

City of Keene
New Hampshire

FINANCE, ORGANIZATION AND PERSONNEL COMMITTEE
MEETING MINUTES

Thursday, May 14, 2020

6:30 PM

Remote Meeting via Zoom

Members Present:

Thomas F. Powers, Chair
Stephen L. Hooper, Vice-Chair
Terry M. Clark
Michael J. Remy
Raleigh C. Ormerod

Members Not Present:

George S. Hansel, Mayor

Staff Present:

Elizabeth A. Dragon, City Manager
Thomas P. Mullins, City Attorney
William Dow, Deputy City Clerk
Terri Hood, Assistant City Clerk
Beth Fox, Assistant City Manager
Dan Langille, City Assessor
Med Kopczynski, Economic Development
Director
Kürt Blomquist, Public Works Director
Merri Howe, Finance Director
Mark Howard, Fire Chief
Bill Byrne, Highway Superintendent
Marti Fiske, Library Director
Aaron Costa, Operations Manager
Steve Russo, Police Chief
Andrew Bohannon, Parks, Recreation, and
Facilities Director

Chair Powers read a prepared statement explaining how the Emergency Order #12, pursuant to Executive Order #2020-04 issued by the Governor of New Hampshire, waives certain provisions of RSA 91-A (which regulates the operation of public body meetings) during the declared COVID-19 State of Emergency. He called the meeting to order at 5:33 PM and explained the procedures of the meeting, including how the public can participate.

1) Acceptance of Donations – Fire Department

Chair Powers asked Fire Chief Mark Howard to speak to his memorandum. Chief Howard, speaking from his office on Vernon Street, stated that the first agenda item is two donations and his recommendation is: “Move that the Finance, Organization, and Personnel Committee recommend that the City Manager be authorized to do all things necessary to accept two donations totaling \$700.” He continued that the Department has received two donations totaling \$700. Robert Deverill donated \$100 and a group of residents, Dan & Caitlin Newell, Barry Pearson, Doctors Rob & Sherry Guardiano, and Christopher Hamblet, along with Artie & Krista

Lang, and Fred & Christine Hadlow donated \$600.00 in appreciation of the services the Department provides the community. These donations will be used to purchase equipment.

Chair Powers asked if the Committee members had questions or comments. He asked if other Councilors had questions or comments. He asked for questions or comments from members of the public. Hearing none, he stated that he would entertain a motion.

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

By a roll call vote of 5-0, the Finance, Organization, and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept two donations totaling \$700.

2) Acceptance of Donations – Fire Department

Chief Howard stated that his recommendation is “Move that the Finance, Organization and Personnel Committee recommend that the City Manager be authorized to do all things necessary to accept a donation of \$250.” He continued that the Fire Department has received a donation from the Monadnock United Way COVID19 Relief Fund in the amount of \$250. This money will be used to purchase equipment.

Chair Powers asked if the Committee members had questions or comments. He asked if other Councilors had questions or comments. He asked for questions or comments from members of the public. Hearing none, he stated that he would entertain a motion.

Councilor Ormerod stated that out of an abundance of caution, he would like to say that he is on the United Way Board. He continued that this does not affect the decision either way.

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

By a roll call vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to accept a donation of \$250.

3) Municipality Services Agreement with Keene State College - City Manager

Chair Powers asked the City Manager to address her memorandum. Elizabeth Dragon, City Manager, stated that the City and Keene State College (KSC) have a municipal agreement in lieu of property taxes. She continued that it acknowledges the cost of life safety services provided by the City. The agreement also acknowledges the economic, cultural, and social value of the college and the importance of the relationship between the City and Keene State College. As part of this agreement, the College pays one Police Officer to be a liaison between the Police Department and the College. The College also funds an account of just over \$7,000 for any extraordinary one-time cost to respond to disturbances related to students, and \$10,000 towards a judicial and investigative cost. In recognition of Fire services, the College pays \$497,000 to the City. This agreement expired on July 1, 2019 and was then extended for one year, as the College

was going through a great deal of change as they were right-sizing their organization. She and President Melinda Treadwell have been talking about doing a better job in the next agreement to enhance how they work together. With COVID-19 and the uncertainty for the future they have both agreed that it would be best to extend the current agreement for another year. This will give them certainty in the budget for the upcoming year.

Chair Powers asked if the Committee members had questions or comments. He asked if other Councilors had questions or comments. He asked for questions or comments from members of the public. Hearing none, he stated that he would entertain a motion.

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

On a vote of 5-0, the Finance, Organization, and Personnel Committee recommends that the City Manager be authorized to do all things necessary to negotiate and execute a municipal services agreement between the City of Keene and Keene State College to extend the term of the agreement for one additional year.

4) City Leases - City Manager

Chair Powers asked the City Manager to address her memorandum. The City Manager stated that before the Committee tonight is a request to provide some relief to tenants impacted by the COVID-19 crisis who are currently renting City-owned spaces. She continued that she is requesting to abate an amount equivalent to one month's rent for those who are conducting retail, restaurant, barber, transportation, and hospitality services, all negatively impacted by the current crisis. When City space is leased by a for-profit it must include a payment for property taxes. This is not optional. Therefore, this request is to abate the rent portion only. Some leases include a calculation of the taxes and some leases require the tenant to pay the taxes separately. For the leases that do not clearly separate the tax portion she has noted in the memo that she will have to exclude those tax portions. She will work with the City Assessor to accomplish this. She has corrections to the information in the memo: the new lease for YOLO is \$1,350 less a portion for property taxes, and the lease for The Flight Deck is \$900. The total of all the leases listed in the memo is just over \$9,700 and from that will be subtracted property taxes in the leases noted in the memo.

Chair Powers asked if the Committee members had questions or comments.

Councilor Clark asked what she means that property taxes will be deducted. The City Manager replied that some leases have the property taxes included in the rental amount – YOLO, for instance. She continued that others have the property taxes separated. Either it is separated in the lease agreement and it specifies what the property tax payment is, or the business receives a separate bill from the Assessor's Department. To create equality among all of these leases, there are a couple she would have to separate the property taxes from - Keene Barber and YOLO.

Chair Powers asked if the Committee members had questions or comments. He asked if other Councilors had questions or comments. He asked for questions or comments from members of the public. Hearing none, he stated that he would entertain a motion.

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

On a vote of 5-0, the Finance, Organization and Personnel Committee recommends that the City Manager be authorized to do all things necessary to abate an amount equal to one month of City lease payments (exclusive of taxes) commencing on May 1, 2020, for businesses leasing City property and conducting retail, restaurant, barber, transportation and hotel hospitality services and which have been negatively impacted by the current COVID19 emergency.

