

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

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

**Thursday, June 11, 2026**

**6:00 PM**

**Council Chambers,  
City Hall**

**Members Present:**

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

**Staff Present:**

Elizabeth A. Ferland, City Manager  
 Amanda Palmeira, City Attorney  
 Brandon Latham, Deputy City Attorney  
 Don Lussier, Public Works Director  
 Bryan Ruoff, City Engineer  
 Aaron Costa, Assistant Public Works Director  
 Ryan Cooley, Airport Director

**Members Not Present:**

*All Present*

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

**1. Public Works Department Benchmarking & Strategic Plan – Consultant Selection -  
Public Works Director**

Public Works Director Don Lussier stated the first item on the agenda is a request for contract approval. He explained this is a contract for a strategic plan and benchmarking study for the Public Works Department. He noted there have been many individual asset management plans such as a master plan for the water and sewer utilities as well as individual studies, but none that ties everything together and looks at what the department is doing as a whole and where it should be going.

An RFP was sent out and the City received five qualified proposals. Three of those proposals were about the same price while the other two exceeded the budget. The chosen firm's project manager and their lead analyst are from the public works industry; one was a Public Works Director, and one was an Assistant Director, hence their experience was very relevant. Mr. Lussier added the other team was well-qualified as well but seemed to focus more on utilities not on other pieces of the operations, and the City was looking for a holistic approach.

Mr. Lussier stated that Councilor Greenwald was on the selection committee and raised the question what can the consultants could do that staff can't do. Mr. Lussier stated that his staff would be able to do this work if they had the hours available to them to allocate to this project.

Councilor Chalice stated she has always been impressed by the Public Works Department and the work they do in the community. She asked whether there was another community that staff could point to who had this type of consulting work done. She was looking for ways to justify

the cost of \$85,000 to the constituents and how to express that this work is worth the investment. Mr. Lussier stated after being in this role for a couple of years this is an opportunity to take a look at how the department is doing things, how they are delivering services, what services are being delivered, what is our cost for delivering those services, and could we be doing better in different ways. If you think about this in the terms of a 10-year payoff, \$8,500 a year to make sure the department is spending its \$15 million a year budget in a wise and efficient way and it makes sense to him.

Councilor Chalice asked whether the RFP process included seeking out references from other communities to ensure that this particular firm is plugged into the industry standards throughout the country so that the City has a broader perspective of what we might be able to do differently and more effectively. Mr. Lussier stated the consultants talked a lot about different industry standards during the interview, specifically the American Public Works Association, the American Water Works Association, the Framework for Efficient Utilities, an industry benchmarking guide used by EPA. Mr. Lussier added benchmarking is part of this project. Staff will be looking at specific peer communities in New Hampshire as well as other communities in New England that are similar in terms of size, demographics, and complexity of their public works operations and reaching out to those communities.

Councilor Chalice asked about references. Mr. Lussier stated the consultants did provide references, but he has not followed up with them yet. The Councilor asked that Mr. Lussier check on the references. Mr. Lussier added he does not often find a lot of insight from calling references because people are only going to put down references that would provide positive feedback.

Councilor Roberts stated he will be supporting this proposal and felt strategic plans help departments grow.

The City Manager stated strategic plans are very important and the City has completed such plans in other departments. She felt strategic plans become even more important as resources become more limited. She added such a plan would help because we will already have decisions that align with the Council goals.

Chair Powers stated he too felt this was a great idea and is good business practice.

The following motion by Councilor Chalice was duly seconded by Councilor Lake.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to negotiate and execute a professional services agreement with Matrix Consulting Group for the Public Works Department Benchmarking & Strategic Plan Project in an amount not to exceed \$85,000.

**2. Execution of a Change Order for Engineering Services with McFarland Johnson - City Engineer**

City Engineer Bryan Ruoff stated he was before the Committee relating to the Lower Winchester Street Corridor Improvements project. Mr. Ruoff stated when this project started, the scope and project understanding was that DOT would handle the right-of-way appraisal and acquisition portion of the project on behalf of the City and the Town of Swanzey.

In September 2025, DOT informed the City that the Right-of-Way Bureau did not have the capacity to complete this scope of work within the project schedule and that right-of-way services would need to be performed by the City or its consultant as part of the project.

Mr. Ruoff went on to say, in consideration of that, the City has been negotiating a scope-associated fee with their consultant McFarland Johnson, who is under contract for the project.

Mr. Ruoff agreed the cost is very high. The cost has been reviewed and confirmed appropriate by DOT for similar scopes of work on projects that have been completed as part of DOT projects in other communities.

The change order amount, which has been confirmed as appropriate by DOT is \$1,338,000, 80% of which will be paid by DOT as part of the scope of this project. Relative to the engineering services right-of-way acquisition phase of the project, 20% would be the City's responsibility at approximately \$276,000. He noted this amount has already been allocated as part of the project.

Mr. Ruoff went on to say initially this project was scheduled for construction in FY27 which is not going to happen at this point and is on the DOT 10-year schedule for construction in FY32. Mr. Ruoff stated staff has reached out to DOT to see if they would consider participation at 100%, since that was the original agreement, and stated his understanding is that the request is currently under review. He indicated staff is requesting that the City portion be covered in the event that DOT disagrees with providing that financial backing. He added it is also important to note that although DOT never does, they are well within their right to ask for expenses for their project management and cost during the management of the project.

