



Due to the COVID-2019 State of Emergency, the Finance, Organization and Personnel Committee will be holding its meeting remotely using the web-based program, Zoom. Members of the public will be able to access this public meeting through a variety of options, described below. If you encounter any issues accessing this meeting, please call 603-757-0622 during the meeting. To access the meeting online navigate to *Zoom.us* and enter the Webinar ID #847 6920 3873. To listen via telephone call 877-853-5257 and enter the Webinar ID: #847 6920 3873. When the meeting is open for public comment, callers may press \*9 if interested in commenting or asking questions.

City of Keene

*New Hampshire*

**FINANCE, ORGANIZATION  
AND PERSONNEL COMMITTEE**

**AGENDA**

**Council Chambers B**

**June 10, 2021**

**6:30 PM**

Thomas F. Powers, Chair  
Stephen L. Hooper, Vice Chair  
Michael J. Remy  
Raleigh C. Ormerod  
Bettina Chadbourne

1. Melanson FY20 Audit Presentation
2. Sponsorship Updates - Parks, Recreation and Facilities
3. Acceptance of Donations - Parks, Recreation and Facilities
4. Request to Purchase City Property - Beaugard Trust - 0 Chapman Road - Parks, Recreation and Facilities Director
5. Continued Discussion: Water and Sewer Methodology and Rates
6. Standard Power- Hydro Agreement

**MORE TIME ITEMS:**

- A. Councilors Remy, Bosley and Giacomo - Continued Remote Participation
- B. Continued Discussion - Evaluation Process for Charter Employees
- C. Petition to Acquire Property by Eminent Domain for Highway Purposes - City Engineer

Non Public Session  
Adjournment



City of Keene  
*Transmittal Form*

June 4, 2021

**TO:** Finance, Organization and Personnel Committee

**FROM:** Merri Howe, Finance Director

**THROUGH:** Elizabeth A. Dragon, City Manager

**ITEM:** 1.

**SUBJECT:** Melanson FY20 Audit Presentation

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**RECOMMENDATION:**

Informational only. No action required.

**BACKGROUND:**

Due to the COVID-19 pandemic, the receipt of the final financial statements for FY 2020 for the City of Keene were delayed until this past week. COVID-19 and the physical in-person restrictions created some challenges, however, with the assistance of technology and use of electronic documents, the City and Melanson were able to complete the audit and submit the FY 2020 audit to Certificate of Achievement for Excellence in Financial Reporting (COA) Program for review.

Each year, the auditing firm, currently Melanson, presents to the Finance, Organization, and Personnel Committee an overview of the audit process, financial statements, and explanation of the opinion issued. This presentation provides the committee the opportunity to inquire or pose questions to the auditors pertaining to the City of Keene financial statements.



City of Keene  
*Transmittal Form*

June 1, 2021

**TO:** Finance, Organization and Personnel Committee  
**FROM:** Andy Bohannon, Parks, Recreation and Facilities Director  
**THROUGH:** Elizabeth A. Dragon, City Manager  
**ITEM:** 2.  
**SUBJECT:** Sponsorship Updates - Parks, Recreation and Facilities

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**RECOMMENDATION:**

Move that the Finance, Organization and Personnel Committee accept the sponsorship update for recreation programs as informational.

**BACKGROUND:**

The sponsorship policy adopted in April 2016 continues to provide new opportunities. Local businesses have found the sponsor relationship to be beneficial and allow them to reach a larger audience and gain additional exposure through the Parks and Recreation Department.

Summit Title Services, LLC has sponsored the high school basketball league jerseys for the upcoming 2021-22. The financial value of the sponsorship is \$500.

Ted's Shoe and Sport has secured one banner placements at the Recreation Center for a one year agreement beginning March 1, 2021 with an option to renew on an annual basis. The financial value of the sponsorship is \$450.00.

Additional sponsorship opportunities are still in progress. To learn more about opportunities through the department, organizations should contact the department online or by phone.



City of Keene  
*Transmittal Form*

June 7, 2021

**TO:** Finance, Organization and Personnel Committee

**FROM:** Andy Bohannon, Parks, Recreation and Facilities Director

**THROUGH:** Elizabeth A. Dragon, City Manager

**ITEM:** 3.

**SUBJECT:** Acceptance of Donations - Parks, Recreation and Facilities

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**RECOMMENDATION:**

Move that the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to accept a donation of a contribution box to be installed outside of the Keene Public Library.

**ATTACHMENTS:**

Description

Blessing Box Photo

**BACKGROUND:**

Roger Weinreich, owner of Good Fortune Jewelry and Pawn Shop in downtown Keene, has a contribution box outside of his storefront. People may leave donated goods in the box, with the intent to offer food and other supplies to those in need. The success of the contribution box prompted a desire to offer the opportunity to more local businesses throughout the City of Keene.

The box will be located at the outside of the library entrance just right of the Winter Street main doors. The box has been accepted by the Friends and Trustees of the Keene Public Library.





June 7, 2021

**TO:** Finance, Organization and Personnel Committee

**FROM:** Andy Bohannon, Parks, Recreation and Facilities Director

**THROUGH:** Elizabeth A. Dragon, City Manager

**ITEM:** 4.

**SUBJECT:** Request to Purchase City Property - Beauregard Trust - 0 Chapman Road - Parks, Recreation and Facilities Director

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**RECOMMENDATION:**

Move that the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to negotiate and execute a purchase and sale agreement with Edward and Kathleen Burke of 56 Chapman Road for the transfer to the Burkes, to the Burkes, of City owned land having frontage on Chapman Road.