5) Abating Interest Charged for Late Payment of Property Taxes – City Assessor

Chair Powers asked the City Assessor to speak. Dan Langille, City Assessor, stated that in a similar vein to the previous agenda item, he is here to go over a way the City is looking to provide relief to those facing financial hardship due to the pandemic. He continued that in the next few weeks the City will be sending out the first property tax bill of the 2020 year, due around July 1. Property taxes are billed twice a year, and the first is in July. The City collects property taxes not only for City government, but also on behalf of the County and School District. All three communities have budgets in place, contracts, and bills that need to be paid. City property taxes are a significant source of revenue that helps fund emergency services, helps maintain public spaces, and helps maintain roads and infrastructure. It is important and necessary to continue to bring in property tax revenue. However, the City is well aware of how difficult it may be for some tax payers to pay at this time. If the bills are not paid on time interest begins to accrue at about 8% per month and that would only add to people's financial hardship. This is why the City wants to waive or abate that interest that would otherwise accrue, for up to three months after the July due date. Normally a person would have to file an application with the Assessor's Office after their December bill, and by this time the interest would have already accrued and there would be no guarantee of any relief. However, we are facing unprecedented times, which is why the City and other municipalities reached out to Governor Sununu to get this option to abate interest in a way that has never done before. The Governor's Executive Order #25 provided this option. The authority to abate taxes lies with the Assessor, but they wanted to hear if the City Council would support such an action.

Councilor Clark asked if this is this going to affect the amount of Tax Anticipation Notes (TANs) the County and School District have already applied for and in some cases received for operating expenses through December. The City Manager replied that this would not affect the School District or County. They will get their payments on time. She continued that the City does not usually take out a TAN. They usually have enough cash flow to operate without borrowing for operating expenses, and they do not anticipate this would make the City have to take out a TAN. Oftentimes people pay their taxes automatically and they are escrowed so that is why staff is not asking for the due date to change. Those escrow payments will come in. The

abatement of interest will be for the people who have a hard time paying. They will have an additional three months without being penalized.

Councilor Remy asked if this will be reviewed on a case-by-case basis, or if this would be a blanket “It’s okay” for everyone, which would mean that the people who pay directly would have a date change. Mr. Langille replied that it will be a blanket option, so there will be no applications needed, but it is important that anyone who has the ability to pay does so. He continued that the City expects the people who can pay to pay on time.

Chair Powers asked if other Councilors had questions or comments. He asked for questions or comments from members of the public. Hearing none, he stated that he would entertain a motion.

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

On a vote of 5-0, the Finance Organization and Personal Committee recommends that the City Council vote in support of the City Assessor abating any accrued interest resulting from late payments of the 2020 1st half property tax bills for up to three months from the date due.

6) Filter Media Replacement and Underdrain Repairs - Public Works Department

Aaron Costa, Operations Manager for the Treatment Facilities, stated that he is here to discuss the filter media replacement and underdrain repairs project at the Water Treatment Facility (WTF) and request the ability to sole source purchase equipment and services from WesTech, Inc. As way of background, the WTF came online in 1993 and the majority of the equipment is original to the facility. The WTF utilizes three MicroFloc Filtration Units, and each filter unit is capable of filtering 2 million gallons of surface water per day and each filter unit contains its original filter media. In 2013, the City contracted with Tighe and Bond Consultants to perform a comprehensive filter evaluation that showed that anthracite media no longer conforms to specifications and any repairs to the underdrain system should be performed when the filter media is replaced. WesTech Inc. owns the rights to the MicroFloc technologies, and parts for the filter units are proprietary. The filter media is not proprietary and is available from other vendors; however, WesTech will not guarantee filter performance if aftermarket media is installed in the Trident Filter Units.

Mr. Costa continued therefore, it is recommended that staff be authorized to sole source purchase replacement parts, filter media, instrumentation, factory and onsite services for the Filtration Units from WesTech at an estimated cost of \$85,000 per filter unit. Funding was approved in the FY20 Capital Improvement Plan (CIP) budget, but because the water plant cannot be completely offline for this work, one filter unit will be refurbished in each of the following years: FY20, FY22, and FY24. The total amount budgeted for refurbishing all three-filter units is about \$610,000.

Tighe and Bond Consultants will be providing engineering services under a professional services contract. The construction/labor portion of the project will be selected by competitive bids. It is recommended that WesTech provide parts, instrumentation, media and factory and field services.

Mr. Costa showed a Trident Filtration Unit diagram from his desktop and explained it. He stated that everything you see in the stainless steel tank is proprietary to WesTech, minus the media. He continued that water comes in through the inlet, and plant staff tells the unit how many gallons per minute to treat, usually about 850 to 900. Water enters the bottom of the unit and goes up through the absorption clarifier media. Thousands of white plastic beads capture particulates in raw water. Water then moves up and over to the side of the unit where it goes down through three layers of filter media: about 18 inches of anthracite, followed by about 9 inches of silica sand, then about 3 inches of crushed garnet. Then there is the underdrain system, and they have no idea what condition it is in, but expect it will need to be refurbished. It cannot be inspected when the filtration units are full of media. The underdrain system then allows and conveys water out the bottom of the unit and out into production. There is also an ultrasonic level unit that communicates directly with the effluent filter valve. Its job is to maintain the proper water level in the filter unit. It is antiquated and needs to be replaced as part of this project.

Mr. Costa continued that the scope of work and way this construction will go is: the first part of construction is for contractors to float “this” media up and out into “this” area [indicated in diagram] so they can replace about 80 diffusers in the area [of the influent water manifold]. These units need to be cleaned, which is done by adding air through blowers and clean water. Then after the media is back in place and the screen is back on top the contractors will remove all of the anthracite, silica sand, and garnet. Then they remove the underdrain system, ship it to the manufacturer for cleaning and repairing, then they ship it back to the water plant and the contractor installs it under WesTech supervision. They will then add the filter media to the filter units, with WesTech supervising. Then they do the filter start up. That is the project from beginning to end and the reasons staff recommends sole sourcing WesTech.

Chair Powers asked if the Committee members had questions or comments.

Councilor Remy asked if there will be a capacity constraint while this is under construction. Mr. Costa replied no, that is why they will only do one unit as a time. He continued that the other two units will be operational, along with groundwater wells.

Councilor Remy stated that he has been hearing a lot lately about materials going through the [sewer] system that should not be. He asked if any work is being done during this project to help with that. Mr. Costa replied that this project is on the clean water side, but Councilor Remy brings up a good point. People should not be flushing wipes, rubber gloves, or anything of that sort. The PWD is currently working on a screening project at their Martel Court pumping station. It is currently under design and they will be constructing it in the coming years.

Chair Powers asked if this is a four-year project – one unit this year, another unit in 2 years, and another unit 2 years after that. Mr. Costa replied yes, the work will only take 2-3 months once construction starts, but they wanted to space it out for financial and capacity reasons.

