

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

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

**Thursday, March 13, 2025**

**6:00 PM**

**Council Chambers,  
City Hall**

**Members Present:**

Thomas F. Powers, Chair  
Michael J. Remy, Vice Chair  
Bettina A. Chadbourne  
Bryan J. Lake  
Kris E. Roberts

**Members Not Present:**

*All Present*

**Staff Present:**

Elizabeth A. Ferland, City Manager  
Amanda Palmeira, City Attorney  
Chelsea North, Parking Operations Manager  
Dan Langille, City Assessor  
Beth Fox, Asst. City Manager/Human  
Resources Director  
David Hickling, Airport Director  
Mari Brunner, Senior Planner  
Don Lussier, Public Works Director

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

**1) Report Out: Downtown Business and Employee Parking Update - Parking Services**

Chelsea North, Parking Operations Manager addressed the committee and stated at the FOP meeting on November 14, 2024, several downtown businesses voiced their concerns and frustrations about parking downtown. On December 9th, city staff met with Jaida Carland and Kasey Meyerrose to address the concerns posed to the committee. They discussed safety in the Wells garage structure. The garage is monitored by surveillance cameras and also has upgraded LED lighting which was installed within the last few years. Ms. North noted that Keene Police also patrols downtown during the evening and overnight hours to increase public safety and a request for more cameras was referred to Public Works Department for further evaluation.

The group also discussed alternative parking options closer to Central Square, Gilbo Avenue lot, and Elm Street lot. Roxbury Plaza is available to the public during day and evening hours, and the City Hall upper deck is available for use by the public at no charge Monday through Saturday 5:00 PM until midnight and Sunday 6:00 AM until midnight.

Ms. North noted parking is used by visitors, workers of various industries, students, and residents. Balancing the interests of these customers can be a difficult task. Parking Services offers two-to-three-hour parking on-street and up to 10-hour parking in long-term lots. Time limits, especially in the high-demand zones, are in place to promote turnover and allow the diverse customer base equitable access to various businesses. Areas with on-street pay stations

also allow a customer to park for 15 minutes for free, to enable each space to be a loading zone for quick trips into a business.

Additionally, the City offers a quarterly permit program. Ms. North noted the quarterly permit program is generally less expensive per week and per day compared to other towns and municipalities in New Hampshire. This concluded Ms. North's presentation.

The City Manager stated this item was referred to staff but the committee asked for a report back. She stated the City had a good discussion with downtown merchants and have not had any complaints since then.

Councilor Remy stated he does not like the response as he felt there was no change being proposed. The parking deck being available after 6:30 pm is not too helpful as everyone who is working in downtown restaurants is already at work by that time.

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

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends accepting this item as informational.

## **2) Future Development - Black Brook Tax Increment Finance District - City Assessor**

City Assessor Dan Langille and Bill Hutwelker from Masiello Real Estate were the next two speakers. Mr. Langille stated they were before the committee to discuss some exciting opportunities relating to the Blackbrook TIF District.

Mr. Langille began by explaining what tax increment financing (TIF) was. He stated there is a provision in State law (RSA-162K) that allows municipalities to designate development and revitalization districts. These districts need to have public and private partnerships. In order for development to occur, the City or municipality has to provide roads, expand water and sewer lines etc. As part of this district, a development plan and a finance plan is required. The development plan states the goals and objectives of the district. The finance plan maps out how these municipal bonds or costs associated with the development are paid for. Once this district is set, the City sets the original value of that area. At that point, the City would need to spend a certain amount in order to increase the water and sewer lines, develop roads, and improve infrastructure.

Mr. Langille went on to say that instead of the General Fund picking up the cost of paying for these developments, the City would use the increment in that district. For instance, if the City starts off at \$10 million with all the new development, it is now worth \$40 million. This \$30 million is then used to help pay off bonds and costs. If there is money above and beyond what is needed, that money would go to the general fund, which is the case in some of the current TIF districts. Mr. Langille stated the City has been very successful in creating TIF districts. The City

currently has two; Downtown Wells Street TIF district – which incorporates much of the downtown area such as the Railroad Square. Wells Street parking deck was built as a result of this TIF district. When this TIF district originally started in 2012 it was worth \$47 million. Today it is worth over \$110 million, which is just the taxable portion.

The second is the Blackbrook TIF district which was the first one the City ever incorporated in 1996. The original value when the Blackbrook TIF district started was \$12.5 million. Today it has a value of over \$70 million. All the debt currently is paid off for that TIF district. There is no longer any bonds or any outstanding debt associated with it.