**ATTACHMENTS:**

Description

Chapman Road property map

**BACKGROUND:**

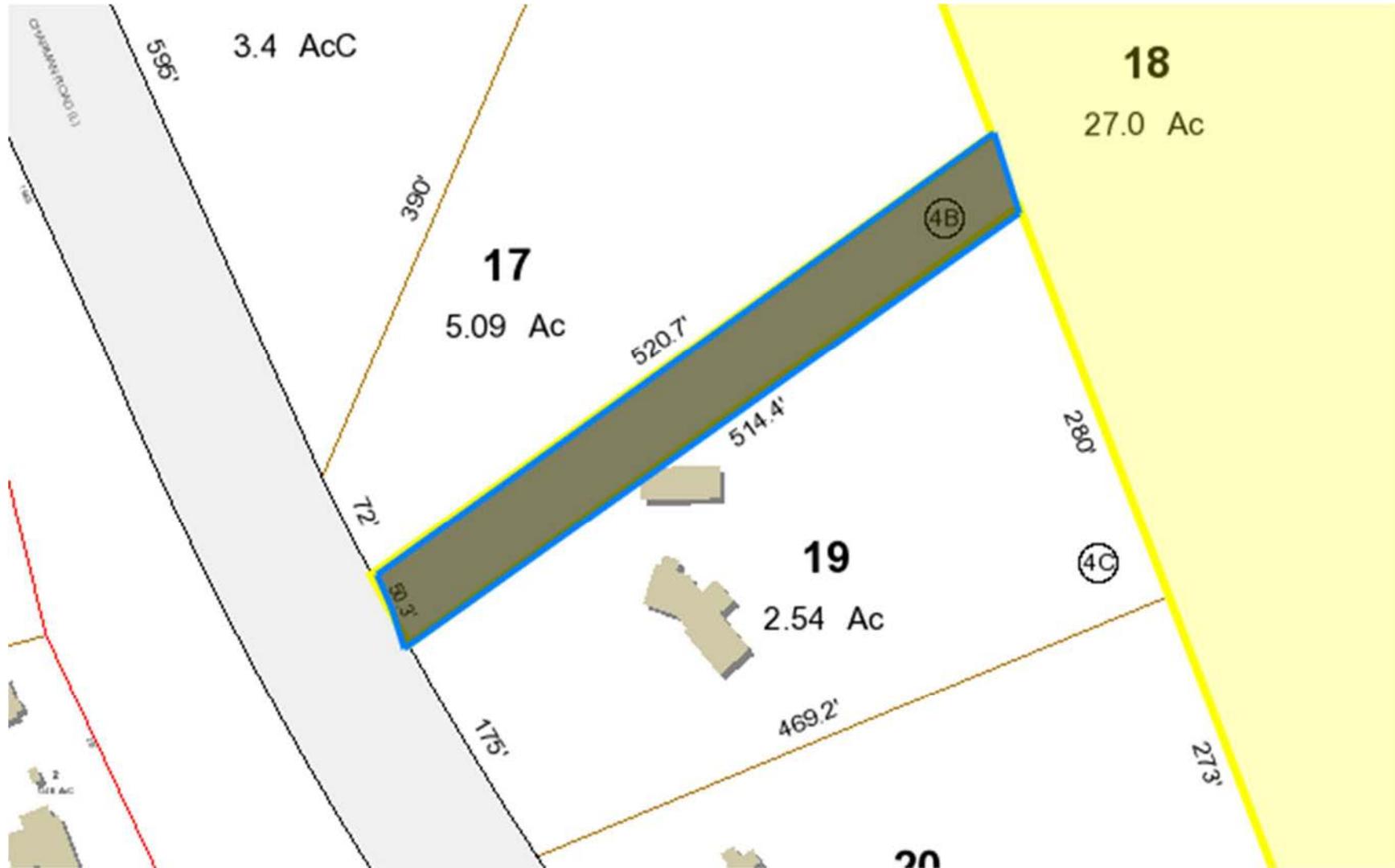
In the spring of 2019, the City acquired the Beauregard property which connected the side of Beech Hill to Chapman Road. A narrow 50' access way from Chapman Road, and continuing 520' up the hillside to the Beauregard property, split the Lilac Lane development which is where the Burkes reside ("Access Strip"). During the pendency of the purchase of the Beauregard property, the Burkes requested that the City sell all or a portion of the Access Strip to the Burkes. The City Council placed the request on more time to allow for the sale of the Beauregard property to be finalized, and to allow for City staff to review the Burkes' request.

After multiple discussions, and a pandemic, the Burkes are ready to complete the negotiations for the purchase of the Access Strip. The option being considered is the purchase of the entire Access Strip, including the frontage along Chapman Road, and continuing from Chapman Road across Lilac Lane to the former Beauregard property. The steep and unimproved Access Strip does not provide the City with adequate access to the former Beauregard property for vehicle purposes. The City has alternative access to the former Beauregard property from Woodland Ave. The Access Strip is approximately 0.63 acres in size. See attached photo

The Burke's are responsible for the costs and expenses of the transfer including completing and recording a property survey of the Access Strip.

Chapman Road - access to City property (18) formerly owned by the Beaugard's

Burke's (19) request for purchase - Approximately 0.63 acres





City of Keene  
*Transmittal Form*

June 8, 2021

**TO:** Finance, Organization and Personnel Committee

**FROM:** Kurt D. Blomquist, PE, Public Works Director/Emergency Management Director

**THROUGH:** Elizabeth A. Dragon, City Manager

**ITEM:** 5.

**SUBJECT:** Continued Discussion: Water and Sewer Methodology and Rates

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**RECOMMENDATION:**

Accept as informational.

