

City of Keene  
New Hampshire

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

Thursday, January 13, 2022

6:00 PM

Council Chambers,  
City Hall

**Members Present:**

Thomas F. Powers, Chair  
Michael J. Remy, Vice Chair  
Bettina A. Chadbourne  
Bryan J. Lake  
Andrew M. Madison

**Staff Present:**

Elizabeth A. Dragon, City Manager  
Asst. City Manager/HR Director, Beth Fox  
Deputy Fire Chief, Jeff Chickering  
Asst. City Manager/IT Director, Rebecca  
Landry

**Members Not Present:**

*All Present*

Chair Powers called the meeting to order at 6:00 PM.

**1) Councilor Randy Filiault - Request to Use Excess NH Road Toll Credits as the City's Match for the Lower Winchester Street Project**

City Councilor Filiault addressed the Committee first and stated in approximately 10 days they will be meeting with the County Legislative Delegation over different issues and funds the State of New Hampshire owes the City of Keene. He noted the toll issue is another one of those issues he felt the taxpayers of the City of Keene are being short changed on. With that, the Councilor turned the presentation over to Chuck Redfern of 9 Colby Street, Keene.

Mr. Redfern stated there are six organizations in the State which collectively promote the rail trail systems and for Keene the local organization is Pathways for Keene. These rail trail organizations have collectively identified an issue where the Federal government provides funds for transportation projects and it requires New Hampshire cities and towns match these Federal projects with a match of 20% with local funds. He noted many towns and cities cannot afford to provide this match. As a result, many local sidewalks, rail trails, pedestrian facilities, roads and bridges are never built or are built on the backs of the local taxpayer.

Mr. Redfern continued the State of New Hampshire has excess toll credits; which are Federal credits generated by New Hampshire drivers using toll roads in the State. These toll credits are routinely used by the New Hampshire Department of Transportation to satisfy their match requirement on projects which is also 20% match by 80% Federal funding. New Hampshire law prohibits towns and cities from using these credits on Federal projects, except with approval of the joint legislative capital budget overview committee, which almost never allow such use. New Hampshire has had such a surplus of these toll credits now running at approximately \$200

million. Mr. Redfern stated Senator Shaheen has inserted a provision in the recently passed Federal infrastructure bill that would allow New Hampshire DOT to sell these credits to other states at a discount. He added a simple change in State law will allow New Hampshire cities and towns to use the same Federal credits, and no Federal approval would be required for this. Mr. Redfern stated what they are proposing is to sponsor the necessary change in State law to allow New Hampshire cities and towns to use these credits without payment – however, Council support is necessary to get this into law.

Mr. Redfern went on to explain, toll credits are paid by drivers and are used to build and maintain New Hampshire interstate highways. They can also be used as credits in lieu of State matching funds on Federal projects, but according to DOT policy they are only on projects administered by New Hampshire DOT. The recently passed Federal toll credit Marketplace Act would allow surplus toll credits to be sold to other states at a discounted rate. The group feels New Hampshire surplus toll credits should also be made available to municipalities and nonprofit groups for their 20% match to secure Federal grants.

He went on to say, these additional 20% in toll credits are going to help build New Hampshire projects or are they going to support out of state projects; this is the basic premise to be kept in mind. Some argue this could reduce Federal funds coming into municipalities. If the municipalities are allowed to buy these toll credits at a discounted rate as other states are going to be permitted to do, preference ought to be given to New Hampshire. Toll credits are not cash, but are applied to federally supported projects.

Mr. Redfern referred to the lower Winchester Street project and felt there could be the compromise using these credits instead of the City matching at 20% but perhaps matching at 10%; this could be a savings of nearly half a million dollars, which is significant money for the local taxpayer. Mr. Redfern stated the Town of Swanzey recently submitted a request for one of their Rail Trail project for toll credits be applied, but that was quickly rejected in an email. Hence, he felt Keene should have a fallback position and go for the discounted rate. This concluded Mr. Redfern's comments.

