

City of Keene
New Hampshire

FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE
MEETING MINUTES

Thursday, June 28, 2018

6:30 PM

Council Chambers

Members Present:

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

Mayor Kendall Lane

Staff Present:

City Manager, Elizabeth Dragon
City Attorney, Thomas Mullins
Assistant City Manager/IT Director,
Rebecca Landry
Records Manager/Deputy Record Clerk
William Dow
Public Works Assistant Director, Donna
Hanscom
Operations Manager of Water and
Wastewater Facilities, Aaron Costa
Police Captain, Steve Stewart
Assistant City Manager/Human
Resources Director, Beth Fox
Fire Chief, Mark Howard

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

1) Request to Solicit and Report on Donations – Human Resources

Assistant City Manager/Human Resources Director, Beth Fox addressed the Committee. Ms. Fox asked for authority to accept donations from local and regional businesses and service vendors to be used as prizes or fundraisers for the Employee/Retiree Health Fair, the Annual Employee Recognition Event, and other HR related activities and promotions.

In addition, Ms. Fox expressed her appreciation to the local businesses and vendors that have supported them for the prior year.

For the annual employee/retiree Health and Benefits Fair, held in the fall, coordinated by the Health Insurance Review Committee the following organizations donated as follows:

- Free nutrition counseling session from Smart Nutrition

- LL Bean Gift Card from MKS Performance Solutions
- Medium succulent plant from MKS Performance Solutions
- VALIC
- ConvenientMD
- Therapeutic massage from Keene Massage Therapy
- Benefit Strategies
- Primex
- Cheshire Coalition for Tobacco-Free Youth
- Northeast Delta Dental

And, for two career fairs held at Keene State College and at Keene High School the donations listed below:

- Gift card from Target
- Family-size pizza from Athens Pizza
- Gift certificates for a free \$5 sub from Subway

Ms. Fox added that these donations are very important and helps generate interest.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to solicit and accept donations from local and regional businesses and service vendors to be used as prizes or fundraisers for the Employee/Retiree Health Fair, the Annual Employee Recognition Event, and other HR related activities and promotions, including Community Night 2018 being organized by PAB and City Employee Groups.

2) Woodland Cemetery Culvert – Parks, Recreation and Facilities Department

Parks, Recreation and Facilities Director, Andy Bohannon stated that before the Committee, is a recommendation of something that has not been brought forward to the FOP in the past. He explained that in reading through the Monadnock Cemetery Trust Fund B, this was something that needed to be done.

Mr. Bohannon stated the purpose of the request is for a culvert in the Woodland Cemetery. The old culvert separates the Woodland Cemetery and the Woodland Northeast Division Cemetery. Last fall, Mr. Bohannon reported a family of beavers was discovered and removed from Beaver Brook. However, they noticed activity on the other side of the culvert. After an investigation, the activity was determined not be to the result of the beavers. Mr. Bohannon explained that at this time, water was rising to a level where the property owners on the end of Grant Street and Douglas Street noticed water rising to edge of their property. He explained they created a siphon that was from one wetland area over to other. The Public Works Director, Kurt

Blomquist had designed an old school method that worked. Mr. Bohannon reported as they were doing this process they discovered the culvert had collapsed. He explained that replacing the culvert was fairly complicated because many years ago burials were placed in that area. Mr. Bohannon continued to explain that they could not exhume the bodies and move them because they would have to go through the Attorney General's Office. He noted this would be a very long process.

After further investigation, they did find a connection area and installed a new culvert. He stated with that they went before the Board of Trustees to expend monies through Monadnock B Trust Fund. He noted the Board of Trustees gave that approval and when going through the review it came forward they would need to go before the FOP.

Councilor Jacobs asked Mr. Bohannon if the money to be used for the project is from the sale of the cemetery lots. Mr. Bohannon replied in the affirmative. He continued to explain that the sale of a lot is split 50/50 between Trust A and Trust B. Trust A goes toward the operating fund and Trust B is for income that is put aside for major projects. He noted this was the biggest project his department has done in quite some time.

Councilor Clark asked if the beavers still exist in this area. Mr. Bohannon replied that the beavers have been removed.

Councilor Powers asked Mr. Bohannon to clarify if the Cemetery of Trustees and Trustees of Trust Funds are the same group of people. Mr. Bohannon replied in the affirmative.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends that City Council adopts the recommendation by the Trustees of Trust Funds for the expenditure of \$86,675.00 for the purposes of replacing a culvert in Woodland Cemetery.

