

City of Keene
New Hampshire

FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE
MEETING MINUTES

Thursday, March 8, 2018

6:30 PM

Council Chambers

Members Present:

Mitchell H. Greenwald, Chair
Carl B. Jacobs, Vice-Chair
Thomas F. Powers
Terry M. Clark

Members Not Present

Bettina A. Chadbourne

Councilors Present

Margaret Rice
Gary Lamoureux
George Hansel
Jan Manwaring

Mayor Kendall Lane

Staff Present:

City Manager, Elizabeth Dragon
City Attorney, Thomas Mullins
City Clerk, Patty Little
Public Works Director, Kurt Blomquist
Parks Recreation and Facilities Director,
Andrew Bohannon
City Engineer, Don Lussier
Asst. Finance Director, Merri Howe
Human Resources Director, Beth Fox
City Assessor, Dan Langille
Planning Director, Rhett Lamb
Police Chief Steve Russo

Chair Greenwald called the meeting to order at 6:30 PM.

1) Tim Zinn/Let It Shine - Request for Community Event Status - 2018 Keene Pumpkin Festival Brought to You By the Students of the Area's Schools

Mr. Tim Zinn of 43 Grove Street, Chairman of the Board for Let It Shine addressed the Committee. Mr. Zinn stated last year was a successful event and he is before the Committee this year to request community event funding for their 2018 event.

Chair Greenwald stated the first step would be to determine if this event qualifies for community event status.

City Manager Elizabeth Dragon went over the checklist (included in the committee's packet) an applicant has to meet to receive community event status. Ms. Dragon stated staff has done all its review and has determined this event is in good standing, meets the criteria for being registered with the State of New Hampshire as a not for profit, it also meets the other qualifications on the list but asked that the Committee check on the name of this

event which has changed several times over the years.

Mr. Zinn noted that Let it Shine has been the sponsor since 2011.

Councilor Clark noted the background notes indicate Let It Shine plans to cover all costs including any city costs and if that was the case why the applicant was requesting funding from the city. Mr. Zinn stated they would like to do as much fundraising as possible but would request the city to cover anything that is over and beyond.

Councilor Jacobs inquired does community event status automatically assume city funding would be provided and money has to be allocated in the budget. Ms. Dragon stated R-2012-19, the last Whereas paragraph talks about the community event budget funding personnel and material otherwise not incurred by a particular department responsible for the event. This paragraph talks about the above and beyond cost but it would still have to come through the budget process and in this case it would have to be a supplemental budget request.

Ms. Dragon went on to say the complicating issue is mostly with Public Works staff who accrue comp. time for events such as this. Last year Let It Shine's budget was reduced by about \$4,000 to take care of this comp time issue. The Manager added not all community events are treated alike; the DeMar Marathon event has a set funding limit. The Chairman went over the other community events and the dollar amounts attached to each of those.

Councilor Jacobs stated he does not see a contribution from SAU 29 when it says the event is run by the children of SAU 29. Mr. Zinn noted the event is actually run by Let it Shine. He added the school's contribution is carving of the pumpkins.

The Councilor stated he has been serving on the Fall Festival Committee, and there was a concern raised that a few of these events are being clustered together and there are only a few individuals who are able to manage these events and asked that perhaps thought be given to spreading these events out throughout the year.

Councilor Powers noted another consideration would be a change to location – Gilbo Avenue versus Central Square could be at a reduced cost because there won't be those traffic issues. The Councilor asked whether the committee was satisfied this event meets the requirements of having been produced twice prior to this year. Ms. Dragon stated this would be a decision for the Committee.

When they came in last year, staff felt it was a different event and this is why it is before the Committee tonight for their decision. The event has been held in the past, but it is a much different scope, however, the applicant has indicated it is a version of the old festival.

Councilor Clark asked if this event was held in the past why it does not have community event status anymore. Ms. Dragon stated last year both staff and Let it Shine felt it was not quite the same event. Mr. Zinn stated this event has its own vision and they have nothing against the other similar event.