The Manager noted Mr. Redfern is great at finding the City available money and every time he calls with an idea staff pays attention. When he called about this project, the City agreed to be a test case with the New Hampshire Department of Transportation and to request funding. The City did select the Lower Winchester Street project as the project to use for the request. The Manager stated she has submitted a request to the Commissioner of New Hampshire Department of Transportation for the Lower Winchester Street reconstruction project. This project is just over \$9 million dollars and the City's local share is \$1.8 million dollars. The City has put in a request for 50%; the discounted value of the toll credits and made the case if they are in fact going to sell it on the marketplace at a discounted rate it makes more sense to keep those dollars here, invest them locally in New Hampshire and that we respectfully request that 10% of our 20% match be funded through those toll credits. The Manager stated she has not heard back as quickly as Swanzey, and felt maybe that is a positive thing. She added she supports any sort of legislation that would help enable this and make this clear for the future that all municipalities would have an opportunity to pay the same rate DOT is going to sell these credits to other states.

Councilor Filiault applauded the City Manager for moving forward on this. He added if the City doesn't get aggressive and go after what is owed us, the City won't get it. He added silence is not an option anymore – this is money owed to the tax payers. Mr. Redfern stated it will be in the legislators' hands to make the change and there is some language identified to help make the change happen.

Councilor Remy extended his appreciation to the two presenters for all their efforts. Councilor Madison echoed Councilor Remy's comments and indicated he wasn't aware toll credits before Council Filiault brought this to the Council's attention. He referred to RSA 228-12a and suggested if language is being submitted to the legislature, they request that they amend RSA 228-12a – "*to open up the use of toll credits for non-vehicular travel*". At the present time the way in which the RSA reads is that it restricts toll credits to road and highway projects specifically for the use of motor vehicle and he felt this is why perhaps Swanzey's project was rejected so quickly because it was for a Rail Trail project. He stated he would like to see more environmentally friendly projects where these toll credits could be used.

Mr. Redfern stated they are proposing to add if Federal funding is also applied.

Councilor Lake made the following motion, which was seconded by Councilor Chadbourne.

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends that the Mayor and City Manager submit a letter to the State on behalf of the City in support of the opportunity for the City to obtain surplus motor vehicle highway toll credits to fund the 20% local City match required to obtain Federal transportation grant funds and to take any appropriate action to accomplish this purpose.

## **2) 79E Community Revitalization Tax Relief Application for 112 Washington Street**

Councilor Powers noted he does not believe there is a conflict as there is no money involved, but Mr. Gorman is his cousin. The Committee did not object to the Chairman being part of this discussion. The Chairman noted the applicant and City staff have completed all the necessary background work related to this item and the project is at its final stages.

City Assessor Dan Langille addressed the Committee and stated there are two goals tonight; one is to determine if there is a public benefit for the project proposed tonight. If there is a public benefit, then the Committee needs to determine what is the length of tax relief the City would be willing to provide the applicant. The tax relief is the value associated with the improved value, but the applicant will continue to pay taxes on what is there today. He turned the presentation over to the applicant.

Mr. Josh Gorman stated what he is proposing is to rehabilitate the Old Carriage House and by doing so he would be putting it on the tax rolls. He indicated the 79-E program is a great program, in that it gives the property owner some incentive to make improvements which are necessary and in the long term it creates tax value. He noted he did receive five years of relief for the main project based on pre-construction tax assessed value. Mr. Gorman stated what he is

requesting today in that he has met six out of nine possible criteria he appreciates any amount the City would be willing to give him in tax relief.

Councilor Remy felt this was a great project and that 79-E is a good incentive program to help reinvest in properties. He hoped this program will help the City upgrade some of its housing stock in other parts of the City.

Councilor Chadbourne asked whether the Carriage House was ever used as a living space. Mr. Gorman stated it was used for horse and buggies and at the present time sits roughly in that same condition. He added in order to maintain these pieces of architecture, it is essential to repurpose them. It is a full foundation, two story house. It has water, sewer and electric running to it.

Councilor Lake clarified the 79-E that exists on the main house will be treated separately from the tax relief that is given, assuming this item goes forward, from the carriage house; in three years it will just be tax relief on the carriage house. The Assessor answered in the affirmative. The Assessor added the committee report outlines all the public benefits the applicant has requested and staff's opinion on them. Staff feels this is a very thorough application and this is an exciting project. The only aspect staff does not agree with is that staff doesn't see this project directly supporting or integrating public art into the downtown. This does not take away from the beauty or architecture of the building. The reason 79-E was put in place was to preserve architectural gems like this.

Councilor Remy stated he is in support of five years and felt this is something people should be applying for. He felt it is a great example of a project in this area.