**ATTACHMENTS:**

Description

Sewer Water Rate Presentation

**BACKGROUND:**

The Finance, Organization and Personnel Committee have been reviewing proposed Sewer and Water Rates. The Committee requested additional information on the potential two-tier rate structure for residential sewer and water customers. The Committee was interested in looking at the impact on water rates with different cut-off points for the first tier pricing. Staff worked with the Sewer and Water Rate consultant to develop additional information.

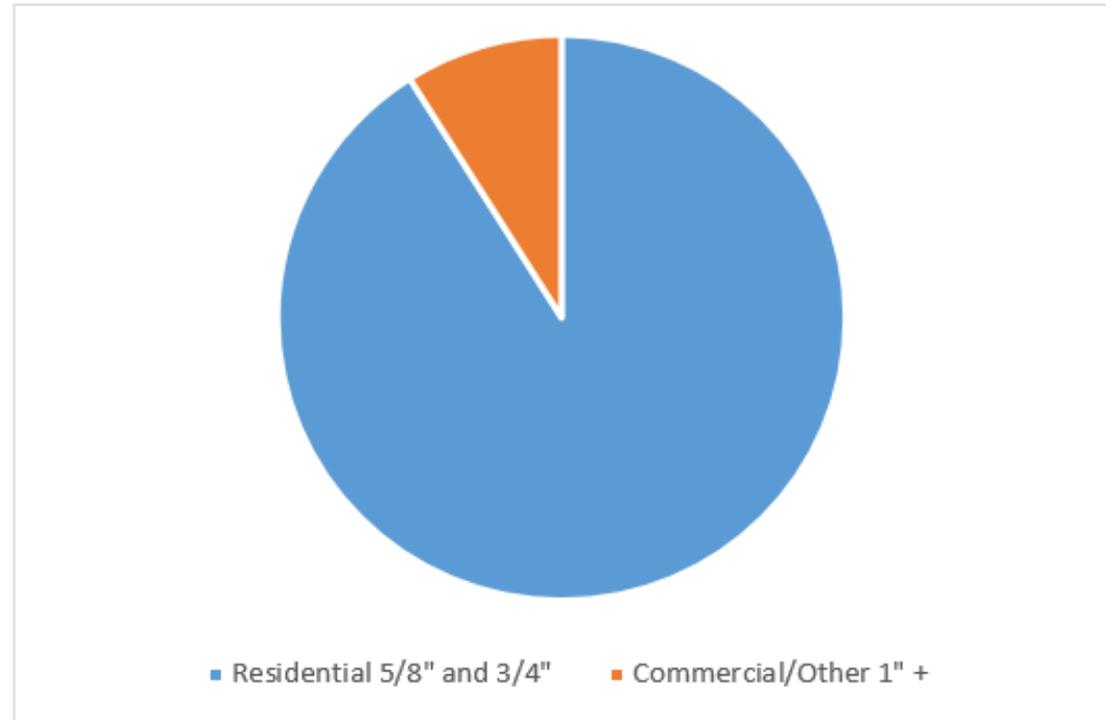
Attached is a copy of the presentation that will be reviewed with the Committee at its next meeting.

# Sewer and Water Customer Data

## Customer Data

### Number of Accounts

<u>Meter Size</u>		<u>Percent</u>
5/8"	5,542	90.5%
3/4"	7	0.1%
1"	238	3.9%
1.5"	108	1.8%
2"	163	2.7%
3"	32	0.5%
4"	7	0.1%
6"	2	0.0%
Flat Rate	26	0.4%
Total	6,125	



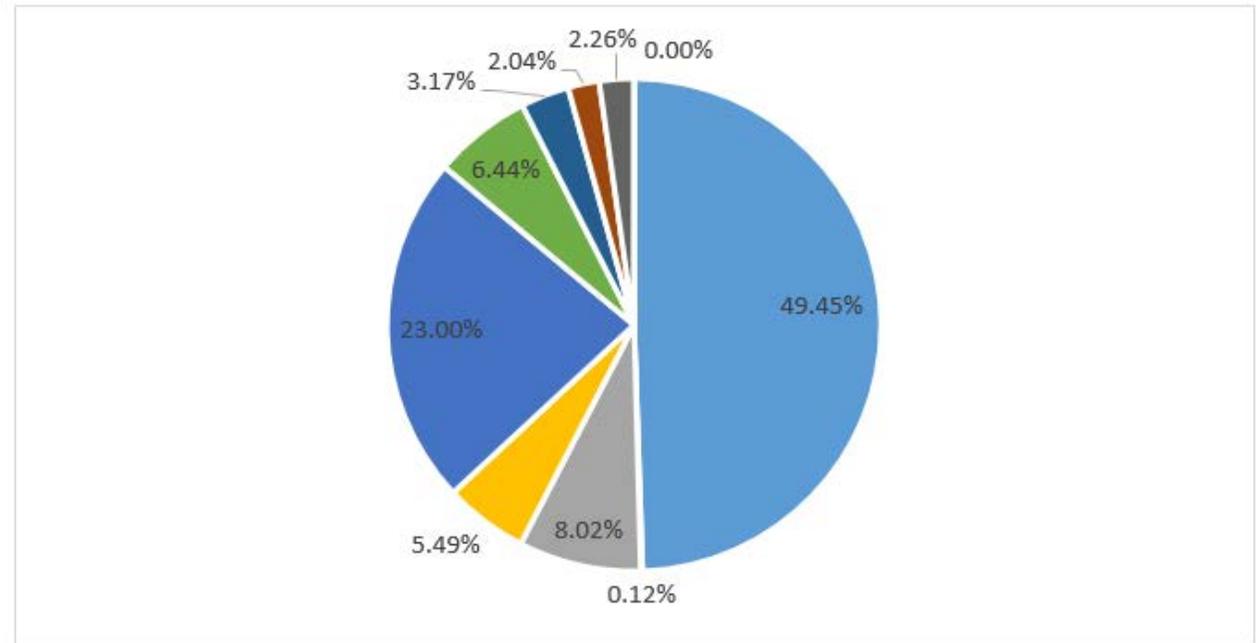
Residential 5/8" and 3/4"  
Commercial/Other 1" +