Councilor Lake with reference to the timing piece asked whether this was the normal amount of time ahead of a project to be completing the scope of work. Mr. Ruoff stated where the project is scheduled for construction funding, he felt the right of way phase is earlier than you would normally see it. Usually, this work is done a year or two ahead of time, not five years ahead of time. The Councilor asked whether it makes sense for the City to do this work now because the documents won't change. Mr. Ruoff stated DOT is approving funding the design phase immediately (money that is available for them to expend). He added his assumption is the construction for FY32 is likely tied in with the Route 101 right of way construction.

The City Manager asked the Engineer how time-sensitive this issue is. She indicated \$276,000 is a lot of money which the City does not have in the budget. She said she would like to see it tabled until we find out DOT's response or have a motion that is contingent on 100% funding from the DOT. She added approving contingent 100% funding would mean if we do not get the

funding from DOT, the staff would have to come back before the Committee. She stated her concern with approving this item is, it gives the impression the City has \$276,000 to allocate for this project. Because of that, she recommended holding off on approval. The City Engineer stated staff could wait for an approval pending DOT's decision.

Councilor Chalice noted these are comparable costs to other communities, but this is a no bid contract and asked whether their fees for the work are comparable as well. Mr. Ruoff stated DOT has confirmed that their fee was appropriate.

Chair Powers asked for clarification as to whether the total cost of 1.3 million dollars also includes acquisition of the properties. Mr. Ruoff answered in the negative. He added the portion that will not be the City's responsibility is the actual cost for right-of-way services which will be split between Keene and Swanzey. This is an intercommunity change order that needs to be approved by DOT. The Chair raised the issue of the properties being acquired. Mr. Ruoff stated there are 53 properties, some of which would require easements or temporary access agreements. However, many of them would be right-of-way land acquisitions.

The City Manager stated she is comfortable with the dollar amount and the scope because it has been reviewed by DOT and it is a complicated project.

The following motion by Councilor Lake was duly seconded by Councilor Chadbourne.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommends the Execution of a Change Order for Engineering Services with McFarland Johnson be placed on more time.

**3. Authorization to Execute Monadnock T-Hangar Corporation Lease Agreement - Airport Director**

Airport Director Ryan Cooley stated this item is a request to authorize the City Manager to execute the Monadnock T-Hanger lease agreement and related documents. He stated this started with his predecessor and he is completing what was previously started.

The following motion by Councilor Chadbourne was duly seconded by Councilor Roberts.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to execute the Monadnock T-Hangar Lease Agreement between the City of Keene and Monadnock T-Hangar Corporation, the surrender of the existing lease, the Notice of Lease, and any related documents necessary to complete the lease transaction.

**4. Informational Update on the status of Public Works' FY26 Operating Budget - Public Works Director**

Public Works Director Don Lussier addressed this item. He stated this is an informational update on the status of the Public Works Department budget for the coming fiscal year. He explained

Public Works has within its purview five different funds; portion of the General Fund, Water and Sewer Funds, Solid Waste Fund, and Equipment (Fleet) Fund. He stated when they look at the budget status, they typically analyze personnel and operating line items.

Mr. Lussier noted they have 3 1/2 weeks left in the budget (93% through the fiscal year).

In the General Funds, which consists of Administration, Engineering, and Highway, Mr. Lussier stated the department is in good shape.

Personnel and Operating Funds are both at 89%, which he indicated is well below where they would expect to be at this time of year.

He noted related to the Highway Division that if there is money left in the budget, staff will be looking to fill up the salt shed and make sure they have adequate operating supplies.

The Equipment Fund is the same situation, personnel is well below budget. Their operating budget is at 89% and they are planning to purchase one more fuel delivery, which would make that number go up.

Mr. Lussier continued that the Solid Waste Fund personnel is currently at 98%. He noted they are running ahead of where they should be. Their operating is ahead by 95% and they are also well ahead with their operating revenue. Year-to-date, the Solid Waste Fund is at 105% of the budget for solid waste revenue. This means the department has received more waste than expected, which has generated more revenue, which drives up the costs for processing which increases personnel as well as increasing tipping fees. He noted however, revenue goes up faster than the expenses. Mr. Lussier noted this ultimately means the Solid Waste Fund is \$232,000 over budget on revenue.

Councilor Chalice asked what was driving the increase. Mr. Lussier stated staff doesn't know what is causing the increase but felt this was a positive issue. He added with the Solid Waste Fund, they are not trying to make a profit they are just trying to break even. Rates are set based on what is needed to pay staff to process the waste and transport the waste to Rochester. To the extent there is more waste coming from outside the community, that is a profit to the fund.

Councilor Roberts stated what is being said about the Solid Waste Fund is positive and recalled a time when the fund used to be in the red due to some of the surrounding communities having such low tipping rates and haulers were moving our waste out of Keene, costing Keene money. Mr. Lussier stated what the Councilor is referring to is the Flow Control Ordinance that is still in place. If haulers want to provide a service in Keene, they have to bring waste to Keene to ensure base flow of material to the transfer station. He added the City's contract with Waste Management also includes a minimum amount of outside of Keene material being brought to the transfer station - currently this is 9,000 tons per year.