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

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends granting a period of five years for this application.

Councilor Madison made the following motion, which was seconded by Councilor Chadbourne.

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Council determine that the structure proposed for redevelopment located at 112 Washington Street is a qualifying and historic structure as defined by RSA 79E; that the structure is not within the tax increment financing district, but the structure is not a residential property, subject to an election towards tax assessment relief under the low income housing tax credit program of RSA 75-1A; that the proposed rehabilitation costs estimate exceeds the threshold amount of \$75,000 and constitutes substantial rehabilitation that is at least \$5,000 of the total rehabilitation costs and is devoted to energy efficiency in accordance with the US Secretary of the Interiors Standards for Rehabilitation; that the proposed rehabilitation is consistent with the City's master plan, and that the proposed rehabilitation provides the following public benefits as required by Resolution R-2018-33:

1. Enhances the economic vitality of downtown areas.

2. Enhances and improves a structure that is culturally or historically important on a local, regional, state or national level, either independently or within the context of a Historic District Town Center or Village Center in which the building is located.
3. Promotes the preservation and reuse of existing building stock throughout a municipality by the rehabilitation of historic structures, thereby conserving the embodied energy in accordance with energy efficiency guidelines established by the US Secretary of the Interior Standards for Rehabilitation.
4. Promotes efficient design, safety, and a greater sense of community in a manner consistent with the Keene Comprehensive Master Plan.
5. Results in an increase in energy sustainability and conformance with the City adopted greenhouse gas emissions, as determined by Home Energy score of at least six and demonstrated carbon emissions reduction of at least 10.

Therefore, the Committee recommends that the application for real property tax relief on any assessed tax increment resulting from the substantial rehabilitation of the qualifying structure be granted for a period of five years, beginning with the substantial rehabilitation as determined by the City's Community Development Department, and conditioned upon the property owner granting to the City at the time of substantial completion, a covenant ensuring the structure shall be maintained and used in a manner that furthers the public benefits for the period of the tax relief to be recorded at the Cheshire County Registry of Deeds at the expense of the property owner.

**3) 79E Community Revitalization Tax Relief Application for 310 Marlboro St., LLC**

Mr. Randall Walter addressed the Committee and stated 79-E program is an ideally suited program for 310 Marlborough Street. This is an 82,000 square foot building and when \$75,000 is invested into it would be the investment of .91 cents a square foot.

Mr. Walter noted this building has a great history in the City of Keene. It was originally built by the Pittsburgh Plate Glass Company for the Pittsburgh paints division and they manufactured paint brushes. It was a vital resource for that company to access New England's hardwoods. He indicated while this is a very important project for Keene it is not actually a historic building. This building was constructed in 1947 and while it was their intention to integrate it into the City fabric, it appears to be a brick building but it's really a steel structure. Hence, it is not as old as many of the other brick buildings in downtown Keene which date back to approximately the 1860s.

Mr. Walter stated this is a valuable building. The Kingsbury Company, another important piece of our City fabric purchased it and ran it through the 80s, and they added to the building and were wonderful stewards of the building. The building is in great condition structurally, yet its systems are terribly out of date and come from either two different periods of time. The building systems were either in the original building from 1947 or they were installed in the mid-80s, which is still 38 years ago. Mr. Walter noted to a typographic error in his report, he indicates 1974 it should correctly read as 1947.

Mr. Walter stated there are eight of the nine criteria that are germane to this application. There

will be around a million dollars' worth of investment going into the property in both installation of windows, heating and cooling systems and accessibility. The goal is to develop 310 Marlboro Street into a mixed use building from its previous owner occupied use. He noted when he purchased the building six months ago it had a 60% vacancy rate. It is now going to be moved into a much more vital, healthy, and stable building. However, all those uses require updates to codes.

Mr. Walter noted 310 Marlborough Street, LLC has already created one job. He has hired someone to help him with this process of the adaptive reuse of the building and it will undoubtedly create many more jobs for all the companies that are moving into 310 Marlboro Street. 16 leases have been signed in six months, some of those include Jack's Crackers, Saxy Chef is going to be relocating from Antrim, MC2 Charter School, Modestman Brewing, Lumens for Less etc. Some of these companies are outgrowth of Hannah Grimes Center for Entrepreneurship. Hence, what is being created here is an extension program where the graduates of Hannah Grimes will make 310 Marlboro Street a stable, thriving and sustainable community.