Mr. Langille stated the Blackbrook TIF district is about 427 acres. The City is looking to diversify the City's economic base. The City spent \$4 million to improve intersections and roads. He noted Janos Technology and Cheshire Medical Center (their new building on Maple Avenue) is part of this district, as well as Covenant Living. Mr. Langille stated that some of these properties are tax-exempt, but the City still gets payment in lieu of taxes, so there is still a significant amount of investment and money coming in from this district. Additionally, Douglas Cuddle Toys will be constructing a facility off Blackbrook Road.

Mr. Langille went on to say that part of this district is a parcel fully owned by Smith Medical Center. This is the larger parcel on the lower right-hand corner of the map included in the committee's packet. The parcel is about 135 acres in size and the building is about 150,000 square feet, and uses about 20 acres in that area. With it being vacant, that is an opportunity for sale. He turned the presentation over to Mr. Hutwelker.

Mr. Hutwelker stated as Mr. Langille had mentioned this property is about 135 acres in size but indicated he wasn't sure how many acres are developable. The owners were asked to do a survey that would delineate wetlands to give a better perspective, but they have chosen not to. He stated they also talked about potentially subdividing the property, which would allow the building with the 20 acres to be sold on its own, leaving the remainder of the acreage to be sold separately. The owners decided this was not the route they wanted to go either. He stated that the big challenge has been finding a developer who would have use for the building as well as the land. He stated most of the interest is from people looking at it from the perspective of developing housing and there are two primary developers who are looking at it from that perspective. One would keep the building but the other would demolish the building. He stated it is apparent from both parties that they would need help with infrastructure.

Mr. Hutwelker stated one of the developers has already met with Community Development staff. He stated infrastructure is where the TIF would come in.

Mr. Langille clarified the process going forward. He stated they are not asking the committee to make any decisions tonight. He stated if any development plans are considered, there will then be a public hearing scheduled; plans will be brought back to the committee, and they will be reviewed in detail. The City Council will be voting on them before anything is put into place.

Councilor Remy asked what the committee is voting on tonight. The Manager stated if the committee approves this motion, they are authorizing the Manager to begin negotiations with the two developers in terms of what sort of infrastructure they may need and what would be required for a financing plan. Councilor Remy asked whether this would be using the same existing footprint but authorizing a new development within that same footprint. The Manager stated it is potentially doing two things. There is an existing TIF district at this location but the City would look at whether or not it made sense to bring forward a financing plan to expand that district. Regardless, the City would have to go through a public process to create a financing plan related to the development.

Councilor Roberts stated he likes the TIF district option, which would be very beneficial. He stated he supports this proposal.

Councilor Lake 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 negotiate a development plan and a tax increment financing plan regarding parcels in the Black Brook Corporate Park Tax Increment Financing District. As part of any plans, the City Manager may explore whether it is beneficial to enlarge the area of the development district to include additional parcels.

**3) Approval to Accept Donations Solicited, and Accept and Expend Funds Raised to Support Employee Events and Similar Activities - Human Resources**

Asst. City Manager/Human Resources Director Beth Fox addressed the committee next. Ms. Fox stated this request is for the Manager to be authorized to solicit donations and accept items to support fundraising and other activities related to employee events.

Ms. Fox stated a number of employee events are supported through fundraising activities, those include the holiday luncheon, health fair, community night, etc. Staff recently has been talking about fundraising this year's holiday luncheon and the committee has been discussing an idea to do a more extensive raffle. However, according to the City handbook and after discussion with the City Attorney regarding the policy surrounding gambling, it is not permitted under the language in the City handbook, but is however, permitted under State law. After a discussion, staff is proposing an amendment to the handbook to specifically authorize these raffles (50/50) for those purposes to occur on City premises. The proceeds of those raffles will be incorporated into the procedures used to report out donations to the City Council.

Ms. Fox went on to say in this particular case, because a larger raffle is being discussed, staff has had discussions with Finance staff, as there could be some tax reporting requirements. The action before the committee tonight is to confirm that authority and to move this forward in the practice the City has had but maybe on a slightly larger scale.

The Manager stated the size of the raffle is what raised questions; the top prize will be \$3,000. She stated she did want to give credit to the committee that works on this as they look at various options to raise the necessary funds.

Councilor Lake asked who would be running this raffle. Ms. Ferland stated it is a committee of the City that would be running the raffle and the money collected would be accepted through the committee's donation process.