Chair Powers asked if the contract prices will be set for the whole project. Mr. Costa replied no, just one unit at a time. Chair Powers asked if staff will be coming back to the Council in 2 years with another request. Mr. Costa replied that he hopes to sole source for all 3 filter unit refurbishes using WesTech, but yes, the construction portion will go out again in 2 years.

Chair Powers asked the City Attorney if the language in the motion is sufficient. The City Attorney replied that he would recommend the motion say “...to sole source for the time period required as included in the background notes...”

Chair Powers asked if the Committee members had questions or comments. He asked if other Councilors had questions or comments. He asked for questions or comments from members of the public. Hearing none, he stated that he would entertain a motion.

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

By a roll call vote of 5-0, the Finance, Organization, and Personnel Committee recommends the City Manager be authorized to do all things necessary to sole source purchase, for the time period required, equipment and services from WesTech Inc. for all equipment, parts, and services necessary to replace the filter media and repairs to the MicroFloc Trident TR 840A Filtration Units at the Water Treatment Facility.

7) Relating to the Establishment of a Road Infrastructure Capital Reserve; Relating to the Establishment of an Emergency Communication Capital Reserve; Relating to the Establishment of a Reappraisal Capital Reserve; Relating to the Establishment of an Information Technology Systems and Infrastructure Capital Reserve

Chair Powers stated that this agenda item is a number of Resolutions to establish capital reserve accounts. He continued that the Finance Director will introduce them, but he wants to draw attention to the fact that this topic was discussed in the City Council’s Fiscal Goals conversation, fiscal policies they developed early on this year, and they are consistent with the way they should have been doing business for some time. He is happy to see them moving in this direction. It is the right way to balance the budget and take care of their fiscal needs and ensure that they do not defer maintenance due to not having enough dollars. He asked the Finance Director to speak.

Finance Director Merri Howe stated that the current policies adopted by the City Council on September 5, 2019 emphasize the use of other funding sources for projects in the CIP and stabilization funds. She continued that creating these capital reserves can serve two purposes – they can serve as a savings mechanism for future purchases, and be used to stabilize funds from budget spikes. For example, the City is required to perform a revaluation of property every 5

years, creating a significant increase in the budget every 5th year. By funding the capital reserve equally over five years this budget spike is eliminated. If enacted, these capital reserves will serve over time as a predictable and stable source of funding, reducing the reliance on and amount of municipal debt and leveling out budget spikes.

Ms. Howe stated that Resolution R-2020-14 pertains to the establishment of the Road Infrastructure Capital Reserve to fund, wholly or in part, improvements to the roadway system, including but not limited to, road reconstruction, rehabilitation, and preservation, and associated components such as curbing, lighting, sidewalks, signals, and stormwater.

Resolution R-2020-17 pertains to the establishment of an Emergency Communication Capital Reserve to fund, wholly or in part, the citywide purchase, replacement, or upgrade of emergency communication systems and components, including and not limited to, portable and mobile radios, base stations, towers, repeaters, support infrastructure, emergency and dispatch center equipment, and software.

Resolution R-2020-18 pertains to the establishment of a Reappraisal Capital Reserve to fund, wholly or in part, the revaluation of real estate for tax assessment purposes. A revaluation is required by state law, RSA 75:8-a, at least once every five years.

Resolution R-2020-19 is relating to the establishment of an Information Technology Systems and Infrastructure Capital Reserve to fund, wholly or in part, the purchase, replacement or upgrade of organizational information technology software and hardware systems and infrastructure.

Chair Powers stated that he wanted to remind everyone that by establishing these reserves they are not, with this particular action, appropriating any money at this time. He asked if the Committee members had questions or comments. He asked if other Councilors had questions or comments.

Councilor Williams stated that he had a question about the road fund: its name. He continued that as everyone knows, he is concerned about the quality of sidewalks. He thinks they get second billing next to roads, and the quality of the city's walkable infrastructure reflects that. He asked if they can rename it as "The Road and Sidewalk Infrastructure Capital Reserve Fund." Chair Powers replied that that does not seem to be a problem, if a committee member wants to amend it.

Mr. Blomquist stated that he understands the concern. He continued that the Resolution's description makes it clear that it is not just about roadways – it includes sidewalks, traffic signals, lighting, curbing, and so on and so forth. It is a very broad capital reserve to cover all of those items. He gets concerned if they start pigeonholing. If the City needs to fix a traffic signal he does not want someone to say "Well, this says it's for roads and sidewalks only." This is a funding mechanism. So as the City Council authorizes more funds for sidewalks they would come out of here and be designated for that purpose. This capital reserve is very broad; it is for all the surface infrastructure within the right-of-way.

Councilor Williams replied that he understands. He continued that he thought about how broad would be appropriate for this – “Road, Sidewalk, and Trail”? “Transportation Infrastructure”? He is not really looking for that. He is mostly looking for recognition that sidewalks are important and they have been neglected. He looks at this as a way that the City could consider sidewalks on a closer to equal scale with roads.

Councilor Ormerod stated that Councilor Williams is right. He continued that many of the city’s sidewalks do not meet the legal definition anymore and would be called “walking paths” or “trails.” He continued that he does not want to dismiss his concerns. In ward 1 he has seen elderly women tripping on ice. They need to address it somehow.

Councilor Manwaring stated that she thought that several years ago the City Council voted to put the new sidewalks “on hold” and it had to do with borrowing money. She asked if she is remembering correctly. Mr. Blomquist replied that there were two programs a number of years ago that she is remembering. One was the new sidewalk construction program. They had a little over \$4 million dollars of new sidewalks/extended sidewalks. The City Council had not been funding that for about 10 years because of budgetary constraints, so yes, the decision was made to drop the new sidewalk program to deal with sidewalks as road reconstruction projects were done. He continued that unfortunately, the sidewalk repair program has limped along at about \$40,000 per year. That number was brought to that point due to budgetary concerns. As they talk about sidewalks, as they talked about during this last CIP process, this is an area for more emphasis, but actually it is an area for more emphasis from a budgetary standpoint. He would like to talk more about this when they talk next week about the Public Works Department’s operating budget.

The City Manager stated that during the budget process this year she and the Public Works Department did have this conversation about sidewalks and the fact that that they had not been funding the repair or replacement of them for some time. They are looking at coming up with a plan to address that and they intend to bring forward to the City Council some numbers of what that would look like, in the next capital plan and the next budget cycle. Whether they call this capital reserve “Road Infrastructure” or “Road and Sidewalk Infrastructure” it does not change what they have in the budget for it this year. She understands that putting “Sidewalk” in the title calls it out and gives it more attention. She does not have an opinion either way on whether or not to change the title. She continued that she thinks “Road Infrastructure” includes sidewalks in the definition and is broad enough, but if the City Council feels that it is the direction they want to go it will not change the purpose or the amount currently funded in the capital plan.