Councilor Jacobs suggested this event and the other similar event that has recently been organized think about combining their efforts.

Councilor Clark made the following motion which was seconded by Councilor Powers.

On 4-0 vote, the Finance, Organization and Personnel Committee recommends City Council grant Let it Shine Community Event status for the Pumpkin Festival brought to you by the students of the area schools.

2) Councilor Manwaring - License Fees for Events Requiring Staff Protocols

Councilor Manwaring stated she is a member of Pathways for Keene and was shocked when she went in to pay her license fee that it was only \$25. For the four on the 4th the event crosses streets, there are protocol meetings staff has to attend and felt this fee was insufficient.

City Clerk Patty Little addressed the Committee in response to the Councilor. She referred to a handout she had circulated which shows three categories of licenses. Ms. Little explained that “community event” is not a license type, but rather a trigger for a funding mechanism. Community event status can be extended to many different types of licenses such as a street fair, use of public ways or the discharge of fireworks for instance.

The street fair license is what the pumpkin festival would fall under; tree lighting, music festival and ice and snow festival also receive the same license. Ms. Little noted there was a license fee of \$150 per day which the council eliminated many years ago because of a request from Center Stage. The prior pumpkin festival brought about many protocol meetings but the smaller scale festival is less meetings. There is still no license fee because the council eliminated such a fee some time ago.

The second category of a license is one that is issued through the Clerk’s office and is an administrative license. These also require protocol meetings and are for the purpose of timed races – which require runner safety and are not prohibiting other uses of the public way. These require one or two protocol meetings and carry a license fee of \$25. The other type of license is the outdoor periodic event license, which would be an event on private property like the Wyman Tavern Brew Fest. This event requires protocol meetings but does not carry a license fee.

The third category of license which is also handled administratively are for such things as walkathons or parades held on the sidewalk, which are out of the public way, and generally do not require protocol meetings.

Ms. Little went on to say license fees are meant to cover the administrative portion to produce a license but was not meant to cover the protocols because these licenses pre-date the concept of protocol meetings. Ms. Little stated she does agree that these license

fees no longer cover the administrative cost for reviewing an application and producing a license.

Chair Greenwald stated it is necessary to have such events but staff time does need to be considered. The Chair asked how much the actual cost would be to cover such items. Ms. Little stated the bigger question is whether the council wants the fees to be comprised of more than what it costs in staff time to produce the license. If the scope of a fee is expanded to cover some portion of the protocol meetings held with fire, police, and public works, then that would be different than accounting for just the clerk's staff time to attend to protocol meetings and document the recommendations in order to prepare the license.

Councilor Clark felt for the sake of the tax payer this is an item that needs to be looked into and felt the committee should put this on more time and direct staff to do so.

Councilor Manwaring stated the protocol meeting she attended had representatives from Police, Fire and Public Works and noted these are higher level city staff involved in these meetings.

The committee addressed the planning costs which is what the city clerk was going to be reviewing and then it would be the implementation costs which would be the costs attached to the actual event; something staff will obtain for the committee at a later time.

Councilor Jacobs stated the city does want to support these events, but understanding the actual cost was important. Chair Greenwald agreed these events were important for the community but the services provided for these events need to be covered. Councilor Jacobs felt having an accounting will help the community and the councilors.

Councilor Powers made the following motion which was seconded by Councilor Clark.

On 4-0 vote, the Finance, Organization and Personnel Committee recommends putting this item on more time to allow further discussion about event protocols and whether that activity should be contemplated as a component of any fee increases.

- 3) **Councilor Greenwald - Veterans Tax Credits**
- 4) **All Veterans' Tax Credit**

City Assessor Dan Langille explained that a tax credit is a discount on a tax bill and the discounted portion is redistributed to the rest of the community. Currently the city offers two types of tax credits: service connected disability veterans' credit for \$2,000 for a veteran who is permanently disabled because of their service. There are 41 such credits being offered for a total amount of \$82,000 in tax credit. A community has to offer a minimum of \$700 as a credit but Keene has chosen to offer the maximum amount of \$2,000.