Mr. Walter went on to say that they have two art programs they intend to launch this year. The buildings have around 100 openings, 35 of those openings have been blocked over for different reasons. What they intend to do in 2022 is to create a rotating mural program, where a small number of people will curate applications to allow people to submit for paintings on those canvases which are about eight feet by nine feet each which will bring a real liveliness to the outside of the building. There is also a plan to create a seasonal gallery on the second story bridge off of the east side of the building.

Mr. Walter stated their biggest goal is to move this building off fossil fuels and achieve a carbon free result for this building. Given the low quality of the thermal envelope for the building this is an incredibly ambitious goal. He indicated they have a contract with Revision Energy to install solar. They are also in the process of contracting with Froling Energy and are currently filing an application with DOE for a grant to help fund a biomass boiler system. Mr. Walter noted that item is not part of this proposal, it came along after this proposal was submitted. It was the result of an energy audit recently completed. There is an 8,000 gallon oil tank in a rentable space. It is their intention to remove that tank and replace the oil boilers with biomass and solar. Over a two year timeframe, investments to achieve these energy goals will range from \$900,000 to 1.8 million dollars.

He explained their request for a five year tax period is really threefold. The first is that most of these efforts have anywhere from seven to 11 year payback in the industry. The second is that the applicant is going to reinvest even more into this building. The third is to look at this building as a startup which can accelerate more quickly and reinvest their money into other things which he felt was the spirit of 79-E. This concluded Mr. Walter's presentation.

Councilor Chadbourne felt this was an exciting project and stated she would definitely support it. She indicated it fits in with the vision of Marlboro Street.

Councilor Lake noted he does not see solar panels on page three of the application and asked whether the extent of the tax relief is limited to the number of things that are on page three or

whether the solar panels will be included in it. Mr. Langille stated the solar panels are mentioned in the write up and it would be the intention of the City to honor that - ultimately if the City has to enter into a covenant with the applicant, it will explain all the public benefits that are met, and the applicant is held to that covenant to make sure that those things are met.

Chair Powers asked whether the Plate Glass Company and the current home health care property were both part of the Kingsbury property at one point. Mr. Walter stated he wasn't sure he can speak to that as he wasn't sure but recalls that two owners ago, Don Brown owned them both. He added the adjacent building the Home Health Care Services Building is not a metal building which is what was expected from that earlier era but felt they were used together via the bridge.

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

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends granting a period of five years for this application.

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

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends the City Council determine that structure proposed for redevelopment located at 310 Marlborough Street is a qualifying structure as defined by RSA 79E; that the structure is not within a currently defined tax increment financing district; that the structure is not a residential project subject to an election for tax assessment relief under the low income housing tax credit program of RSA 75-1a; that the proposed rehabilitation cost estimates exceed the threshold amount of \$75,000 and constitutes substantial rehabilitation; that at least \$5000 of the total rehabilitation cost is devoted to energy efficiency and according to the US Secretary of the Interior Standards for Rehabilitation; that the proposed rehabilitation is consistent with the City's Master Plan; and that the rehabilitation provides the following public benefits as required by Resolution R-2018-33:

1. Enhances the economic vitality of downtown areas.
2. Promotes efficient design safety and a greater sense of community in a manner consistent with the Keene Comprehensive Master Plan.
3. Adds to the City's employment base by creating at least one new full time job in the downtown area.
4. Directly supports the integration of public art in the downtown,
5. Promotes development of a sustainable building stock in the downtown that achieves a nationally or internationally recognized green building standard.

Therefore, the committee recommends the ability for real property tax relief on any assessed tax increment resulting from the substantial rehabilitation of the qualifying structure be granted for a period of five years, beginning with a substantial rehabilitation as determined by the City's Community Development Department and conditioned upon the property owner granting to the City at the time of substantial completion, a covenant ensuring that the structure shall be maintained and used in a manner that furthers the public benefits for the period of the tax relief to be recorded at the Cheshire County Registry of Deeds at the expense of the property owner.

**4) Keene Young Professionals Network - Taste of Keene - Use of Surplus Community Event Funding**

Councilor Remy stated he had a conflict of interest with this item, both as the person who is presenting and as the Events Chair for this organization.

