

City of Keene
New Hampshire

FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE
MEETING MINUTES

Thursday, September 9, 2021

6:00 PM

Council Chambers

Members Present:

Thomas F. Powers, Chair
Stephen L. Hooper, Vice Chair
Bettina A. Chadbourne
Raleigh C. Ormerod-Via Zoom

Members Not Present:

Michael J. Remy

Staff Present:

Rebecca Landry, IT Director/ACM
Thomas P. Mullins, City Attorney
Steve Stewart, Police Captain
Aaron Cost, Operations Manager PW
Treatment Facilities
Merri Howe, Finance Director
Duncan Watson, Assistant Public Works
Director
Kurt Blomquist, Public Works Director

Chair Powers called the meeting to order at 6:00 PM. Councilor Ormerod identified that he was caring for an ill family member and was attending remotely.

1) Acceptance of Federal Forfeiture Monies – Police Chief

Police Captain Steve Stewart addressed the committee and stated this item is in reference to the acceptance of federal forfeiture monies that were associated with drug investigations the Keene Police Department worked jointly with the US Homeland Security Investigations. The total amount is \$54,781.26 made up of three different amounts: The first, \$12,366.31 was a result of an investigation that took place in the months of October and November of 2019. The last two, \$32,133.90 and \$10,281.05 were from an investigation that began in October of 2019 and culminated in June of 2020.

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

On a 4-0 roll call vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept federal forfeiture monies in the amount \$54,781.26.

2) NH DOT Highway Safety Grant; Grant # 22-095 – Police Chief

Captain Stewart stated this is a Highway Safety grants that come through the State, which allows for the City to do some proactive traffic work with regard to DWI's pedestrian safety, distracted driving etc. The total amount of the grant broken into three separate sub grants is \$18,832.

Councilor Hooper commended the Police Department for procuring these grants and asked whether there was any particular person who seeks out these grants for the department. Captain Stewart stated the grants come through Special Services Bureau and Lieutenant Shane Maxfield handles the coordination of the grant applications.

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

On a 4-0 roll call vote, the Finance, Organization and Personnel Committee recommends 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.

3) Engineering Services - 1.5 Million Gallon Storage Tank Repair Project – Public Works Director

Aaron Costa Operations Manager for PW Treatment Facilities addressed the committee next. This item is an engineering contract for the repair of the 1.5 million gallon water storage tank. The tank is located outside the footprint of the water treatment facility. The 1.5 million gallon tank, which was constructed in 1924 is buried.

In 2013, Tighe & Bond Engineers performed water facilities evaluation and included in that evaluation was exterior inspection of this tank. The consultant had structural recommendations including the installation of an impermeable membrane roof cover. At present, because of its location during heavy rain or snowmelt, ponding on top of the roof cover occurs. The concern is the weight and the water on top of that cover. The consultant, In addition to a impermeable membrane roof cover the consultant also suggested pitching the roof.

Some other improvements include updating other structures that no longer meet current standards - specifically the overflow and tank vent. In addition, the tank is also equipped with a vault so electrical equipment and pumps are located underground, and the suggestion is to bring them above ground.

Mr. Costa stated in July the City sent out a Request for Proposals looking for consultants to assist the City with the design of the identified recommendations and to take this project right through design and construction. The City received four responses and they were reviewed by a team made up of City staff. After review of the proposals, staff recommends Western Samson be awarded the project based on their experience and approach. Funding for this work is available in the 1.5 million gallon storage tank repairs capital improvement project.

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

On a 4-0 roll call vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to negotiate and execute a professional services contract with Weston & Sampson to perform engineering and technical services for an

amount not to exceed \$85,280 for the 1.5 Million Gallon Storage Tank Repair Project. If a contract cannot be negotiated, the City Manager is authorized to negotiate and execute a contract with the next ranked firm.

**4) Engineering Services – Sludge Pump Replacement Project – Public Works
Operations Manager**

Mr. Costa addressed the committee again and stated this request is for authorization for professional services contract with Underwood Engineers for the sludge pump replacement project for an amount not to exceed \$58,200.

Mr. Costa explained the City owns and operates a wastewater treatment plant on the Airport Road, which was constructed in the mid 1980's. The City has invested \$10 million in that facility over the past decade and there are many original components and equipment at the facility. These six sludge pumps that are scheduled to be replaced with the City's capital improvement program are original and have served the City well since the plant came online.

In July, a Request for Proposals was issued to procure the services of a qualified consultant to assist with selecting a new style of pump and assisting the City with the design and construction. Three proposals were received which was reviewed by a team of city staff and for this project the team feels Underwood Engineers would be the best qualified. Wright Pierce was not considered due to their cost. Their price was \$176,000, which was more than three times the cost of the other two firms. He added funding is available in the sludge pump replacement capital improvement project.

The Chair clarified Underwood has worked for the City in the past. Mr. Costa agreed and added most recently they worked on the gate replacement project at the wastewater treatment plant and they are also working on a lab renovation project.

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

On a 4-0 roll call vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to negotiate and execute a professional services with Underwood Engineers for engineering and technical services for an amount not to exceed \$58,200 for the Sludge Pump Replacement Project. If a contract cannot be negotiated, the City Manager is authorized to negotiate and execute with the next ranked firm.

5) Relating to FY22 Fiscal Policies Resolution R-2021-37 – Finance Director

Finance Director Merri Howe addressed the committee with reference to Resolution R-2021-37 relating to the FY22 fiscal policies. Ms. Howe indicated this is the beginning of the City's budgeting and fiscal cycle for the next fiscal year.

