too costly and was rejected. This bid had an elaborate bypass system. Mr. Costa noted there is a shortfall of \$37,018 and hence staff is requesting to reallocate \$37,018 in remaining funds from the Solids Dewatering Upgrade project (completed in 2016-2017) and move these funds to the Gate Replacement project.

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

On 4-0 roll call vote, the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to reallocate \$37,018 in remaining funds from the Solids Dewatering Upgrade project (08030) and move these funds to the Gate Replacement project (08095).

9) Babbidge and Woodward Dam Projects – Budget Reallocation - City Engineer

City Engineer Don Lussier addressed the Committee next. Mr. Lussier stated this item is in reference to significant rehabilitation projects on the City's five high hazard dams. Work began in 2010 based on letter of deficiency from the state. The work done recently is based on the change to design standards from the state. In 2019, the City completed work on the Babbidge Dam, when this project is completed it will be about \$40,000 less than was estimated.

This spring, the City started work on the Woodward Dam, last of the five high hazard dams. Mr. Lussier stated this dam work did run into some issues, the biggest being rock excavation. Rock excavation is much most costly and time consuming than earth excavation. He indicated the final number has not been estimated yet. The estimate is about \$42,000 increase to the contract.

Mr. Lussier stated staff is requesting unspent money from Babbidge Dam Rehabilitation Project be moved to the Woodward Dam Improvements Project.

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

On 4-0 roll call vote, the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to reallocate the unspent project balance from the Babbidge Dam Rehabilitation Project (05034-B) to the Woodward Dam Improvements Project (05034-C).

10) Marlboro Street Corridor Improvements Project – Design Change Order - City Engineer

Mr. Lussier stated in 2018 the City applied for a grant from the Federal Highway Administration for complete streets improvements; bike lanes, sidewalk repair, connection to the Industrial Heritage Trail through the Public Works facility. In December 2019, first phase of design was submitted to DOT for their review. DOT asked for additional analysis as follows:
Extending analysis of traffic signage and pavement markings onto adjacent side streets.
Additional traffic counts and analysis for the proposed changes to the Groove Street intersection.
Review of the design for compliance with “Public Right-of-Way Accessibility Guidelines”
Collection and analysis of corridor crash data.

This additional analysis was not included in the consultant’s original scope and hence a change order is required at this time. The additional money being requested is within the amount appropriated by Council for this project but noted staff is likely going to be back for additional funds for this project.

Chair Powers asked when construction is scheduled to begin. Mr. Lussier stated this project is funded in DOT’s FY 2024.

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

On 4-0 roll call vote, the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to negotiate and execute an engineering services Change Order with DuBois & King for additional services required for the design of the Marlboro Street Corridor Improvements project for an amount not to exceed \$13,500 with funding from the Marlboro Street Corridor Improvements project (90305).

The City Manager noted Tom Moran has been with the City for 31 years and will be retiring from the City on December 18. The committee thanked Mr. Moran for his services with the City.

There being no further business, Chair Powers adjourned the meeting at 8:18 PM.

Respectfully submitted by,
Krishni Pahl, Minute Taker

Additional Edits by,
Helen K. Mattson, Executive Secretary