Chair Powers stated that if they were to make a change an FOP Committee member would need to make a motion for an amendment.

Councilor Ormerod made a motion to add the word “sidewalk” to the “Road and Sidewalk Infrastructure Capital Reserves.” Councilor Clark seconded the motion.

Chair Powers asked for discussion.

Councilor Hooper stated that from a public relations standpoint he thinks it is a good move. He continued that people complain about sidewalks. If you trip and fall – which his wife did, resulting in a hurt knee – it is very concerning. This is a good idea and he will support it.

The amendment to change the title of the Resolution to Road and Sidewalk Infrastructure Capital Reserve passed with a 5-0.

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

On a vote of 5-0, the Finance, Organization, and Personnel Committee recommends the adoption of Resolution R-2020-14, Resolution R-2020-17, Resolution R-2020-18, and Resolution R-2020-19.

8) Relating to an Appropriation to the Road Infrastructure Capital Reserve

Ms. Howe stated that Resolution R-2020-14 (from the previous agenda item) pertains to the establishment of the Road Infrastructure Capital Reserve, while Resolution R-2020-15 pertains to the funding of that capital reserve. She continued that in October 2019, the City received the first of two Municipal Aid payments from the State of New Hampshire in the amount of \$391,627.32. These funds were received prior to the FY20 tax rate setting enabling the City to reduce the amount of fund balance utilized to balance the budget by \$391,627.32.

Resolution R-2020-15 would appropriate the \$391,627.32 from the General Fund unassigned balance to fund the Road and Sidewalk Infrastructure Capital Reserve. It is coming out of the fund balance because of the fact that they reduced the fund balance that was going to be used to use the tax rate. This \$391,627 will fall to the bottom line in June and what they are trying to do is utilize the money to help fund the Road and Sidewalk Infrastructure Capital Reserve.

Chair Powers asked if Resolution R-2020-15 should really be Resolution R-2020-14. Ms. Howe replied no, this R-2020-15 is the funding source for the capital reserve that R-2020-14 created.

Chair Powers asked if the Committee members had questions or comments. He asked if other Councilors had questions or comments. He asked for questions or comments from members of the public. Hearing none, he stated that he would entertain a motion.

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

By a roll call vote of 5-0, the Finance, Organization, and Personnel Committee recommends the adoption of Resolution R-2020-15.

9) Relating to the Establishment of a Police Special Detail Revolving Fund Pursuant to RSA 31:95-h for the Purpose of Receiving Revenues and Expending Funds Relative to Police Special Details

Ms. Howe stated that Resolution R-2020-20 relates to the establishment of a Police Special Detail revolving fund. She continued that the current fiscal policies adopted by the City Council in the fall emphasizes the use of stabilization funds. A revolving fund is a stabilization fund established for a particular purpose. The revenues deposited in the fund are allowed to accumulate from year to year and are not considered part of the City's general fund surplus. The revenues generated by the revolving fund activity subsidize the expenses of the activity thus keeping the funding outside of the general fund resulting in no tax impact to the taxpayer.

Chair Powers stated that he wants to remind people: this is not tax dollars. He continued that these fees are paid by outside vendors who need traffic details or security details. This is an enhancement to how they account for it. It eliminates some of the spike, also.

Chair Powers asked if the Committee members had questions or comments. He asked if other Councilors had questions or comments. He asked for questions or comments from members of the public. Hearing none, he stated that he would entertain a motion.

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

On a vote of 5-0, the Finance, Organization, and Personnel Committee recommends the adoption of Resolution R-2020-20.

10) Relating to the Reallocation of Bond Proceeds from the Rose Lane Wastewater Treatment Plan Cleanup Project (08094) to the Waste Water Treatment Plant Generator Replacement Project

Ms. Howe stated that this is another Resolution, R-2020-23. She continued that back in March, included in the FY 2021-2027 CIP recently approved by the City Council is a project to the replace the generator at the waste water treat plant. This project is scheduled for FY 2021 with a funding source of bond proceeds reallocated from the Rose Lane Waste Water Treatment Plant Cleanup Project in the amount \$290,400. In order to move forward with the CIP they need to reallocate the funding for this project.

Chair Powers asked if this will close out the Rose Lane project. Ms. Howe replied no. Chair Powers stated that they still have work there. Ms. Howe replied yes.

Chair Powers asked if the Committee members had questions or comments. He asked if other Councilors had questions or comments. He asked for questions or comments from members of the public. Hearing none, he stated that would entertain a motion.

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

On a vote of 5-0, the Finance, Organization, and Personnel Committee recommends the adoption of Resolution R-2020-23.

11) Relating to the FY 2021 Proposed Fiscal Budget

Chair Powers stated that department heads will be giving their budget overviews and they will go page by page. He asked the City Manager to speak.

The City Manager stated that the Citizens Budget Guide is ready. She continued that it is available on the City's website from the budget link on the home page. She encourages everyone to check it out. There is a pie chart breaking down the budget by category (such as Police, Fire, Airport) and right above that is a breakdown for every \$1,000 in assessed value. Schools receive 51%, the City receives 39%, and the County receives 10% of the tax revenue. She thanked Rebecca Landry for her excellent job on this Citizens Budget Guide.

She continued that also, Councilor Ormerod asked about online statistics for Motor Vehicles, so she has some information about that. Looking at February, before COVID-19, they had 7% mail in registrations and in April that jumped to 21%. In February they had 14% online registrations and that jumped to 35% in April. Walk-ins dropped from 79% of the motor vehicle transactions in February to 45% in April. They did see quite a dramatic shift in how people were doing business, just over a couple months, before and after COVID-19.

Lastly, the City Manager continued, today staff participated in a statewide call regarding the various funding sources currently available to the City. The CARES ACT funding coming from the State through the GOEFER committee recommendations will require a vote of the council next Thursday to allow staff to apply for the maximum reimbursement for this funding source of \$552,034. This is obviously not in time for tonight's FOP Committee meeting so they will need to bring it straight to council on Thursday so that they can meet the June 1st deadline. It is just the authorization to apply. They will be applying periodically over the next several months as they expend in different categories to respond to the crisis.

The City Manager stated that also, they were successful in getting another grant, through the Fire Department, which Deputy Chief Chickering had applied for. The Fire Chief can speak to the specifics of it. It is for IV pumps and vent equipment for the ambulance and reimbursement for some PPE, so they will be asking the City Council at the same time to accept those funds as well.

a) Fire Department

Chair Powers stated that this is on pages 84 to 91 in the book. He asked the Fire Chief to speak.