Updating policies is the first step in the budget process. At the City Council workshop on August 17 updates to the FY 22 fiscal policies were reviewed. Ms. Howe went over the changes that

were discussed: The updates for FY 22 included the incorporation of the newly adopted City Council goals and strategic governance.

A new section was added this year that provides guidance for outside agencies and their funding request. Another section was added under the capital improvements program that had wording and definitions that clarified when staff should use a memorandum for project transfer vs. a Resolution. Minor wording changes for clarification that came out of the workshop were also added into the policy.

Councilor Ormerod referred to Item 1. L. 1. – City’s property taxes being based on Boston Cambridge Newton cpi. He noted there has been some concern raise that if the City keeps raising its property tax rate, it is going to have a negative impact on those who are on fixed income and who have lived in Keene their entire life. Added to that the City is entering an inflationary period and there will be a need for a larger budget to provide the same services. He questioned if there was another way to deal with fixed income older residents. He asked for Ms. Howe’s recommendation.

Ms. Howe agreed at the present time there is a large increase in the CPI nationwide. She noted for 2019 the rates for Boston Cambridge Newton cpi were 2.0, for 2020 is was .8 and currently for 2021 the rate stands at 4.3. Ms. Howe explained that the .8 increase from last year helps to offset some of the fast increases going on for this year. She indicated staff is open to suggestions. Councilor Ormerod noted there were special tax abatements provided in the past for disabled veterans and felt there could be a way the City can address the concerns with the fixed income retirees who lived in Keene all their life and want to continue but may not be able to sustain this rate. He asked the Council to bring this item up for discussion again.

Chair Powers stated the question is how the City comes up with some kind of formula – for years the City operated with no formula. There have been different geographical areas used for CPI and this is the latest. He noted the fiscal policy is a guide and for many years the City did not make the rate; the City was below the rate when the budget was put together.

He further stated New Hampshire law does not allow for abatements except for certain categories. Hence, this is something the Council would need to look at closely.

Rebecca Landry, IT Director/Assistant City Manager noted the language does not say the City will increase its revenue to this amount but says *it will limit*. She added the concerns the Councilor has raised would probably be best addressed as part of the budget process and not necessarily in the fiscal policy; this will provide flexibility to address it on a year-to-year basis through the budget process rather than the fiscal policy that stays in place over time.

Human Resources Director/Asst. City Manager, Beth Fox noted there is the elderly abatement and exemption process and those limits were recently updated as part of the process, which could mitigate some of the increases.

Chair Powers felt this is a message that would go forward as department heads and the manager put their budgets together. The Chair added he is more concerned about that fixed income person not being able to pay for food and felt this is going to be a difficult year for many.

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

On a 4-0 roll call vote, the Finance, Organization and Personnel Committee recommends the adoption of Resolution R-2021-37.

**6) Relating to the Appropriation of Funds from the Solid Waste Fund
Unassigned Fund Balance for the Repair of the Transfer Station from Fire
Damage and Upgraded Fire Protection - Resolution R-2021-39 – Asst.
Public Works Director**

Mr. Watson addressed the committee next and stated this was the next phase for the repair of the transfer station that suffered a fire back in April of 2020. An RFP was issued in the fall 2020, but no bids were received. After consultation with the insurance company, a small change order was put in place; the insurance company and fire department added a little bit of scope to this, and upon the development of the scope of the project, they discovered there were some issues that needed to be addressed from a structural standpoint to deal with snow load.

There is also the proposal for an installation of a dry pipe system (installing piping connected to a tanker truck) from which water would be moved onto any fires that happened at the transfer station. Mr. Watson explained fires generally happen when people dispose of incompatible waste, which is what they believed, happened in the fire of April 2020. Due to Covid many people were confined to their homes and they started cleaning out their basements and garages. When this happens, it is not uncommon to have a fire.

Councilor Hooper asked for clarification on what was changed with this RFP. Mr. Watson stated the department was originally going to complete this repair in two separate pieces; repair the transfer station damage – this was what the bid was for and there were no responses. What is happening now is to combine the other project, which was the installation of dry pipe system, and during the evaluation by structural engineer, it was determined there were issues with snow load, which required support of the roof structure.

Councilor Hooper asked why the first bid was not successful. Mr. Watson stated the City was facing the realities of the pandemic at that particular point; contractors were trying to get through work issues surrounding the pandemic. He indicated he doesn't know why exactly bids were not received as the scope of work would have been something a small contractor could have taken on. He indicated this is a pattern the City is seeing with smaller projects. Mr. Watson stated staff is pleased to be recommending Project Resource Group who have done work for the City in the past.

Public Works Director Kurt Blomquist added for the past 18 months the City has had difficulty getting contractors due to numerous factors. Over the last several years the City has lost some of its contractors. With the pandemic, projects did shut down and when they started back up the workforce issue that exists for many of our industries is affecting this industry as well. He encouraged individuals who are thinking about getting into the construction industry and added there is opportunity for many good paying jobs. Mr. Blomquist added they are expecting this trend to continue for a while. He encouraged parents who have children who are mechanically inclined and enjoy working outside, to think about carpentry, HVAC, plumbing work etc.

Chair Powers clarified this was the entire project and includes the insurance settlement. Mr. Watson stated some of the scope of work will include insurance work; siding, installation on the roof. He added the City has repaired small portions of the facility. The fire alarm system is back online. He indicated any insurance proceeds would go to the unassigned fund balance.

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

On a 4-0 roll call vote, the Finance, Organization and Personnel Committee recommends adoption of Resolution R-2021-39.

There being no further business, Chair Powers adjourned the meeting at 6:37 PM.

Respectfully submitted by,
Krishni Pahl, Minute Taker