The second is a veterans' credit for veterans who serve at least for 90 days for a qualifying war period or have received a medal. RSA 7-228 is the state statute that pertains to this. A community must offer at least \$50 but our community has chosen to offer \$225 (maximum is \$500). The city is providing 652 veterans' credits for a total amount of \$146,700. There is no income criteria for these credits.

What is the impact to the community because of these credits? Mr. Langille stated this is a difficult question to answer because there is no requirement for a veteran to register in the community so the number of veterans is difficult to figure out. However, according to the census report staff looked at, there could be close to 1,247 veterans in the community. Today 652 veteran credits are being offered which leaves approximately 595 still eligible. 595 times the \$225 veteran credit amount would be a \$133,875 impact, which equates to 3.6 million in assessed value. Overall the city offers \$228,000 in credit; 10 million comes off the tax rolls.

Chair Greenwald asked whether this credit is off the entire tax bill – Mr. Langille answered in the affirmative. He added this is not an optional credit.

Mr. Kevin Stone of 89 North Lincoln Street addressed the Committee and stated he was not requesting to go outside the guidelines outlined in the RSA but he was informed by area municipalities that they were offering veterans' credits to all veterans. He noted he served in Korea (in peace time Korea) and his total time served in various capacities equal 20 years. He added he is not trying to take anything away from a surviving spouse, but these are individuals who did not serve in the military, but he was a veteran.

Councilor Clark stated these days we seem to be in perpetual war and we have men and women deployed all over the world in very dangerous parts of the world and felt this is a credit the city should offer.

Mr. Joe Mirzoeff of 61 Park Avenue clarified this credit is offered to only people who own a property in Keene. Mr. Langille agreed stating it is offered for the principal place of abode.

Councilor Jacobs asked how the estimated impact would affect certain valued homes. For example what is the tax impact on a property valued at \$200,000.

Councilor Jacobs stated he was in support of this credit.

Councilor Jacobs made the following motion which was seconded by Councilor Powers.

On 4-0 vote, the Finance, Organization and Personnel Committee recommends staff is directed to draft a resolution for the All Veterans Credit.

Mr. Stone asked whether this Resolution would take effect by the April 15 deadline. City Attorney Mullins stated if he was to take into consideration the upcoming dates of the

council, if the Rules of Order were suspended, this item could be acted by the council at its next two meetings.

5. FY17 Audit Presentation – Melanson Heath

The City Manager stated staff is requesting more time to discuss this item.

Councilor Clark made the following motion which was seconded by Councilor Powers.

On 3-0 vote, the Finance, Organization and Personnel Committee recommends that this item be put on more time.

Councilor Jacobs was not present for this vote.

6. Stormwater and Wastewater Asset Management Planning - Consultant Selection

City Engineer Don Lussier stated the State of NH is offering principle forgiveness on projects that are funded with the state revolving fund up to \$30,000 per phase to prepare these in asset management plans. This is so that municipalities are encouraged to develop these asset management plans in a fiscally sustainable way. The city applied for the program last October. The city applied for a second round for another phase in November. Staff was just informed this week that they have been approved for their fourth application but staff is not quite sure whether the city has \$90,000 or \$120,000 in funding.

The motion before the committee is for the selection of consultants for engineering and technical services for the Storm water and Wastewater Asset Management Planning Project. Seven applications were received, four were chosen for interviews and staff is recommending Hazen and Sawyer be selected as the consultant for this work. They have done work for the city in the past.

Councilor Clark made the following motion which was seconded by Councilor Powers.

On 4-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to negotiate and execute a professional services contract with Hazen and Sawyer for engineering and technical services for the Stormwater and Wastewater Asset Management Planning Project for an amount not to exceed \$150,000 with funding to come from Project Cost Centers 90193 and 08078.