Councilor Chadbourne asked whether there was a way to track where the increase was coming from. Mr. Lussier stated he could discuss this with the Solid Waste Manager to see if he has noticed any trends; is it more construction and demolition debris, or household trash if it is

coming from outside Keene. Councilor Chadbourne referred to the increased trend in construction, which could be causing this increase.

Mr. Lussier next addressed Sewer. He stated with Sewer Fund the situation is not quite as good. Personnel is on target. Operating budget is at 95% spent. At the present time that fund is running about \$65,000 above what was expected. He stated, unfortunately, there is no corollary with revenue. The revenue is less than what it was expected to be. Mr. Lussier noted the number one driver of that overage is chemical feed costs. These are chemicals used to treat the water before it gets discharged.

The other item is caustic soda used to adjust the pH before it is discharged into the river. Mr. Lussier stated the City does not have a choice when it comes to these chemicals, those are chemicals that are required to meet the City's permit requirements and the cost of those chemicals have gone up quite a bit over the last couple of years. The department is about \$112,000 over budget in that line item.

Mr. Lussier went on to say another big contributor was equipment maintenance. He explained over the last couple of years, things like motors, pumps, and repair parts have dramatically increased in price.

Mr. Lussier stated if he was to estimate, the department could end up about \$65,000 over budget.

Councilor Roberts asked whether the fluctuation of rainstorms have any effect on the cost and treatment at the sewer plant. Mr. Lussier stated it does, but the impact is less every year. He added storm water getting into the system does drive up costs, but there is a program in the CIP that is specifically geared to reduce that over time. Every year the City lines its sewers and manholes with epoxy and they have seen a noticeable difference in terms of spikes during stormy weather and stated the City is definitely making progress at reducing this number.

Relative to the Water Fund Mr. Lussier stated personnel again is right on target, but as of today that fund is 99% expended. He indicated the biggest driver with this fund has been the excessive number of water main breaks that has happened over the past year. This fiscal year has seen 17 water main breaks, which have been expensive.

Councilor Chalice asked whether the downtown work would help reduce that number. Mr. Lussier answered in the negative and added the two most expensive breaks have been on Water Street on a 16-inch crosstown main and parts needed to repair these breaks are very expensive. Mr. Lussier went on to say in the CIP this year, is a project approved by Council, which has been moved up. It is a detailed inspection of that crosstown main which was installed in 1957 (one of the younger pipes). Mr. Lussier stated this ductile iron pipe should not be failing but it is. He stated a detailed inspection would give staff a better idea as to what is causing these breaks.

The City Manager stated once the year closes staff would be able to come back before a Council with a recommendation as to how to address this issue with the budget. For instance, in the water fund, if there are funds in the personnel line it might just be an action to move money from personnel to operating etc.

Councilor Chalice asked whether the increase to water fees won't help with the Water Fund. Mr. Lussier stated it would help with next year's budget but not for the current year.

The following motion by Councilor Roberts was duly seconded by Councilor Chalice.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommend that the Public Works Director's report be accepted as informational.

**5. Engineering Services – Court Street Well Field Upgrade Project - Assistant Public Works Director**

Assistant Public Works Director Aaron Costa stated this item is in reference to the Court Street Well Field upgrade. He explained the City has three water supplies. One of those is a service supply in Roxbury. There is also a groundwater supply off West Street and another groundwater supply located off Court Street.

Mr. Costa stated at Court Street there are three well buildings that were constructed in 1964, 1965, 1977 and a corrosion control building that was constructed in 1988. He indicated these facilities are 40 to 50 years old.

The City has conducted a few facility evaluations. One of those was in 2013 by Ty and Bond who looked at these facilities and came up with recommendations. In 2023, GZA and Underwood also performed an evaluation of these facilities as part of the water supply master plan.

Mr. Costa stated although staff has done a good job maintaining these facilities. They are at the end of their useful life. On April 24, the City advertised a request for proposals for engineering services to perform the upgrades needed at these facilities and received one proposal from Weston and Sampson. Staff reviewed that proposal and found that it meets the requirements as described in the RFP.

Mr. Costa stated he has worked with Weston Sampson on a number of projects over the last five years and has been pleased with where their quality of work. He added the City has been planning for this upgrade project through the Capital Improvement Program. Money is available in the Wellfield Upgrade Capital Improvement program.

The following motion by Councilor Chalice was duly seconded by Councilor Lake.

On a vote of 5 to 0, the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to negotiate and execute a contract with Weston & Sampson Engineers Inc., for engineering services for the Court Street Well Field Upgrade Project for an amount not to exceed \$542,200.

**6. Adjournment**

There being no further business, Chair Powers adjourned the meeting at 6:51 PM.

Respectfully submitted by,  
Krishni Pahl, Minute Taker

Reviewed and edited by,  
Terri Hood, City Clerk and Kathleen Richards, Deputy City Clerk