91.0%  
9.0%

# Sewer and Water Customer Data

## Consumption by Meter Size (CCF)

Meter Size		Percent
5/8"	339,874	49.45%
3/4"	827	0.12%
1"	55,136	8.02%
1.5"	37,715	5.49%
2"	158,091	23.00%
3"	44,274	6.44%
4"	21,783	3.17%
6"	14,029	2.04%
Seasonal Water	15,551	2.26%
Water Flat 5/8"	-	0.00%
	<hr/> 687,280	



# Water Rate Recovery

Revenue Require	\$4,520,000
Recovered from Fixed Charges/ Fire Protection/Etc. (~ 20%)	<u>\$1,280,000</u>
To be recovered from Volumetric (~80%)	\$3,240,000
Consumption (approximately)	677,000 CCF

Note: Values were rounded from Rate Model for illustration purposes

# Proposed Rates

## Sewer Rates

### Base Charge per Quarter

5/8"	\$ 33.95
3/4"	50.93
1"	84.88
1.5"	169.75
2"	271.61
3"	509.26
4"	848.77
6"	1,697.54
All Customer Usage per ccf	\$ 7.19

## Fire Protection Rates

### Base Charge per Quarter

1.5"	\$7.24
2"	\$15.44
4"	\$95.55
6"	\$277.55
8"	\$591.47
10"	\$1,063.67
12"	\$1,718.12
Hydrants (Private)	\$277.55

# Proposed Fixed Charges

## **Water Rates**

### Base Charge per Quarter

5/8"	\$23.02
3/4"	\$34.52
1"	\$57.54
1.5"	\$115.08
2"	\$184.13
3"	\$345.24
4"	\$575.40
6"	\$1,150.81

Total number of Residential Customers (5/8" & 3/4" Meters Size) 5,542

Tier Scenarios

<u>Consumption (CuFt/Qrt)</u>	<u>Estimated No. of Customers</u>	<u>Percent of Total Customers</u>
0 - 600 CuFt/Qrt	1,039	19%
0 - 1,200 CuFt/Qrt	2,789	50%
0 - 1,800 CuFt/Qrt	4,090	74%

# Rate Scenarios

<u>Rate Scenarios - Tier 1 Cutoff</u>	<u>Tier 1 Rate**</u>	<u>Tier 2 Rate***</u>
A - 600 CuFt/quarter	\$3.38	\$5.07
B- 1,200 CuFt/quarter	\$3.53	\$5.30
C - 1,800 CuFt/quarter	\$3.62	\$5.43
D -Uniform Rate*	\$4.78	

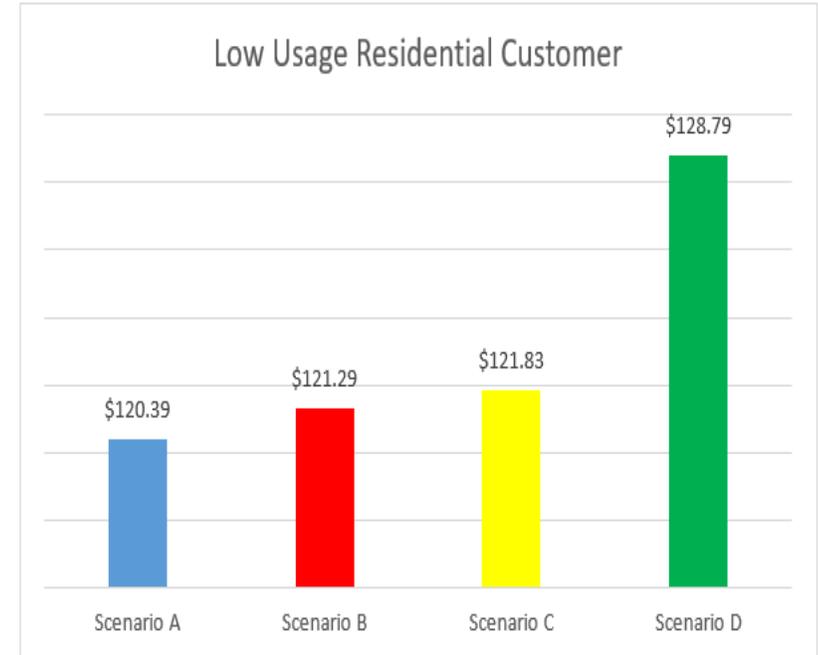
\*All customers (res. and non-res.) pay same rate