Chief Howard stated that the Fire Department works every day to meet the mission in a safe, efficient, professional, and fiscally responsible manner. He continued that they are a full service department providing prevention services, along with fire, emergency medical, and hazardous material services, and technical rescue response to customers. The department has 45 career

uniform personnel, 15 paid on-call personnel, and one civilian department administrator. They have two vacancies in their full time ranks and seven vacancies within the call company.

Chief Howard continued that their ISO rating, also known as the Public Protection Classification Survey, was last updated in 2018. Rankings run from a high of Class 1 to a low of Class 10 and measure the fire suppression and fire prevention capabilities of a community. Keene is a Class 3. Prior to 2018 Keene was Class 4. Keene operates 24 hours a day, 365 days a year, with a minimum staffing deployment of 9 personnel. Station 1 units includes a fire prevention unit, engine 1, engine 2, tanker 1, ladder 1, rescue 1, two ambulances, a brush unit, and other support units, including trailers, a boat, and off-road rescue. Station 2 includes ladder 2, ambulance 1, brush 2, a fire alarm truck, and a hazardous materials response trailer.

Chief Howard continued that he wants to mention a couple of the department objectives: one is to complete the station 2 phase 2 review of the building. They spoke about this during the CIP process and will be working with the City Manager soon to start working on that. One of his goals is alternative shift staffing review, because of some of their overlapping calls and their demand for service. Another goal is to restore the Deputy Chief position which was unfunded in 2010 when a Fire Deputy Chief retired.

He continued that page 85 talks about challenges. During the budget preparations, the term "COVID-19" was not even known. There are challenges they have faced since the start of COVID-19. They have had to make adjustments in operations, increased their use rates of PPE, and had to rapidly establish new policies and procedures to deal with the virus. Procurement of PPE has been the biggest issue and has required a daily effort, with an increased cost at times. Normally they try to maintain a cache of about 3 to 6 months of PPE for a few reasons: bulk purchasing saves money, and for times like now when the equipment is not readily available. They are working to increase that cache and potentially even build a City cache of up to a year. It would not be for the frequently used items that are even more frequently used now, like gowns, gloves, masks, and so on and so forth, so they would not run into price gouging.

He continued that related to accomplishments on page 85, progress has been made with the recruitment of call person and they hired four new members. Three are in training and one was already certified as a Firefighter. They still have seven call company candidates in queue to bring on once they have completed the hiring process. They have two career Firefighter/EMT positions vacant. Those personnel are currently in a hiring process that takes several weeks. Those are to replace people who retired in late 2019.

Chief Howard continued that they continue widespread fire prevention efforts. All 2nd grade students in the city were provided fire safety programs. The Fire Department's annual open house continues to be a success. Community CPR programs continue to be offered and they continue to offer community and civic group fire safety presentations.

He continued that the primary services objectives matrix on page 86 is self-explanatory. The organizational chart is on page 87 and has been updated to reflect the proposed change with the Deputy Chief position with a successful budget process if the budget is supported. That will restore the two deputy system and the second Deputy Chief's position would be the direct supervisor for the administrative personnel as shown. Currently they report directly to the Chief.

He continued that for FY21 they have a projected revenue of \$2,096,222. \$1,420,780 of that is directly related to their emergency medical services, including the stand-by fees paid by communities and the direct payments from patients. \$675,455 in revenue comes from fees, including the municipal fire alarm system, the KSC allocation as discussed by the City Manager earlier, fire code permitting, and hazardous materials storage permits.

Chief Howard continued that their projected revenue of FY21 is estimated to offset the budget by 28.4%. Regarding grants related to the current budget year, they were awarded two - the \$25,000 Homeland Security grant in the fall of 2019, 100% funded with no match; and just yesterday, pending acceptance, the grant from the Department of Justice for \$84,130 for three ventilators and three IV pumps for the three ambulances. The Fire Department operates an advanced life support level now but it will greatly expand the paramedics' capabilities and provide a greater service to the community. The grant will also cover the cost of the additional PPE they have been purchasing since January. They have a third grant application in process that will be submitted tomorrow. As the City Manager mentioned earlier there are three or four others in queue and when they get tomorrow's submitted they will start looking at those.

He continued that the expenditure portion of the Fire Department's budget is on page 89 and 91. The total budget is \$7,388,302. The budget includes the supplementary requests as supported by the City Manager, which includes the Deputy Chief position with half-year funding that would start in January of 2021: \$77,901. It also includes increased protective clothing of call personnel for \$6,400. The operating budget increases noted were personnel line items for salary and benefits, and the following operating line items: Dispatch Services – \$6,796, PC Replacement – \$628, Fleet– \$4,300, and Annual Physicals – \$7,415.

Chief Howard continued that he appreciates the support of his staff and the City staff and thanks the City Manager for her support. He respectfully requests that the City Council continue to support the Fire Department so they have the personnel and resources needed to safely and efficiently meet the requests for services in the community.

Chair Powers asked if the committee members had questions or comments.

Councilor Clark asked about line 61-302: what is the \$49,000 supplemental? The City Manager replied the half year wages for the Deputy Chief position.

Councilor Clark stated that last year's budget was \$7.184 million but the estimate is \$7.378 million. He asked what that is about. The City Manager replied carry overs, money from the

prior year brought forward into this budget. Chief Howard asked, was there also a change in the personnel line items because of the contract change? He asked if Councilor Clark's question is about the difference between last year's budget and this year's proposed budget. Chair Powers asked Councilor Clark to repeat his question. Councilor Clark stated that there is about a \$190,000 disparity between the 2019-2020 budget and the 2019-2020 estimate. He continued that the City Manager is saying that is carryover. Is it correct to assume the estimate is what was actually spent? Ms. Howe replied that it is what they are anticipating that they will spend between now and the end of the year and the majority is anticipated over time for the shortage of personnel.

Councilor Clark stated that the amount of increase for the revenue for services provided stayed pretty much level. He asked if they are charging the same amount for these services. The budget is up some but the revenue does not seem to be. He knows they try to keep track on ambulance services and everything. Are all of the services going up a little bit every year?

Chief Howard replied that the estimated numbers he gave for projected revenue are conservative; he always tries to be conservative with those. With the current budget they were tracking to exceed their revenue goal, but because of COVID-19 responses in the past couple of months some of the billing related to ambulance, because the number of transports has gone down, has decreased. It has been offset by the HHS funding that was discussed at the last City Council meeting. The rates/fees are reviewed annually. In May or June he and Ms. Howe sit down and look at ambulance rates based on allowed Medicare rates and they work with their third party billing service and bring forward the new rate schedule if there will be a percent increase. That is addressed annually. That is one of their biggest revenues. They also, internally through this budget process, looked at their permitting and master box fees from a community standpoint and they looked with several other departments around the state. Currently in some categories Keene has the highest fees or is in the top 3 or 4. Therefore, regarding the impact to customers, they felt that from a market value standpoint they are consistent with the rest of the state and definitely competitive. They have not requested changes in the fees through this budget process.