On a 5-0 vote, Councilor Remy was recused from this application.

Councilor Madison stated he serves on the Board for Keene Young Professionals but does not hold a leadership and his role is more in the volunteer capacity. Councilor Lake felt this is more of a gray area and recalled being involved in a project recently where he wasn't in leadership position but was involved in some fashion in the project and had to recuse himself and based on that precedent he would have to lean towards having a conflict. Councilor Chadbourne agreed.

On a 4-0 vote, Councilor Madison was recused from this application.

Councilor Remy began the presentation and stated this will be a great event to hold in June when it is a little warmer to be able to get people out. He stated overall the event went really well last year and he is hoping for the same success again this year. He added that are coordinating with Art Walk this year which is different from last year, when both events happened on the same day by accident. He indicated they are still in the planning stages of the overall event, but from the City's perspective they are looking for the similar shut down of City property and similar occupancy from restaurants and beverage tents on City property. Last year there was an approval of up to \$17,000 based on what was available from the large number of events that were cancelled due to the pandemic. He indicated they don't expect that level of support will be available again this year, but he was hoping this Committee could consider allocating any unspent event funds to this event to help offset the costs of City services. They are not seeking a direct cash contribution from the City for the event.

Alana Fiero, President of Keene Young Professionals Network thanked the Committee for considering this event which was a success last year and they are looking forward to doing it again.

The City Manager stated the Keene Young Professionals did not keep any of the funds that were raised last year and that was really a large part of the consideration when the Council was considering the community event status; the money went back to all the local restaurants that participated, which was a great help to them. She indicated staff has reviewed the community event budget this year and while there is only one event that is scheduled to be canceled, there is approximately \$6,000 in the budget as surplus. Last year, the cost of City services to hold this event was at approximately \$9,000. The Manager stated there isn't enough to completely offset the cost of City services but there is enough in the budget to offset should the Council approve.

Councilor Lake clarified the amount that would need to be covered beyond what the City has available, whether that was going to be covered by the proceeds from the event or whether the

Keene Young Professionals has that amount in their budget. Councilor Remy stated they would hope to have sponsorship coverage from outside the City for those funds.

The Manager stated this is Keene Young Professionals' second year to hold their event. After this year they would be able to apply for community event status and go through the same processes, similar to how other groups that are requesting support from the City.

Councilor Chadbourne thanked the presenters for bringing this item forward and stated she supports this organization. Councilor Lake stated he is also excited to see this event come back and he hoped it would be an annual event. The Manager stated she too has received positive feedback from both the business owners and people who attended the event.

Councilor Chadbourne made the following motion, which was seconded by Councilor Lake.

On a 3-0 vote, the Finance, Organization and Personnel Committee recommends that unspent funds from the City's FY 22 community event budget be used to help offset the cost of City services for the Keene Young Professionals Network Downtown Summer Food Festival tentatively scheduled for either June 4 or June 5, 2022. Costs over the above available funds will be the responsibility of the Keene Young Professionals Network.

#### **5) Radio Reprogramming Grant Reimbursement - Deputy Fire Chief**

Deputy Fire Chief Jeff Chickering was the next speaker. Deputy Chickering stated on January 16 2020, the Keene Fire Department was informed by the Department of Safety that they had successfully completed the survey and submitted the memorandum of understanding signed by the City Manager for the radio reprogramming grant. He indicated the FY 2019 grant provides funds to the Department of Safety to establish and implement the reimbursement program to assist public safety agencies upgrading their radios through standardized interoperable reprogramming for use with the interoperable communication systems. The Keene Fire Department is required to maintain interoperability due to past grants and past equipment provided by the State. This grant will pay for radios to be reprogrammed and it maintains interoperability and ensures that any future updates will be provided.

Deputy Chickering stated the radio reprogramming has been completed as of November 22, 2021 at a cost \$1,400 dollars. The Department is expected to pay the bill to the vendor and then make a request to be reimbursed.

Councilor Lake made the following motion, which was seconded by Councilor Chadbourne.

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept and spend \$1,400.00 awarded from the Department of Safety under the 2019 Homeland Security Grant for the radio reprogramming grant reimbursement initiative.