\*\*Only residential customers

\*\*\*Residential and all others

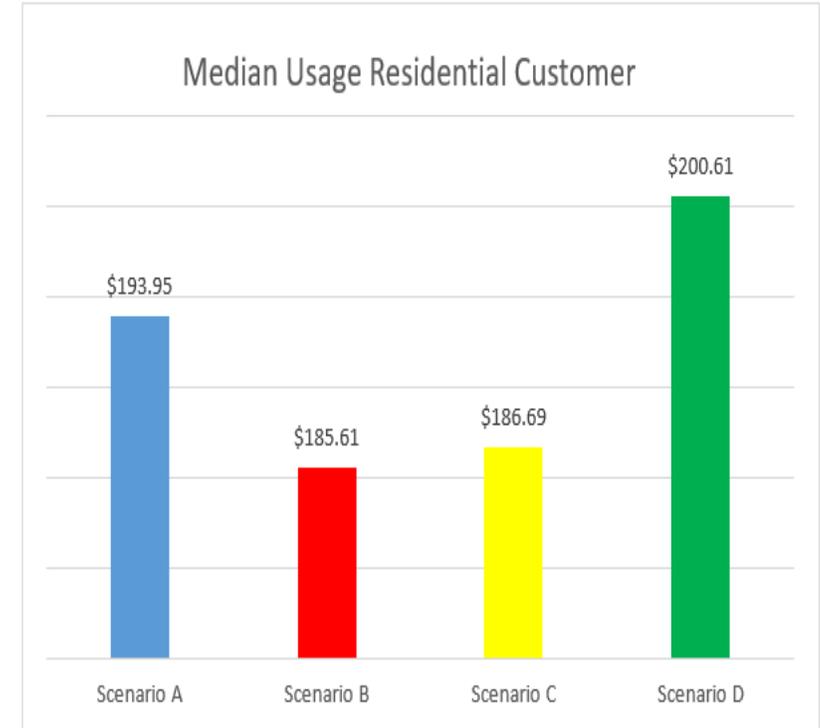
Low Usage Residential Customer - Tier Impacts

Customer	Quarterly Consumption (Gallons)	Cubic Feet		Fixed Charge			Total		Total Bill
Low Usage	4,500	600	Sewer	\$33.95	\$43.14	\$0.00	\$77.09		
			Water	Fixed	Tier 1	Tier 2			
			Scenario A	\$23.02	\$20.28		\$43.30	\$120.39	
			Scenario B	\$23.02	\$21.18		\$44.20	\$121.29	
			Scenario C	\$23.02	\$21.72		\$44.74	\$121.83	
			Scenario D	\$23.02	\$28.68		\$51.70	\$128.79	



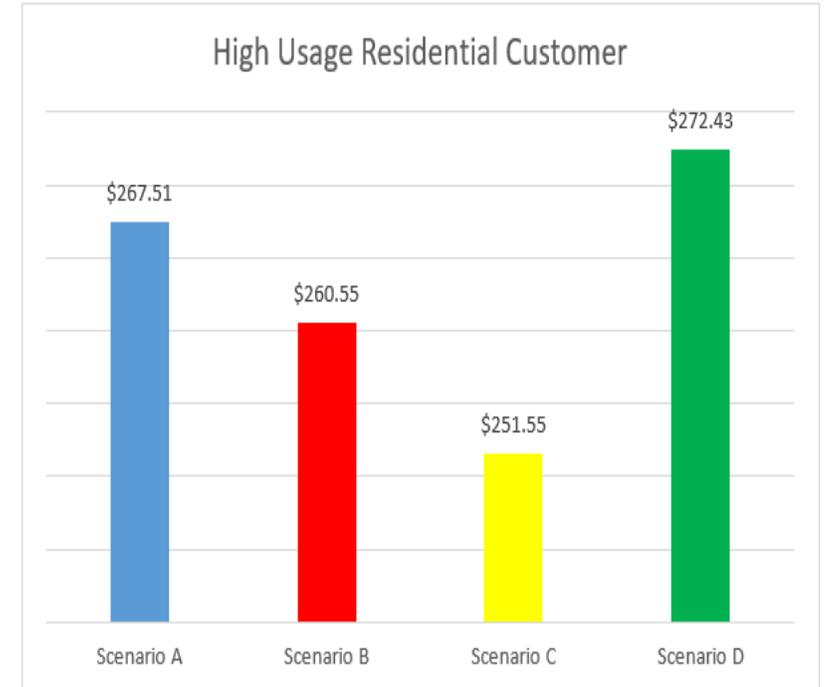
Median Usage Residential Customer - Tier Impacts

Customer	Quarterly Consumption (Gallons)	Cubic Feet		Fixed Charge			Total		Total Bill
Median Usage	9,000	1,200	Sewer	\$33.95	\$86.28		\$120.23		
			Water	Fixed	Tier 1	Tier 2			
			Scenario A	\$23.02	\$20.28	\$30.42	\$73.72	\$193.95	
			Scenario B	\$23.02	\$42.36		\$65.38	\$185.61	
			Scenario C	\$23.02	\$43.44		\$66.46	\$186.69	
			Scenario D	\$23.02	\$57.36		\$80.38	\$200.61	