3) Professional Service Evaluation - Roxbury Road Water Storage Tank - Public Works Department

Operations Manager of Water and Wastewater Facilities Aaron Costa and Assistant Public Works Director, Donna Hanscom addressed the Committee next. Mr. Costa announced the Black Brook storage tank repairs have been completed. Last fall, they requested funds to repair the Black Brook water storage tank. The tank is 380,000 gallons and was constructed in 1996. Mr. Costa displayed an actual piece of the corrosion that was removed from the tank by divers.

Mr. Costa informed the Committee that he was happy to report the work to the interior and exterior of the tank is complete. The project was done on time and under budget. He

reported the budget was approximately \$104,000 and the total cost came in around \$97,000.

Mr. Costa explained this was a complicated project because they had to figure out a way to provide water to that pressure zone.

Councilor Jacobs noted the piece from the tank Mr. Costa displayed was pretty substantial in size. He asked what causes the tank to deteriorate in such a manner. Mr. Costa replied that they are unable to provide an exact reason. However, he did explain when there are 380,000 gallons of water in a tank and it gets cold enough in the winter there is ice formation inside the tank. As the tank level lowers and rises as it is used, the ice scrapes the inside of the tank. Mr. Costa speculated this is what may have occurred.

Mr. Costa moved the discussion to the 3 MG water storage tank that is located on Roxbury Road. He stated this is a welded steel tank that was constructed in 1962. The last time the inside and outside of the tank was sand blasted and repainted was in 1998.

In 2013, the exterior of the tank was inspected by a professional engineering firm and in 2015 the interior was inspected by a team of specialized divers. Both inspections noted several deficiencies that included corrosion on the tank walls, delamination on the tank roof and breakdown of the interior and exterior coating system that protects the tank from corrosion. The intent of the project is to perform a more in depth evaluation of the tank, to evaluate current and future water storage requirements, and to develop a business case on whether tank rehabilitation or replacement is the appropriate action. Funding for this evaluation was approved through the FY18 Capital Improvement Program (CIP) at a budget amount of \$35,000.

The City issued a Request for Proposals (RFP) and Tata and Howard was the only firm that submitted a proposal for the project. Mr. Costa stated that based on their experience with similar tank projects, staff recommends contracting with Tata and Howard to perform the evaluation. He noted Tata and Howard had performed over 21 tank projects over the past 5 years.

Mr. Costa reported that Tata and Howard included a recommendation to perform additional water system modeling to help determine system pressures, hydraulics and water age based on the existing and potential future tank size. The modeling was not included in the initial scope of the work but City staff recommends the additional task be performed. He explained the data generated will help confirm whatever option is selected will service the City's current and long term storage requirements at this location.

Mr. Costa stated that since Tata and Howard was the only proposer, it is recommended that the \$7,000 be added to the \$26,400 proposal amount for a total contract of \$33,400.

Chair Greenwald asked Mr. Costa to explain water modeling. The Assistant Public Works Director, Ms. Hansom replied that it is a computerized prediction. She explained they would put in information about the water system, pipe sizes, water consumption and then there is a prediction based on tank sizes. The computer then runs a model based on this information. She further explained that it takes all of these scenarios into consideration and runs through series of calculations to determine what is the best fit is for the community.

Councilor Powers asked why there was only one respondent. Mr. Costa replied that it was not a big budgeted evaluation. He explained they have seen with similar small projects that it seems to take a lot of time and effort to put in proposals. As they go forward they are looking to package these small projects into a larger project. Councilor Powers asked if City staff was comfortable with Tata and Howard. Mr. Costa replied in the affirmative.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends the City Manager be authorized to do all things necessary to negotiate and execute a professional services contract with Tata and Howard Engineers to perform an evaluation of the City's 3 million gallon (MG) water storage tank and water system modeling for an amount not to exceed \$33,400.

4) Records Storage and Management Services Rate Increases for Contracted Customers - City Clerk's Office

The Records Manager/Deputy Record Clerk, William Dow addressed the Committee next. Mr. Dow stated during the operational budget process the Office of the City Clerk staff reviewed the record center operations and current fee schedule. He reported they came up with a recommendation to propose rate increases for clients that store at the Record Storage facility. He noted the proposed rate increases are in line with Consumer Price Index (CPI) for the past year. In addition, he stated the rate increases will help offset some of the increased expenses they have experienced at the warehouse.