**6) Agreement for Leased Parking - Library Director**

Library Director Marti Fiske addressed the Committee and stated the library has been leasing four parking spaces at 67 Winter Street since October 2012. This property has been sold and the new owner is eager to continue the same agreement. Ms. Fiske stated these spaces are used by library staff who have mobility issues and by staff who are doing outreach such as loading and unloading vehicle, at times for multiple trips.

Employee parking is on Gilbo Street, which is two blocks away. In preparation, Staff did look at the parking history for the library with the Parking Director. There has been about five years with uneven history caused by several years of construction, and two years of a pandemic. There have been only about four months or so that the expanded space was actually starting to get up to normal operations for programs, before the pandemic happened. Hence, the library does not have an accurate history of what the parking needs are with the library in its new expanded size, full programs and full attendance. For that reason, staff does not feel it is a good idea to remove any of the existing parking in this area right now.

Ms. Fiske stated she would like to have the lease continued and then wait until at least 18 months of history of true post pandemic, full services history before making any changes on the existing spaces. Councilor Chadbourne felt what is being proposed is reasonable and certainly would support it.

Councilor Madison made the following motion, which was seconded by Councilor Lake.

On a 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 an agreement with Millar Realty, LLC for the lease of four parking spaces at 67 Winter Street.

**7) Winchester Street Reconstruction Project - Contract Change Order - City Engineer**

City Engineer Don Lussier and Public Works Director Kurt Blomquist were the next two speakers. Mr. Lussier stated this project is the Upper Winchester Street project. This is a contract change order with McFarland Johnson specifically related to their expert witness services. A year ago the City Council voted to authorize the acquisition of certain parcels of land through the eminent domain process. Those procedures started last February and the City has been working through the process. Unfortunately, one of the impacted property owners is challenging the City's taking on the grounds of necessity and net public benefit. That question of whether the project is needed and a benefit to the public has been referred to the Superior Court to decide.

Mr. Lussier stated McFarland Johnson is the design engineer for the project and the City has asked them to assist in providing expert witness at that Court proceedings. When the City developed the contract with them for that work, staff was estimating what level of effort they would be required. The City expected them to review the opposing side's expert witness report, write their own expert witness report to submit to the Court and provide a couple of days of testimony at trial. However, during pre-trial, they ended up writing three different reports in

response to various filings. At the present time, it is five days into the trial with two more days scheduled next week. Hence, the scope of their efforts has gone well beyond what the City originally anticipated. As a result, staff is requesting an additional \$12,000 to cover the costs of their services.

Councilor Chadbourne asked where these funds would come from. Mr. Lussier stated the funding would come from the already appropriated project budget. At this point, the only request is to authorize the change order in the contract. The City recently got bids for the construction of that project, the consultant is evaluating those and doing their analysis and it has to be reviewed by DOT. Depending on what all of the final numbers are, the City may end up having to come back to Council to appropriate additional funds for the project. He went on to say this project is federally funded, so it is one of those 80/20 projects. The net cost of the City taxpayer for this change order would be \$2,400.

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

On a 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 change order with McFarland Johnson for professional services associated with the Winchester Street Reconstruction Project, for an amount not to exceed \$12,000.00.

**8) Colony Court Sewer Replacement Project - Engineering Change Order - City Engineer**

Mr. Lussier stated this next project is for the Colony Court sewer replacement project. Colony Court is one of those large sewer projects in the CIP and falls under the Sewer Improvement Program. It also includes sections of Chase Place, Ellis Court, and all the way to Gilsum Street.

The construction began last summer and the contractor got about 65% of the contract work completed. Unfortunately, they ran into some underground conditions the City was not expecting. Geotechnical borings were part of the design of the project and they were aware soft clay soil will be an issue. This was true on Wright Street and the contractor had methods of dealing with that. Once they got into the off road section (the section which is about 500 feet off the project that runs behind the houses on Colony Court), the character of the underground soil was remarkably different; it was acting as a fluid.

The consultant has evaluated the conditions and has come up with some alternatives as they are not able to install the project as it was designed. The alternatives are going to fall into two categories: either improving ground conditions along the original sewer alignment where the sewer is today, which would most likely entail trench protection or reroute the sewer, most likely along Colony Court itself. This has its own challenges; even if the ground is better, the elevations are higher so the trench would be much deeper which obviously affects project costs. Their work will include doing some additional geotechnical borings, both on Colony Court and in the area where they have run into trouble. Most likely, the construction costs will go up at least by 10% of the original contract.