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

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to solicit and accept items donated to support fundraising or other activities related to employee events, accept and expend cash donations, and accept and expend funds raised through fundraising activities including raffles, conducted pursuant to RSA 287-A, in support of such events.

**4) Engineering Agreement with McFarland Johnson Inc. for the Airport Parameter Fence Project - Airport Director**

Airport Director, David Hickling addressed the committee and stated this item is in reference to the airport wildlife perimeter fence project. He stated they have just completed the environmental assessment, which was done this last year and are now moving on to the next phase, which would be completing the design of the project, permitting, and the bidding portion. In order to complete this, the airport will need to work with an engineering firm. McFarland Johnson is the engineer of record for the airport and staff would like to work with them on this project as well.

Mr. Hickling stated this project would be funded through a Bipartisan Infrastructure Bill - Airport Infrastructure Grant Program that works a lot like the AIP Program. 90% will be paid under that grant, 5% under the state, and 5% will be the City's cost.

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

On a 5-0 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 an agreement with McFarland Johnson Inc. for engineering services associated with the Airport Wildlife Parameter Fence project (05J0004B) for an amount not to exceed \$325,000.

Councilor Roberts pointed out Keene is only responsible for \$16,250 on a \$325,000 project.

**5) Engineering Agreement with McFarland Johnson Inc. for the Airport Taxiway A Reconstruction Project - Airport Director**

Mr. Hickling stated this is a Taxiway Alpha Project which is a multi-phase, multi-year project. The first phase was extension of Taxiway Alpha, which was completed in 2022. The second phase is the reconstruction of the existing taxiway has been ongoing. Mr. Hickling stated it has been bid twice but the City has had issues getting the funding in a timely manner from the federal government and through the state process in order to award the grant to the winning bidder.

He stated this would be their third attempt at bidding this project and staff will be working with McFarland Johnson and they will be doing the construction administration of the project, which includes a resident engineer and grant administration. This agreement would be covering that part of this project. Similar to the previous project, this will be FAA AIP grant money which will cover 90% of the cost, 5% of the cost will be from New Hampshire DOT grant and 5% will be the city cost.

Councilor Chadbourne 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 McFarland Johnson Inc. for the construction administration of the Taxiway 'A' Reconstruction project (05J0004B) for an amount not to exceed \$308,300.

**6) Referred Back to Committee: Recommended Amendments - Keene Community Power Plan**

**Energy and Climate Committee Recommendations for Phase 2 of Keene Community Power**

**Recommended Amendments to Keene Community Power Plan - Community Development**

Senior Planner Mari Brunner addressed the committee and stated that there are two major parts to this recommendation, which is coming from the Energy and Climate Committee and staff. One recommendation pertains to the next bid for the Community Power Program, and the other recommendation pertains to the plan.

She stated that the Energy and Climate Committee spent two months (January and February) hearing from the current consultants and looking at the data for the program and what the participation levels had been for the first round. Ms. Brunner stated the first round had four products, including the default, which has 35% renewable energy, which is 10% more than the state minimum. There is also a basic option, which is a little bit cheaper – it has the bare minimum amount of renewable energy, but someone would have to choose that option intentionally; it is not automatic. There are also two options where you can increase the amount of renewable energy and pay extra for that.

Ms. Brunner stated looking at the data it shows that the vast majority of program participants stayed with the defaults. 4% choose to opt down to that cheaper option. There was around 2% to 3% that went up to the 100% option and less than 1% go to the 50% option. Looking at this data, the Energy and Climate Committee recommends going down to three options instead of four and increasing the amount of renewable energy in the default product to move towards our communities' goals to transition to 100% renewable energy.

The final piece, which was the most confusing item discussed at the last meeting, was the idea of building up a discretionary reserve fund using what is referred to as an Adder Fee. In the plan it is referred to as a Rate Component. What this would do is to put a small component of the rate to build up this fund which could be used for local projects. The Energy and Climate Committee was recommending that this rate be .1 cent per kWh and that it be added to the default product and the 100% product but not the basic plan.

Ms. Brunner stated because the bid recommendation included the Adder Fee if the Council wants to move forward with that Adder Fee, the City will need to amend the plan to explicitly state that staff has the authority to collect the Adder Fee to build the discretionary reserve fund.

Ms. Brunner stated putting this in the plan does not mean that it has to be included in the product. Regardless of whether the Council decides to incorporate the Adder Fee, staff still recommends that they update the plan to give the option to do that in the future – should they choose to do so. If the Council decided to add the fee to the plan now, it does not mean it would have to be included in the bid now.