Councilor Remy asked for a clarification - the increase for the Deputy Chief is for a half year? Should they expect the full year for the following year? By saying yes to the \$79,901 increase they are saying yes to the \$79,901 increase again next year, for really a ballpark of \$160,000? The City Manager replied yes.

Chair Powers asked if other councilors had questions or comments. He asked for questions or comments from members of the public. Hearing none, he thanked the Fire Chief and moved on to the next topic.

b) Library

Chair Powers started that the Library begins on page 92. He asked Marti Fiske to speak.

Library Director Marti Fiske stated that she started the position in August. She continued that staff have been very busy. Over the last nine months the finishing touches on construction projects have been completed. They worked through the hiccups of the new HVAC system, and created procedures for how to safely operate in a much larger building. They continued to operate through the COVID-19 precautions, with a combination of curbside pickup and enhanced virtual services. Over the last two months while the building has been closed to the public they purchased more downloadable materials, subscribed to Acorn TV for streaming video service, weeded and shifted the entire print collection, and mailed over 300 envelopes of free seeds. Staff have been busy providing online programs for all ages including stress reduction yoga, building simple machines, story time, book and film discussions, author visits, and more.

Ms. Fiske continued that over the last few months she has had the chance to dig into the Library's funding. She learned that the beautifully renovated and greatly expanded library building and its services have been a terrific bargain for the taxpayers. The former Masons building was purchased without any taxpayer funds. Only 15% of the \$14 million for the addition and renovations project came from tax funds. After the renovations the Library Trustees then spent tens of thousands of dollars to finish the project for funds that were not included in that budget. Since at least 2008 the Trustees and the Friends of the Library have provided significant support for the operating budget. They now fund over 40% of the non-personnel budget through their volunteer work and book sales and interest dividends on private donations to augment the City's funding. None of the 957 programs attended by nearly 13,200 in the last fiscal year were paid for by City funds. 90% of staff training was paid for by the Friends and Trustees. They also supplemented the book and circulating materials budget by more than 20% and paid for almost all of the repair and purchase of furniture and equipment. This is in addition to the Library staff receiving significant grants for programs and training. In 2019 alone the additional funds totaled more than \$179,000. The Trustees and Friends will continue to support the budget for several years but the past years of fundraising levels are no longer sustainable, especially this year. The book sale had to be canceled due to COVID-19 and that is where most of the Friends' income comes from. The income for investments from past requests is expected to be greatly reduced.

Ms. Fiske continued that every year the library requests an increase in money for materials. This year they are requesting a little more than usual, to make up for a database that the Friends were unable to fund. Instead the Friends funded walkie talkies for the staff to be able to safely close the enlarged building at night and other items the Library was unable to fund through the City's budget for furniture and equipment. In the last few years the furniture and equipment line was essentially zeroed out and rolled into the construction budget, and in the meantime, the existing items continued to age. This last fiscal year she had no way of repairing or replacing a broken chair that was being used by someone at a service desk 12 hours a day. Two printers were continually breaking down and one stopped working completely. This budget request is for \$4,000 available between two lines to take care of the unforeseen repairs and replacements. There is also an increase in the training line. Previously the Trustees funded all professional

training, but the 27 paraprofessional staff members have received no continuing education training unless they were able to get it for free.

She continued that staff continue to seek cost saving whenever possible. Last year they surveyed the existing “honor system” for public printing and found that 68% of that printing was not being paid for. That was a loss of \$4,660 each year. The budget also includes a request to replace a 10-year-old black and white printer and a copier that is over 20 years old. Thanks to the City Council approving the request to use funds from the vacant Assistant Director position they purchased computer and print management software, and as a result of that software they can cover all of that costs from the user fees for printing. By offering color printing and copying services they also expect a small profit on that line.

Ms. Fiske continued that the library’s expansion brought in a new maker space and added a service desk to the new entrance. The Friends have paid for about 15 hours per month of intern time to do programming in the maker space, but it still needs to be overseen by staff. For that new service desk, a year of recruitment yielded an average of 30 volunteer hours and a federal work training program that funds 20 service hours but staff are still strained to fill in at least 15 uncovered service desk hours each week, mostly during evenings and weekends. They also are stretched to make up for the programs now being held in the maker space and need people to help oversee those programs. Current salaried staff often work beyond their full-time hours to provide those programs and often work 6 days a week. This budget includes a request for more staff hours to replace a very basic 15-hour per week position with a 28-hour per week paraprofessional programming position. That allows for the maintenance of the current level of programming during evening and Saturday hours. Each year an average of 500 programs serving more than 5,800 people begin after 4 PM. The starting pay for that position will increase from 11 dollars per hour to about 17 dollars per hour to reflect the increased duties. It is a part time position and does not qualify for benefits. When the person in that position is not doing programming they will fill in at the service desk to help cover those uncovered hours.

Chair Powers asked if the committee members had questions or comments.

Councilor Clark stated that the library is such a beautiful place and it is a shame that COVID-19 has made it so inaccessible right now. He continued that cannot wait to get back in. He thinks Ms. Fiske is doing a wonderful job.

Chair Powers asked when the book drop opens. Ms. Howe replied that it opened on Monday. She continued that curbside orders start May 26 with the first pickup on May 28.

- c) Parks, Recreation, and Facilities**
 - Parks, Recreation, and Cemeteries**
 - Facilities**
 - Youth Services**

Chair Powers stated that the Parks, Recreation, and Facilities (PRF) presentation goes from page 98 to 108.

PRF Director Andrew Bohannon stated that he and his staff look forward to the public being able to return to participate in their programming. He continued that similar to previous years, the budget impacts are minimal, with a focus on efficiencies, necessities, and realignments – more specifically, at the Central Fire Station and the Airport Terminal. The PRF Department’s goal and vision for 2020-2021 is clearly outlined for successful operations and community engagement for the 16 parks serving over 1,500 acres, 9 cemeteries, and over 8 miles of maintained trails, and programs serving thousands. As with every year, there are 4 main guiding documents that they use to guide them through the budget process – the Comprehensive Master Plan, the Active/Passive Recreation Management Plan, the JCC Accreditation, and the EMG Facilities Assessment Report. Although that is more geared toward the CIP it still gives them all their financial planning.

Mr. Bohannon continued that there were no increases to the cost centers focused on parks, recreation, cemeteries, and Youth Services, outside of the various HR, IT, and Fleet charges. He encourages the City Council to not just look at the numbers, but also to review the narratives and metrics to gain a deeper understanding of the impact the department has on the community. He specifically wants to note that the Youth Services Division has increased their awareness through Cheshire County and has more than doubled their JCC cases, engaged the law enforcement community, and is providing more community-based diversion programs. Unfortunately, the COVID-19 pandemic has slowed the progress down but the Youth Services Manager continues to communicate with families and provide necessary resources.