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

On a 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 contract change order with Dubois & King for engineering and technical services on the Colony Court Sewer Replacement Project, for an amount not to exceed \$72,000.

**9) Lower Winchester Street Reconstruction Project - Project Agreements - City Engineer**

Mr. Lussier addressed the Lower Winchester Street project next. He indicated the City Council appropriated funds in FY 22 to begin the design work for this project. This project is another 80/20 project, participating with Federal highway money. Design work will begin in short order. Because of the Federal funding, the City has to enter into an agreement with DOT. Mr. Lussier stated with this project there is an issue; the Town of Swanzey and the Southwest Regional Planning Commission approached DOT and proposed the scope of the City's project be extended beyond the municipal boundary to include the first 500 feet into the Town of Swanzey. This is so that the City's work will have a cohesive tie into the improvements that have already been completed in Swanzey. Similarly, the pedestrian and bike facilities the City is going to be constructing on its side would continue into Swanzey most likely up to the Market Basket entrance.

Because the work now crosses town boundaries, there has to be an agreement between the City and the Town of Swanzey, which will define each of our roles and responsibilities; how the costs will be shared, and how administration and governance of the project will be done. What has been decided in draft terms, is that on the design of the project, Swanzey will pay a fixed portion of the total design costs based on what the estimate the construction values will be relative to each other. The work in Swanzey will be a very small percentage of the work compared to the work planned in Keene, which includes roadway reconstruction, widening of sidewalks, bridge replacement etc. When we get into construction, Swanzey will be expected to pay the 20% share for anything that happens on their side of the line.

The City will be the project administrator and the town is going to appoint a project liaison, so there is a single point of contact with the town. The City has suggested that the town have two representatives on what the staff is anticipating to be a Mayor appointed ad hoc Steering Committee for the project, similar to what was done with the Upper Winchester Street project. The Manager added anything that is built on the Swanzey side of the line, they would be responsible for in terms of maintenance in the future.

Mr. Lussier added because Keene is one of the municipalities that is subject to urban compact requirements, they are responsible for maintaining the State highway in certain sections, which is the case on Route 10 south of Route 101, Route 12 south of Route 101, and Route 12 A.

The Chair clarified the timing for this project is a couple years away. Mr. Lussier stated the construction funds are in the State budget for FY25 and 26.

Councilor Lake made the following motion, which was seconded by Councilor Madison.

On a 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 an inter-municipal Agreement with the Town of Swanzey relative to the Lower Winchester Street Reconstruction Project (NHDOT Project No. 40666).

Councilor Lake made the following motion, which was seconded by Councilor Chadbourne.

On a 5-0 vote, the Finance, Organization & Personnel Committee recommends that the City Manager be authorized to do all things necessary to negotiate and execute a three-party Project Agreement with the New Hampshire Department of Transportation and the Town of Swanzey for the Lower Winchester Street Reconstruction Project (NHDOT Project No. 40666).

**10) Wells Street Parking Facility - Design and Technical Services for Repair**

Mr. Lussier addressed the next item as well. The Wells Street parking facility is programmed in FY 22 for a series of minor repairs. Those repair needs were identified in a 2018 structure evaluation. They included a number of different things like painting rusted metal, minor concrete repairs, light fixtures that needed to be replaced etc. Last year staff saw some concrete damage areas that have deteriorated and in some cases the concrete actually fell from the ceiling of the garage onto vehicles below, causing some property damage.

As part of the upcoming CIP, staff is requesting to add some funds in FY 23 to complete a much more comprehensive repair project than was anticipated for FY22. What staff is requesting today is to take the money that the City planned on using for the repair work in FY22 to complete design work expected with the FY 23 money. This would allow the City to get the design started right away and be in a position where the design can be advertised in the spring and be ready to begin construction in July. If not, this work will miss the next construction cycle and Mr. Lussier stated he would not like to delay this work.

Councilor Chadbourne asked about the vehicles that were damaged. Mr. Lussier stated they were the private vehicles that were parked in the garage and there were insurance claims associated with the damage.

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

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends that funds appropriated in FY 22 for miscellaneous minor repairs to the Wells Street Parking Structure be designated for design and technical services for a large scope of repair work.