7. Roxbury Street Bridge Replacement - Consultant Selection

Mr. Lussier stated staff is recommending the consultant of McFarland and Johnson for the Roxbury Street bridge project design work. This project falls under the State Aid

Bridge Program, the cost outlined is reimbursed 80% by the state. The project was funded in FY18.

The city is moving forward with the design phase with the anticipation of construction to happen in the spring of 2019.

Councilor Powers made the following motion which was seconded by Councilor Jacobs.

On 4-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to negotiate and execute a professional services contract with McFarland Johnson for engineering services required for the replacement of the Roxbury Street Bridge over Beaver Brook in an amount not to exceed \$154,560 (subject to NHDOT approval), with the funding to be provided by Project Cost Center 90295-B.

8. Responding to Recruitment Challenges – Keene Police Officers

Human Resources Director Beth Fox and Police Chief Steve Russo were the next two speakers. Ms. Fox stated the city has been having difficulty in trying to recruit a large enough applicant pool. As a result, the city is proposing a few strategies to attract more applicants.

The first strategy is aimed at those holding in state or out of state certification and is a tool used by other municipalities. For all new recruits the city is also looking at a program that would offer relocation assistance, as well as some leave provisions during their first year of employment.

Chief Russo stated they currently have six open positions. The department has one individual in the academy, one on probation, one who is Georgia certified and the department plans on starting him in April, another individual who has gone through the process but is finishing up his college career, and five other candidates going through the background process. The Chief noted there are quite a few of the command staff who can retire whenever they choose to do so as they have reached their time for retirement.

Chief Russo stressed something different needs to be done to attract more candidates. He added he has seen more people leave the department last year than he has ever seen in his entire career, for various reasons. Most candidates are choosing to stay in the central portions of NH or close to the seacoast so the city needs to do something to attract these individuals to Keene. He added the city has a great department, the pay is good, the city treats its employees well but an added incentive is necessary. Retention is another aspect the department is giving thought to as well. However, there are things the city can't actually do to retain these individuals as they could be leaving for any number of personal reasons as well.

Councilor Clark asked whether fewer people are coming into the field. Chief Russo agreed the number of individuals taking the test has decreased and the qualified applicant

pool is also decreasing. Councilor Clark asked what standard the city uses to determine the number of officers it needs in a community. Councilor Powers stated the ratio was two policers per 1,000 but there is the college and hospital that would also need to be taken into consideration.

Councilor Lamoureux asked whether the other entities these officers are transferring to offering them any incentives as well. Chief Russo stated the last two officers who left are not getting any incentives. The Councilor noted all emergency services are running into this problem and what is being discussed needs to be looked at for all emergency services

Councilor Jacobs made the following motion which was seconded by Councilor Powers.

On 4-0 vote, the Finance, Organization and Personnel Committee recommends that this item to be accepted as informational.

It was indicated this item was the purview of City Manager to implement.

9. Relating to Probationary Firefighter and Probationary Police Officer Ordinance O-2018-03

Ms. Fox stated staff opinion is that this item should be combined with what was just discussed (prior item). This would provide within the probationary wage scale for a grade adjustment after a satisfactory evaluation during the mid-point. Chief Russo noted there was a large gap between the probationary police officer and the next step up and this would close that gap and bring Keene closer to Manchester. Ms. Fox added staff is also proposing to delete a code that is obsolete.

Councilor Clark made the following motion which was seconded by Councilor Powers.

On 4-0 vote, the Finance, Organization and Personnel Committee recommends the adoption of Ordinance O-2018-03.

10. Wes Cobb - Recommended CIP Change - Downtown Renovations

Chair Greenwald stated the public hearing on the CIP was kept open for written public comments and this item is regarding a comment sent in by Mr. Cobb who has indicated he was not in support of adjusting the timeline or the funding level for the downtown renovations.