He continued that the pandemic also stifled rising program numbers for the Recreation Division. More diverse opportunities were being offered and participation levels were at an all-time high. Continuous online engagement with participants has been welcomed by the many families the division serves. The majority of revenue brought in through this division is related to the Recreation revolving funds. However, they had to provide refunds for the afterschool care, impacting their operating revenues. Regarding their summer programming, the reopening will happen at next Municipal Services, Facilities, and Infrastructure Committee meeting on May 27.

He continued that the Facilities Division has the most changes. Page 12 provides a list of the supplementary requests. This includes the creation of a part-time Facilities Maintenance Aide position, which provides necessary grounds maintenance year round and supports the building mechanics and custodial staff in the different City buildings they serve. This has already paid significant dividend in their response to COVID-19 and the cleaning of City buildings. Additionally, supplemental requests for the Central Fire Station and Airport Terminal provide them with the necessary funding to maintain these facilities by creating preventative maintenance programs, and efficiency initiatives to change the lights to LED fixtures. Without this funding it is very difficult to maintain a building out of minimal maintenance resources.

Mr. Bohannon continued that operating budget narratives, metrics, structure, and a department summary are found on pages 98 to 108. With the structure of the department, the next few years should be considered regarding service levels and additional assets like Russell Park, creating the balance to meet the needs of the community's recreational opportunities.

Chair Powers asked if the committee members had questions or comments. He asked if other councilors had questions or comments. He asked for questions or comments from members of the public. Hearing none, he thanked Mr. Bohannon and moved ahead on the agenda.

d) Police Department

Chair Powers stated that this is page 109 to 116. He asked Chief Russo to speak.

Chief Russo stated that he wants to start with an overview. He continued that the Police Department's narrative, objectives, metrics, organizational chart, and proposed operating budget for FY21 begins on page 109. The expenditure budget summary begins on page 115 and the revenue is on page 113. Cost center details begin on page 225.

Chief Russo stated that the Police Department's prime mission is to enforce laws and investigate crimes and prosecute those cases in court. He continued that they also prepare to respond to all types of emergencies, ranging from hostage situations to major disasters. They provide Animal Control services and also educate the community on the law, how to avoid crime, and how to reduce and prevent crime. Those are their mandated responsibilities. They also provide a host of other law enforcement and community services that are too long to list here. Their mission statement guides their daily interactions with citizens. The department is largely a people-based service organization and as such, the committee will note that the Police Department comprises 22.45% of the City's operating budget. The budget reflects this personnel-heavy service-based organization and is almost 91% personnel costs. They have 44 sworn positions, 12 non-sworn, and 15 part-time, non-sworn positions. On any given weekday there can be up to 25 personnel in the building or on the road.

He continued that their overall budget for FY21 is \$7,854,747. This is an increase of 2.76% from last year. The operating budget is \$732,299. This is an increase of about 2.55% from last year. If you were to subtract the Fleet, PC costs, and cost of the Assistant County Attorney that they contract for they will be operating the department for the fiscal year with a budget of \$203,054. The operating fund does not just pay for training and some of the things you would think of, it also maintains the traffic flags, pays for electricity, telephones in the building, and so on and so forth. Costs to run the facility come out of the operating budget. They manage to do this in spite of an increased cost in electricity and a 29.4% increase in uniforms and equipment costs and other cost increases.

Chief Russo continued that the Police Department is not a traditional revenue-generating department and their numbers always reflect that. Their revenue for FY21 will be slightly down

from the previous year, as there continues to be a decrease in anticipated court funds based on a three-year average. The estimate is approximately \$5,000.

The department prides themselves on their ability and desire to provide a superior level of service to Keene's citizens. The entire department contributes to this and he thanks them for their efforts to provide a high level of service while keeping operating costs as low as possible. He also thanks the FOP Committee and the City Council for their continued support of the department, as well as the City Manager, the Mayor, and the other department heads that help them with their mission. The department continues to apply for and receive several annual grants, one of which pays for cell phones that increase their capability greatly, and another funds narcotics investigations to specifically address the continuing opioid and narcotic crisis. They also receive annual grants from the New Hampshire Department of Transportation (NHDOT) that allow them to put more Officers on the street to address DWI, speed, seatbelt use, and distracted drivers. The grants this fiscal year gave them an additional 350 hours of patrol if they can fill them all. They are in the process of applying for a burn grant to pay for the COVID-19-related equipment they have had to purchase and other changes they had to make due to the current crisis. They received grant front the NH Tactical Officers Association to assist with training - \$11,378. Chief Russo continued that in this current crisis they have to realize that some of these grants, particularly the NHDOT one, they have not been able to fill to put more people on the street. Traffic numbers are down. This is statewide, if not national.

He continued that the training budget does not always allow for extensive training as required to maintain a contemporary, professionally-trained police department. To make up for the amount of training required by the NH Police Training and Standards Council and the national accreditation standards and the KPD's own policies, they continue to use schedule adjustments for training overtime costs. Through March 5 of this year they adjusted approximately 261.5, which saved them \$16,475 in training overtime costs. So far this fiscal year the department has conducted over 2,000 hours of training.

He continued that recruiting and hiring continues to be their biggest non-operational challenge. As of early May, they have five vacant Officer positions, with one Officer expected to retire very soon and another expected to be hired on August 14. Currently they have only one more person in the background process with more of the hiring process planned for the end of this month. Also, approximately 5 to 7 months ago, they finally filled the open Dispatcher position. It took over a year to fill that position with a qualified candidate. They initiated hiring incentives for sworn Officers two years ago, which they believe contributed to the hiring of three certified Officers. The impact on attracting non-certified Officers is yet to be seen. Even with a full-force initiative in the past two years they so far have only been able to hire three Officers. Unfortunately, this is a trend that continues to affect not only Keene, but also the state and nation.

Chief Russo continued that as he says every year, they must maintain the four primary factors that affect the high level of service they provide: they want to hire the best-qualified candidates,

provide them with the best equipment to do their assigned jobs, train them to the highest level to do those jobs, and hold them accountable to those standards. He does not think they can offer the community anything less than that.

Chair Powers asked if the committee members had questions or comments.

Councilor Remy stated that tonight they adopted the special detail revolving fund, and he assumes that the funds going to zero are being reallocated to that revolving fund. His question is what happens if there becomes a building balance in that account because it is intended to offset direct expenses if they are no longer returning to the general fund. Chief Russo replied that they are meant to balance each other – money in is going to pay the money out. The money in should be slightly higher than the money out.