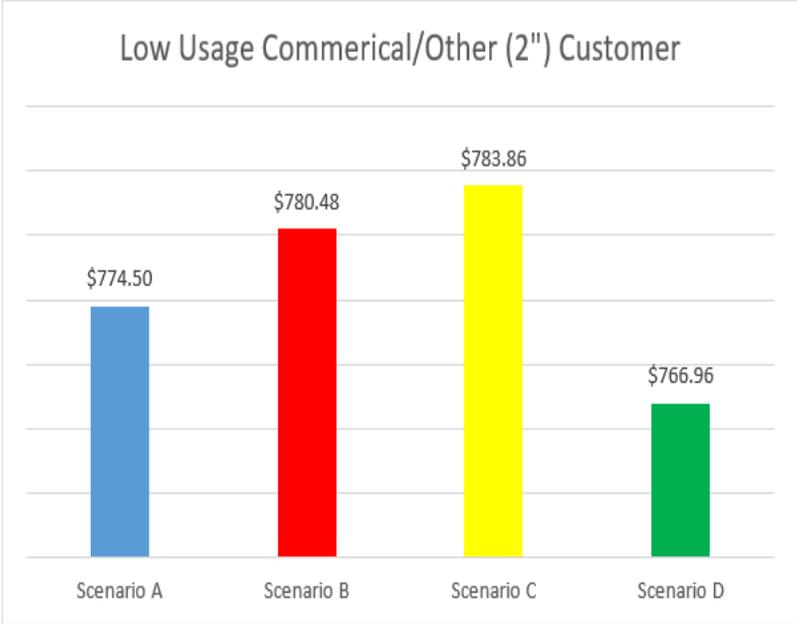
### High Usage Residential Customer - Tier Impacts

Customer	Quarterly Consumption (Gallons)	Cubic Feet		Fixed Charge			Total		Total Bill
Low Usage	13,500	1,800	Sewer	\$33.95	\$129.42		\$163.37		
			Water	Fixed	Tier 1	Tier 2			
			Scenario A	\$23.02	\$20.28	\$60.84	\$104.14	\$267.51	
			Scenario B	\$23.02	\$42.36	\$31.80	\$97.18	\$260.55	
			Scenario C	\$23.02	\$65.16		\$88.18	\$251.55	
			Scenario D	\$23.02	\$86.04		\$109.06	\$272.43	



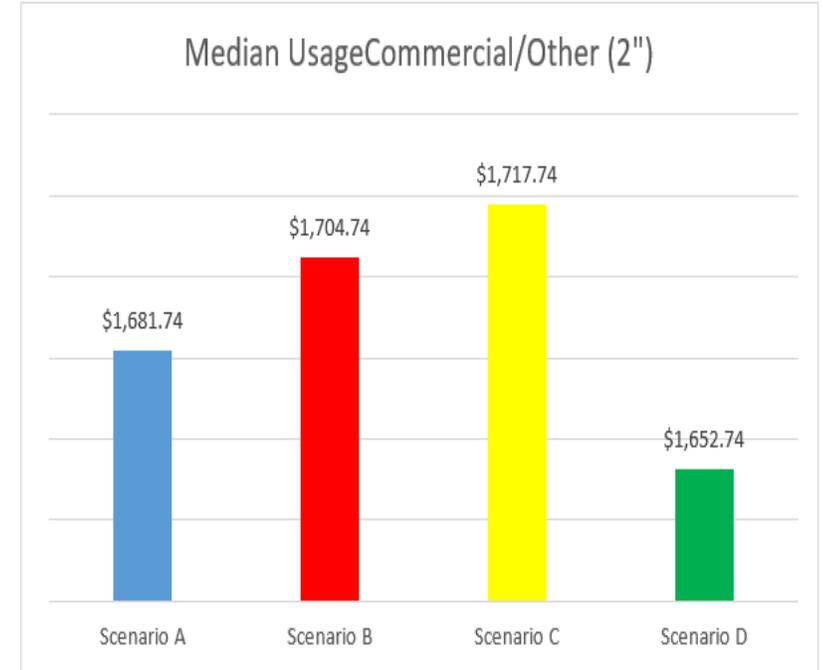
Low Usage Commerical/Other (2") Customer - Tier Impacts

Customer	Quarterly Consumption (Gallons)	Cubic Feet		Fixed Charge			Total		Total Bill
Low Usage	20,000	2,600	Sewer	\$271.61	\$186.94		\$458.55		
			Water	Fixed	Tier 1	Tier 2			
			Scenario A	\$184.13		\$131.82	\$315.95	\$774.50	
			Scenario B	\$184.13		\$137.80	\$321.93	\$780.48	
			Scenario C	\$184.13		\$141.18	\$325.31	\$783.86	
			Scenario D	\$184.13	\$124.28		\$308.41	\$766.96	



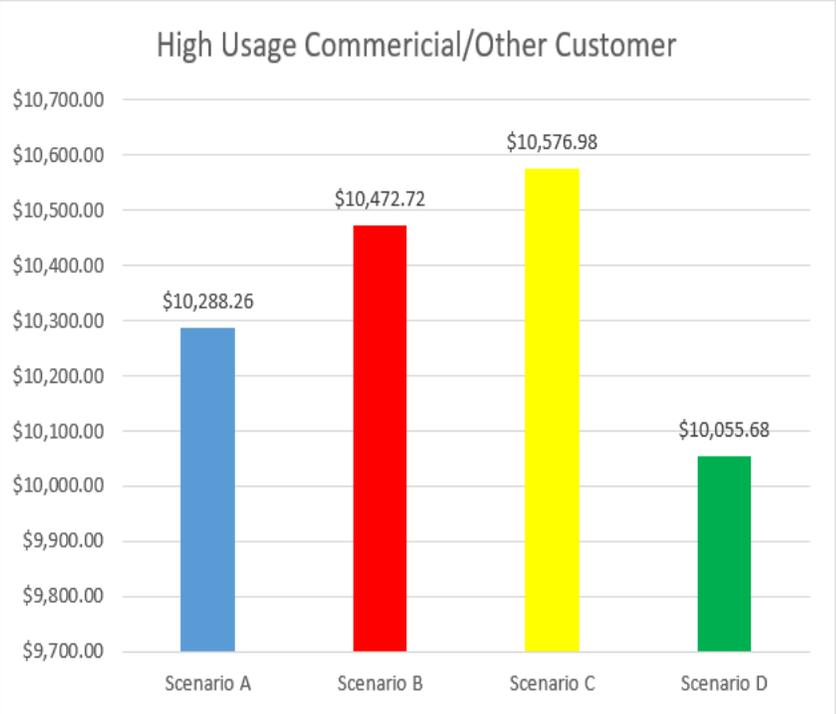
Median Usage Commercial/Other (2") Customer - Tier Impacts