Chair Greenwald asked if they investigated other record storage facilities to compare pricing. Mr. Dow replied that the City is the only municipality in the state that performs this service and rates are somewhat bound and limited based on state law. He explained it is difficult to compare their operation to the private market. Mr. Dow stated that prices stay competitive with alternative solutions in order to service the needs of customers.

Councilor Chadbourne asked how they determine how much to increase the prices, noting the amount was minimal. Mr. Dow replied they tried to stay in line with the CPI. For example, they are starting to see repairs on their HVAC system and their lighting needs to be forecasted for replacement. He explained they are working out those numbers for future increases.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends the proposed rate increases for contracted customers of the records center be approved with an effective date of July 1, 2018.

4) Relating to Fire Department Call Personnel Ordinance O-2018-07

Councilor Powers announced that he is not a paid member of the Call personnel. However, he shared that his son is a Call fire fighter. Councilor Powers asked if the Committee felt this is a conflict of interest. All members of the Committee agreed there is no conflict of interest.

Assistant City Manager/Human Resources Director, Beth Fox and Fire Chief Mark Howard addressed the Committee next. She stated they are before the Committee to discuss a final proposed amendment to the Chapter 62, "Salary" Ordinance section of the City Code. Ms. Fox stated in essence they are trying to enhance and integrate the Call fire fighters more strongly with the professional department. She then turned the meeting over to Chief Howard.

Chief Howard reported that in early fall of 2017, he met with command staff including Deputy Chickering, Call Deputy Szoc, the four shift commanders and the Department Administrator. He explained the meeting was in relation to the reorganization of the Call company members. He stated as Fire Chief he was concerned with the following areas:

- Payment of the stipend. He stated in his opinion payment of the stipend was broken. He explained that call personnel that respond to a handful of incidents still receives the base stipend of \$800. Chief Howard noted that this renders the attendance stipend as a motivator.
- The number of Call members that attend calls and training was declining rapidly.
- Training that is required twice a month and only provided on Monday nights creates an issue for members. He noted this caused members not to attend training sessions.
- The growing decline of call members due to retirement and also not having the ability to find new recruits.
- Call members not maintaining competences for assigned tasks due to missing training. He explained this was leading to safety concerns due to hazards of the profession.

In November of 2017, Chief Howard reported he met with the call company officers to discuss concerns related to the organization. At this meeting Chief Howard discussed how he was considering the following changes:

- Discussion on how the call company consisted of two operational groups and the Call Special Services Group. He stated his proposal was to move the two groups to shifts. In theory, he stated full staff is at 20 people, 5 members would be assigned to four current career shifts. He noted these groups would operate under the captain. The special services committee which includes the chaplain, 2 department photographers and one personnel that assists with accountability. He noted these positions would also remain under the command of the Fire Chief.
- Training was discussed related to the lack of attendance.
- Elimination of call officer positions for Call Department was structured for 40-50 members in addition to career personnel. Currently there at 11 suppression members. He said from a span of control, the need for a deputy chief, captains and lieutenant to manage the second department was needed in prior years. Today, these positions are not needed for 11 people.
- Chief Howard discussed the proposal for call personnel to be paid at an hourly rate in place of stipend. In addition, he stressed to them the need for safety of staff, fairness amongst employees, efficiency and fiscally being responsible for the allocated funding for the department. He noted this was information well received from the call officers. Chief Howard reported that members commented specifically on the need to try something new to reenergize and attract new members.

In conclusion, Chief Howard stated that it is important to note the following:

- Call company personnel are not trained to replace career staff, they are trained at basic level of fire and rescue responses.
- The trends over the last five years are that no members have exceeded over 100 hours of training for call responses.
- The proposed budget is basing the cost on those numbers where they require 36 hours of annual training and an active member between 50-75 hours of responses.
- The hourly rate of \$18 at 100 hours equates to 27,000. He noted the current call budget is 34,000.

Chief Howard clarified that the intent is not to replace career firefighters but to ensure that the emergency personnel are properly trained to supplement calls when needed.