**11) Relating to Class Allocation and Salary Schedule Ordinance O-2022-01**

Asst. City Manager/Human Resources Director Beth Fox addressed the Committee next. Ms. Fox stated she is before the Committee to request moving forward with some adjustments to the City's salary and class allocation ordinance that applies to non-union employees.

The City has six collective bargaining units and a group of non-union employees. The collective bargaining units' salaries, wages and benefits are governed by those negotiated collective bargaining agreements which are approved by the Council. However, the non-union employees' salary and benefits are determined by City Ordinance.

Ms. Fox stated the Ordinance contains a few amendments. The first change is for probationary firefighters. Currently we have a graded scale for probationary firefighters depending on their education certification and licensure levels. As part of the City's strategy to reach higher and develop more paramedic level firefighters, the City would like to advance a paramedic only scale. This does not mean the City would be only hiring paramedics, but that the City could hire an employee who has a paramedic license and then do the training to bring them up to the firefighter 1, or firefighter 2 level within their probationary period. It takes two years to become a paramedic and it's about 250 hours to get the firefighter certification. But putting this change in place it would mean an individual would have done the more difficult part of their training first and then advance them to a firefighter. The HR Director noted the City is trying to increase its paramedic enrollment because of quite a few retirements in the recent past.

The second area being proposed to amend are in the Administrative Office Technical and Management Section scale of the Code. Those changes include:

1. Creation of an Audio Video Production Specialist. This position has been caused with the City taking over the audio/video responsibilities of its own public meetings. This position would be focused on those responsibilities. Currently this is temporary employment agreement position.
2. IT department - The City has an employee in the IT Department who came from Public Works, and who spent a few years in IT and is now back in Public Works as the Transportation and Stormwater Management Manager. This change required the City to look at the IT Department and identify a need to increase the skill level of its technical support position; in addressing security needs of the organization which are ever increasing. The proposal is eliminate the current Technical Support Specialist position and establish an IT Systems Specialist position which is two grades higher than the existing position.
3. Public Works - Since July of 2018, the City has had an employee who has been acting in the capacity of a Water Sewer Manager. The City will be in short order onboarding a Water Sewer Manager and he will be going through a process to obtain a license. What is also being proposed is a change to the Water Treatment Plant or the Wastewater Treatment Plant Manager that they will have a requirement to be a secondary holder of a treatment or collection license for the utility they don't have primary responsibility for. This will allow the City to have two employees in the organization that have the necessary licenses. This position will be reclassified by one

grade.

4. When name changing happened at the last update, the Water Sewer Superintendent was re-titled to Water Sewer Manager which created confusion with the Operations Plant Manager position. To clean this up, the proposal is to insert before the Operation Plant Manager title, the term Utility Treatment so that it reads “Utility Treatment Operations Plant Manager.”

Councilor Chadbourne referred to the wastewater treatment position, wanting to increase by grade and requiring the licensing, she asked whether somebody who is already in place would be able to apply for the position without the license with the understanding that he or she would get their license. And if so, does the City help pay for whatever fees are required in obtaining that license.

Ms. Fox stated the City does assist with training employees to higher levels of licensure. She added for the Wastewater Treatment Plant Manager position, they will be required to have the license in the area that they are primary upon being hired. The water treatment person would need the water license, but it will give them time to get the license in the area of collection or distribution.

The Councilor asked whether these individuals would be required to get re-licensed after a period of time and whether this oversight was within City staff. Ms. Fox stated licensure is controlled by the State of New Hampshire and there is continuing education requirements associated with holding those licenses. Councilor Madison added these individuals are required to obtain, depending on the grade of the license, a certain number of continuing education credits every year.

Councilor Chadbourne questioned why the grade level is going up by two grades for the position in the IT Department. Ms. Fox stated they looked at this positions in other communities and the skill set the City was looking to attain seemed like that would be the skill set grade level that was appropriate. Rebecca Landry IT Director/Assistant City Manager stated she is trying to delay requiring a cyber-security position in IT and instead of going from seven to eight employees, she is looking for a person who does more than desktop tech support and alleviate the burden on the System Administrators right now.

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

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends the adoption of Ordinance O-2022-01.

There being no further business, Chair Powers adjourned the meeting at 7:53 PM.

Respectfully submitted by,  
Krishni Pahl, Minute Taker

Additional Edits by,  
Patricia Little, City Clerk