Customer	Quarterly Consumption (Gallons)	Cubic Feet		Fixed Charge			Total		Total Bill
Median Usage	75,000	10,000							
			Sewer	\$271.61	\$719.00		\$990.61		
			Water	Fixed	Tier 1	Tier 2			
			Scenario A	\$184.13		\$507.00	\$691.13		\$1,681.74
			Scenario B	\$184.13		\$530.00	\$714.13		\$1,704.74
			Scenario C	\$184.13		\$543.00	\$727.13		\$1,717.74
			Scenario D	\$184.13	\$478.00		\$662.13		\$1,652.74

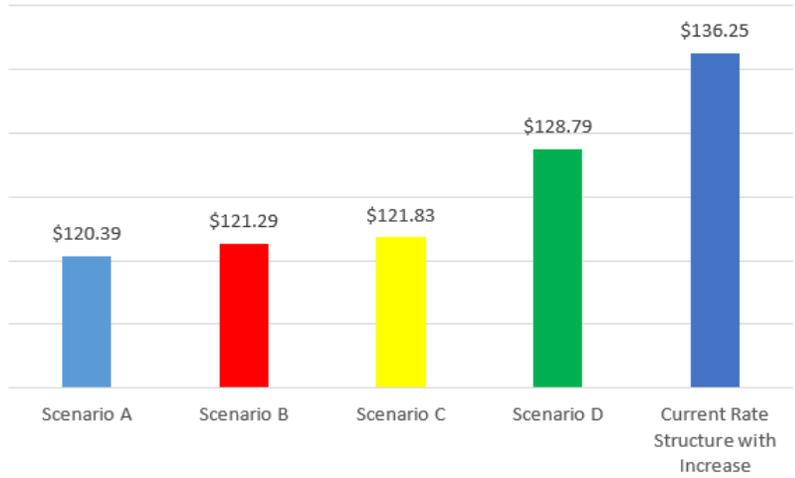


High Usage Commercial/Other (2") Customer - Tier Impacts

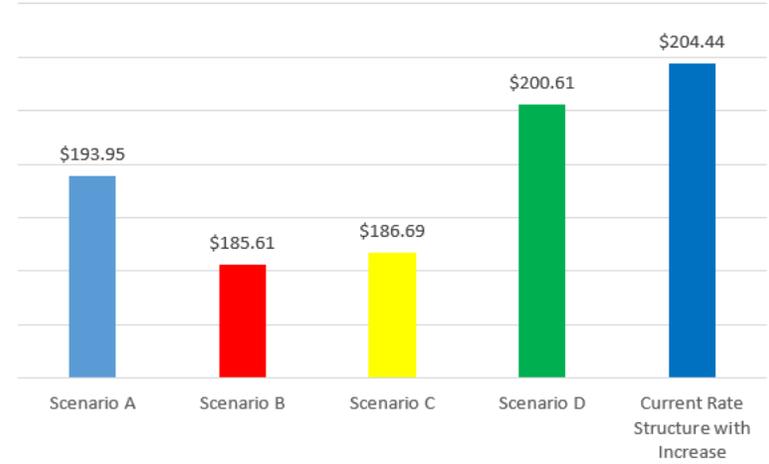
Customer	Quarterly Consumption (Gallons)	Cubic Feet		Fixed Charge			Total		Total Bill
High Usage	600,000	80,200	Sewer	\$271.61	\$5,766.38		\$6,037.99		
			Water	Fixed	Tier 1	Tier 2			
			Scenario A	\$184.13		\$4,066.14	\$4,250.27	\$10,288.26	
			Scenario B	\$184.13		\$4,250.60	\$4,434.73	\$10,472.72	
			Scenario C	\$184.13		\$4,354.86	\$4,538.99	\$10,576.98	
			Scenario D	\$184.13	\$3,833.56		\$4,017.69	\$10,055.68	