Ms. Fox moved the discussion to the pay schedule for call personnel. She stated that Section 62-141 of the Ordinance proposes the first decision is that the call firefighters be paid an hourly wage. The hourly rate is based on skill set and occupation. She reported the pay scale ranges from \$10 for non-certified probationary and up to \$18 for Level II Firefighter. Ms. Fox stated the old rank structure system will be abandoned in order to capture more attendance. She stated in essence they are trying to enhance and integrate the call firefighters more strongly with the professional personnel in the department. In addition, she stated this would improve the quality of service and opportunities for call firefighters.

Ms. Fox reported that call personnel will be eligible for the call personnel retirement plan. For call personnel retiring after July 1, 2018 the call personnel retirement plan is based on an average of the last three years of call firefighter compensation, up to a maximum retirement payment of \$2,000 paid annually. For call personnel retired prior to July 1, 2018, the retirement plan shall continue on the same terms and conditions in effect at the time of retirement.

Ms. Fox concluded by stating the proposed changes will make the call company a much more attractive employment option.

Councilor Jacobs asked if people are paid for the training classes. Ms. Fox replied in the affirmative. Councilor Jacobs then asked if the retirement portion is funded. Ms. Fox replied it is a City funded program that is a line item on the Fire Department budget.

Chair Greenwald asked if there was a requirement for call members to work 36 hours of training on an annual basis. Chief Howard replied members were paid in the past based on their attendance and this went towards their attendance record. Now, training for members will be paid at an hourly rate and the goal is 3 hours per month for training.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends the adoption of Ordinance O-2018-07.

6) Relating to False Alarm Prevention - Payment of Costs Ordinance O-2018-10

Police Captain Steve Stewart addressed the Committee next. Captain Stewart stated that he was before the Committee to discuss a change to the Ordinance regarding fees or penalties for false alarms. Chair Greenwald asked if this was burglar or fire alarms. Captain Stewart replied burglar alarms for commercial and residential.

Captain Stewart explained that during the Fiscal Year (FY) 2018-2019 budget preparation, administrative fees associated with the Police Department were reviewed. This was part of a process wherein every three to four years all fees will be reviewed and compared against fiscal policy and prevailing "market" rates for each service offered. In addition, he reported the last increase in false alarm fees was in 2015.

Captain Stewart reported they surveyed 7 other like municipalities and found they are below average compared to other municipalities. He stated the increase would be any owner or lessee of property having an alarm system on the premises. Captain Stewart noted that changes would include any user of alarm services or equipment designed and installed with the intent of eliciting an emergency response will now pay to the city a service charge of \$55.00. If more than ten alarms are received in a calendar year, the service charge will now be \$125.00 for each and every alarm in excess of ten. If more than 20 alarms are received, the fine will now be \$160.00 for each and every alarm received.

Chair Greenwald referred to the penalty for operating an alarm without permit. He stated that he would assume these alarms are connected to a monitoring station to the police department. Captain Stewart replied that was incorrect and these alarms operated through private services. Chair Greenwald commented that there are quite a few ads on television for monitoring alarms. He questioned if these alarms would require a permit. Captain Stewart replied these alarms would need a permit. Chair Greenwald stated that this needs to be communicated to the public. Captain Stewart stated that this can be communicated by the City's Facebook page.

Councilor Chadbourne referred to Section 34-57 (c) of the Ordinance and asked how the police department would know how a permit would be revoked. In addition, she asked why a permit would be revoked. Captain Stewart replied that he does not have answer to that question other than speculating nonpayment or fines.

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends the adoption of Ordinance O-2018-10.

5) **Use of Capital Funds for Drummer Hill Water Storage Tank and Pump Station Resolution R-2018-21**

The Assistant Public Works Director, Donna Hansom and Operations Manager of Water and Wastewater Facilities, Aaron Costa addressed the Committee next. Ms. Hanson explained they were before the Committee to talk about the Drummer Hill Water Storage tank. She explained that back in the winter the Committee was notified about a leak in the Drummer Hill Storage tank. Ms. Hanscom noted the tank has been taken off line for further evaluation and to determine next steps.

Ms. Hansom reported the tank was installed 35 years ago and is a 100,000 gallon tank that provides water to a relatively small portion of Keene. She reported that the tank is filled by a small booster pump station that operates as needed. Both the tank and the pump station were built in 1987. Based on deficiencies identified in a 2013 evaluation, the tank is scheduled for replacement in FY24 and the pump station in FY27 when it is 40 years old.