Chair Greenwald continued that items 11 through 14 are suggested amendments to the CIP from staff and Councilors that will be discussed along with the public communications that came in, prior to voting on the adoption of the CIP.

11. Councilor Lamoureux - Recommended CIP Change - Gilbo East Parking Lot

Councilor Lamoureux stated the council made a motion to move the Gilbo East parking lot work from FY19 to FY18 to complete a mill shim overlay. There is \$180,000 in the CIP to complete this work. The committee asked city staff to come back with a hybrid project not just a mill shim overlay. He added the city is in the middle of a downtown revitalization project and the Gilbo East lot is part of that revitalization, and will be heavily used once the library is complete. The Councilor stated what he is proposing is for the city to take a lead on this work and put in solar lighting as has been suggested which will provide a solar program people can build on; put in parking kiosks, add in landscaping and walkways people can use. Staff was asked to come back with a program that would complete this project and they were amenable to that.

The Manager noted the Gilbo East lot, as Councilor Lamoureux explained, is under review at the MSFI Committee and this recommendation is asking to add some funding to the FY19 CIP for this project. The Manager stated what is being proposed would split the funding over two fiscal years. She continued that right now Public Works is bringing in numbers and options to complete this work in FY18 and staff would like to see this addressed in FY18. She stated they could wait until FY19 but this might delay the work of the committee on timely completion of the project. Councilor Lamoureux stated his suggestion is to have the construction funds allocated in FY18 so when the project is underway this year, some of the money could be reserved to be allocated to the Downtown Revitalization for this purpose.

Councilor Powers asked how much money is being discussed here, noting this is something that would be handled by the MSFI Committee.

Ms. Dragon clarified that what Councilor Lamoureux is suggesting is not currently in the CIP book. She went on to suggest the Council could add additional funding for this purpose by resolution and take it either from the capital reserve account or through unallocated fund balance. Councilor Powers clarified this is parking fund money, not general fund money. Finance Director Steve Thornton answered there are two possible sources, the balance in the parking fund, or if it is a downtown infrastructure capital reserve, that money would come from the Wells Street TIFD District.

Councilor Jacobs clarified this project is already in the current CIP we are operating under without the amendments Councilor Lamoureux has brought forward relative to Gilbo East lot, and we may have a way to fund this in the operating budget. Ms. Dragon stated the Council would need to appropriate additional dollars from either the reserve that is funded by the downtown TIFD, or from the parking fund if the Council wanted to do additional work on this parking lot. It accomplishes the same thing if this is put in the CIP, or funding is allocated this year through resolution. Both actions provide for the project, but if the CIP amendment is the chosen method, it would split the funding between two fiscal years. The appropriation through resolution this year is a cleaner and more streamlined process to move the project forward.

Councilor Manwaring stated the MSFI Committee supports what Councilor Lamoureux is proposing.

Councilor Clark asked about the funding needed for this. The City Manager stated they need about \$125,000 for the scope that is being proposed, and the Council needs to determine what mechanism they want to utilize to fund it. If done by resolution it just makes all the funding available in one budget year under one funding source. Councilor Clark stated the parking lot is going to be done, but the downtown revitalization is still an unknown. He went on to state he was in support of what is being proposed by Councilor Lamoureux.

12. Staff Recommended CIP Change – Storage Area Network (page 104)

Chair Greenwald stated staff is recommending removing from the CIP the storage area network in the amount of \$105,000.

13. Staff Recommended CIP Change – Downtown Revitalization (page 150)

This item is a recommendation from staff to add money into the CIP as discussed at the economic development workshop. This would change the project scheduling with preliminary design scheduled in the proposed CIP for FY20 at a cost of \$150,000, be moved to FY19, and also provide \$30,000 for an economic analysis.

14. Staff Recommended CIP Change –Surface Parking Lots Maintenance (page 157)

This is to move \$30,300 from FY20 to FY19 for library parking kiosks in the Gilbo East Parking lot.

Councilor Powers made the following motion which was seconded by Councilor Jacobs.