Ms. Brunner further stated in terms of cost, it would be helpful to think about the impact of the fee and the impact of the extra renewable energy content equally. The recommendation for the Adder Fee is about .1 cent per kWh. According to the consultants, each additional 5% of extra renewable energy equates to about .2 cents per kWh. The Energy and Climate Committee recommends including 25% extra renewable energy, which is 50% total and 15% more than what we have now. The goal is to be at 100% renewable by 2030. This would equate to about \$80.00 more per year for an average household.

Councilor Remy stated the cost of everything is increasing and people are hesitant to increase prices knowingly. He felt whatever comes out of committee tonight, there will be debate at Council and the best way we can do this is to structure it in a way that the Council gives itself clear options and the easiest way to do that is to leave the original four options for the percentages, including the one from today which would make it easier to amend. He added with respect to the second motion - it is to give the Council the option to add the fee.

Attorney Palmeira pointed out the rules will contemplate making a recommendation that could be either adopted or not adopted, and a recommendation to choose one.

Councilor Lake stated he disagrees with the idea of lowering what the base plan is. He felt the idea of having three tiers is to simplify the program. He felt having three numbers is good from a consumer standpoint. He asked what the administrative cost associated with the Adder Fee would be. Ms. Brunner stated there is no direct cost to the city, everything associated with the program is paid through another rate component that goes directly to the consultants which is a .1 cent per kWh. The consultants gets paid out of the fee directly by the supplier. The monies collected by the city goes directly into a fund, which has already been created by the City Manager which has approximately \$75,000. The only cost the city would incur would be for example advertising costs or matching grants – any program the council decides to create.

The Manager stated this is the response staff received when they decided to add the Adder Fee to the 100% plan - the response was this was going to be such a small amount of administrative burden it would not be worth it. She stated the City always has costs, which is attached to bidding; it is how the City structures our bids.

Councilor Roberts stated he likes the ability to be able to add the fee in, depending on the economic climate.

Councilor Chadbourne asked how long ago the city came up with these goals. Ms. Brunner stated the 100% renewable energy goals were adopted in 2019. The City Council again adopted the Sustainable Energy plan in early 2021. This was a plan that was developed by staff with a lot input and help from the Energy and Climate Committee that laid out pathways to get to those goals. The Implementation Strategy from that plan was Community Power. The City went through another planning process with Community Power. Public outreach for Community Power was during COVID, which was adopted by Council in 2022 and launched in 2023. Councilor Chadbourne stated she agrees leaving the four and having a discussion at Council level, especially because of the economic climate we are living in right now and asked whether staff and Council could be asked to consider moving the goal from 2030 because of what is going on at the national and world level.

Councilor Favolise stated he agrees with Councilors Remy and Chadbourne at keeping the four options which gives flexibility to the Council. He also felt he does not see a path forward through the Council for this Adder Fee for a number of reasons. He stated keeping it on the default is probably a non-starter for reasons raised at the last meeting. He felt the City could not get to the 100% renewable goal by 2030 no matter what it is going to cost the residents and taxpayers. He stated he appreciates the role of the Energy and Climate Committee but as a Council they have to consider a number of competing priorities. One of those pieces is clean energy, clean environment and moving towards our goals but the bigger piece is for people to be able to afford to live in Keene and take advantage of all these initiatives.

Chair Powers stated he likes to accomplish everything we want to do but we are in a time-period where that could be difficult. He stated it would be good to realize we have a goal, but we might



not be able to achieve it for a number of reasons. He felt simplifying the process is what he is looking to put in place.

Councilor Remy stated he could agree to going with four but 50% being the default rate, with an amendment to drop it back to 35% as opposed to an amendment to bring it up to 50%. Councilor Chadbourne stated she was not in favor of the 50%. Councilor Lake felt this was a very reasonable compromise. The consensus of Council was that the Adder Fee was not the way forward and it is fair to leave that piece out. The Councilor further stated until the Council comes together to reset these goals and until the Council decides to go away from the goals, we need to move to 100 and would support keeping the four plans with the default set at 50% with no Adder Fee.

Councilor Roberts felt it was not up to the committee to make it easy for the Council to come up with a decision. It is up to the Finance Committee to come up with the best plan and let the Council deliberate that plan. He felt Councilors had the opportunity to be present today to add their comment to this item.