She explained the tank has been taken off line and they have been using the pumping station and bypassing the tank to provide water for the area served. Ms. Hanscom reported the tank is providing adequate water but not adequate fire protection. She noted there is not enough water pumping capability. The tank's deficiencies include leaking seals, lack of intrusion protection, a gap between the wall and the domed roof, and absence of a watertight cover and sample station. She stated the tank is buried, making detailed inspection difficult, and does not provide enough water pressure to all customers.

Ms. Hanscom reported they went through all the options on how to repair the tank and also looked at replacing the tank with a larger tank. In 2013, the current tank was deemed to not be large enough by fire suppression standards. They have a project scheduled in the CIP in fiscal 2024 but are seeking to move up the evaluation because they have to do something with this today. Ms. Hanscom stated the options are as follows:

1. Repair - Refurbish the existing tank in 2019 and replace the existing pump station in 2027. This solution doesn't address the tank's deficiencies, but does repair the leak, installs a new inlet and drain, and stabilizes the tank with grout.
2. Replace the existing tank with a larger tank.
3. Remove the tank and replace the existing pump station with a larger pump station.

Ms. Hanscom stated that by these rough cost estimates, it appears the solution is to remove the tank and install a larger pumping station now and not repair the existing tank at this time. She stated it is not only the lowest cost option, but also provides a significant positive impact to the water user through improved water quality, pressure, and fire suppression.

She stated that included in the memorandum before the Committee is the staff's estimated cost and scope of the 3 solutions. She continued the next step is to hire a consultant to review the options and determine if the assumptions made by staff are correct. Ms. Hanscom reported they will hire Tighe and Bond Engineers using the City Manager's purchasing authority for professional services. In addition, they will report back to Council in the fall for a final recommendation on how to proceed. In order to get funds to do this, they have spoken to the Finance Director about using fund from the Capital Reserve fund and it was determined there is enough in there to cover the cost and also continue to cover the six year CIP plan, however there would be little to no money left in the fund. The Finance Director has asked that they take a long look at the projects proposed in the six year plan to allow for adjustments to maintain a higher balance at the end of that timeframe.

Councilor Clark asked how much fire risk there is and how long this could go on without adequate fire protection in the event of a large fire. Ms. Hanscom and Mr. Costa stated they have not had the chance to speak with Chief Howard in order to discuss a plan.

Councilor Clark asked if putting in new a pump would be quicker. Ms. Hanscom replied that she was not sure if this was true. She explained that this would mean putting in a new system because the current system is below ground. Ms. Hanscom explained that an underground system is difficult to access, harder on equipment and ends up with corrosion.

Councilor Clark suggested the City Manager make sure there is an emergency fire plan. The City Manager stated that she would absolutely make sure there is plan.

Councilor Jacobs asked if the same water modeling for the tank on Water Street could be used for this area. Ms. Hanscom replied that this area is different because it has its own pressure zone because of the elevation.

Councilor Chadbourne asked how significant the leak is and if there is a lot of water being lost. Ms. Hanscom replied in the affirmative.

Ms. Chadbourne stated her concern with each proposal is the timing in FY19 through FY27, stating if there is a significant leak why not make repairs immediately. Ms. Hanscom replied there is no leak in the tank because it is not in use at this time, and they have a water small pump station running 24 hours a day to pump water to homes in that area. Mr. Aaron added they cannot use the tank. This one is a precast concrete tank, but it was backfilled and built into a knoll, and the leak was from underneath the tank from the drain pipe. This caused the ground to be undermined rendering the tank unusable unless it is repaired.

Mayor Lane asked if there are any records that show why the tank was put in rather than increasing the size of pumping station. He stated he was on the City Council at the time and remembers the issue relating to elevation and water pressure. He asked if there are any records that indicate why that decision was made and whether this would impact the decision that is made today. Ms. Hanscom has not looked at records but has spoken with the Public Works Director, Kurt Blomquist. She stated that Mr. Blomquist commented that at that time the community seemed comfortable with storage tanks versus pump stations. She stated that Mr. Blomquist thought the larger tanks, in this case the fire pumps, would not be used and would sit around. Ms. Hanscom further explained that the pumps would not be in good condition in case of emergency.

Councilor Powers asked where the pump station is located. Mr. Costa replied this was at Meetinghouse Road on the bottom of hill on the right side

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

On 5-0 vote, the Finance, Organization and Personnel Committee recommends the adoption of Resolution R-2018-21.

The meeting adjourned at 7:29 PM.

Respectfully submitted by,
Jennifer Clark, Minute Taker