Ms. Howe stated that regarding the residual funds, let's say you take in \$50,000 in revenue for special details and you spend \$40,000 on expenses. She continued that the residual at the end of the year, that \$10,000, does not close out – it stays within that revolving fund. So you could use it in the following year if you need to, say, purchase something that costs \$12,000 and it helps offset that cost. It just continues year after year and the funds are used for the purpose that the revolving account was set up for – the special details.

Councilor Remy stated that his point is that if the account is intended to cover special details and the special details inherently have a margin on them, there is no process or practice to clear that out and put it back to the general fund. Ms. Howe replied no, it will stay there. The expenses would be off-set by the accumulated fund. This may be a legal question for the City Attorney – she does not know if the funds could be put back into the general fund or if it would take a City Council vote.

The City Manager stated that the benefit of having a revolving fund for police details is that they never know what the number is going to be. The revenue sheet on page 113 shows they had budgeted \$34,671 but they are estimating \$78,660. Having a revolving fund makes it easier because they do not have to try and guess from one year to another how many construction projects or school events they will need to cover. Councilor Remy replied that he totally understands, and his question is more about the margin.

Councilor Hooper stated that covering the Keene Sentinel for 25+ years, he always marveled at all of the Police, Fire, and other folks who go toward danger instead of running from it. He appreciates and commends the people who do this work every day. Keene is a very safe community.

- e) Parking Fund**
 - Lots & Meters**
 - Maintenance & Capital**

Chair Powers stated that this is page 142 to 152. He asked Med Kopczynski to speak.

Med Kopczynski, Economic Development Director, stated that he has worked on a lot of budgets over the years and he wants to compliment the City Manager on the quality of this particular budget – it is extremely well put together and well done. He continued that he also compliments the department heads for their excellent presentations tonight.

Mr. Kopczynski stated that usually when people think about the Parking Fund, they think about the parking on Main Street and particularly Central Square, but Keene citizens' parking needs, provisions, and enforcement extends beyond, to areas such as Roxbury Street, Elm Street, Adams Street, Court Street, and Summer Street, just to name a few. Parking Management is a City-regulated parking system that consists of 520 on-street meters, 290 spaces at pay stations, 71 leased spaces, and 338 reserved spaces. We are in the middle of a crisis that has affected use, but the historic revenue stream for parking services is 36% meters, 13% permits, and 4% leases, with the balance coming from fines.

Mr. Kopczynski stated that lower Main Street has different needs and clients than Central Square and the Elm Street lot has different clients than Gilbo Avenue. There are 156 spaces on Main Street, including those on Central Square. Parking is categorized into on-street and off-street parking, and on-street parking can be free, metered, or reserved by permit. Parking availability affects the viability of businesses and residences in an automobile-dependent society. The main reason the City regulates parking is to provide parking opportunity. Parking spaces that open up where demand is high on a frequent basis on street, which is usually customers and visitors, and parking that is available for longer terms at reasonable or no fee, provide parking opportunity for workforce and residents. People expect parking to be available, located next to where they want to go, and cheap. How parking is designed and located affects the eco-system of any downtown. Parking occupancy rate is an important indicator of the success of a program. Too much parking availability can be as damaging as too little. A low occupancy rate means that there are many spaces unused. Parking at a capacity means that the available parking supply needs additional management. Parking is considered at capacity when available spaces are 85% occupied.

He continued that serving thousands of customers per year, Parking Services encourages compliance with time limits to create opportunity, as well as the maintenance and repair of the existing 1950s parking meters, assisting people in the public parking lots, and the collection of coins from more than 500 parking meters each week. They continue to study industry advances and technology, comparable city programs, and the needs and demands of the community. The funds collected are used to support the system, maintain spaces in the lots and garages, maintain equipment, and contribute to downtown maintenance. This year's budget request has been kept on par with FY20, except for the request for \$33,000 in technical services for updated equipment and software related to enforcement. This will update and upgrade their ability to manage parking time as well as improve customer relations.

Chair Powers asked if the committee members had questions or comments. He asked if other councilors had questions or comments. He asked for questions or comments from members of the public.

Councilor Remy asked about 62176 – the City Admin charge that is dropping off; where is going? Ms. Howe replied that the calculation for the Finance Admin charge included in the prior year the administration charge for the Police Department and the overhead and the administrative staff of the Police Department. She continued that now that they have the Economic Development Director taking care of half of parking, it eliminated a great amount of the fees. It is a smaller department now getting allocated to Parking.

Councilor Remy asked the same question about 62208 – Taxes. Ms. Howe replied that is because the courthouse has come out of the TIF district. Councilor Remy asked if that expense is moving, or going away along with everything else that was just wrapped up. Ms. Howe replied that it has gone away with everything that just wrapped up.

Councilor Clark asked what kind of impact the past two months of COVID-19 have had on Parking. He asked if that is something they could claim when applying for State money. The City Manager replied that to answer the second question, right now it is not something they can claim. She continued that the funding will not cover revenue replacement. They currently have a vacant position in the Parking office and they have left that position vacant for now and that is helping offset part of the revenue loss. The last time she checked, there was about \$20,000 of revenue loss. How they end the fiscal year depends on how long the free parking continues. She and Mr. Kopczynski have been having conversations about when the right time would be, and she thinks the amount of traffic will indicate that. They are seeing a gradual increase in downtown traffic but it will be a while before it gets to where it was before. The first step will be resuming the enforcement of the two-hour parking restriction and the step after that would be going back to charging.

Mr. Kopczynski stated that if the FOP Committee needs exact numbers he can get those, but basically, revenue from meters is down about 95%. He continued that from memory, downtown parking captures about \$2,600 to \$2,700 per week and they are now collecting about \$150 to \$200, which is more than likely coming from people who have put money in the meters because they are unaware that the City is not charging. The other revenue stream is fines/tickets, and they are writing very few tickets right now, which also decreases the revenue. Revenue has been down significantly for the past 6 or 7 weeks. They are approaching the end of one of the capture categories and he can give more definitive numbers then, but the easy answer is: they are losing a whole lot of money.

The City Manager stated that she has the report from May 7 and the meters are about \$12,000 down from prior years, and fines are about \$7,300 down. So it is about \$19,000 right now, but if this continues and they do not see the revenue start to pick up and do not see more activity in the downtown that will be a concern. Right now, there are only a couple months until the end of the

fiscal year, and that vacant position will help offset some of that loss, but long term, this will be an issue if it does not start to turn around.

Chair Powers asked if there were any further questions or comments. Hearing none, he reminded everyone of the Monday, May 18 meeting at 5:30 PM. He adjourned the meeting at 7:35 PM.

Respectfully submitted by,
Britta Reida, Minute Taker