Councilor Chadbourne stated she knows of a few Councilors who could not be present today due to other commitments but is aware that they watch this meeting, have opinions and some have given their opinion to her to be conveyed at this meeting.

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

On a 3-2 vote (with Councilor Roberts and Chadbourne voting in opposition.) the Finance, Organization, and Personnel Committee recommend that the next Community Power Plan electricity options have four levels. These levels would include the Keene Basic as an elective option with the minimum renewable energy content required by the State of New Hampshire which is 25% total renewable energy, the Keene Green Local with 35% total renewable energy, the Keene 50 as the default option with 50% total renewable energy, and the Keene 100 as an elective option with 100% total renewable energy.

Councilor Lake stated he did not feel the FOP Committee was trying to make it easy for Council but more a compromise with respect to what the Energy and Climate Committee had recommended which was brought to Council by the FOP Committee and the feedback received from the Council based on that. He felt sending this back based on the motion was a good compromise.

Councilor Remy made the following motion, which was seconded by Councilor Lake and was then withdrawn by Council Remy.

No vote was made after the motion was withdrawn by Councilor Remy regarding allowing for a potential future choice by the City Council to include an Adder Fee into the Community Power Plan.

Councilor Lake stated the Committee is essentially making the same motion they had made at the prior meeting. There are a number of amendments that have been made to the Community Power Plan. He asked whether the language should say that the plan was adopted in March or was it okay to leave it as February? The Manager stated they are just referring to the draft that was dated February 10th, but the adoption will be the date that the Council actually adopts it.

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

On a 4-1 vote (with Councilor Chadbourne voting in opposition.) the Finance, Organization and Personnel Committee recommend that the Community Power Plan with amendments shown in the draft dated February 10, 2025 be adopted with the recommended revisions to have a four-level plan.

Councilor Roberts asked why a motion needs to be made to give a future Council approval to change the plan when they have that opportunity any time they want. Attorney Palmeira stated her understanding is that the plan is going to be in effect for five years and if the Manager wants to add a Fee it needs to be decided now. The Manager agreed once the Plan is adopted it gets filed with the PUC. The next time the City goes out to bid and wants to add the Fee the City does not need to go back to the PUC to add additional language.

#### **7) Appropriation of Funds - Purchase of Sidewalk Paver Resolution R-2025-07**

Public Works Director Don Lussier stated this item was a request for funds for the purchase of a sidewalk paver. In February, staff was before the MSFI committee to change what has been long standing City policy that any repairs to asphalt sidewalks over 100 feet in length were expected to be replaced with concrete sidewalks. That policy has limited staff's ability to do needed maintenance on asphalt sidewalks. Staff as a result suggested at the MSFI Committee to make it clear that staff was not advocating for a change to City standards. The City standard is still concrete sidewalks with granite curbing. In order to maintain the inventory of asphalt sidewalks Public Works suggests an interim basis to allow for asphalt overlays on sidewalks that are currently asphalt today and are not in the scheduled program in the next seven year CIP window to be replaced with concrete. Overlays could be done by City staff with City equipment at a relatively low cost, to provide some needed maintenance work. The MSFI Committee agreed with that plan and Council endorsed it. The City would however, need an initial investment of machinery to do this work at a cost of \$40,000 to \$60,000. However, staff has been able to find a used paver in good condition at only \$8,500. The equipment has been purchased as it was within the Manager's authority. The request today is to add the \$8,500 to the line item in the budget.

Councilor Lake stated he is glad this work is being done in-house and the equipment being purchased is used. He asked how old the paver is and how easy would it be to find replacement parts and perform necessary repairs in-house. Mr. Lussier stated it was a 2014 model, and it is a simple machine and the only part that would need to be replaced is a small gasoline engine

which could be easily swapped from another piece of equipment. He stated he has confidence in staff to be able to do this work.

Councilor Remy asked whether this equipment could be used for new sidewalks. Mr. Lussier stated it is meant only for asphalt sidewalks, but it could be used for a new asphalt sidewalk.

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

On a 5-0 vote, the Finance, Organization and Personnel Committee recommends the adoption of Resolution R-2025-07.

The Manager noted the issue related to parking is a work in progress. Councilor Remy stated he did not mean to sound negative and did not mean to diminish the work being done by staff.

There being no further business, Chair Powers adjourned the meeting at 7:11 PM.

Respectfully submitted by,  
Krishni Pahl, Minute Taker

Edits submitted by,  
Kathleen Richards, Deputy City Clerk