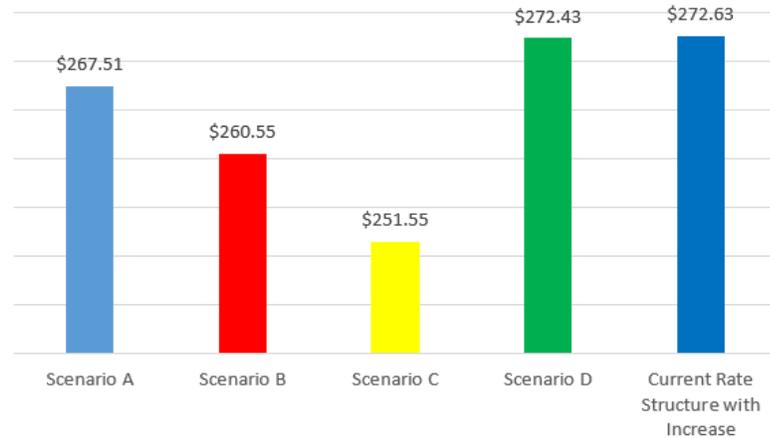
Low Usage Residential Customer



Median Usage Residential Customer



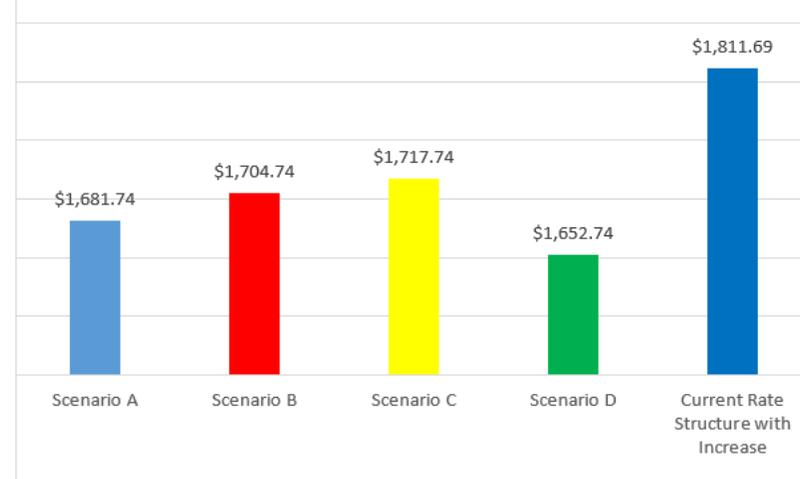
High Usage Residential Customer



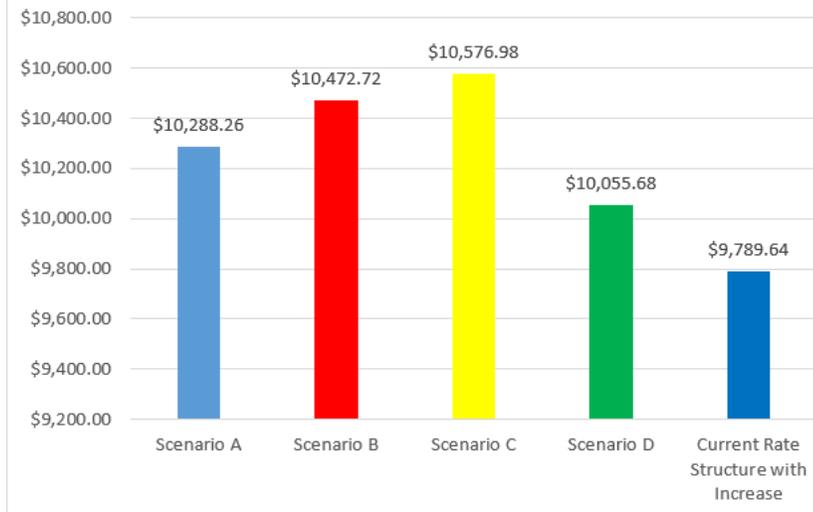
### Low Usage Commercial/Other (2") Customer



### Median Usage Commercial/Other (2")



### High Usage Commercial/Other Customer





City of Keene  
*Transmittal Form*

June 10, 2021

**TO:** Finance, Organization and Personnel Committee

**FROM:** Elizabeth Dragon, City Manager

**ITEM:** 6.

**SUBJECT:** Standard Power- Hydro Agreement

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**RECOMMENDATION:**

That the Finance, Organization and Personnel Committee recommend the City Council authorize the City Manager to do all things necessary to negotiate and execute a default service reimbursement hydro agreement with Standard Power, adopt Resolution R-2021-25 and to deposit these funds in a newly created special revenue revolving fund to be used to further the Community Power program.

**ATTACHMENTS:**

Description

Resolution R-2021-25

**BACKGROUND:**

In early 2021, Standard Power renewed its group net metering contract with Ashuelot River Hydro, Inc., a Keene based company that operates small hydroelectric power plants, producing renewable electricity in region. The group net metering arrangement is for Ashuelot Hydro's Minnewawa Station, located on the Minnewawa Brook in Marlboro. This plan provided the bulk of Keene's electricity when it was first put on line in 1923, and has since been substantially rebuilt.

Standard Power is the administrator of this Group Net Metering Program. The program produces a credit for its members depending on how much energy the plant generates. This credit is periodically reimbursed to its members. Ashuelot Hydro's President, Bob King, has directed the reimbursement funds associated with Minnewawa Station to be credit to Keene's Community Power Program if it chooses to accept. If approved by City Council, the reimbursement agreement would annually provide the City \$15,000 to \$20,000.

The intent of the agreement is consistent with Keene's goal of sourcing 100% of our electricity supply from renewable sources by 2030. Perhaps more importantly it would re-connect Keene to one of the City's earliest electricity sources and support local, renewable business. Keene residents will take pride knowing they support a power plant barely 7 miles away that ran the city 80-90 years ago and still generates clean energy today.



# CITY OF KEENE

R-2021-25

Twenty-one

In the Year of Our Lord Two Thousand and .....

Relating to the establishment of a Community Power Program Revolving Fund

A RESOLUTION .....pursuant to RSA 31:95-h for the purpose of receiving revenues and expending .....  
funds relative to the Community Power Program.

*Resolved by the City Council of the City of Keene, as follows:*

That all revenues received in connection with the Community Power Program be deposited into the fund for the purpose of paying expenses associated with the program. The Community Power Program Revolving Fund shall be allowed to accumulate from year to year, and shall not be considered part of the City's general fund balance.

\_\_\_\_\_  
George S. Hansel, Mayor