On 4-0 vote, the Finance, Organization and Personnel Committee recommends accepting items 10 thru 14 as informational.

15. Capital Improvement Program

Chair Greenwald noted we will now discuss the CIP and once the motion to adopt has been made, amendments will be accepted.

A motion was made by Chair Greenwald that the Finance, Organization and Personnel Committee recommends the adoption of the capital improvement program as presented. The motion was seconded by Councilor Powers.

Councilor Powers made a motion to amend the CIP proposal to remove the FY19 Storage Area Network project from the CIP. The motion was seconded by Councilor Jacobs.

Councilor Powers stated removing this entire project is of concern to him and asked for input from the IT Director. Ms. Landry stated the equipment has been purchased and is being installed shortly. This is just a change to the funding mechanism and needs of the project.

The amendment made by Councilor Powers carried on a 4-0 vote.

Councilor Jacobs stated he supports Councilor Lamoureux's recommendation relative to the Downtown Revitalization Project, noting we have the option of amending the proposed CIP or allocating the funds by resolution in the current fiscal year adding he is inclined to add it to the CIP since it is a capital project. To help clarify the options, Public Works Director Kurt Blomquist stated if the council didn't put the money in until FY19, staff will have to wait until July to award the project. However, if we were to go with the Manager's recommendation, staff could be back by April with a resolution. This would be staff's recommendation as well to award the project for FY18. Money would come from the unallocated fund balance of the parking fund or it could be taken out of the capital reserve for the downtown revitalization project. Councilor Jacobs clarified this means they should not propose an amendment to the CIP for this. Staff agreed and in response to a question from Councilor Clark stated they have concerns on the timing of the paving if we wait until July to award the project. This project is under design now, and staff would like to award the construction before July. The City Manager added this will be brought forward to the MSFI to move forward with Councilor Lamoureux's plan.

Councilor Powers moved to amend the proposed CIP to add \$30,300 for the surface parking lot maintenance project to the FY19 budget. The motion was seconded by Councilor Clark. The motion carried on a 4-0 vote.

Councilor Powers moved to amend the proposed CIP to add \$30,300 to surface parking lots maintenance project for FY19. Chair Greenwald clarified this will be to allow parking kiosks to be installed in the Gilbo East lot while it is under construction. The motion was seconded Councilor Clark. The motion carried on a 4-0 vote.

Councilor Jacobs moved to amend the proposed CIP to add \$180,000 to FY19 and to remove \$150,000 in the downtown revitalization project fund in FY20. The motion was seconded Councilor Clark. Chair Greenwald commented this amendment allows for the additional design and study work to be done that was proposed for the downtown project economic analysis and planning. Councilor Powers noted this amendment is not appropriating money, just moving up the project timing from FY20 to FY19. The motion carried on a 3-1 vote with Councilor Powers voting in opposition.

Chair Greenwald made the following motion which was seconded by Councilor Clark.

On a 4-0 vote, the Finance, Organization and Personnel Committee recommends the City Council approve the Capital Improvements Program as amended.

16. Councilor Powers - CIP Considerations

The Councilor suggested adding an index to future CIP documents which would be listed by project. He further suggested a discussion on what belongs in the CIP, operational issues versus CIP items – using sewer main cleaning as an example of something that should be in the operating budget because it is a routine maintenance issue. He went on to suggest that we consider pushing the threshold dollar amount of \$20,000 up so that more of the smaller projects could be included in the operational budget. He ended by suggesting the City consider annually putting money into the capital reserve after an initial purchase is made for an item like police radios, rather than bonding for these purchases.

Councilor Jacobs made the following motion which was seconded by Councilor Clark.

On 4-0 vote, the Finance, Organization and Personnel Committee recommends accepting this item as informational.

The meeting adjourned at 8:30 PM.

Respectfully submitted by,
Krishni Pahl, Minute Taker

Additional Edits by,
Terri M. Hood, Assistant City Clerk